

CITY OF BETHEL

City Council Meeting Agenda, May 14, 2024 – 6:30 PM

Website: <https://www.cityofbethel.org/council>

Location: Council Chambers, City Hall, 300 Chief Eddie Hoffman Highway, Bethel

Council Members: Mayor Mark Springer, Vice-Mayor Sophie Swope, Rose Henderson, Beth Hessler, Patrick Snow, Teresa Keller, Mikayla Miller

Zoom Meeting Link: <https://us06web.zoom.us/j/4888456188?pwd=bkN1dGI4MHpGZ1kwOUVYWU5kd0xhZz09>

Zoom Meeting ID: 488 845 6188

Zoom Meeting Passcode: 13871

Zoom Meeting Conference Line Numbers: 833 548 0276 US Toll-free

833 548 0282 US Toll-free

877 853 5257 US Toll-free

888 475 4499 US Toll-free



1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. PEOPLE TO BE HEARD – FIVE MINUTES PER PERSON

- 4.1. *Written Public Comments can be submitted by opening your phone camera and hovering over this URL code. The link to the submission form will appear. You may also go to www.cityofbethel.org.*



5. APPROVAL OF CONSENT AGENDA AND REGULAR AGENDA

6. APPROVAL OF MEETING MINUTES

- 6.1. *4-16-2024 Special City Council Meeting
- 6.2. *4-18-2024 Special City Council Meeting
- 6.3. *4-23-2024 Regular City Council Meeting
- 6.4. *4-25-2024 Special City Council Meeting
- 6.5. *4-30-2024 Special City Council Meeting

7. REPORTS OF STANDING COMMITTEES

- 7.1. Committee/Commission Agendas And Draft Meeting Minutes

8. SPECIAL ORDER OF BUSINESS

- 8.1. Appreciation For Years Of Service- William "Billy" Stuart (Acting City Manager Arnold)
- 8.2. Fiscal Year 2022 Audit Report From Altman, Rogers And Co (Acting City Manager Arnold)

9. UNFINISHED BUSINESS

10. NEW BUSINESS

Posted May 8, 2024 at AC Co., Swanson's, City Hall, and the Post Office.

Kevin Morgan, Deputy City Clerk

City Clerk's Office Contact Information: Email cityclerk@cityofbethel.net Phone 907-543-1384

Items noted with an asterisk (*) are consent agenda items, unless removed from the consent agenda they are approved upon the approval of the agenda. Ordinances introduced at this meeting may be set for public hearing at the next regular meeting.

The Council may by unanimous consent, after 12:00 AM Fix the Time to Which To Adjourn until the following day at 6:30 PM

- 10.1. *AM 24-09: Negotiate And Execute Negotiations For Bid Proposal For Police Communications Tower From STG Inc. With Lowest Bid Of \$606,200.00 (Acting City Manager Arnold)
- 10.2. AM 24-10: Confirming The Appointment Of James Harris As Chief Of Police (Acting City Manager Arnold)

11. REPORTS

- 11.1. Mayor's Report
- 11.2. City Manager's Report
- 11.3. Clerk's Report

12. COUNCIL MEMBER COMMENTS

13. EXECUTIVE SESSION

14. ADJOURNMENT

Posted May 8, 2024 at AC Co., Swanson's, City Hall, and the Post Office.

Kevin Morgan, Deputy City Clerk

City Clerk's Office Contact Information: Email cityclerk@cityofbethel.net Phone 907-543-1384

Items noted with an asterisk (*) are consent agenda items, unless removed from the consent agenda they are approved upon the approval of the agenda. Ordinances introduced at this meeting may be set for public hearing at the next regular meeting.

The Council may by unanimous consent, after 12:00 AM Fix the Time to Which To Adjourn until the following day at 6:30 PM

1. CALL TO ORDER

A Special Meeting of the Bethel City Council was held on April 16, 2024 at 6:00 p.m., in the Council Chambers, Bethel, Alaska.

Mayor Springer called the meeting to order at 6:00 p.m.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

Comprising a quorum of the Council, the following members were present:
City Council Member Patrick Snow City Council Member Mikayla Miller City Council Member Teresa Keller City Council Member Rose Henderson Mayor Mark Springer
Members Absent:
Vice-Mayor Sophie Swope City Council Member Beth Hessler
Also in attendance were the following:
City Clerk Lori Strickler, City Attorney Libby Bakalar (telephonically)

4. PEOPLE TO BE HEARD – Five minutes per person

No one present to be heard.

Item 4.1. - Written Public Comments

No written comments were submitted.

5. APPROVAL OF AGENDA

Motion to move into committee of the Whole.

Moved by:	Rose Henderson
Seconded by:	Patrick Snow
In favor:	Mark Springer, Mikayla Miller, Rose Henderson, Patrick Snow, Teresa Keller
Opposed:	None
Results:	Motion Carries

6. NEW BUSINESS

Item 6.1. -

Fiscal Year 2025 Operating Budget Review/Amendment

Motion to move out of committee of the Whole.

Moved by:	Rose Henderson
Seconded by:	Mikayla Miller
In favor:	Mark Springer, Mikayla Miller, Rose Henderson, Patrick Snow, Teresa Keller
Opposed:	None
Results:	Motion Carries

7. ADJOURNMENT

Main Motion: Adjournment.

Moved by:	Rose Henderson
Seconded by:	Mikayla Miller
In favor:	Mark Springer, Rose Henderson, Patrick Snow, Mikayla Miller, Teresa Keller
Opposed:	None
Results:	Motion Carries

Meeting ended at 8:00 p.m.

Mark Springer, Mayor

ATTEST:

Lori Strickler, City Clerk

1. CALL TO ORDER

A Special Meeting of the Bethel City Council was held on April 18, 2024 at 6:00 p.m., in the Council Chambers, Bethel, Alaska.

With the telephonic participation of the Mayor and the absence of the Vice-Mayor, Clerk Strickler called the meeting to order at 6:00 p.m.

2. PLEDGE OF ALLEGIANCE

Main Motion: Nominate Council Member Henderson as Mayor Pro tempore

Moved by:	Mark Springer
Seconded by:	Mikayla Miller
In favor:	Mark Springer, Rose Henderson, Teresa Keller, Mikayla Miller
Opposed:	None
Results:	Motion Carries

3. ROLL CALL

Comprising a quorum of the Council, the following members were present:
Mayor Mark Springer (telephonically) City Council Member Patrick Snow (arrived after Pledge of Allegiance) City Council Member Rose Henderson City Council Member Teresa Keller City Council Member Mikayla Miller
Members Absent:
City Council Member Beth Hessler Vice-Mayor Sophie Swope
Also in attendance were the following:
Acting City Manager Arnold, City Clerk Lori Strickler, City Attorney Libby Bakalar (telephonically)

4. PEOPLE TO BE HEARD – Five minutes per person

No one present to be heard.

Item 4.1. - Written Public Comments.

No written comments were submitted.

5. APPROVAL OF AGENDA

6. NEW BUSINESS

Item 6.1. - Fiscal Year 2025 Operating Budget Review/Amendment-

Motion to move into Committee of the Whole.

Moved by:	Mark Springer
Seconded by:	Mikayla Miller
In favor:	Mark Springer, Rose Henderson, Patrick Snow, Teresa Keller, Mikayla Miller
Opposed:	None
Results:	Motion Carries

7. ADJOURNMENT

Motion to adjourn.

Moved by:	Mikayla Miller
Seconded by:	Teresa Keller
In favor:	Mark Springer, Rose Henderson, Patrick Snow, Teresa Keller, Mikayla Miller
Opposed:	None
Results:	Motion Carries

Meeting adjourned at 8:00 p.m.

Rose Henderson,
Mayor Pro Tempore

ATTEST:

Lori Strickler, City Clerk

1. CALL TO ORDER

A Regular Meeting of the Bethel City Council was held on April 23, 2024 at 6:30 p.m., in the Council Chambers, Bethel, Alaska.

Vice-Mayor Swope called the meeting to order at 6:30 p.m.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

Comprising a quorum of the Council, the following members were present:
Mayor Mark Springer (telephonically) City Council Member Rose Henderson City Council Member Patrick Snow Vice-Mayor Sophie Swope City Council Member Teresa Keller City Council Member Mikayla Miller (telephonically)
Members Absent:
City Council Member Beth Hessler
Also in attendance were the following:
Acting City Manager Bill Arnold, Deputy City Clerk Kevin Morgan, City Attorney Libby Bakalar (telephonically)

4. PEOPLE TO BE HEARD – Five minutes per person

Jaela Milford- Gave an update on the operations of the Bethel Winter House and advocated for increased support from the city.

Mefail Kadriu- Explained complaints concerning Fili's Pizza.

Item 4.1. - Written Public Comments

No Written Comments submitted.

5. APPROVAL OF CONSENT AGENDA AND REGULAR AGENDA

Main Motion: Approve the Consent and Regular Agenda.

Moved by: Rose Henderson

Seconded by: Mark Springer

In favor: Mark Springer, Rose Henderson, Patrick Snow, Sophie Swope, Teresa Keller, Mikayla Miller

Opposed: None

Results: | Motion Carries

Remove from the Consent Agenda- Item 10.1 Resolution 24-06- Mayor Springer

6. APPROVAL OF MEETING MINUTES

Item 6.1. - *4-9-2024 Regular City Council Meeting

7. REPORTS OF STANDING COMMITTEES

Port Commission, Council Member Henderson- No meeting was held.

Planning Commission- No one to report.

Community Action Grant Committee, Council Member Keller- Meetings are still on hold.

Community Parks and Recreation Committee, Vice-Mayor Swope- No meeting since last meeting.

Finance Committee, Council Member Snow- No meeting due to lack of quorum.

Public Works Committee, Mayor Springer- No meeting due to lack of quorum.

Public Safety and Transportation Commission, Council Member Miller- No meeting since the last meeting.

Item 7.1. - Committee/Commission Agendas And Draft Meeting Minutes

8. SPECIAL ORDER OF BUSINESS

9. UNFINISHED BUSINESS

10. NEW BUSINESS

Item 10.1. - *Resolution 24-06: Conditionally Protesting The Renewal Of A Restaurant Eating Place License For Fili's Pizza, License No. 5445, Operating At 110 Osage Street, Bethel, Alaska (Mayor Springer)

Main Motion: Adopt Resolution 24-06.

Moved by: | Mark Springer
Seconded by: | Rose Henderson

In favor:	Rose Henderson
Opposed:	Mark Springer, Patrick Snow, Sophie Swope, Teresa Keller, Mikayla Miller
Results:	Does not Carry

Main Motion: Suspend the Rules to hear from the Applicant, Fili's Pizza: Jana Weltzin, Council; Daniel Allred, General Manager; Sloane Unwin, Owner; Todd Perez, owner.

Moved by:	Mark Springer
Seconded by:	Rose Henderson
In favor:	Mark Springer, Rose Henderson, Patrick Snow, Sophie Swope, Teresa Keller, Mikayla Miller
Opposed:	None
Results:	Motion Carries

Item 10.2. - *Resolution 24-07: Placing A Hold On Issuing Community Action Grant Distributions Until The Third Quarter 2024 And Waiving The Holding Of Community Action Grant Committee Meetings Until September 2024 (Council Member Keller)

Passed on the Consent Agenda.

Item 10.3. - *AM 24-08: Authorize The City Manager To Negotiate And Enter Into A Contract With Bethel Friends Of Canines To Provide Animal Shelter And Animal Care Services For The City (Mayor Springer)

Passed on the Consent Agenda.

Item 10.4. - *IM 24-05: Documentation That The Bethel City Council Received And Reviewed The Full Financial Budget Report And Water & Wastewater Activity Report For The Month Of March 2024

Passed on the Consent Agenda.

11. REPORTS

Item 11.1. - Mayor's Report

Item 11.2. - City Manager's Report

Item 11.3. - Clerk's Report

12. COUNCIL MEMBER COMMENTS

Mayor Springer- If you miss the snow; come to the Yukon.

Vice-Mayor Sophie Swope- Enjoy the sunshine.

Council Member Henderson- Condolences to the family of Bruce Perry. With all the snow on the side of the road, drive carefully and watch out for kids.

Council Member Snow- No comment.

Council Member Keller- No comment.

Council Member Miller- No comment.

13. EXECUTIVE SESSION

14. ADJOURNMENT

Main Motion: Adjournment.

Moved by:	Rose Henderson
Seconded by:	Mark Springer
In favor:	Mark Springer, Rose Henderson, Patrick Snow, Sophie Swope, Teresa Keller, Mikayla Miller
Opposed:	None
Results:	Motion Carries

Meeting ended at 8:09 p.m.

Sophie Swope,
Vice-Mayor

ATTEST:

Kevin Morgan,
Deputy City Clerk

1. CALL TO ORDER

A Special Meeting of the Bethel City Council was held on April 25, 2024 at 6:00 p.m., in the Council Chambers, Bethel, Alaska.

Vice-Mayor Swope called the meeting to order at 6:00 p.m.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

Comprising a quorum of the Council, the following members were present:
City Council Member Beth Hessler Vice-Mayor Sophie Swope City Council Member Teresa Keller City Council Member Mikayla Miller
Members Absent:
Mayor Mark Springer City Council Member Rose Henderson City Council Member Patrick Snow
Also in attendance were the following:
Acting City Manager Arnold, Deputy City Clerk Kevin Morgan

4. PEOPLE TO BE HEARD – Five minutes per person

Jesslyn Elliot- On behalf of Bethel Friends of Canines, gave a summary of the services they provide and advocated for the city to extend their contract.

Theresa Quiner- Bethel- Requested the city increase the Library budget by \$20,000 to hire a JV volunteer. Gave a summary of the services they provide.

Jaela Milford- Bethel- Executive Director of the Bethel Winter House, Shared statistics and requested an increase to their budget to offer summer hours and winter day-time services.

Item 4.1. - Written Public Comments

No written comments submitted.

5. APPROVAL OF AGENDA

Main Motion: Approval of the Agenda.

Moved by: | Beth Hessler

Seconded by:	Mikayla Miller
In favor:	Beth Hessler, Sophie Swope, Teresa Keller, Mikayla Miller
Opposed:	None
Results:	Motion Carries

6. UNFINISHED BUSINESS

7. NEW BUSINESS

Item 7.1. - Fiscal Year 2025 Operating Budget Review/Amendment

Council Member Miller declared a conflict of interest as a substantial portion of the Library Budget is used for their salary.

Vice-Mayor Swope rules that since they will not speak about the library budget tonight, there is no conflict of interest.

Main Motion: Move into Committee of the Whole.

Moved by:	Mikayla Miller
Seconded by:	Teresa Keller
In favor:	Beth Hessler, Sophie Swope, Teresa Keller, Mikayla Miller
Opposed:	None
Results:	Motion Carries

Main Motion: Suspend the Rules to hear from Jaela Milford, Executive Director of Bethel Winter House.

Moved by:	Mikayla Miller
Seconded by:	Teresa Keller
In favor:	Beth Hessler, Sophie Swope, Teresa Keller, Mikayla Miller
Opposed:	None
Results:	Motion Carries

Vice-Mayor called for a 5 minute break at 7:44 pm

Main Motion: Move out of Committee of the Whole.

Moved by:	Mikayla Miller
Seconded by:	Beth Hessler
In favor:	Beth Hessler, Sophie Swope, Teresa Keller, Mikayla Miller
Opposed:	None
Results:	Motion Carries

8. ADJOURNMENT

Main Motion: Adjournment.

Moved by:	Mikayla Miller
Seconded by:	Teresa Keller
In favor:	Beth Hessler, Sophie Swope, Teresa Keller, Mikayla Miller

Opposed: | None
Results: | Motion Carries

Meeting ended at 8:11 p.m.

Sophie Swope,
Vice-Mayor

ATTEST:

Kevin Morgan,
Deputy City Clerk

1. CALL TO ORDER

A Special Meeting of the Bethel City Council was held on April 30, 2024 at 6:00 p.m., in the Council Chambers, Bethel, Alaska.

Mayor Springer called the meeting to order at 6:00 p.m.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

Comprising a quorum of the Council, the following members were present:
City Council Member Mikayla Miller City Council Member Patrick Snow City Council Member Beth Hessler City Council Member Rose Henderson City Council Member Teresa Keller Vice-Mayor Sophie Swope Mayor Mark Springer
Members Absent:
Also in attendance were the following:
Acting City Manager Arnold, City Clerk Lori Strickler

4. PEOPLE TO BE HEARD – Five minutes per person

Jaela Milford, Director of the Bethel Winter House- Spoke in favor of funding the Jesuit Volunteer(JV) position requested by the Library.

Theresa Quiner, Kuskokwim Consortium Library Director- Requested \$20,000 to be added to the Fiscal Year 2025 operating budget to fund a JV position.

Item 4.1. - Written Public Comments

No written comments submitted.

5. APPROVAL OF AGENDA

Main Motion: Approval of the Agenda.

Moved by:	Beth Hessler
Seconded by:	Rose Henderson
In favor:	Mark Springer, Rose Henderson, Beth Hessler, Patrick Snow, Sophie Swope, Teresa Keller, Mikayla Miller
Opposed:	None

Results: | Motion Carries

6. UNFINISHED BUSINESS

7. NEW BUSINESS

Item 7.1. - Fiscal Year 2025 Operating Budget Review/Amendment

Main Motion: Move into Committee of the Whole.

Moved by:	Mikayla Miller
Seconded by:	Sophie Swope
In favor:	Mark Springer, Rose Henderson, Beth Hessler, Patrick Snow, Sophie Swope, Teresa Keller, Mikayla Miller
Opposed:	None
Results:	Motion Carries

Main Motion: Move out of Committee of the Whole.

Moved by:	Rose Henderson
Seconded by:	Mikayla Miller
In favor:	Mark Springer, Rose Henderson, Beth Hessler, Patrick Snow, Sophie Swope, Teresa Keller, Mikayla Miller
Opposed:	None
Results:	Motion Carries

8. ADJOURNMENT

Main Motion: Adjournment.

Moved by:	Mikayla Miller
Seconded by:	Sophie Swope
In favor:	Mark Springer, Rose Henderson, Beth Hessler, Patrick Snow, Sophie Swope, Teresa Keller, Mikayla Miller
Opposed:	None
Results:	Motion Carries

Meeting ended at 8:32 p.m.

Mark Springer, Mayor

ATTEST:

Lori Strickler, City Clerk

City of Bethel, Alaska

Public Safety & Transportation Commission

Regular Meeting

Bethel, Alaska

I. CALL TO ORDER

A regular meeting of the Public Safety and Transportation Commission was held on April 3, 2024, in the Bethel City Hall Council Chambers.

This meeting was called to order at 6:49 pm.

II. ROLL CALL

Present: Joy Anderson, Musa Saliu, Melanie Fredricks, Mikayla Miller, Jesslyn Elliot, John Hastie

Absent: Farah Sears

Ex-Officio Present: Jesse Poole, Daron Solesbee, Riona Dela Cruz

III. PEOPLE TO BE HEARD

No one to be heard.

IV. APPROVAL OF AGENDA

MOVED:	Mikayla Miller	Motion to approve the agenda.
SECONDED:	Musa Saliu	
VOTE ON MAIN MOTION	All in favor.	

V. APPROVAL OF MEETING MINUTES

A. 3-06-2024

MOVED:	Joy Anderson	Motion to move the minutes from the regular meeting to the next meeting.
SECONDED:	Melanie Fredricks	
VOTE ON MAIN MOTION	All in favor.	

VI. UNFINISHED BUSINESS

A. City of Bethel Police Department Website. (Melanie Fredricks)

MOVED:	Melanie Fredricks	Motion to go into committee of a whole.
SECONDED:	Mikayla Miller	
VOTE ON MAIN MOTION	All in favor.	

Fire Chief Solesbee discussed with the commission that the City Clerk and Vice Clerk are working on the city website and informed that they both advised of the update via email and asked department heads and admins for suggestions for the site, then Fire Chief Solesbee advised Melanie Fredricks to contact the City Clerk and give input of suggestions. Melanie Fredricks then discussed her list of suggestions. The Commission advised this is just a discussion and the list of suggestions will be sent to the City Clerk.

B. Neighborhood Watch Program. (Melanie Fredricks)

MOVED:	Joy Anderson	Motion to draft a resolution for the next agenda.
SECONDED:	Mikayla Miller	
VOTE ON MAIN MOTION	All in favor.	

C. Consideration of BMC Title 5 Amendment to Allow Transportation Network Companies to Operate in Bethel. (Mikayla Miller)

MOVED:	Joy Anderson	Motion to draft a resolution for the next agenda.
SECONDED:	Mikayla Miller	
VOTE ON MAIN MOTION	All in favor.	

VII. NEW BUSINESS

D. EX OFFICIO REPORT

Police Lt. Poole – Gave an oral report. See Report in Packet.

Fire Chief Solesbee – Gave an oral report. See Report in Packet.

E. TRANSPORTATION INSPECTOR’S REPORT

See Report in Commission Packet.

F. COMMISSION MEMBER’S COMMENTS

John Hastie – “No comment, just glad to join you all, I look forward to continuing business and serving the community, so thank you, I appreciate being here.”

Melanie Fredricks – “Continuing to say thanks and share my appreciation to the fire department and the police department. Thank you for your work.”

Musa Saliu – “I’d like to start by saying welcome John to the Transportation Commission, and also, I would like to see someone internally from Bethel Police Department to take the chief’s position. Someone whose been here for a while, who has served the community, who understands the community and would be able to perform better as a result.”

Mikayla Miller - “Thank you to everyone.”

Joy Anderson – “Thanks everybody for coming to the meeting, looking forward to our next meeting in May.”

G. ADJOURNMENT

MOVED:	Mikayla Miller	Motion to adjourn.
SECONDED:	Musa Saliu	
VOTE ON MAIN MOTION	All in favor.	

Meeting adjourned at 7:38 pm.

APPROVED THIS _____ DAY OF _____, 2023.

Riona Dela Cruz, Recorder

Joy Anderson, Chair



CITY OF BETHEL
PUBLIC SAFETY AND TRANSPORTATION COMMISSION
WEDNESDAY, MAY 1, 2024, 6:30 PM

LOCATION:

Join Zoom Meeting:

<https://us06web.zoom.us/j/88274684692?pwd=Z3N4VFJ4T24zSFcwM0MrSXpaa3lZUT09>

Meeting ID: 882 7468 4692 Passcode: 773554

Phone Toll Free: 888 475 4499 833 548 0276

833 548 0282 877 853 5257

MEMBERS

Joy Anderson, Chair
Musa Saliu
Melanie Fredericks
Farah Sears
Mikayla Miller Council Rep.
Jesslyn Elliot
John Hastie

EX OFFICIO STAFF

Christopher Wigner, Acting Police Chief
Daron Solesbee, Fire Chief
Riona Dela Cruz, Recorder
police@cityofbethel.net
907-543-3781

I. CALL TO ORDER

II. ROLL CALL

III. PEOPLE TO BE HEARD – FIVE MINUTES PER PERSON

- A. Please submit written public comments to police@cityofbethel.net by 4:00 p.m. the day of the meeting.

IV. APPROVAL OF AGENDA

V. APPROVAL OF MEETING MINUTES

- A. 03-06-2024 Meeting Minutes
- B. 04-03-2024 Meeting Minutes

VI. UNFINISHED BUSINESS

- A. Neighborhood Watch Program. (Melanie Fredricks)
- B. Consideration of BMC Title 5 Amendment to Allow Transportation Network Companies to Operate in Bethel. (Mikayla Miller)

VII. NEW BUSINESS

- A. Shop With a Hero. (Christopher Wigner)
- B. National Night Out. (Christopher Wigner)
- C. Pay Increase for Dispatchers. (Christopher Wigner)

VIII. EX OFFICIO REPORT

Posted <<DATE>> at City Hall, AC Co., Swanson's, and the Post Office.

Ex-Officio Staff

- A. Manager's Reports 04-2024
- B. Manager's Reports 04-2024
- C. Manager's Report 04-2024

IX. TRANSPORTATION INSPECTOR'S REPORT

- A. Inspector's Report 04-2024

X. MEMBER COMMENTS

XI. ADJOURNMENT

Posted <<DATE>> at City Hall, AC Co., Swanson's, and the Post Office.

Ex-Officio Staff



CITY OF BETHEL

COMMUNITY PARKS AND RECREATION COMMITTEE

MONDAY, MAY 13, 2024, 6:00 PM

LOCATION: 300 CHIEF EDDIE HOFFMAN HIGHWAY, BETHEL, ALASKA

JOIN ZOOM MEETING:

[HTTPS://US06WEB.ZOOM.US/J/89727002271?PWD=BVJWYWFWNWUZEgFSAU80UVZCYWVXQT09](https://us06web.zoom.us/j/89727002271?pwd=BVJWYWFWNWUZEgFSAU80UVZCYWVXQT09)

MEETING ID: 897 2700 2271

PASSCODE: 924366

PHONE NUMBERS: 888 475 4499 US TOLL-FREE

833 548 0276 US TOLL-FREE

833 548 0282 US TOLL-FREE

877 853 5257 US TOLL-FREE

MEMBERS

Brian Lefferts, Chair
Sophie Swope, Council Rep.
Brian Jackson
Michelle DeWitt
Alternate 2-Vacant

Beverly Hoffman, Vice-Chair
Kathy Hanson
Jessica Pew
Sean Glasheen, Alternate 1

STAFF

Ex-Officos: Jason Spann, Facility Maint. Foreman
Email: pwadmin@cityofbethel.net Phone: 907-543-3110

I. CALL TO ORDER

II. ROLL CALL

III. PEOPLE TO BE HEARD – FIVE MINUTES PER PERSON

- A. Please submit written public comments to pwadmin@cityofbethel.net by 4:00 p.m. the day of the meeting.

IV. APPROVAL OF AGENDA

V. APPROVAL OF MEETING MINUTES

- A. Approval of March 11, 2024 Community Parks and Recreation Meeting Minutes

VI. UNFINISHED BUSINESS

- A. YK Fitness Center Review Of Fiscal Year Operational Budget's Expenditures, Revenues, Transfers (Lefferts)
B. Update From HealthFit On The Equitable Access Program Role Out (Lefferts)
C. Update on the YK Fitness Center Roof (Lefferts)

VII. NEW BUSINESS

- A. Consideration of Community Parks and Recreation Department and Draft Budget (Lefferts)
B. Lifeguard Shortage
C. FY25 Budget Final
D. Health Fitness Report March 2024
E. Review of Harbor Park Sign Entries-Vote on Finalists to be Presented for Kids Vote Ballot

VIII. EX OFFICIO REPORT

Posted <<DATE>> at City Hall, AC Co., Swanson's, and the Post Office.

Ex-Officio Staff

A. Manager's Reports April 2024

IX. MEMBER COMMENTS

X. ADJOURNMENT

Posted <<DATE>> at City Hall, AC Co., Swanson's, and the Post Office.

Ex-Officio Staff

CITY OF BETHEL, ALASKA

Letter to the Governing Board

Year Ended June 30, 2022

CITY OF BETHEL, ALASKA

Letter to the Governing Board

Year Ended June 30, 2022

April 22, 2024

Members of the City Council
City of Bethel, Alaska
Bethel, Alaska

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining funds information of City of Bethel, Alaska (the City) as of and for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards, Title 2 U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated November 9, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Accounting Policies and Transactions

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. As discussed in Note III. N. to the financial statements, the City changed accounting policies related to leased assets by adopting Governmental Accounting Standards Board (GASB) Statement No. 87, Leases, in 2022. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the government wide financial statements were:

Government-wide, Business-type Activities and Enterprise Funds Opinion Units

Management's estimate of the useful lives and depreciation is based upon the expected life of an asset. We evaluated the key factors and assumptions used to develop the useful lives and depreciation expense in determining that it is reasonable in relation to the financial statements as a whole.

Management's estimates of the City's proportionate share of the collective net pension and OPEB liability and related deferred outflows and inflows of resources are based on information furnished by the State of Alaska and actuarial reports generated during the audit of the Public Employees' Retirement System. The amortization of these deferrals is based on guidance provided by the Governmental Accounting Standards Board. We evaluated the key factors and assumptions used to develop the estimates of the City's proportionate share of the collective net pension and OPEB liability and deferred outflows and inflows of resources and related amortization in determining that it is reasonable in relation to the financial statements as a whole.

Business-type Activities and Enterprise Funds Opinion Units

Management's estimate of landfill usage to calculate the liability for the closure and post closure of the landfill. These estimates are based on engineering surveys. We evaluated the key factors and assumptions used to develop the estimated liability for the closure and post closure activities of the landfill to determine its reasonableness in relation to the financial statements taken as a whole.

Management's estimate of the calculation of the lease receivable and deferred inflow of resources - leases is based on an incremental borrowing rate for the present value calculation of the lease receipts. We evaluated the key factors and assumptions used to develop present value calculation in determining that it is reasonable in relation to the financial statements as a whole.

All Opinion Units

Management's estimate of the collectability of accounts receivable is based on historical collections and analysis of individual balances. We evaluated the key factors and assumptions used to develop the estimated allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

The financial statements disclosures are neutral, consistent, and clear.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. During the course of our audit we identified the following misstatements which were corrected by management:

- \$71,218 overstatement of accounts payable in the General Fund.
- \$50,291 overstatement of revenue in the Other Governmental Funds.
- \$87,601 overstatement of unavailable revenues in the General Fund.
- \$111,583 Overstatement of revenues in the ARPA Special Revenue Fund.

Disagreements with Management

For the purposes of this letter, a disagreement with management is a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of the audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 22, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the City’s financial statements or a determination of the type of auditors’ opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Internal Controls

See the June 30, 2022 financial statements, compliance reports for the definition and description of deficiencies, significant deficiencies, material weaknesses and any reported findings.

Accounting Assistance

As part of our engagement we drafted the basic financial statements of the City from the City’s accounting records; however, management of the City was involved in the drafting process and retains responsibility for the basic financial statements.

Other Audit Findings or issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Supplementary Information Accompanying the Financial Statements

We applied certain limited procedures to the, Budgetary Comparison Schedules, and Schedules of the City’s Proportionate Share of Net Pension/OPEB Liability (asset) and the City’s Contributions to the Public Employees’ Retirement System, and related notes which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the information listed in the table of contents as "Supplementary Information", which includes the combining and individual major and non-major schedules and statements, budget to actual schedules, and the Schedule of Expenditures of Federal Awards and related notes, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This communication is intended solely for the information and use of management, members of the governing board and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely

A handwritten signature in cursive script that reads "Altman, Rogers & Co.".

Anchorage, Alaska

CITY OF BETHEL, ALASKA

Basic Financial Statements, Required Supplementary
Information, Additional Supplementary Information
and Compliance Reports

Year Ended June 30, 2022

CITY OF BETHEL, ALASKA

Basic Financial Statements, Required Supplementary
Information, Additional Supplementary Information
and Compliance Reports

Year Ended June 30, 2022

CITY OF BETHEL, ALASKA

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CITY OF BETHEL, ALASKA

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Independent Auditor's Report

Members of the City Council
City of Bethel, Alaska
Bethel, Alaska

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bethel, Alaska as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Bethel, Alaska's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bethel, Alaska, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Bethel, Alaska, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Change in Accounting Principle

As discussed in Note III.N to the financial statements, in 2022, the City implemented GASB Statement No. 87, *Leases*, which established standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement apply to financial statements of all state and local governments.

The new standard requires the City to recognize certain lease assets and liabilities for leases. It establishes a single model for lease accounting based on the underlying principle that leases are financings of the right to use an underlying asset for a period of time. Under this Statement, a lessee is required to recognize a liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the City's leasing activities. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Bethel, Alaska's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Governmental Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, and *Governmental Auditing Standards* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Bethel, Alaska's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Bethel, Alaska's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedule of Revenues, Expenditures and Changes in Fund Balance – Original and Final Budget and Actual for the General Fund, Schedule of the City's Proportionate Share of the Net Pension Liability, Schedule of the City's Proportionate Share of the Net OPEB Liability (asset), Schedule of the City's Contributions (Pensions), Schedule of the City's Contributions (OPEB), and related notes on pages 50-61 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Bethel, Alaska's basic financial statements. The Information listed in the Table of Contents as "Additional Supplementary Information" including combining and individual major and non-major schedules and statements, budget to actual schedules, and the Schedule of Expenditures of Federal Awards and related notes, as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the "Additional Supplementary Information" as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Members of the City Council
City of Bethel, Alaska

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 22, 2024, on our consideration of the City of Bethel, Alaska's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Bethel, Alaska's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Bethel, Alaska's internal control over financial reporting and compliance.

Altman, Rogers & Co.

Anchorage, Alaska
April 22, 2024

CITY OF BETHEL, ALASKA

Statement of Net Position

June 30, 2022

	Governmental Activities	Business-type Activities	Total
Assets and Deferred Outflows of Resources			
Current assets			
Cash and cash equivalents	\$ 6,378,785	16,674,859	23,053,644
Accounts receivable (net)	1,472,347	3,685,335	5,157,682
Lease receivable	-	3,251,696	3,251,696
Inventory	234,057	107,886	341,943
Internal balances	5,626,512	(5,626,512)	-
Investments	4,846,351	1,285,498	6,131,849
Other assets	13,931	-	13,931
Total current assets	18,571,983	19,378,762	37,950,745
Long-Term Assets			
Restricted cash	-	225,959	225,959
Pension and OPEB assets	5,338,665	2,092,050	7,430,715
Capital assets not being depreciated	39,841,286	5,993,649	45,834,935
Depreciable capital assets	38,826,567	161,681,132	200,507,699
Accumulated depreciation	(24,634,656)	(64,338,141)	(88,972,797)
Net capital assets	54,033,197	103,336,640	157,369,837
Deferred outflows of resources			
Pension and OPEB deferrals	1,185,187	657,135	1,842,322
Total long-term assets and deferred outflows of resources	60,557,049	106,311,784	166,868,833
Total assets and deferred outflows of resources	\$ 79,129,032	125,690,546	204,819,578
Liabilities, Deferred Inflows of Resources and Net Position			
Liabilities			
Current liabilities:			
Accounts payable	\$ 933,256	791,632	1,724,888
Accrued payroll	179,328	126,638	305,966
Unearned revenue	1,194,628	967,416	2,162,044
Accrued interest payable	-	5,438	5,438
Total current liabilities	2,307,212	1,891,124	4,198,336
Long-term liabilities			
Due within one year:			
Accrued leave	466,397	206,318	672,715
Bonds payable	-	190,000	190,000
Note payable-current	67,173	15,304	82,477
Due in more than one year:			
Bonds payable	-	1,115,000	1,115,000
Note payable	621,372	3,138,959	3,760,331
Unamortized bond premium	-	100,413	100,413
Landfill closure costs	-	3,175,557	3,175,557
Net pension and OBEB liability	6,587,688	3,550,695	10,138,383
Total long-term liabilities	7,742,630	11,492,246	19,234,876
Deferred inflows of resources			
Leases	-	3,184,012	3,184,012
Pension and OBEB deferrals	5,819,742	2,254,245	8,073,987
Total deferred inflows of resources	5,819,742	5,438,257	11,257,999
Total liabilities and deferred inflows of resources	15,869,584	18,821,627	34,691,211
Net position			
Net investment in capital assets	53,344,652	98,776,964	152,121,616
Restricted	1,899,829	225,959	2,125,788
Unrestricted	8,014,967	7,865,996	15,880,963
Total net position	63,259,448	106,868,919	170,128,367
Total liabilities, deferred inflows of resources and net position	\$ 79,129,032	125,690,546	204,819,578

See accompanying notes to basic financial statements.

CITY OF BETHEL, ALASKA

Statement of Activities

Year Ended June 30, 2022

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business type Activities
					Total
Governmental activities:					
General government	\$ 1,017,165	1,185,813	(56,250)	112,398	-
Public safety	6,644,475	146,512	351,590	(6,146,373)	-
Public works	4,149,803	-	(42,848)	(4,192,651)	-
Community services	838,885	-	681,393	(157,492)	-
Total governmental activities	\$ 12,650,328	1,332,325	933,885	(10,384,118)	-
Business-type activities:					
Water and sewer utility	8,147,629	7,611,243	75,236	-	(461,150)
Municipal dock	2,822,204	1,408,301	(6,058)	-	(1,419,961)
Rental property	824,226	803,024	-	-	(21,202)
Solid waste	1,199,134	1,177,154	(11,397)	-	(33,377)
Multi-use recreation facility	1,981,708	344,174	-	-	(1,637,534)
Public transit	390,673	5,345	445,899	-	60,571
Total business-type activities	15,365,574	11,349,241	503,680	-	(3,512,653)
Total primary government	\$ 28,015,902	12,681,566	1,437,565	(10,384,118)	(3,512,653)
General revenues:					
Taxes, including penalties and interest				10,628,518	-
Grants and entitlements not restricted to a specific purpose				1,131,548	-
Investment income				11,857	169,575
Other				-	22,401
Transfers				(768,324)	768,324
Transfer of capital assets				(293,384)	293,384
Total general revenues and transfers				10,710,215	1,253,684
Change in net position				326,097	(2,258,969)
Net position, beginning of year				62,933,351	109,127,888
Net Position, end of year				\$ 63,259,448	106,868,919

See accompanying notes to basic financial statements.

CITY OF BETHEL, ALASKA
Balance Sheet - Governmental Funds
June 30, 2022

	General Fund	Other Governmental Funds	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 2,928,610	3,450,175	6,378,785
Receivables, net	1,373,760	98,587	1,472,347
Inventory	63,329	-	63,329
Investments	2,855,555	1,990,796	4,846,351
Due from other funds	361,255	-	361,255
Due from enterprise funds	2,701,791	-	2,701,791
Due from internal service fund	1,205,274	-	1,205,274
Advances to enterprise funds	2,924,721	-	2,924,721
Other assets	13,931	-	13,931
Total assets	\$ 14,428,226	5,539,558	19,967,784
Liabilities, Deferred Inflows and Fund Balances			
Liabilities			
Accounts payable	657,397	263,161	920,558
Accrued payroll	146,011	15,890	161,901
Accrued liabilities	-	-	-
Due to other funds	-	361,255	361,255
Unearned revenue	25,904	1,168,724	1,194,628
Total liabilities	829,312	1,809,030	2,638,342
Deferred inflows of resources			
Unavailable revenue	104,899	-	104,899
Fund balances			
Nonspendable	2,988,050	-	2,988,050
Restricted	-	1,899,829	1,899,829
Committed	-	-	-
Assigned	-	2,007,976	2,007,976
Unassigned	10,505,965	(177,277)	10,328,688
Total fund balances	13,494,015	3,730,528	17,224,543
Total liabilities, deferred inflows and fund balances	\$ 14,428,226	5,539,558	19,967,784

See accompanying notes to basic financial statements.

CITY OF BETHEL, ALASKA

Reconciliation of Governmental Funds Balance Sheet
to Statement of Net Position

June 30, 2022

Total fund balances for governmental funds		\$ 17,224,543
Total net position reported for governmental activities in the Statement of Net Position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:		
Capital assets not being depreciated:		
Land	39,481,784	
Construction in progress	359,502	
Total capital assets not being depreciated		39,841,286
Depreciable capital assets:		
Improvements	2,515,429	
Buildings	15,147,210	
Machinery and equipment	8,836,784	
Infrastructure	9,913,935	
Vehicles	2,413,209	
Total depreciable capital assets		38,826,567
Accumulated depreciation		(24,634,656)
Total capital assets		54,033,197
Sales taxes not collected within 60 days of year end are not deemed available and are not reported as revenues in the fund statements.		104,899
Pension OPEB Asset		5,338,665
Long term liabilities are not deemed due and payable in the current period and are therefore not reported as governmental fund liabilities.		
Long-term debt		(688,545)
Accrued leave		(466,397)
Changes in deferred inflows and outflows of resources are the results of timing difference in the actuarial report:		
Pension and OPEB related assets in the current fiscal year are presented as deferred outflows of resources		1,185,187
Pension and OPEB related liabilities in the current fiscal year are presented as deferred inflows of resources		(5,819,742)
Proportional share of the collective net pension and OPEB liability		(6,587,688)
Internal service funds are used by the City to charge the cost of health insurance, and vehicle and equipment maintenance to individual funds. Internal service fund assets and liabilities are included with governmental activities in the Statement of Net Position.		(885,436)
Plus amount reported for accrued leave above		18,764
Less amount reported for capital assets above		(197,999)
		(1,064,671)
Total net position of governmental activities		\$ 63,259,448

See accompanying notes to basic financial statements.

CITY OF BETHEL, ALASKA

Statement of Revenues, Expenditures and Changes in
Fund Balances - Governmental Funds

Year Ended June 30, 2022

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
Intergovernmental:			
Federal sources	\$ 963,058	892,772	1,855,830
State of Alaska	607,415	268,214	875,629
Local sources:			
Taxes	10,716,119	-	10,716,119
Charges for services	170,687	146,512	317,199
Permits, licenses and fees	539,454	-	539,454
Income from investments	8,690	3,167	11,857
Miscellaneous	475,672	15,450	491,122
Total revenues	<u>13,481,095</u>	<u>1,326,115</u>	<u>14,807,210</u>
Expenditures			
Current:			
General government	2,456,753	-	2,456,753
Public safety	6,805,675	604,011	7,409,686
Public works	5,184,304	7,246	5,191,550
Community services	168,432	670,453	838,885
Debt service			
Principal	20,258	-	20,258
Interest	3,789	-	3,789
Capital outlay	-	46,201	46,201
Total expenditures	<u>14,639,211</u>	<u>1,327,911</u>	<u>15,967,122</u>
Excess (deficiency) of revenues over expenditures	<u>(1,158,116)</u>	<u>(1,796)</u>	<u>(1,159,912)</u>
Other Financing Sources (Uses)			
Transfers in	2,872	532,980	535,852
Transfers (out)	<u>(1,301,304)</u>	<u>(2,872)</u>	<u>(1,304,176)</u>
Net other financing sources (uses)	<u>(1,298,432)</u>	<u>530,108</u>	<u>(768,324)</u>
Net change in fund balances	(2,456,548)	528,312	(1,928,236)
Fund Balances , beginning of year	<u>15,950,563</u>	<u>3,202,216</u>	<u>19,152,779</u>
Fund Balances , end of year	<u>\$ 13,494,015</u>	<u>3,730,528</u>	<u>17,224,543</u>

See accompanying notes to basic financial statements.

CITY OF BETHEL, ALASKA

Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities

Year Ended June 30, 2022

Net change in fund balances - total governmental funds	\$	(1,928,236)
The change in net position reported for governmental activities in the Statement of Activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	3,505,081	
Depreciation	<u>(1,409,903)</u>	2,095,178
Transfer of capital assets to business type-activities		(293,384)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This is the increase (decrease) in unavailable tax revenue.		(87,601)
The issuance of long-term debt (e.g. bonds, notes, and accrued leave) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Difference in the treatment of long-term debt and related items include:		
Accrued leave decrease		(43,729)
Increase in the collective share of the net pension and OPEB liability and asset		6,250,908
Debt payments		20,258
Changes in deferred outflows and inflows of resources are the result of timing differences in the actuarial report. Contributions to the pension and OPEB plan in the current fiscal year are expenditures in the fund financial statements but are presented as changes in deferred outflows of resources in the government-wide statements.		(5,715,901)
Internal service funds are used by management to charge the cost of certain activities to individual funds. The net loss of the internal service funds (excluding the portion allocated to business-type activities) is reported within the governmental activities		
Change attributable to accrued leave above	1,049	
Change attributable to depreciation above	<u>(4,034)</u>	
	31,589	28,604
Change in net position of governmental activities	\$	<u>326,097</u>

See accompanying notes to basic financial statements.

CITY OF BETHEL, ALASKA

Statements of Net Position

Proprietary Funds

June 30, 2022

	Major Enterprise Funds					Public Transit Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
	Multi-Use Recreational Center	Solid Waste	Water and Sewer Utility	Municipal Dock	Rental Property			
Assets and Deferred Outflows of Resources								
Current assets:								
Cash and cash equivalents	\$ 3,989,997	3,642,038	2,291,735	4,914,542	1,836,547	-	16,674,859	-
Accounts receivable (net)	108,888	164,174	2,779,095	361,408	73,442	198,328	3,685,335	-
Lease receivable	-	-	-	-	3,251,696	-	3,251,696	-
Inventory	23,925	3,381	67,660	1,308	6,827	4,785	107,886	170,728
Investments	-	-	-	1,285,498	-	-	1,285,498	-
Total current assets	<u>4,122,810</u>	<u>3,809,593</u>	<u>5,138,490</u>	<u>6,562,756</u>	<u>5,168,512</u>	<u>203,113</u>	<u>25,005,274</u>	<u>170,728</u>
Long-term assets:								
Restricted cash - bond reserve	-	-	-	-	225,959	-	225,959	-
Other post employment benefit assets	-	262,214	1,624,392	144,661	-	60,783	2,092,050	-
Capital assets:								
Land	-	18,252	-	1,236,000	43,000	-	1,297,252	-
Construction in progress	781,749	-	2,250,585	1,043,556	595,085	25,422	4,696,397	-
Depreciable assets	23,297,167	3,328,012	58,651,547	66,079,930	9,876,329	448,147	161,681,132	343,523
Less accumulated depreciation	(6,251,813)	(1,310,873)	(32,758,716)	(16,929,263)	(6,716,688)	(370,788)	(64,338,141)	(145,524)
Net capital assets	<u>17,827,103</u>	<u>2,035,391</u>	<u>28,143,416</u>	<u>51,430,223</u>	<u>3,797,726</u>	<u>102,781</u>	<u>103,336,640</u>	<u>197,999</u>
Total long-term assets	<u>17,827,103</u>	<u>2,297,605</u>	<u>29,767,808</u>	<u>51,574,884</u>	<u>4,023,685</u>	<u>163,564</u>	<u>105,654,649</u>	<u>197,999</u>
Deferred outflows of resources -								
Pension and OPEB deferrals	-	62,815	523,919	45,638	-	24,763	657,135	-
Total assets and deferred outflows of resources	<u>\$ 21,949,913</u>	<u>6,170,013</u>	<u>35,430,217</u>	<u>58,183,278</u>	<u>9,192,197</u>	<u>391,440</u>	<u>131,317,058</u>	<u>368,727</u>

(Continued)

CITY OF BETHEL, ALASKA

Statements of Net Position , Continued

Proprietary Funds

	Major Enterprise Funds						Total Enterprise Funds	Internal Service Funds
	Multi-Use Recreational Center	Solid Waste	Water and Sewer Utility	Municipal Dock	Rental Property	Public Transit Nonmajor Enterprise Funds		
Liabilities, Deferred Inflows of Resources and Net Position								
Liabilities:								
Current liabilities:								
Accounts and claims payable	252,132	7,457	147,194	10,232	351,749	22,868	791,632	12,698
Accrued payroll	-	19,746	81,780	18,135	-	6,977	126,638	17,427
Accrued leave	-	53,654	120,615	24,112	-	7,937	206,318	18,764
Unearned revenue	15,000	-	357,205	-	595,211	-	967,416	-
Due to other funds	1,809,155	-	91,407	-	-	801,229	2,701,791	1,205,274
Current portion - loans payable	-	-	15,304	-	-	-	15,304	-
Current portion - bonds payable	-	-	-	-	190,000	-	190,000	-
Accrued interest payable	-	-	-	-	5,438	-	5,438	-
Total current liabilities	2,076,287	80,857	813,505	52,479	1,142,398	839,011	5,004,537	1,254,163
Long-term liabilities								
Advances from other funds	-	-	1,995,761	-	928,960	-	2,924,721	-
Loans payable, net of current portion	-	-	3,138,959	-	-	-	3,138,959	-
Bonds payable, net of current portion	-	-	-	-	1,115,000	-	1,115,000	-
Unamortized bond premium	-	-	-	-	100,413	-	100,413	-
Landfill closure costs	-	3,175,557	-	-	-	-	3,175,557	-
Net pension and OPEB liability	-	350,137	2,823,387	246,481	-	130,690	3,550,695	-
Total long-term liabilities	-	3,525,694	7,958,107	246,481	2,144,373	130,690	14,005,345	-
Deferred inflows of resources -								
Leases	-	-	-	-	3,184,012	-	3,184,012	-
Pension and OPEB deferrals	-	285,121	1,748,526	155,851	-	64,747	2,254,245	-
Total liabilities and deferred inflows of resources	2,076,287	3,891,672	10,520,138	454,811	6,470,783	1,034,448	24,448,139	1,254,163
Net position								
Net investment in capital assets	17,827,103	2,035,391	24,989,153	51,430,223	2,392,313	102,781	98,776,964	-
Restricted	-	-	-	-	225,959	-	225,959	-
Unrestricted	2,046,523	242,950	(79,074)	6,298,244	103,142	(745,789)	7,865,996	(885,436)
Total net position	19,873,626	2,278,341	24,910,079	57,728,467	2,721,414	(643,008)	106,868,919	(885,436)
Total liabilities, deferred inflows of resources, and net position	\$ 21,949,913	6,170,013	35,430,217	58,183,278	9,192,197	391,440	131,317,058	368,727

See accompanying notes to basic financial statements.

CITY OF BETHEL, ALASKA

Statements of Revenues, Expenses and Changes in Net Position

Proprietary Funds

Year Ended June 30, 2022

	Major Enterprise Funds					Public Transit Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
	Multi-Use Recreational Center	Solid Waste	Water and Sewer Utility	Municipal Dock	Rental Property			
Operating revenues:								
Charges for services	\$ 344,174	1,177,154	7,611,243	1,408,301	803,024	5,345	11,349,241	957,122
Other	-	-	22,382	19	-	-	22,401	-
Total operating revenues	<u>344,174</u>	<u>1,177,154</u>	<u>7,633,625</u>	<u>1,408,320</u>	<u>803,024</u>	<u>5,345</u>	<u>11,371,642</u>	<u>957,122</u>
Operating expenses:								
Personnel	-	405,048	2,618,891	322,115	-	189,914	3,535,968	567,767
Travel and training	-	-	28,337	2,247	-	1,863	32,447	24
Materials and supplies	-	32,995	116,570	191,166	-	4,661	345,392	43,736
Utilities and fuel	353,929	39,723	835,378	50,523	156,977	38,191	1,474,721	64,048
Equipment	843	1,834	36,111	7,589	-	-	46,377	24,670
Depreciation	815,218	218,321	2,145,111	1,947,877	329,500	26,389	5,482,416	31,589
Other purchased services	585,250	225	110,846	73,644	90,255	-	860,220	10,096
Insurance	62,546	10,284	232,641	13,497	55,057	12,519	386,544	34,890
Repairs and maintenance	62,744	207,867	851,387	64,192	157,969	21,406	1,365,565	9,560
Other expenses	-	8,223	156,396	5,532	-	642	170,793	13,288
Special projects	-	-	14,045	-	-	-	14,045	-
Indirect cost	101,178	144,668	982,249	143,822	-	95,088	1,467,005	181,909
Total operating expenses	<u>1,981,708</u>	<u>1,069,188</u>	<u>8,127,962</u>	<u>2,822,204</u>	<u>789,758</u>	<u>390,673</u>	<u>15,181,493</u>	<u>981,577</u>
Income (loss) from operations	<u>(1,637,534)</u>	<u>107,966</u>	<u>(494,337)</u>	<u>(1,413,884)</u>	<u>13,266</u>	<u>(385,328)</u>	<u>(3,809,851)</u>	<u>(24,455)</u>

(Continued)

CITY OF BETHEL, ALASKA

Statements of Revenues, Expenses and Changes in Net Position, Continued

Proprietary Funds

	Major Enterprise Funds					Public Transit Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
	Multi-Use Recreational Center	Solid Waste	Water and Sewer Utility	Municipal Dock	Rental Property			
Nonoperating revenues (expenses):								
Interest expense	\$ -	(129,946)	(19,667)	-	(34,581)	-	(184,194)	-
Amortization of bond premium	-	-	-	-	-	-	-	-
Investment income	5,264	-	2,963	524	160,937	-	169,688	-
Other grant	-	-	-	-	-	-	-	-
Federal sources	-	-	110,922	-	-	443,458	554,380	-
State sources	-	-	(35,686)	(6,058)	-	-	(41,744)	25,504
Sales tax	-	-	-	-	-	-	-	-
PERS on-behalf	-	(11,397)	-	-	-	2,441	(8,956)	-
Miscellaneous income	-	-	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-
Loss on asset disposal	-	-	-	-	-	-	-	-
Refunding costs	-	-	-	-	-	-	-	-
Net nonoperating revenues (expenses)	<u>5,264</u>	<u>(141,343)</u>	<u>58,532</u>	<u>(5,534)</u>	<u>126,356</u>	<u>445,899</u>	<u>489,174</u>	<u>25,504</u>
Income (loss) before capital contributions and transfers	<u>(1,632,270)</u>	<u>(33,377)</u>	<u>(435,805)</u>	<u>(1,419,418)</u>	<u>139,622</u>	<u>60,571</u>	<u>(3,320,677)</u>	<u>1,049</u>
Capital contributions	<u>-</u>	<u>-</u>	<u>293,384</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>293,384</u>	<u>-</u>
Transfers in	<u>768,324</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>768,324</u>	<u>-</u>
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total transfers	<u>768,324</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>768,324</u>	<u>-</u>
Change in net position	<u>(863,946)</u>	<u>(33,377)</u>	<u>(142,421)</u>	<u>(1,419,418)</u>	<u>139,622</u>	<u>60,571</u>	<u>(2,258,969)</u>	<u>1,049</u>
Net position, beginning of year	<u>20,737,572</u>	<u>2,311,718</u>	<u>25,052,500</u>	<u>59,147,885</u>	<u>2,581,792</u>	<u>(703,579)</u>	<u>109,127,888</u>	<u>(886,485)</u>
Net Position, end of year	<u>\$ 19,873,626</u>	<u>2,278,341</u>	<u>24,910,079</u>	<u>57,728,467</u>	<u>2,721,414</u>	<u>(643,008)</u>	<u>106,868,919</u>	<u>(885,436)</u>

See accompanying notes to basic financial statements.

CITY OF BETHEL, ALASKA

Statements of Cash Flows

Proprietary Funds

Year Ended June 30, 2022

	Major Enterprise Funds							
	Multi-Use Recreation Center	Solid Waste	Water and Sewer	Municipal Dock	Rental Property	Public Transit Nonmajor Enterprise Fund	Total Enterprise Funds	Internal Service Funds
Cash flows from (for) operating activities:								
Receipts from customers	\$ 372,839	1,152,508	7,853,972	1,559,650	698,206	(192,983)	11,444,192	-
Receipts from interfund services provided	-	-	-	-	-	-	-	957,122
Payment to suppliers	(1,044,376)	(351,802)	(4,014,504)	(606,311)	(131,159)	(153,650)	(6,301,802)	(354,282)
Payment to employees	-	(434,216)	(2,865,799)	(336,605)	-	(197,244)	(3,833,864)	(543,364)
Net cash flows from (for) operating activities	(671,537)	366,490	973,669	616,734	567,047	(543,877)	1,308,526	59,476
Cash flows from (for) noncapital financing activities:								
Federal sources - grants	-	-	110,922	-	-	443,458	554,380	-
State sources - grants	-	-	-	-	-	-	-	-
Due to other funds	343,572	-	91,407	(44,666)	-	125,841	516,154	(91,365)
Transfers in	768,324	-	-	-	-	-	768,324	-
Net cash flows from (for) noncapital financing activities	1,111,896	-	202,329	(44,666)	-	569,299	1,838,858	(91,365)
Cash flows from (for) capital and related financing activities:								
Acquisition of capital assets	(443,247)	(829,153)	(569,410)	(86,307)	(514,859)	(25,422)	(2,468,398)	-
Principal paid on long-term debt	-	-	(14,968)	-	(185,000)	-	(199,968)	-
Advances from other funds	-	-	(907)	-	-	-	(907)	-
Interest paid on long-term debt	-	(129,946)	(19,667)	-	(68,949)	-	(218,562)	-
Net cash flows from (for) capital and related financing activities	(443,247)	(959,099)	(604,952)	(86,307)	(768,808)	(25,422)	(2,887,835)	-
Cash flows from investing activities -								
Interest and dividends received	-	-	2,963	524	160,937	-	164,424	-
Investment income received	5,264	-	-	-	-	-	5,264	-
Purchase of investments	-	-	-	(1,285,498)	-	-	(1,285,498)	-
Sales of investments	-	-	-	263,740	-	-	263,740	-
Net cash flows from investing activities	5,264	-	2,963	(1,021,234)	160,937	-	(852,070)	-
Net increase (decrease) in cash and cash equivalents	2,376	(592,609)	574,009	(535,473)	(40,824)	-	(592,521)	(31,889)
Cash and cash equivalents, beginning of year	3,987,621	4,234,647	1,717,726	5,450,015	2,103,330	-	17,493,339	31,889
Cash and cash equivalents, end of year	\$ 3,989,997	3,642,038	2,291,735	4,914,542	2,062,506	-	16,900,818	-
Composed of:								
Cash and cash equivalents	\$ 3,989,997	3,642,038	2,291,735	4,914,542	1,836,547	-	16,674,859	-
Restricted cash - bond reserve	-	-	-	-	225,959	-	225,959	-
Total cash and cash equivalents	\$ 3,989,997	3,642,038	2,291,735	4,914,542	2,062,506	-	16,900,818	-

(Continued)

CITY OF BETHEL, ALASKA

Statements of Cash Flows, Continued

Proprietary Funds

Year Ended June 30, 2022

Major Enterprise Funds

	Multi-Use Recreational Center	Solid Waste	Water and Sewer Utility	Municipal Dock	Rental Property	Public Transit Nonmajor Enterprise Fund	Total Enterprise Funds	Internal Service Funds
Reconciliation of income (loss) from operations to net cash flows from (for) operating activities:								
Income (loss) from operations	\$ (1,637,534)	107,966	(494,337)	(1,413,884)	13,266	(385,328)	(3,809,851)	(24,455)
Adjustments to reconcile income (loss) from operations to net cash from (for) operating activities:								
Depreciation	815,218	218,321	2,145,111	1,947,877	329,500	26,389	5,482,416	31,589
PERS on-behalf expense	-	(11,397)	(35,686)	(6,058)	-	2,441	(50,700)	25,504
(Increase) decrease in assets:								
Accounts receivable	13,665	(24,646)	217,349	151,330	(3,288,830)	(198,328)	(3,129,460)	-
Inventory	(1,866)	(263)	(5,278)	(102)	(533)	(373)	(8,415)	28,477
Other post employment benefit assets	-	(224,559)	(1,335,486)	(119,354)	-	(47,843)	(1,727,242)	-
Pension and OPEB deferrals	-	24,330	144,699	12,931	-	5,185	187,145	-
Increase (decrease) in liabilities:								
Accounts payable	123,980	(35,666)	(645,266)	(53,997)	329,632	21,093	(260,224)	(538)
Accrued leave	-	6,830	(36,495)	(1,510)	-	(5,545)	(36,720)	(4,033)
Accrued payroll	-	553	(25,139)	6,449	-	1,132	(17,005)	2,932
Deposits/unearned revenue	-	-	-	-	-	-	-	-
Unearned revenue	15,000	-	2,998	-	-	-	17,998	-
Deferred inflows of resources - leases	-	-	-	-	3,184,012	-	3,184,012	-
Landfill closure costs	-	129,946	-	-	-	-	129,946	-
Net pension and OPEB liability	-	(79,402)	(472,217)	(42,204)	-	(16,917)	(610,740)	-
Pension and OPEB deferrals	-	254,477	1,513,416	135,256	-	54,217	1,957,366	-
Net cash flows from (for) operating activities	\$ (671,537)	366,490	973,669	616,734	567,047	(543,877)	1,308,526	59,476
Noncash item -								
Capital assets transferred from governmental activities	\$ -	-	293,384	-	-	-	293,384	-

See accompanying notes to basic financial statements.

June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Bethel, Alaska (City) was incorporated in 1957 as a second-class city and operates under a Council-Manager form of government. The City provides a variety of services including water, sewer, refuse, police and fire protection, street maintenance, public transit, municipal dock and community services.

The City of Bethel, Alaska is governed by an elected council. As required by accounting principles generally accepted in the United States of America, these financial statements present the City of Bethel, Alaska only. There are no component units.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting principles of the government are described below.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all activities of the City. *Governmental activities*, which normally are supported by local and intergovernmental revenues, are reported separately from the *business-type activities*, which rely to a significant extent on user fees and charges for support. The effect of interfund activity, for the most part, has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who use, purchase, or directly benefit from the goods, services or privileges provided by a given segment or function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported as *general revenues*. Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Notes to Basic Financial Statements, Continued

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Fund financial statements for governmental funds are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible in the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Taxes, charges for services, intergovernmental revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measured and available only when received by the government.

The City reports the following major governmental fund:

The *General Fund* is the City's primary operating fund – it accounts for all financial resources of the City, except those required to be accounted for in another fund.

The City reports the following major enterprise funds:

The *Water and Sewer Utility Fund* – accounts for the distribution of water and sewer services for the City of Bethel.

The *Solid Waste Utility Fund* – accounts for solid waste disposal services and the municipal landfill.

The *Municipal Dock Fund* – accounts for all activities of the dock.

The *Multi-Use Recreation Center Fund* – accounts for the activities related to the Yukon-Kuskokwim recreational facility located in Bethel.

The *Rental Property Fund* – accounts for activities related to rents and leases of the Court complex and owned properties of the City of Bethel.

Additionally, the City reports the following fund types:

Internal Service Funds – the funds account for the employee health insurance benefits and vehicle and maintenance activities of the City and provide this service to other departments and agencies of the City on a cost-reimbursement basis. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's enterprise functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Notes to Basic Financial Statements, Continued

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, Services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating revenues* and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and the internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the allowance for doubtful accounts, the useful lives of assets and related accumulated depreciation, accrued landfill closure and post-closure care costs, and health benefit claims incurred but not reported.

D. Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Allowable investments include the following:

- a. U.S. Treasury bills, notes and bonds.
- b. Obligations of agencies of the United States.
- c. Commercial paper with quality rating not lower than A-1/P-1.
- d. Banks acceptances issued by banks with a long-term bond rating of not less than "A" or by branches of banks, whose parent is rated not less than "A".
- e. Insured or fully collateralized certificates of deposit of financial institutions.
- f. Money market mutual funds or other short-term investment funds which serve to insure full investment on a daily basis. The funds must meet the criteria set forth in a-e above.
- g. The Alaska Municipal League Investment Pool, Inc. as authorized under Alaska Statutes 37.23.010 through 37.23.900. The Finance Director is authorized to enter into the agreements and perform all acts required for the City's membership in the Pool.
- h. Repurchase agreements secured by Treasury, Agency and Instrumentality securities.

Notes to Basic Financial Statements, Continued

The City participates in the Alaska Municipal League Investment Pool (AMLIP). AMLIP is not SEC registered and is unrated. Alaska Statute 37.23 establishes regulatory oversight of the pool. The law sets forth numerous requirements regarding authorized investments and reporting. The pool is incorporated in the State of Alaska as a nonprofit corporation and reports to its Board of Directors. Alaska Statute 37.23.050 requires the retention of an investment manager.

The AMLIP manager is required to produce monthly disclosure statements to the pool. The pool has also retained an investment advisor to monitor the performance of the investment manager and to ensure compliance with investment policies. All participation in the pool is voluntary. The pool must maintain a dollar weighted average maturity of 90 days or less, and only purchase instruments having remaining maturities of 397 days or less. On a monthly basis, the investments in the pool are reviewed for fair value by an independent pricing service.

E. Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following financial instruments are recorded at fair value or at amounts that approximate fair value: (1) cash and cash equivalents, (2) receivables, net, (3) certain other current assets, (4) accounts payable, and (5) other current liabilities. The carrying amounts reported in the balance sheet and Statement of Net Position for the above financial instruments closely approximates their fair value due to the short-term nature of these assets and liabilities, except for the City's investments. The carrying amount of the City's investments are determined based on quoted market prices.

The carrying amount of notes receivable and notes payable approximates fair value for those financial instruments with interest at variable rates, as those rates approximate current market rates for notes with similar maturities and credit quality.

F. Receivables and Payables

Activity between funds representative of lending/borrowing arrangements that are outstanding at the end of the fiscal year are referred to as either "due from other funds" or "due to other funds" (i.e., the current portion of interfund loans) or "advances to other funds" or "advances from other funds" (i.e. the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All tax receivables and other receivables are shown net of an allowance for uncollectible receivables.

Notes to Basic Financial Statements, Continued

G. Leases

The City is a lessor for non-cancellable leases and recognizes a lease receivable and a deferred inflow of resources in the financial statements. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- a. The City uses its current borrowing rate as the discount rate for leases.
- b. The lease term includes the non-cancellable period of the lease; the term of the lease contract, including options to extend, must be more than 12 months. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable

H. Inventories and Prepaid Items

Inventories are valued at cost using the first-in, first-out (FIFO) method. The cost of governmental and business-type activities inventories are recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

I. Unearned Revenues

Amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met are recorded as unearned revenue.

J. Restricted Assets

Monies or other resources, the use of which is restricted by legal or contractual requirements are recorded as restricted assets. Restricted assets include monies required by bond covenants.

Notes to Basic Financial Statements, Continued

K. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost greater than or equal to \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant, and equipment of the City, is depreciated using the straight-line method over the following estimated useful lives:

Dock, seawall, water and sewer line and improvements	20-70
Buildings and improvements	30-35
Motor vehicles and motorized equipment	5-10
Furniture, machinery and equipment	5-10

L. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation and sick pay is recorded when earned in proprietary funds and is reported as a fund liability. Vacation and sick pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental-fund type that will pay it. Amounts related to governmental-fund types not expected to be liquidated with expendable available financial resources are reported as long-term liabilities.

M. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Interest on long-term obligations is recorded as an expenditure when due.

Pensions/OPEB. For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the Public Employees' Retirement System (PERS) and additions to/from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms, investments are reported at fair value.

Notes to Basic Financial Statements, Continued

N. Net Position

In the government-wide financial statements, net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position. Net position is reported as restricted when constraints placed are either externally imposed by creditors (such as through debt covenants), grantors, contributors, provisions or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

O. Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. Nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form—prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

Restricted fund balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal ordinances of the City Council—the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the City Council removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance – This classification reflects the amounts constrained by the City's "intent" to be used for specific purposes, but are neither restricted nor committed. The City Council has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance – This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds. When both restricted and unrestricted resources are available for use, it is the City's policy to use externally restricted resources first, then committed, assigned, and unassigned—in order as needed.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**A. Budgetary Information**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund and most Special Revenue Funds and Enterprise Funds. The Capital Project Funds adopt project-length budgets. All annual appropriations lapse at fiscal year-end.

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

The budget is prepared by fund, function and department. Budgetary control is exercised at the department or function level. The City Manager is authorized to transfer budget amounts up to \$5,000 between expenditure/expense categories within any department; however, any supplemental appropriations that amend the total expenditures/expenses of any department, or transfers exceeding \$5,000, require City Council approval.

Encumbrance accounting is employed in governmental fund types. Encumbrances, if any, (e.g., purchase orders, contracts) outstanding at year end are reported as appropriate constraints of fund balance if they meet the definitions described in the fund balance section of these notes.

B. Deficit Fund Balance/Unrestricted Net Position

The following funds reported a fund deficit as of June 30, 2022:

	<u>Deficit Balance</u>
Special Revenue Funds:	
Police Asset Forfeiture	\$ <u>61,375</u>
Capital Projects Fund:	
Institutional Corridor	\$ <u>115,902</u>
Internal Service Funds –	
Employee Health Insurance	784,431
Vehicle and Equipment	<u>101,005</u>
Total	\$ <u><u>885,436</u></u>

In addition, the following Enterprise Funds are reporting deficits in the unrestricted net position category:

	<u>Unrestricted Deficit Balance</u>
Public Transit	\$ 745,789
Water and Sewer Utility	\$ 79,074

These deficits are expected to be covered by future operations or transfers from the General Fund, or in the case of the Health Insurance Fund, possible premium increases.

III. DETAILED NOTES ON ALL FUNDS

A. CASH AND CASH EQUIVALENTS, AND INVESTMENTS

All deposits are carried at cash value plus accrued interest. The City's deposit and investment policy requires all cash deposits to be fully insured or collateralized.

A portion of the City's investments are in the Alaska Municipal League Investment Pool (AMLIP). The investment in AMLIP represents the City's share of ownership in the pool rather than ownership of specific securities. The share value of investments in the AMLIP is approximately equal to fair value. To obtain a copy of AMLIP's financial statements contact Key Trust of Alaska at 101 West Benson Blvd., Room 412, Anchorage, Alaska 99503.

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned. The City requires all deposits to be insured or collateralized. At June 30, 2022, the City's bank deposits are insured up to \$250,000 by the Federal Deposit Insurance Corporation. The remainder is collateralized by governmental securities held by the City's agent in the City's name.

Reconciliation of Deposit and Investment Balances

The following is a reconciliation of the City's deposit and investment balances to the financial statements as of June 30, 2022:

Bank deposits and money market funds	\$	23,279,603
Investments		<u>6,131,849</u>
Total cash and investments	\$	<u>29,411,452</u>

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

	Fair Value	Investment Maturities in Years		
		Less than 1	1 – 5	More than 5
Investment subject to interest rate risk:				
Fixed income	\$ 1,285,498	-	1,285,498	-
U.S. government bonds	<u>4,846,351</u>	<u>-</u>	<u>4,846,351</u>	<u>-</u>
Total	\$ <u>6,131,849</u>	<u>-</u>	<u>6,131,849</u>	<u>-</u>

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2022:

	Total	Level 1	Level 2	Level 3
Investments by fair value level				
Fixed income	\$ 1,285,498	-	1,285,498	-
U.S. government bonds	<u>4,846,351</u>	<u>4,846,351</u>	<u>-</u>	<u>-</u>
Total investments	\$ <u>6,131,849</u>	<u>4,846,351</u>	<u>1,285,498</u>	<u>-</u>

Credit Risk

The City does not have a formal investment policy that restricts investments based on credit risk. At June 30, 2022 the City's investments in Certificates of Deposit were unrated, U.S. Government Bonds were rated AAA by Moody's Credit Rating, and the Alaska Municipal League Investment Pool were rated AAAM by Standard & Poor's.

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

B. ACCOUNTS RECEIVABLE

Receivables at June 30, 2022, for the City's individual major funds and other nonmajor funds, including applicable allowance for doubtful accounts, are as follows:

	General Fund	Nonmajor Governmental Funds	Totals
Taxes	\$ 1,164,089	\$ -	\$ 1,164,089
Grants	-	98,587	98,587
Customers	228,246	-	228,246
Total receivables	1,392,335	98,587	1,490,922
Less allowance for doubtful accounts	(18,575)	-	(18,575)
Net Receivables	\$ 1,373,760	\$ 98,587	\$ 1,472,347

	Major Enterprise Funds					Public Transit Nonmajor Enterprise Fund	Totals
	Multi-Use Recreational Center	Solid Waste	Water and Sewer Utility	Rental Property	Municipal Dock		
Lease	\$ -	\$ -	-	\$ 3,251,696	-	\$ -	\$ 3,251,696
Grants	-	-	1,878,959	-	-	-	1,878,959
Customers	108,888	212,828	1,155,224	78,617	371,849	198,328	2,125,734
Total receivables	108,888	212,828	3,034,183	3,330,313	371,849	-	7,256,389
Less allowance for doubtful accounts	-	(48,654)	(255,088)	(5,175)	(10,441)	-	(319,358)
Net Receivables	\$ 108,888	\$ 164,174	2,779,095	\$ 3,325,138	361,408	\$ 198,328	\$ 6,937,031

C. LEASE RECEIVABLE

The City has entered into agreements to lease property to third parties. The leases range in term from three to Thirty years. The City received approximately \$683,073 in long-term lease payments for the year ended June 30, 2022. The lease receivable at June 30, 2022 was \$3,251,696. The City has deferred inflows of resources associated with the leases that will be recognized as revenue over the lease term. At June 30, 2022 the deferred inflows of resources was \$3,184,012.

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

D. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance July 1, 2021	Additions	Reclassifications	Deletions and Transfers	Balance June 30, 2022
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 39,481,784	-	-	-	39,481,784
Construction in progress	916,933	1,352,361	-	(1,909,792)	359,502
Capital assets not being	40,398,717	1,352,361	-	(1,909,792)	39,841,286
Capital assets being depreciated:					
Improvements	2,651,717	-	(136,288)	-	2,515,429
Buildings	12,542,773	2,002,749	601,688	-	15,147,210
Machinery and equipment	5,688,852	1,663,152	1,484,780	-	8,836,784
Infrastructure	11,864,115	-	(1,950,180)	-	9,913,935
Vehicles	2,309,982	103,227	-	-	2,413,209
Total capital assets being depreciated	35,057,439	3,769,128	-	-	38,826,567
Less accumulated depreciation for:					
Improvements	733,901	146,283	59,935	-	940,119
Buildings	6,888,359	363,751	178,457	-	7,430,567
Machinery and equipment	3,875,192	619,701	137,866	-	4,632,759
Infrastructure	9,867,942	87,747	(376,258)	-	9,579,431
Vehicles	1,859,359	192,421	-	-	2,051,780
Total accumulated depreciation	23,224,753	1,409,903	-	-	24,634,656
Net capital assets being depreciated	11,832,686	2,359,225	-	-	14,191,911
Total governmental activities	\$ 52,231,403	3,711,586	-	(1,909,792)	54,033,197

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

During the year the governmental funds transferred capital assets of \$293,384 to the business-type activities.

	Balance July 1, 2021	Additions and Transfers	Deletions	Balance June 30, 2022
Business-type Activities:				
Capital assets not being depreciated:				
Land	\$ 1,297,252	-	-	1,297,252
Construction in progress	3,031,537	1,664,860	-	4,696,397
Capital assets not being depreciated	4,328,789	1,664,860	-	5,993,649
Capital assets being depreciated:				
Seawall	22,716,641	-	-	22,716,641
Buildings, plants and lines	126,306,653	32,452	-	126,339,105
Machinery and equipment	4,773,872	964,901	77,447	5,661,326
Vehicles	6,957,725	86,307	79,972	6,964,060
Total capital assets being depreciated	160,754,891	1,083,660	157,419	161,681,132
Less accumulated depreciation for:				
Seawall	9,086,658	454,333	-	9,540,991
Buildings, plants and lines	43,958,649	3,789,790	-	47,748,439
Machinery and equipment	2,252,282	348,974	77,447	2,523,809
Vehicles	3,715,556	889,318	79,972	4,524,902
Total accumulated depreciation	59,013,145	5,482,415	157,419	64,338,141
Net capital assets being depreciated	101,741,746	(4,398,755)	-	97,342,991
Total business-type activities	\$ 106,070,535	(2,753,895)	-	103,336,640

Depreciation expense was charged to governmental functions as follows for the Year ended June 30, 2022:

Governmental Activities:

General government	\$ 278,828
Public safety	492,655
Public works	638,420
Total depreciation expense – governmental activities	\$ 1,409,903

Business-Type Activities:

Water and sewer	\$ 2,145,111
Municipal dock	1,947,877
Rental property	329,500
Solid waste	218,321
Multi-use recreation Center	815,218
Public transit	26,389
Total depreciation expense – business-type activities	\$ 5,482,415

Notes to Basic Financial Statements, Continued

E. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2022, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Other Governmental Funds	\$ 361,255
General Fund	Multi-Use Recreational Center	1,809,155
General Fund	Water and Sewer Utility	91,407
General Fund	Public Transit	801,229
General Fund	Internal Service Fund	1,205,274
		<u>\$ 4,268,320</u>

The outstanding balances between funds result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Certain interfund balances have been deemed long-term in nature. As a result these items have been classified as long-term advances to/from (receivable/payable) from other funds as follows as of June 30, 2022:

	Advances to (Receivable)	Advances From (Payable)
General Fund	\$ 2,924,721	-
Water and Sewer Utility Enterprise Fund	-	1,995,761
Rental Property Enterprise Fund	-	928,960
	<u>\$ 2,924,721</u>	<u>2,924,721</u>

	Multi-use Recreation Center	General Fund	Other Governmental Funds	Total
Transfers Out				
General Fund	\$ 768,324	-	532,980	1,301,304
Other Governmental Funds	-	2,872	-	2,872
	<u>\$ 768,324</u>	<u>2,872</u>	<u>532,980</u>	<u>1,304,176</u>

F. UNEARNED AND UNAVAILABLE REVENUES

Governmental funds report *unavailable revenues* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unearned and unavailable revenues* reported in the governmental funds were as follows:

	Unavailable	Unearned	Total
General Fund	\$ 104,899	25,904	130,803
Nonmajor Governmental Funds	-	1,168,724	1,168,724
	<u>104,899</u>	<u>1,194,628</u>	<u>1,299,527</u>

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

G. LONG-TERM DEBT

Long-term debt at June 30, 2022, is comprised of the following:

Governmental Activities	Balance at July 1, 2021	Additions	Retirements	Balance at June 30, 2022	Due Within One Year
\$811,000 2018 note payable with Community First National Bank, due in annual installments of \$71,217 through 2033, plus interest at 4.0% per year, guaranteed by fire truck	\$ 622,290	-	-	622,290	46,028
\$142,328 2019 note payable with Community First National Bank, due in annual installments of \$24,047 through 2025, plus interest at 4.0% per year, guaranteed by Mack truck	\$ 86,513	-	20,258	66,255	21,145
Accrued leave *	422,668	563,597	519,868	466,397	466,397
Total Governmental Activities	\$ 1,131,471	563,597	540,126	1,154,942	533,570

* Long-term liabilities reported here include \$18,764 in accrued leave from the Internal Service Funds.

Annual debt service requirements to maturity for all the above Governmental Activities obligations except loans not yet in repayment status, net pension and OPEB liabilities, and accrued leave, follow:

Governmental Activities	Notes Payable from Direct Borrowings		
	Principal	Interest	Total
<i>Years Ending June 30,</i>			
2023	\$ 67,173	\$ 28,092	\$ 95,265
2024	69,962	25,303	95,265
2025	72,868	22,397	95,265
2026	51,846	19,371	71,217
2027	53,945	17,272	71,217
2028-2032	304,303	51,785	356,088
2033-2037	68,448	2,771	71,219
	\$ 688,545	\$ 166,991	\$ 855,536

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

During the year ended June 30, 2022, the following changes occurred in long-term debt of business-type activities:

Business-type Activities	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022	Due Within One Year
Revenue Bonds:					
\$2,000,000 2016 lease revenue refunding bonds, due in annual installments of \$165,000 to \$245,000 through 2028, plus interest at 4.0% to 5.0%	\$ 1,490,000	-	185,000	1,305,000	190,000
Notes Payable:					
\$8,250,000 (maximum) loan payable with First National Bank Alaska, due in full on September 1, 2023, plus variable interest* to be paid monthly through maturity.	2,285,185	-	-	2,285,185	-
\$913,000 2019 loan payable with USDA, due in annual installments of \$34,868 through 2059, plus interest at 2.25% per year, secured by a 2018 utility bond of the City	884,046	-	14,968	869,078	15,304
Landfill Closure	3,045,611	129,946	-	3,175,557	-
Compensated Absences	243,038	135,959	172,679	206,318	206,318
Total Business-type Activities	\$ 7,947,880	265,905	372,647	7,841,138	411,622

The loans payable of \$913,000 was received from USDA in November of 2018 and secured by a 2018 utility bond of the City. It requires annual payments of \$34,868 and has an expedited maturity date of November 2058 with an interest rate of 2.25% per year.

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

Annual debt service requirements to maturity for all the above Business-type Activities revenue bonds and loans payable obligations outstanding as of June 30, 2022, are as follows:

Business-type Activities	Revenue Bonds			Loans Payable		
	Principal	Interest	Total	Principal	Interest	Total
<i>Years Ending June 30,</i>						
2023	\$ 190,000	60,500	250,500	15,304	19,554	34,858
2024	205,000	50,625	255,625	2,300,833	19,210	2,320,043
2025	210,000	40,250	250,250	16,000	18,858	34,858
2026	220,000	29,500	249,500	16,361	18,498	34,859
2027	235,000	18,125	253,125	16,729	18,310	34,859
2028-2032	245,000	6,125	251,125	89,461	84,830	174,291
2033-2037	-	-	-	99,989	74,303	174,292
2038-2042	-	-	-	111,755	62,536	174,291
2043-2047	-	-	-	124,906	49,385	174,291
2048-2052	-	-	-	139,605	34,687	174,292
2053-2057	-	-	-	156,034	18,258	174,292
2058-2062	-	-	-	67,286	2,278	69,564
	\$ 1,305,000	205,125	1,510,125	3,154,263	420,707	3,574,970

H. LEASE REVENUE BONDS

In 2007, the City issued \$3,680,000 in 2007 Series Three General Obligation Bonds for the purpose of major renovations. The bonds were issued at a premium of \$145,048.

In November 2017, the City issued \$2,000,000 Series Three and Four General Obligation Bonds with an average interest rate of 4.82% to advance refund \$2,295,000 of outstanding 2007 Series Three bonds. The bonds were issued at a premium of \$327,897. The net proceeds of \$2,274,915 (after payments of \$52,982 in issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2007 Series Three bonds. As a result, the 2007 Series Three bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. As of June 30, 2022, the amount of defeased debt still outstanding was \$1,785,000.

The bond premium is amortized over the life of the bond. \$29,808 is amortized each year through December 1, 2028.

I. LANDFILL CLOSURE AND POST-CLOSURE LIABILITY

State and federal laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Requirements come from the Environmental Protection Agency rule "Solid Waste Disposal Facility Criteria" parts 257 and 258. These requirements are being enforced by the United States Environmental Protection Agency and the State of Alaska Department of Environmental Conservation. Although closure and post-closure care costs will be paid only near or after the date the landfill stops accepting waste, accounting principles generally accepted in the United States of America require that the City report a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Based upon an engineering study updated in 2017, at present fill rates, the landfill is expected to reach capacity in 2042, or approximately 25 years. The cost of landfill closure and post closure is estimated to be \$3,955,440. The City accrued \$129,946 in landfill closure costs for the year ended June 30, 2022, and has accrued a total liability of \$3,175,577 at June 30, 2022. These amounts are based on what it would cost to perform all the closure and post-closure functions in 2022. Actual costs of closure and post-closure care may be higher due to inflation, changes in technology, or changes in laws and regulations.

Currently, no assets of the City are restricted for payment of closure and post-closure care costs. Future inflation costs and additional costs that might arise from changes in closure and post-closure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill users, taxpayers, or both.

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Notes to Basic Financial Statements, Continued

J. FUND BALANCES

Fund balances, reported for the major funds and the non-major funds in the aggregate on the governmental funds balance sheet are subject to the following constraints:

	General Fund	Other Governmental Funds	Totals
Non-spendable:			
Inventory	\$ 63,329	-	63,329
Advances to other funds	2,924,721	-	2,924,721
Total nonspendable	2,988,050	-	2,988,050
Restricted:			
Rasmuson	-	4,430	4,430
Endowment		1,895,399	1,895,399
Total restricted	-	1,899,829	1,899,829
Assigned:			
911 Surcharges	-	89,050	89,050
Land Planning Development	-	21,173	21,173
ARPA	-	24,670	24,670
Boardwalk Lights	-	88,148	88,148
Park Development	-	40,845	40,845
Fleet Replacement	-	1,744,090	1,744,090
Total Assigned	-	2,007,976	2,007,976
Unassigned:	10,505,965	(177,277)	10,328,688
Total Fund Balances	13,494,015	3,730,528	17,224,543

K. ENDOWMENT PERMANENT FUND

The city established an Endowment Permanent Fund to maximize income for the continuing operations of the general government. The Endowment Fund principal may not be spent by the City without approval of a majority of the voters at a general or special election. However, in accordance with the City Council's ordinance establishing the Endowment Fund, 70% of the Fund's prior year investment earnings are to be transferred to the General Fund on an annual basis to help offset operating costs. In 2022, the net contribution to the General Fund was \$2,864.

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

L. EMPLOYEE RETIREMENT SYSTEMS AND PLANS

The City follows *Governmental Accounting Standards Board (GASB) Codification P20*, Accounting for Pensions by State and Local Governmental Employees and *GASB Codification P50*, Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions. *GASB Codification P20* and *GASB Codification P50* establish uniform standards for the measurement, recognition, and display of pension and other post-employment benefits other than pensions (healthcare) expenditures/expense and related liabilities, assets, note disclosure and applicable required supplementary information in the financial reports of state and local governmental employers.

All full-time employees and certain permanent part-time employees of the City participate in the State of Alaska Public Employees' Retirement System (PERS). In addition to the pension plan, PERS also administers other post-employment benefit (OPEB) plans.

The system is governed by the Alaska Retirement Management Board. The benefit and contribution provisions are established by State law and may be amended only by the State legislature. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee.

Summary of Significant Accounting Policies. The financial statements for PERS are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value.

PERS acts as the common investment and administrative agencies for the following multiple-employer plans:

Plan Name	Type of Plan
Defined Benefit Pension Plan (DB)	Cost-sharing, Defined Benefit Pension
Defined Contribution Pension Plan (DC)	Defined Contribution Pension
Defined Benefit Other Postemployment Benefits (OPEB):	
Occupational Death and Disability Plan	Cost-sharing, Defined Benefit OPEB
Alaska Retiree Healthcare Trust Plan	Cost-sharing, Defined Benefit OPEB
Retiree Medical Plan	Cost-sharing, Defined Benefit OPEB
Defined Contribution Other Postemployment Benefits (DC):	
Healthcare Reimbursement Arrangement Plan	Defined Contribution OPEB

Other Postemployment Benefit Plans (OPEB)

Occupational Death and Disability Plan (ODD)

The Occupational Death and Disability Plan provides death benefits for beneficiaries of plan participants and long-term disability benefits to all active members within the System. For the year ended June 30, 2022 the employer contribution rate is 0.31%.

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

Membership in the plan consisted of the following at June 30, 2021 (latest available report):

Membership	PERS
Active plan members	24,481
Participating employers	151

Alaska Retiree Healthcare Trust Plan (ARHCT)

Beginning July 1, 2007, the Alaska Retiree Healthcare Trust Plan (ARHCT), a Healthcare Trust Fund of the State, was established. The ARHCT is self-funded and provides major medical coverage to retirees of the System. The System retains the risk of loss of allowable claims for eligible members. The ARHCT began paying member healthcare claims on March 1, 2008. Prior to that, healthcare claims were paid for by the Retiree Health Fund (RHF). For the year ended June 30, 2021 (latest available information) employer contributions were 7.43% of annual payroll. Membership in the plan consisted of the following at June 30, 2021 (latest report available):

Membership	PERS
Inactive plan members or beneficiaries currently receiving benefits	36,704
Inactive plan members entitled to but not yet receiving benefits	5,112
Inactive plan members not entitled to benefits	10,366
Active plan members	10,066
Total plan membership	62,248

Retiree Medical Plan (RMP)

The retiree medical plan provides major medical coverage to retirees of the DC plan. The plan is self-insured. Members are not eligible to use this plan until they have at least 10 years of service and are Medicare age eligible. For the year ended June 30, 2022 employer contributions were 1.07%. Membership in the plan consists of the following at June 30, 2021 (latest available report):

Membership	PERS
Inactive plan members or beneficiaries currently receiving benefits	67
Inactive plan members entitled to but not yet receiving benefits	2,082
Inactive plan members not entitled to benefits	16,249
Active plan members	24,481
Total plan membership	42,879

Healthcare Reimbursement Arrangement Plan

The Healthcare Reimbursement Arrangement Plan was established to allow medical expenses to be reimbursed from individual savings accounts established for eligible participants. Employer contributions are 3% of the average annual compensation of all employees in the plan. Membership in the plan consists of the following at June 30, 2021 (latest available report):

Membership	PERS
Inactive plan members or beneficiaries currently receiving benefits	113
Inactive plan members entitled to but not yet receiving benefits	2,082
Inactive plan members not entitled to benefits	16,249
Active plan members	24,481
Total plan membership	42,925

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

Investments

The Board is the investment oversight authority of the system's investments. As the fiduciary, the Board has the statutory authority to invest the assets under the Prudent Investor Rule. Fiduciary responsibility for the Board's invested assets is pursuant to AS 37.10.210.390.

State of Alaska Department of Treasury provides staff for the Board. Treasury has created a pooled environment by which it manages investments of the Board. Additionally, Treasury manages a mix of Pooled Investment Funds and Collective Investment Funds for the DC Participant-directed Pension plans under the Board's fiduciary responsibility.

Rate of Return

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The annual weighted rate of return, net of investment expense, for the year ended June 30, 2021 (latest available report) for the DB Plan for PERS is 29.77%, for the ARHCT plan is 30.00%, for the ODD Plan is 29.55%, and for the RMP is 29.54%.

For additional information on securities lending, interest rates, credit risks, foreign exchange, derivatives, fair value, and counterparty credit risks, see the separately issued report on the Invested Assets of the State of Alaska Retirement and Benefits Plans at:

<http://treasury.dor.alaska.gov/armb/Reports-and-Policies/Annual-Audited-Financial-Schedules.aspx>.

The long-term expected rate of return on pension and OPEB plan investments was determined using the building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. The best estimates of arithmetic real rates of return for each major asset class are summarized below for the PERS plan:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Broad Domestic Equity	6.63%
Global Equity (non-U.S.)	5.41%
Aggregate Bonds	0.76%
Opportunistic	4.39%
Real Assets	3.16%
Private Equity	9.29%
Cash Equivalents	0.13%

Discount Rate: The discount rate used to measure the total pension and OPEB liabilities and assets is 7.38%, which represents a decrease of 0.00% since the prior measurement period. The projection of the cash flows used to determine the discount rate assumes that Employer and State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the net pension and OPEB plans fiduciary net pension and OPEB liabilities and assets were projected to be available to make all projected future benefit payments of current plan members.

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

Therefore, the long-term expected rate of return on pension and OPEB plan investments were applied to all periods of projected benefit payments to determine the total pension and OPEB liabilities and assets. In the event benefit payments are not covered by the plan's fiduciary net position, a municipal bond rate would be used to discount the benefits not covered by the plan's fiduciary net position. The S&P Municipal Bond 20-Year High Grade Index rate was 2.18% as of June 30, 2021.

Employer and Other Contribution Rates. There are several contribution rates associated with the pension and healthcare contributions and related liabilities. These amounts are calculated on an annual basis.

Employer Effective Rate: This is the actual employer pay-in rate. Under current legislation, this rate is statutorily capped at 22% of eligible wages, subject to the salary floor, and other termination costs as described below. This rate is calculated on all PERS participating wages, including those wages attributable to employees in the defined benefit plan.

ARM Board Adopted Rate: This is the rate formally adopted by the Alaska Retirement Management Board. This rate is actuarially determined and used to calculate annual Plan funding requirements, without regard to the statutory rate cap or the GASB accounting rate. Prior to July 1, 2015, there were no constraints or restrictions on the actuarial cost method or other assumptions used in the ARM Board valuation. Effective July 1, 2015, the Legislature requires the ARM Board to adopt employer contribution rates for past service liabilities using a level percent of pay method over a closed 25 year term which ends in 2039. This will result in lower ARM Board Rates in future years.

On-behalf Contribution Rate: This is the rate paid in by the State as an on-behalf payment as mandated under current statute. Under state law, subject to annual appropriation, the state will contribute an on-behalf payment into the plan in an amount equal to the difference between the ARM Board Rate and the Employer Effective Rate. On-behalf contribution amounts have been recognized in these financial statements as both revenue and expenditures.

GASB Rate: This is the rate used to determine the long-term pension and healthcare liability for plan accounting purposes. Certain actuarial methods and assumptions for this rate calculation are mandated by the *Governmental Accounting Standards Board* (GASB). Medicare Part D subsidies are not reflected in this rate. The rate uses a 7.38% discount rate.

Employer Contribution rates for the year ended June 30, 2022 are as follows:

	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
PERS:			
Pension	15.54%	21.27%	8.11%
OPEB	6.46%	8.84%	0%
Total PERS contribution rates	22.00%	30.11%	8.11%

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

Termination Costs: If the City decides to terminate coverage for a department, group, or other classification of members, even if that termination results from the decision to divest of a particular City function, all affected employees in that department, group, or other classification of members become immediately vested in the plan. The City must pay to have a termination study completed. The purpose of the study is to calculate the City's one-time termination costs. The costs represent the amount necessary to fully fund the costs of plan members who become vested through this process and for other changes in actuarial assumptions, such as, earlier than expected retirement, that arise from the act of termination of coverage. The City must pay a lump sum within 60 days of termination or arrange a payment plan that is acceptable to the PERS Administrator. For fiscal year 2022 the past service rate for PERS is 18.31%.

Actuarial Assumptions: The total pension and OPEB liabilities on June 30, 2021 (latest available) were determined by an actuarial valuation as of June 30, 2022 which was rolled forward to the measurement date June 30, 2021. These actuarial assumptions were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017.

Investment return / discount rate	7.38% per year (geometric), compounded annually, net of expenses
Salary scale	Inflation – 2.5% per year Productivity – 0.25% per year
Payroll growth	2.75% per year (inflation + productivity)
Total inflation	Total inflation as measured by the Consumer Price Index for urban and clerical workers from Anchorage is assumed to increase 2.5% annually.
Mortality (Pre-termination)	Based upon 2013-2017 actual mortality experience, 100% (male and female) of RP-2014 healthy annuitant table with MP-2017 generational improvement.
Mortality (Post-termination)	Mortality rates based upon the 2013-2017 actual experience. 91% of male and 96% of female rates of RP-2014 health annuitant table with MP-2017 generational improvement.
Total turnover	Based upon the 2013-2017 actual withdrawal experience.
Disability	Incidence rates based on 2013-2017 actual experience. Post-disability mortality in accordance with the RP-2014 disability table with MP-2017 generational improvement. Disabilities are assumed to be occupational 75% of the time for peace officers/firefighters, 40% of the time for others.

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

Retirement	Retirement rates based upon the 2013-2017 actual experience. Deferred vested members are assumed to retire at their earliest unreduced retirement date.
Marriage and age difference	Males are assumed to be three years older than their wives. Females are assumed to be two years younger than their husbands. For others, 75% of male members and 70% of female members are assumed to be married. For peace officers/firefighters, 85% of male members and 60% female members are assumed to be married.
Healthcare cost trend rates	Pre-65 medical: 6.5% grading down to 4.5% Post-65 medical: 5.4% grading down to 4.5% Prescription drugs: 7.5% grading down to 4.5% EGWP: 7.5% grading down to 4.5%.

As a result of the latest experience study, the Board adopted updated actuarial assumptions for the June 30, 2018 actuarial valuation to better reflect expected future experience. In addition to the changes in assumptions resulting from the experience study, the following assumption changes related to the ARHCT plan have been made since the prior valuation:

1. Per capita claims costs were updated to reflect recent experience.
2. Normal cost for administrative expenses were updated to reflect recent experience.
3. Healthcare cost trends were updated to reflect the repeal of the Cadillac Tax.

The changes of assumptions from the latest experience study created substantial deferred outflows of resources attributable to the City, as well as an OPEB benefit recognized by the City for the State's proportionate share of OPEB plan expense attributable to the City. In some instances the reduction of revenues and expenses reported for the State's proportionate share of OPEB plan expense attributable to the City creates a net negative Pension/OPEB expense (net pension/OPEB benefit) which results in negative operating grants and contributions for certain functions reported on the Statement of Activities.

Alaska Public Employee Retirement System (PERS) – Defined Benefit Plan (DB)

Plan Description. The City participates in the Alaska Public Employees' Retirement System (PERS), a cost sharing multiple employer defined benefit pension plan. PERS provides retirement benefits, disability and death benefits, and post-employment healthcare to plan members and beneficiaries. The Plan was established and is administered by the State of Alaska, Department of Administration. The Public Employee's Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for PERS. This report may be obtained from the system at Pouch C, Juneau, Alaska 99811 or online at: <http://doa.alaska.gov/dr/pers>.

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

Pension Benefits. All tier employee benefits vest with five years of credited service. There are three tiers of employees based on entry date. Tier I employees enrolled prior to July 1, 1986, with five or more years of credited service are entitled to annual pension benefits beginning at normal retirement age 55 or early retirement age 50. For Tier II and III employees enrolled after June 30, 1986, but before July 1, 2006, the normal and early retirement ages are 60 and 55, respectively. All tier employees with 30 or more years of credited service may retire at any age and receive a normal benefit.

The PERS defined benefit is closed to new hires enrolled on or after July 1, 2006. New hires after this date participate in the PERS defined contribution plan (DC) described later in these notes.

Currently there are 150 employers participating in PERS defined benefit plan and 151 participating in PERS defined contribution and OPEB plans.

The DB Plan's membership consisted of the following at June 30, 2021 (latest available report):

Inactive plan members or beneficiaries currently receiving benefits	36,704
Inactive plan members entitled to but not receiving benefits	5,112
Inactive members not entitled to benefits	10,366
Active plan members	<u>10,066</u>
Total DB plan membership	<u>62,248</u>

Retirement benefits are calculated by multiplying the average monthly compensation (AMC) times credited PERS service times the percentage multiplier. The AMC is determined by averaging the salaries earned during the five highest (three highest for peace officers/firefighters members or members hired prior to July 1, 1996) consecutive payroll years. Members must earn at least 115 days of credit in the last year worked to include it in the AMC calculation. The PERS pays a minimum benefit of \$25 per month for each year of service when the calculated benefit is less.

The percentage multipliers for peace officers/firefighters are 2% for the first ten years of service and 2.5% for all service over 10 years. The percentage multipliers for all other participants are 2% for the first ten years, 2.25% for the next ten years, and 2.5% for all remaining service earned on or after July 1, 1986. All service before that date is calculated at 2%.

Post-employment healthcare benefits are provided without cost to all members first enrolled before July 1, 1986. Members first enrolled after June 30, 1986, but before July 1, 2006, and who have not reached age 60 may elect to pay for major medical benefits.

Post Retirement Pension Adjustments. Post retirement pension adjustments (PRPAs) are granted annually to eligible benefit recipients when the consumer price index (CPI) increases during the preceding calendar year. PRPAs are calculated by multiplying the recipient's base benefit, including past PRPAs, times:

- (a) 75% of the CPI increase in the preceding calendar year or 9%, whichever is less, if the recipient is at least 65 or on PERS disability; or
- (b) 50% of the CPI increase in the preceding calendar year or 6%, whichever is less, if the recipient is at least 60, or has been receiving benefits for at least five years.

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

Ad hoc PRPAs, up to a maximum of 4%, may be granted to eligible recipients who first entered the PERS before July 1, 1986, if the CPI increases and the financial condition of the fund will permit an increase. In a year where an ad hoc PRPA is granted, eligible recipients will receive the higher of the two calculations.

Funding Policy. In April 2008 the Alaska Legislature passed legislation which statutorily capped the employer contribution, established a state funded “on-behalf” contribution, and required that employer contributions be calculated against all PERS eligible wages, including wages paid to participants of the PERS Tier IV defined contribution plan (DC) described later in these footnotes. The state legislature capped the rate at 22%, with the State contributing an on-behalf payment for the difference between the actuarial contribution and the cap.

Salary Floor. During the 25th legislation session, Senate Bill 125 passed, which established a June 30, 2008 salary floor under AS 39.35.255(a)(2). The salary floor is the total base salaries paid by an employer to active employees of the system as of the fiscal year ending June 30, 2008. The statute requires the Division of Retirement and Benefits (Division) to collect employer contributions at a minimum based on FY 2008 base salaries.

Employee Contribution Rate. The City’s PERS active members are required to contribute 6.75%.

Employer contributions for the year ended June 30, 2022, were:

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
\$	1,044,209	193,194	1,237,403

Public Employees Retirement Plans

For the year ended June 30, 2022 the State of Alaska contributed \$638,138 (100% pension cost) on-behalf of the City, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2021 to a total of (\$322,093), to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

Pension and OPEB Liabilities and Assets, Pension and OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and OPEB: At June 30, 2022, the City reported liabilities and assets that reflected a reduction for State pension and OPEB support provided to the City. The amount recognized by the City as its proportionate share of net pension and OPEB liabilities (assets), the related State support, and the total portion of the net pension and OPEB liabilities (assets) that were associated with the City were as follows:

Defined Benefit:	Pension
City's proportionate share of the net pension liability	\$ 10,138,383
State's proportionate share of the net pension liability	1,374,727
Total	<u>\$ 11,513,110</u>
	OPEB
City's proportionate share of the ARHCT OPEB liability	\$ (7,122,294)
State's proportionate share of the ARHCT OPEB liability (asset)	(934,002)
Total	<u>\$ (8,056,296)</u>
City's proportionate share of the ODD OPEB liability (asset)	<u>\$ (202,355)</u>
City's proportionate share of the RMP OPEB liability (asset)	<u>\$ (106,066)</u>
Total City's share of net pension and OPEB liabilities and (assets)	<u>\$ 2,707,668</u>

The net pension and OPEB liabilities and assets were measured as of June 30, 2021, and the total pension and OPEB liabilities used to calculate the net pension and OPEB liabilities and assets were determined by an actuarial valuation as of that date. The City's proportion of the net pension and OPEB liabilities and assets were based on the present value of contributions for FY2023 through FY2039, as determined by projections based on the June 30, 2021 valuation.

The City's proportionate share and changes in the pension and OPEB liabilities and assets were as follows:

	June 30, 2021 Measurement	June 30, 2020 Measurement	Change
Pension	0.2093%	0.2764%	0.0671%
OPEB:			
ARHCT	0.2093%	0.2776%	0.0683%
ODD	0.5055%	0.4591%	(0.0464%)
RMP	0.4061%	0.3952%	0.0109%

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

Based on the measurement date of June 30, 2021, the City recognized pension and OPEB expense of \$3,072,505 and (\$2,890,323), respectively, for the year ended June 30, 2022. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Defined Benefit:		
Differences between expected and actual experience	\$ -	44,914
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	3,998,046
Changes in proportion and differences between City contributions and proportionate share of contributions	551,349	-
City contributions subsequent to the measurement date	1,044,209	-
Total	\$ <u>1,595,558</u>	<u>4,042,960</u>
	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	74,796
Changes of assumptions	-	269,152
Net difference between projected and actual earnings on OPEB plan investments	-	3,332,853
Changes in proportion and differences between City contributions and proportionate share of contributions	-	85,585
City contributions subsequent to the measurement date	98,118	-
Total	\$ <u>98,118</u>	<u>3,762,386</u>

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	55,270
Changes of assumptions	-	1,537
Net difference between projected and actual earnings on OPEB plan investments	-	32,448
Changes in proportion and differences between City contributions and proportionate share of contributions	8,678	14,973
City contributions subsequent to the measurement date	27,697	-
Total	\$ 36,375	104,228

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,886	5,043
Changes of assumptions	32,967	63,035
Net difference between projected and actual earnings on OPEB plan investments	-	94,890
Changes in proportion and differences between City contributions and proportionate share of contributions	4,039	1,445
City contributions subsequent to the measurement date	67,379	-
Total	\$ 112,271	164,413

\$1,044,209 and \$193,194 are reported as deferred outflows of resources related to pension and OPEB resulting from City contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2022, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

Year Ended June 30,	Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
2022	\$ (422,660)	(1,210,317)	(18,729)	(25,577)
2023	(915,795)	(767,545)	(18,708)	(25,622)
2024	(990,636)	(824,183)	(19,049)	(26,580)
2025	(1,162,520)	(960,341)	(20,131)	(29,603)
2026	-	-	(10,962)	(3,092)
Thereafter	-	-	(7,971)	(9,047)
Total	\$ (3,491,611)	(3,762,386)	(95,550)	(119,521)

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

For the year ended June 30, 2022, the City recognized \$3,055,997 and (\$127,038) of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

Sensitivity of the Net Pension and OPEB Liabilities and Assets to Changes in the Discount Rate: The following presents the net pension and OPEB liabilities and assets of the plan calculated using the discount rate of 7.38%, as well as what the Plans' net pension and OPEB liabilities and assets would be if they were calculated using a discount rate that is 1-percentage-point lower (6.38%) or 1-percentage-point higher (8.38%) than the current rate:

		1% Decrease (6.38%)	Current Rate (7.38%)	1% Increase (8.38%)
Net pension liability (asset)	\$	15,016,359	10,138,383	6,040,259
Net OPEB ARHCT liability (asset)	\$	(4,657,873)	(7,122,294)	(9,168,812)
Net OPEB ODD liability (asset)	\$	(193,765)	(202,355)	(209,196)
Net OPEB RMP liability	\$	69,226	(106,066)	(238,464)

Sensitivity of the City's proportionate share of the Net OPEB liability and assets to changes in the healthcare cost trend rates. The following present the City's proportionate share of the net OPEB liability (asset), as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

		1% Decrease	Current Rate	1% Increase
Net OPEB ARHCT liability (asset)	\$	(9,408,382)	(7,122,294)	(4,363,581)
Net OPEB ODD liability (asset)	\$	N/A	(202,355)	N/A
Net OPEB RMP liability (asset)	\$	(257,416)	(106,066)	100,158

Alaska Public Employee Retirement System (PERS) – Defined Contribution Plan (DC)

Plan Description and Funding Requirements. Cities and Public Employers in the State of Alaska have a defined contribution retirement plan (PERS Tier IV) for new hires first enrolled on or after July 1, 2006. This Plan is administered by the State of Alaska, Department of Administration in conjunction with the defined benefit plan noted above. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee. Plan members make mandatory contributions of 8% of gross eligible compensation. This amount goes directly to the individual's account. State statutes require the employer to contribute 5% of employees' eligible compensation. Additionally, employers are required to contribute to OPEB (DB): 1.07% for the retiree medical plan (DB), 0.31% and 0.68% (peace officers) for occupational and death and disability benefits (DB) and 3% of employers' average annual employee compensation to the health reimbursement arrangement (HRA DC). The effective employer contribution is 22%. Additionally, there is a defined benefit unfunded liability (DBUL) amount levied against the DC plan and allocated to the DB Plan's pension and OPEB contribution.

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

- 2 years of service – 25%
- 3 years of service – 50%
- 4 years of service – 75%
- 5 years of service – 100%

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

The City contributed \$486,599 for the year ended June 30, 2022, which included forfeitures of \$45,646 which have been applied as employer contributions.

M. RISK MANAGEMENT

The City is exposed to various risks of loss related to workers' compensation, torts, theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The City participates in the Alaska Public Entity Insurance Association (APEI) which covers property and contents, torts, general and auto liability, public officials and employees' liability, and workers compensation. APEI is a public entity risk pool, which reinsures risk above certain levels, thereby relieving members of the need for additional assessments. APEI's bylaws provide for the assessment of supplemental contributions from members in the event that losses and expenses for any coverage year exceed the annual contributions and income earned on such contributions for the year. APEI made no supplemental assessments during the year ended June 30, 2022. Coverage limits and deductibles on policies have remained relatively constant for the last several years. No settlements in excess of insurance coverage have been realized over the past three years.

N. NEW ACCOUNTING PRONOUNCEMENT

In 2022, the City implemented GASB Statement No. 87, Leases, which established standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement apply to financial statements of all state and local governments.

The new standard requires the City to recognize certain lease assets and liabilities for leases. It establishes a single model for lease accounting based on the underlying principle that leases are financings of the right to use an underlying asset for a period of time. Under this Statement, a lessee is required to recognize a liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the City's leasing activities.

As a result of adopting this new accounting pronouncement, there were no changes in beginning of year net position. The City recognized the following amounts in the financial statements with regard to leases:

Statement of Net Position:	<u>Business Type Activities</u>
Lease receivable	\$3,774,018
Deferred Inflow of resources - leases	3,774,018
Balance Sheet - Enterprise Funds:	<u>Rental Property Fund</u>
Lease receivable	\$3,774,018
Deferred Inflow of resources - leases	3,774,018

O. Subsequent Accounting Pronouncements

The Governmental Accounting Standards Board has passed several new accounting standards with upcoming implementation dates covering several topics as follows:

- GASB 94 *Public-Private and Public-Public Partnerships and Availability Payments Arrangements*. Effective for fiscal years beginning after June 15, 2022.
- GASB 96 *Subscription-Based Information Technology Arrangements*. Effective for fiscal years beginning after June 15, 2022.
- GASB 99 *Omnibus 2022*. Multiple effective dates.
- GASB 100 *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*. Effective for fiscal years beginning after June 15, 2023. Multiple effective dates.
- GASB 101 *Compensated Absences*. Effective for fiscal years beginning after December 15, 2023.

Statement 94 is not expected to have any significant impact on the financial statements of the City of Bethel.

GASB Statement No. 96 will improve financial reporting by establishing a definition for Subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

GASB Statement No. 99 will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to more easily locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

Effective Date: The requirements of this Statement are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

CITY OF BETHEL, ALASKA

Notes to Basic Financial Statements, Continued

- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 100 will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

GASB Statement No. 101 unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave.

The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BETHEL, ALASKA

Schedule of City's Proportionate Share of the Net Pension Liability

Public Employees' Retirement System (PERS)

June 30, 2022

Year	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.1582%	\$ 7,379,341	\$ 6,839,395	\$ 14,218,736	\$ 5,703,334	129.39%	62.37%
2016	0.2095%	\$ 10,160,037	\$ 2,721,922	\$ 12,881,959	\$ 6,158,985	164.96%	63.96%
2017	0.2351%	\$ 13,139,649	\$ 1,656,986	\$ 14,796,635	\$ 7,779,335	168.90%	59.55%
2018	0.1888%	\$ 9,761,520	\$ 3,636,551	\$ 13,398,071	\$ 8,126,472	120.12%	63.37%
2019	0.2117%	\$ 10,518,576	\$ 3,047,830	\$ 13,566,406	\$ 9,256,532	113.63%	65.19%
2020	0.1825%	\$ 9,989,994	\$ 3,966,889	\$ 13,956,883	\$ 7,167,259	139.38%	63.42%
2021	0.0209%	\$ 12,353,211	\$ 5,112,040	\$ 17,465,251	\$ 7,162,768	172.46%	61.61%
2022	0.2093%	\$ 10,138,383	\$ 1,374,727	\$ 11,513,110	\$ 7,496,845	135.24%	74.46%

See accompanying notes to Required Supplementary Information.

CITY OF BETHEL, ALASKA

Schedule of City's Proportionate Share of the Net OPEB Liability (Asset)

Public Employees' Retirement System (PERS)

June 30, 2022

Year	City's Proportion of the Net OPEB Liability (Asset)	City's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
Alaska Retiree Healthcare Trust Plan (ARHCT):							
2018	0.1889%	\$ 1,595,287	\$ 595,216	\$ 2,190,503	\$ 8,126,472	19.63%	89.68%
2019	0.2117%	\$ 2,172,501	\$ 630,828	\$ 2,803,329	\$ 9,256,532	23.47%	88.12%
2020	0.1824%	\$ 270,669	\$ 107,826	\$ 378,495	\$ 7,167,259	3.78%	98.13%
2021	0.2093%	\$ (947,647)	\$ (393,086)	\$ (1,340,733)	\$ 7,162,768	-13.23%	106.15%
2022	0.2093%	\$ (7,122,294)	\$ (934,002)	\$ (8,056,296)	\$ 7,496,845	-95.00%	135.54%
Occupational Death and Disability (ODD):							
2018	0.3487%	\$ 49,480	\$ -	\$ 49,480	\$ 8,126,472	0.61%	212.97%
2019	0.3475%	\$ (67,486)	\$ -	\$ (67,486)	\$ 9,256,532	-0.73%	270.62%
2020	0.4628%	\$ (112,119)	\$ -	\$ (112,119)	\$ 7,167,259	-1.56%	297.43%
2021	0.5055%	\$ (137,881)	\$ -	\$ (137,881)	\$ 7,162,768	-1.92%	283.80%
2022	0.5055%	\$ (202,355)	\$ -	\$ (202,355)	\$ 7,496,845	-2.70%	374.22%
Retiree Medical Plan (RMP):							
2018	0.3487%	\$ 18,186	\$ -	\$ 18,186	\$ 3,630,095	0.50%	93.98%
2019	0.3475%	\$ 44,216	\$ -	\$ 44,216	\$ 1,754,295	2.52%	88.71%
2020	0.3943%	\$ 94,337	\$ -	\$ 94,337	\$ 7,167,259	1.32%	83.17%
2021	0.4061%	\$ 28,806	\$ -	\$ 28,806	\$ 5,488,152	0.52%	92.23%
2022	0.4061%	\$ (106,066)	\$ -	\$ (106,066)	\$ 1,722,304	-6.16%	115.10%

See accompanying notes to Required Supplementary Information.

CITY OF BETHEL, ALASKA

Schedule of City's Contributions (Pensions)

Public Employees' Retirement System (PERS)

June 30, 2022

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 580,937	\$ (580,937)	\$ -	\$ 6,158,985	9.43%
2016	\$ 583,637	\$ (583,637)	\$ -	\$ 7,779,335	7.50%
2017	\$ 672,658	\$ (672,658)	\$ -	\$ 8,126,472	8.28%
2018	\$ 800,182	\$ (800,182)	\$ -	\$ 9,256,532	8.64%
2019	\$ 836,064	\$ (836,064)	\$ -	\$ 7,167,259	11.67%
2020	\$ 765,867	\$ (765,867)	\$ -	\$ 7,162,768	10.69%
2021	\$ 957,530	\$ (957,530)	\$ -	\$ 7,496,845	12.77%
2022	\$ 1,039,854	\$ (1,044,209)	\$ (4,355)	\$ 7,767,945	13.39%

See accompanying notes to Required Supplementary Information.

CITY OF BETHEL, ALASKA

Schedule of City's Contributions (OPEB)

Public Employees' Retirement System (PERS)

June 30, 2022

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
Alaska Retiree Healthcare Trust Plan (ARHCT):					
2018	\$ 221,976	\$ (221,976)	\$ -	\$ 9,256,532	2.40%
2019	\$ 297,351	\$ (297,351)	\$ -	\$ 7,167,259	4.15%
2020	\$ 302,751	\$ (302,751)	\$ -	\$ 7,162,768	4.23%
2021	\$ 125,941	\$ (125,941)	\$ -	\$ 7,496,845	1.68%
2022	\$ 98,118	\$ (98,118)	\$ -	\$ 7,767,945	1.26%
Occupational Death and Disability (ODD):					
2018	\$ 8,354	\$ (8,354)	\$ -	\$ 9,256,532	0.09%
2019	\$ 18,895	\$ (18,895)	\$ -	\$ 7,167,259	0.26%
2020	\$ 22,168	\$ (22,168)	\$ -	\$ 7,162,768	0.31%
2021	\$ 24,492	\$ (24,492)	\$ -	\$ 7,496,845	0.33%
2022	\$ 27,697	\$ (27,697)	\$ -	\$ 7,767,945	0.36%
Retiree Medical Plan (RMP):					
2018	\$ 11,586	\$ (11,586)	\$ -	\$ 1,754,295	0.66%
2019	\$ 46,274	\$ (46,274)	\$ -	\$ 7,167,259	0.65%
2020	\$ 72,443	\$ (72,443)	\$ -	\$ 5,488,152	1.32%
2021	\$ 73,337	\$ (73,337)	\$ -	\$ 1,722,304	4.26%
2022	\$ 67,379	\$ (67,379)	\$ -	\$ 2,211,814	3.05%

See accompanying notes to Required Supplementary Information.

CITY OF BETHEL, ALASKA

General Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Original and Final Budget and Actual

Year Ended June 30, 2022

	Original and Final Budget	Actual	Variance
Revenues:			
Intergovernmental -			
Federal sources - payment in lieu of taxes	\$ 900,000	963,058	63,058
State of Alaska:			
Motor vehicle registration tax	50,000	46,076	(3,924)
State of Alaska therapeutic court	-	250	250
Community revenue sharing	104,143	101,580	(2,563)
PERS on-behalf	125,000	438,925	313,925
Electric co-op tax	20,000	20,584	584
Total State of Alaska	299,143	607,415	308,272
Local sources:			
Taxes, including penalty and interest	10,600,000	10,716,119	116,119
Charges for services:			
Public safety	235,500	170,687	(64,813)
Permits, licenses and fees:			
Gaming fees	400,000	380,097	(19,903)
Parks and recreation	2,000	1,200	(800)
Taxi permits	155,000	122,030	(32,970)
Business licenses	35,000	21,450	(13,550)
Animal control licenses/fees	2,500	2,035	(465)
Planning fees	500	4,380	3,880
Plat and recording fees	500	300	(200)
Site reviews	5,000	1,900	(3,100)
Miscellaneous permits, licenses, and fees	5,000	6,062	1,062
Total permits, licenses and fees	605,500	539,454	(66,046)
Income from investments	500,000	8,690	(491,310)
Miscellaneous:			
Court fines and fees	-	54,459	54,459
Police department miscellaneous	6,000	11,319	5,319
Miscellaneous revenue	-	288,909	288,909
ONC gravel contract	-	120,985	120,985
Total miscellaneous	6,000	475,672	469,672
Total local sources	11,947,000	11,910,622	(36,378)
Total revenues	13,146,143	13,481,095	334,952

(Continued)

CITY OF BETHEL, ALASKA

General Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Original and Final Budget and Actual, Continued

	Original and Final Budget	Actual	Variance
Expenditures:			
General government:			
Administration:			
Personnel	\$ 543,942	545,327	(1,385)
Travel and training	5,000	5,893	(893)
Supplies	7,000	4,580	2,420
Utilities and fuel	68,000	73,574	(5,574)
Special projects	-	7,951	(7,951)
Repairs and maintenance	-	2,371	(2,371)
Other purchased services	10,000	133,270	(123,270)
Equipment	2,000	3,836	(1,836)
Insurance	17,000	18,067	(1,067)
Other expenditures	117,539	2,122	115,417
Indirect cost recovery	(263,180)	(319,052)	55,872
Total administration	507,301	477,939	29,362
City clerk:			
Personnel	293,546	301,314	(7,768)
Travel and training	26,800	10,550	16,250
Supplies	1,000	2,692	(1,692)
Special projects	-	64	(64)
Other purchased services	14,000	105,785	(91,785)
Insurance	2,700	2,570	130
Other expenditures	50,539	23,198	27,341
Indirect cost recovery	(133,463)	(222,855)	89,392
Total city clerk	255,122	223,318	31,804
Finance:			
Personnel	1,137,354	882,910	254,444
Travel and training	20,000	22,300	(2,300)
Supplies	10,000	13,299	(3,299)
Utilities and fuel	500	1,110	(610)
Repairs and maintenance	1,000	1,465	(465)
Other purchased services	115,000	430,247	(315,247)
Equipment	5,000	24,064	(19,064)
Insurance	7,000	5,677	1,323
Other expenditures	479,550	60,575	418,975
Indirect cost recovery	(566,327)	(735,702)	169,375
Total finance	1,209,077	705,945	503,132

(Continued)

CITY OF BETHEL, ALASKA

General Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Original and Final Budget and Actual, Continued

	Original and Final Budget	Actual	Variance
Expenditures , continued:			
General government, continued:			
Planning:			
Personnel	\$ 263,280	245,392	17,888
Supplies	5,600	8,644	(3,044)
Utilities and fuel	6,880	8,851	(1,971)
Repairs and maintenance	1,894	1,460	434
Other purchased services	51,000	126,316	(75,316)
Equipment	5,500	502	4,998
Insurance	3,157	3,010	147
Other expenditures	32,779	1,079	31,700
Capital outlay	-	72,887	(72,887)
Total planning	370,090	468,141	(98,051)
Technology:			
Personnel	153,953	151,625	2,328
Travel and training	5,000	113	4,887
Supplies	5,000	4,150	850
Utilities and fuel	301,400	464,775	(163,375)
Repairs and maintenance	1,894	1,677	217
Other purchased services	198,724	258,162	(59,438)
Equipment	200,000	169,179	30,821
Insurance	2,452	2,349	103
Other expenditures	53,040	740	52,300
Indirect cost recovery	(1,160,014)	(745,221)	(414,793)
Capital outlay	-	35,814	(35,814)
Total technology	(238,551)	343,363	(581,914)
City attorney:			
Personnel	206,401	233,638	(27,237)
Travel and training	12,000	8,487	3,513
Supplies	1,000	243	757
Special projects	-	7,627	(7,627)
Other purchased services	10,000	43,103	(33,103)
Insurance	1,968	2,060	(92)
Other expenditures	64,570	1,648	62,922
Indirect cost recovery	(67,100)	(58,759)	(8,341)
Total city attorney	228,839	238,047	(9,208)
Total general government	2,331,878	2,456,753	(124,875)

(Continued)

CITY OF BETHEL, ALASKA

General Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Original and Final Budget and Actual, Continued

	Original and Final Budget	Actual	Variance
Expenditures, continued:			
Public safety:			
Fire department:			
Personnel	\$ 1,360,869	1,495,873	(135,004)
Travel and training	19,200	24,275	(5,075)
Supplies	25,200	42,109	(16,909)
Utilities and fuel	66,250	66,246	4
Repairs and maintenance	17,000	69,884	(52,884)
Other purchased services	24,500	48,725	(24,225)
Equipment	20,788	19,736	1,052
Insurance	89,255	85,512	3,743
Other expenditures	277,493	36,142	241,351
Capital outlay	-	816,673	(816,673)
Total fire department	1,900,555	2,705,175	(804,620)
Police department:			
Personnel	3,726,000	3,443,316	282,684
Travel and training	41,000	47,694	(6,694)
Supplies	27,500	58,199	(30,699)
Utilities and fuel	136,000	147,686	(11,686)
Repairs and maintenance	33,000	41,329	(8,329)
Other purchased services	30,000	136,921	(106,921)
Equipment	25,000	24,969	31
Insurance	250,000	197,846	52,154
Other expenditures	-	1,918	(1,918)
Capital outlay	199,462	622	198,840
Total police department	4,467,962	4,100,500	367,462
Total public safety	6,368,517	6,805,675	(437,158)
Public works:			
Administration:			
Personnel	43,283	57,575	(14,292)
Travel and training	8,000	6,314	1,686
Supplies	3,000	4,117	(1,117)
Utilities and fuel	15,452	20,036	(4,584)
Repairs and maintenance	3,788	10,446	(6,658)
Other purchased services	-	25,789	(25,789)
Insurance	-	2,427	(2,427)
Other expenditures	6,847	1,585	5,262
Total administration	80,370	128,289	(47,919)

(Continued)

CITY OF BETHEL, ALASKA

General Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Original and Final Budget and Actual, Continued

	Original and Final Budget	Actual	Variance
Expenditures, continued			
Public works, continued:			
Operations:			
Personnel	\$ 722,284	705,396	16,888
Travel and training	-	120	(120)
Supplies	4,500	1,164,664	(1,160,164)
Utilities and fuel	142,650	149,826	(7,176)
Repairs and maintenance	190,000	274,642	(84,642)
Other purchased services	10,000	30,294	(20,294)
Equipment	3,500	5,296	(1,796)
Insurance	-	20,883	(20,883)
Capital outlay	1,113,043	1,022,015	91,028
Total operations	2,185,977	3,373,136	(1,187,159)
Property maintenance:			
Personnel	632,349	698,461	(66,112)
Supplies	2,000	26,489	(24,489)
Utilities and fuel	77,500	90,715	(13,215)
Repairs and maintenance	6,006	51,956	(45,950)
Other purchased services	25,000	77,642	(52,642)
Equipment	10,000	13,089	(3,089)
Insurance	12,236	11,324	912
Other expenditures	2,000	300	1,700
Indirect cost recovery	(350,000)	(346,074)	(3,926)
Capital outlay	252,700	1,058,977	(806,277)
Total property maintenance	669,791	1,682,879	(1,013,088)
Total public works	2,936,138	5,184,304	(2,248,166)
Debt services:			
Principal	-	20,258	(20,258)
Interest	-	3,789	(3,789)
Total debt service	-	24,047	(24,047)

(Continued)

CITY OF BETHEL, ALASKA

General Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Original and Final Budget and Actual, Continued

	Original and Final Budget	Actual	Variance
Expenditures, continued			
Community services:			
Special projects:			
Special projects	\$ -	46,422	(46,422)
Other purchased services	-	25,000	(25,000)
Other expenses	-	77,010	(77,010)
Capital outlay	-	20,000	(20,000)
Total special projects	-	168,432	(168,432)
Total community services	-	168,432	(168,432)
Total expenditures	11,636,533	14,639,211	(3,002,678)
Excess (deficiency) of revenues over expenditures	1,509,610	(1,158,116)	(2,667,726)
Other financing sources (uses):			
Transfers in -			
Endowment Permanent Fund	-	2,872	2,872
Transfers out:			
COPS Office Special Revenue Fund	-	(22,914)	(22,914)
CARES Emergency Grant Special Revenue Fund	-	(3,594)	(3,594)
APEI Safety Grant Special Revenue Fund	-	(2,899)	(2,899)
Fleet Replacement Capital Project Fund	-	(503,573)	(503,573)
Multi-Use Recreation Center	-	(768,324)	(768,324)
Total transfers out	-	(1,301,304)	(1,301,304)
Net other financing sources (uses)	-	(1,298,432)	(1,298,432)
Net change in fund balance	\$ 1,509,610	(2,456,548)	(3,966,158)
Fund Balance, beginning of year		15,950,563	
Fund Balance, end of year		\$ 13,494,015	

CITY OF BETHEL, ALASKA

Notes to Required Supplementary Information

June 30, 2022

1. General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund and most Special Revenue Funds and Enterprise Funds. The Capital Project Funds adopt project-length budgets. All annual appropriations lapse at fiscal year-end.

The budget is prepared by fund, function and department. Budgetary control is exercised at the department or function level. The City Manager is authorized to transfer budget amounts up to \$5,000 between expenditure/expense categories within any department; however, any supplemental appropriations that amend the total expenditures/expenses of any department, or transfers exceeding \$5,000, require City Council approval.

Encumbrance accounting is employed in governmental fund types. Encumbrances, if any, (e.g., purchase orders, contracts) outstanding at year end are reported as appropriate constraints of fund balance if they meet the definitions described in the fund balance section of these notes.

A. Excess of Expenditures over Appropriations

For the year ended June 30, 2022, expenditures exceeded appropriations in the General Fund as follows:

	Amount of Over Appropriations
Planning	\$ 98,051
Technology	581,914
City Attorney	9,208
Fire Department	804,620
Administration	47,919
Operations	1,187,159
Property Maintenance	1,013,088
Special Projects	168,432
Debt Service	24,047

2. Public Employees' Retirement System

Schedule of City's Proportionate Share of Net Pension and OPEB Liability (Asset)

The table is presented based on the Plan measurement date which is one year prior to fiscal year end for all years presented.

CITY OF BETHEL, ALASKA

Notes to Required Supplementary Information, Continued

Changes in Methods Since the Prior Valuation – June 30, 2020 to June 30, 2021:

There were no changes in actuarial methods since the prior valuation

Changes in Assumptions Since the Prior Valuation – June 30, 2020 to June 30, 2021:

- Pension - Healthcare claim costs are updated annually. Retired member contributions were updated to reflect the 5% decrease from CY20 to CY21. The amounts included in the normal cost for administrative expenses were changed from \$7,223,000 to \$7,625,000 for pension, and from \$4,934,000 to \$5,531,000 for healthcare (based on the most recent two years of actual administrative expenses paid from plan assets). There were no other changes in actuarial assumptions since the prior valuation.
- OPEB ODD and RMP- Healthcare claim costs are updated annually. The amounts included in the normal cost for administrative expenses were changed from \$1,000 to \$16,000 for occupational death and disability, and from \$20,000 to \$24,000 for retiree medical (based on the most recent two years of actual administrative expenses paid from plan assets). There were no other changes in actuarial assumptions since the prior valuation.

Changes in Benefit Provisions Since the Prior Valuation – June 30, 2020 to June 30, 2021:

There were no changes in benefit provisions since the prior valuation.

GASB requires ten years of information be presented. However, until a full ten years of information is available, the City will present only those years for which information is available.

Schedule of City Contributions (Pension) and (OPEB)

The table valuation date is June 30, 2020 which was rolled forward to June 30, 2021. Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.

ADDITIONAL SUPPLEMENTARY INFORMATION

CITY OF BETHEL, ALASKA
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2022

	Special Revenue Funds						
	Police Asset Forfeiture	Community Service Patrol	Justice Assistance Grant	911 Surcharges	Rasmuson	COPS Office	20SHSP- GY20
Assets:							
Cash and cash equivalents	\$ 5,406	48,544	-	124,280	4,430	-	-
Accounts receivable, net	-	-	9,806	-	-	53,667	32,904
Investments	-	-	-	-	-	-	-
Total Assets	<u>\$ 5,406</u>	<u>48,544</u>	<u>9,806</u>	<u>124,280</u>	<u>4,430</u>	<u>53,667</u>	<u>32,904</u>
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	-	76	1,202	29,095	-	12,000	-
Accrued payroll	-	9,755	-	6,135	-	-	-
Due to other funds	66,781	-	8,604	-	-	41,667	32,904
Unearned revenue	-	38,713	-	-	-	1,130,011	-
Total liabilities	<u>66,781</u>	<u>48,544</u>	<u>9,806</u>	<u>35,230</u>	<u>-</u>	<u>53,667</u>	<u>32,904</u>
Fund balances:							
Restricted	-	-	-	-	4,430	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	89,050	-	-	-
Unassigned	(61,375)	-	-	-	-	-	-
Total fund balances	<u>(61,375)</u>	<u>-</u>	<u>-</u>	<u>89,050</u>	<u>4,430</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 5,406</u>	<u>48,544</u>	<u>9,806</u>	<u>124,280</u>	<u>4,430</u>	<u>53,667</u>	<u>32,904</u>

(Continued)

CITY OF BETHEL, ALASKA
Nonmajor Governmental Funds
Combining Balance Sheet, Continued

	Special Revenue Fund	Permanent Fund	Capital Project Funds					Total Nonmajor Governmental Funds
	APEI Safety Grant	Endowment Fund	Boardwalk Lighting Project	Land Planning Development	Park Development	Institutional Corridor	Fleet Replacement	
Assets:								
Cash and cash equivalents	\$ -	-	88,148	21,173	40,845	-	1,744,090	3,450,175
Accounts receivable, net	2,210	-	-	-	-	-	-	98,587
Investments	-	1,990,796	-	-	-	-	-	1,990,796
Total Assets	\$ 2,210	1,990,796	88,148	21,173	40,845	-	1,744,090	5,539,558
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	2,210	-	-	-	-	-	-	263,161
Accrued payroll	-	-	-	-	-	-	-	15,890
Due to other funds	-	95,397	-	-	-	115,902	-	361,255
Unearned revenue	-	-	-	-	-	-	-	1,168,724
Total Liabilities	2,210	95,397	-	-	-	115,902	-	1,809,030
Fund Balances:								
Restricted	-	1,895,399	-	-	-	-	-	1,899,829
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	88,148	21,173	40,845	-	1,744,090	2,007,976
Unassigned	-	-	-	-	-	(115,902)	-	(177,277)
Total Fund Balances	-	1,895,399	88,148	21,173	40,845	(115,902)	1,744,090	3,730,528
Total Liabilities and Fund Balances	\$ 2,210	1,990,796	88,148	21,173	40,845	-	1,744,090	5,539,558

CITY OF BETHEL, ALASKA

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Year Ended June 30, 2022

Special Revenue Funds

	Police Asset Forfeiture	Community Service Patrol	Justice Assistance Grant	911 Surcharges	Rasmuson	COPS Office	ARPA
Revenues:							
Intergovernmental:							
Federal sources	\$ -	-	9,807	-	-	53,667	560,856
State of Alaska	-	268,214	-	-	-	-	-
Local sources:							
Charges for services	-	-	-	146,512	-	-	-
Income from investments	5	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	10,730
Total revenues	<u>5</u>	<u>268,214</u>	<u>9,807</u>	<u>146,512</u>	<u>-</u>	<u>53,667</u>	<u>571,586</u>
Expenditures:							
Current:							
Public safety	-	268,214	-	133,016	-	76,581	-
Public works	-	-	-	-	-	-	-
Community services	-	-	9,807	-	-	-	560,646
Capital outlay	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>268,214</u>	<u>9,807</u>	<u>133,016</u>	<u>-</u>	<u>76,581</u>	<u>560,646</u>
Excess (deficiency) of revenues over expenditures	<u>5</u>	<u>-</u>	<u>-</u>	<u>13,496</u>	<u>-</u>	<u>(22,914)</u>	<u>10,940</u>
Other financing sources (uses):							
Transfers in	-	-	-	-	-	22,914	-
Transfers (out)	-	-	-	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,914</u>	<u>-</u>
Net change in fund balances	5	-	-	13,496	-	-	10,940
Fund balances, beginning of year	<u>(61,380)</u>	<u>-</u>	<u>-</u>	<u>75,554</u>	<u>4,430</u>	<u>-</u>	<u>13,730</u>
Fund balances, end of year	<u>\$ (61,375)</u>	<u>-</u>	<u>-</u>	<u>89,050</u>	<u>4,430</u>	<u>-</u>	<u>24,670</u>

(Continued)

CITY OF BETHEL, ALASKA

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances, Continued

	Special Revenue Funds						Permanent Fund
	ARPA Non-Profit Recovery	20SHSP-GY20	Diabetes Prevention	20SHSP-GY19	CARES Emergency Grant	APEI Safety Grant	Endowment
Revenues:							
Intergovernmental:							
Federal sources	\$ 100,000	93,383	-	32,452	42,607	-	-
State of Alaska	-	-	-	-	-	-	-
Local sources:							
Charges for services	-	-	-	-	-	-	-
Income from investments	-	-	-	-	-	-	3,162
Miscellaneous	-	-	373	-	-	4,347	-
Total revenues	<u>100,000</u>	<u>93,383</u>	<u>373</u>	<u>32,452</u>	<u>42,607</u>	<u>4,347</u>	<u>3,162</u>
Expenditures:							
Current:							
Public safety	-	93,383	365	32,452	-	-	-
Public works	-	-	-	-	-	7,246	-
Community services	100,000	-	-	-	-	-	-
Capital outlay	-	-	-	-	46,201	-	-
Total expenditures	<u>100,000</u>	<u>93,383</u>	<u>365</u>	<u>32,452</u>	<u>46,201</u>	<u>7,246</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>8</u>	<u>-</u>	<u>(3,594)</u>	<u>(2,899)</u>	<u>3,162</u>
Other financing sources (uses):							
Transfers in	-	-	-	-	3,594	2,899	-
Transfers (out)	-	-	(8)	-	-	-	(2,864)
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(8)</u>	<u>-</u>	<u>3,594</u>	<u>2,899</u>	<u>(2,864)</u>
Net change in fund balances	-	-	-	-	-	-	298
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,895,101</u>
Fund balances, end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,895,399</u>

(Continued)

CITY OF BETHEL, ALASKA

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances, Continued

	Capital Project Funds					
	Boardwalk Lighting Project	Land Planning Development	Park Development	Institutional Corridor	Fleet Replacement	Total Nonmajor Governmental Funds
Revenues:						
Intergovernmental:						
Federal sources	\$ -	-	-	-	-	892,772
State of Alaska	-	-	-	-	-	268,214
Local sources:						
Charges for services	-	-	-	-	-	146,512
Income from investments	-	-	-	-	-	3,167
Miscellaneous	-	-	-	-	-	15,450
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,326,115</u>
Expenditures:						
Current:						
Public safety	-	-	-	-	-	604,011
Public works	-	-	-	-	-	7,246
Community services	-	-	-	-	-	670,453
Capital outlay	-	-	-	-	-	46,201
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,327,911</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	(1,796)
Other financing sources (uses):						
Transfers in	-	-	-	-	503,573	532,980
Transfers (out)	-	-	-	-	-	(2,872)
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>503,573</u>	<u>530,108</u>
Net change in fund balances	-	-	-	-	503,573	528,312
Fund balances, beginning of year	<u>88,148</u>	<u>21,173</u>	<u>40,845</u>	<u>(115,902)</u>	<u>1,240,517</u>	<u>3,202,216</u>
Fund balances, end of year	<u>\$ 88,148</u>	<u>21,173</u>	<u>40,845</u>	<u>(115,902)</u>	<u>1,744,090</u>	<u>3,730,528</u>

CITY OF BETHEL, ALASKA

Multi-Use Recreation Center Enterprise Fund

Schedule of Net Position

June 30, 2022

Assets**Current assets:**

Cash and cash equivalents	\$	3,989,997
Accounts receivable (net of allowance)		108,888
Inventory		23,925
Total current assets		<u>4,122,810</u>

Capital assets:

Construction in progress		781,749
Depreciable assets		23,297,167
Less accumulated depreciation		<u>(6,251,813)</u>
Net capital assets		<u>17,827,103</u>

Total assets	\$	<u><u>21,949,913</u></u>
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Liabilities and Net Position**Liabilities:****Current liabilities:**

Accounts payable		252,132
Due to other funds		1,809,155
Unearned revenue		15,000
Total current liabilities		<u>2,076,287</u>

Total net position		<u>19,873,626</u>
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Total liabilities and net position	\$	<u><u>21,949,913</u></u>
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CITY OF BETHEL, ALASKA

Multi-Use Recreation Center Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2022

Operating revenues -	
Charges for services	\$ <u>344,174</u>
Operating expenses:	
Utilities and fuel	353,929
Repairs and maintenance	62,744
Other purchased services	585,250
Equipment	843
Insurance	62,546
Depreciation	815,218
Indirect costs	101,178
Total operating expenses	<u>1,981,708</u>
Income (loss) from operations	(1,637,534)
Nonoperating revenues (expenses):	
Investment income	<u>5,264</u>
Income (loss) before transfers	(1,632,270)
Transfers in	<u>768,324</u>
Change in net position	(863,946)
Net position, beginning of year	<u>20,737,572</u>
Net position, end of year	\$ <u><u>19,873,626</u></u>

CITY OF BETHEL, ALASKA
Multi-Use Recreation Center Enterprise Fund
Schedule of Cash Flows
Year Ended June 30, 2022

Cash flows from (for) operating activities:

Receipts from customers	\$ 372,839
Payments to suppliers	(1,044,376)
Net cash flows from operating activities	<u>(671,537)</u>

Cash flows from (for) noncapital financing activities:

Due to other funds	343,572
Transfers in	768,324
Net cash flows (for) noncapital financing activities	<u>1,111,896</u>

Cash flows (for) capital related financing activities -

Acquisition of capital assets	<u>(443,247)</u>
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Cash flows from investing activities -

Investment income received	<u>5,264</u>
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Net increase in cash and cash equivalents 2,376

Cash and cash equivalents, beginning of year 3,987,621

Cash and cash equivalents, end of year \$ 3,989,997

Reconciliation of income from operations**to net cash flows from (for) operating activities:**

Income (loss) from operations	\$ (1,637,534)
Adjustments to reconcile income from operations to net cash flows from operating activities:	
Depreciation	815,218
(Increase) decrease in assets:	
Accounts receivable	13,665
Inventory	(1,866)
Increase (decrease) in liabilities:	
Accounts payable	123,980
Unearned revenue	15,000
Net cash flows from operating activities	<u><u>\$ (671,537)</u></u>

CITY OF BETHEL, ALASKA

Solid Waste Enterprise Fund

Schedule of Net Position

June 30, 2022

Assets and Deferred Outflows of Resources**Assets:****Current assets:**

Cash and cash equivalents	\$ 3,642,038
Accounts receivable (net of allowance)	164,174
Inventory	3,381
Total current assets	<u>3,809,593</u>

Long-term assets:

Other post employment benefit assets	<u>262,214</u>
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Capital assets:

Land	18,252
Depreciable assets	3,328,012
Less accumulated depreciation	<u>(1,310,873)</u>
Net capital assets	<u>2,035,391</u>

Total long-term assets	<u>2,297,605</u>
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Total assets	<u>6,107,198</u>
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Deferred outflows of resources -

Pension and OPEB deferrals	<u>62,815</u>
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Total assets and deferred outflows of resources	<u>\$ 6,170,013</u>
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Liabilities, deferred inflows of resources and net position**Liabilities:****Current liabilities:**

Accounts payable	7,457
Accrued payroll	19,746
Accrued leave	53,654
Total current liabilities	<u>80,857</u>

Long-term liabilities:

Landfill closure costs	3,175,557
Net pension and OPEB liability	350,137
Total long-term liabilities	<u>3,525,694</u>

Total liabilities	<u>3,606,551</u>
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Deferred inflows of resources -

Pension and OPEB deferrals	<u>285,121</u>
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Net position

Net investment in capital assets	2,035,391
Unrestricted	242,950
Total net position	<u>2,278,341</u>

Total liabilities, deferred inflows of resources and net position	<u>\$ 6,170,013</u>
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CITY OF BETHEL, ALASKA

Solid Waste Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2022

Operating revenues -	
Charges for services	\$ <u>1,177,154</u>
Operating expenses:	
Personnel	405,048
Materials and supplies	32,995
Utilities and fuel	39,723
Repairs and maintenance	207,867
Other purchased services	225
Equipment	1,834
Insurance	10,284
Other expenses	8,223
Depreciation	218,321
Indirect cost	144,668
Total operating expenses	<u>1,069,188</u>
Income from operations	107,966
Nonoperating revenues (expenses):	
PERS on-behalf	(11,397)
Interest expense	(129,946)
Total nonoperating revenues (expenses)	<u>(141,343)</u>
Change in net position	(33,377)
Net position, beginning of year	<u>2,311,718</u>
Net position, end of year	\$ <u><u>2,278,341</u></u>

CITY OF BETHEL, ALASKA

Solid Waste Enterprise Fund

Schedule of Cash Flows

Year Ended June 30, 2022

Cash flows from (for) operating activities:

Receipts from customers	\$ 1,152,508
Payment to suppliers	(351,802)
Payment to employees	(434,216)
Net cash flows from operating activities	<u>366,490</u>

Cash flows (for) capital related financing activities:

Acquisition of capital assets	(829,153)
Interest paid on long-term debt	(129,946)
Net cash flows (for) capital and related financing activities	<u>(959,099)</u>

Net change in cash and cash equivalents (592,609)

Cash and cash equivalents, beginning of year 4,234,647

Cash and cash equivalents, end of year \$ 3,642,038

Reconciliation of income from operations**to net cash flows from operating activities:**

Income from operations	107,966
Adjustments to reconcile income from operations to net cash flows from operating activities:	
Depreciation	218,321
PERS on-behalf expense	(11,397)
Closure and post closure costs	
Changes in assets and liabilities that provided (uses) cash:	
(Increase) decrease in assets and deferred outflows:	
Accounts receivable	(24,646)
Other post employment benefit assets	(224,559)
Pension and OPEB deferrals	24,330
Increase (decrease) in liabilities and deferred inflows:	
Accounts payable	(35,666)
Accrued payroll	553
Accrued leave	6,830
Landfill closure costs	129,946
Net pension and OPEB liability	(79,402)
Pension and OPEB deferrals	254,477
Net cash flows from operating activities	<u><u>\$ 366,490</u></u>

CITY OF BETHEL, ALASKA

Water and Sewer Utility Enterprise Fund

Schedule of Net Position

June 30, 2022

Assets and Deferred Outflows of Resources**Assets:****Current assets:**

Cash and cash equivalents	\$ 2,291,735
Accounts receivable (net of allowance)	2,779,095
Inventory	67,660
Total current assets	<u>5,138,490</u>

Long-term assets

Other post employment benefit assets	<u>1,624,392</u>
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Capital assets:

Construction in progress	2,250,585
Depreciable assets	58,651,547
Less accumulated depreciation	(32,758,716)
Net capital assets	<u>28,143,416</u>

Total long term assets	29,767,808
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Total Assets	<u>34,906,298</u>
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Deferred outflows of resources -

Pension and OPEB deferrals	<u>523,919</u>
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Total assets and deferred outflows of resources	<u>\$ 35,430,217</u>
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Liabilities, Deferred Inflows of Resources and Net Position**Liabilities:****Current liabilities:**

Accounts payable	147,194
Accrued payroll	81,780
Accrued leave	120,615
Due to other funds	91,407
Unearned revenue	357,205
Current portion of notes payable	15,304
Total current liabilities	<u>813,505</u>

Long-term Liabilities:

Advances from other funds	1,995,761
Notes payable	3,138,959
Net pension and OPEB liability	2,823,387
Total long-term liabilities	<u>7,958,107</u>

Total liabilities	<u>8,771,612</u>
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Deferred inflows of resources -

Pension and OPEB deferrals	<u>1,748,526</u>
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Net position:

Net investment in capital assets	24,989,153
Unrestricted	(79,074)
Total net position	<u>24,910,079</u>

Total liabilities, deferred inflows of resources and net position	<u>\$ 35,430,217</u>
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CITY OF BETHEL, ALASKA

Water and Sewer Utility Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2022

Operating revenues:

Charges for services	\$	7,611,243
Other		22,382
Total operating revenues		<u>7,633,625</u>

Operating expenses:

Personnel	2,618,891
Travel and training	28,337
Materials and supplies	116,570
Utilities and fuel	835,378
Special projects	14,045
Repairs and maintenance	851,387
Other purchased services	110,846
Equipment	36,111
Insurance	232,641
Other expenses	156,396
Depreciation	2,145,111
Indirect costs	982,249
Total operating expenses	<u>8,127,962</u>

Loss from operations	(494,337)
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Nonoperating revenues (expenses):

Federal sources	110,922
State sources	(35,686)
Investment income	2,963
Interest expense	(19,667)
Total nonoperating revenues	<u>58,532</u>

Loss before transfers and capital contributions	(435,805)
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Capital contributions	293,384
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Change in net position	(142,421)
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Net position, beginning of year	<u>25,052,500</u>
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Net position, end of year	<u><u>\$ 24,910,079</u></u>
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CITY OF BETHEL, ALASKA

Water and Sewer Utility Enterprise Fund

Schedule of Cash Flows

Year Ended June 30, 2022

Cash flows from (for) operating activities:

Receipts from customers	\$ 7,853,972
Payment to suppliers	(4,014,504)
Payment to employees	(2,865,799)
Net cash flows from operating activities	<u>973,669</u>

Cash flows from (for) noncapital financing activities:

Federal sources - grants	110,922
Due to other funds	91,407
Net cash flows (for) noncapital financing activities	<u>202,329</u>

Cash Flows from (for) Capital and Related Financing Activities:

Interest paid on long-term debt	(19,667)
Principal paid on long-term debt	(14,968)
Advances from other funds	(907)
Acquisition of capital assets	(569,410)
Net cash flows (for) capital and related financing activities	<u>(604,952)</u>

Cash Flows from Investing Activities:

Interest and dividends received	<u>2,963</u>
Net increase in cash and cash equivalents	<u>574,009</u>

Cash and cash equivalents, beginning of year1,717,726**Cash and cash equivalents, end of year**\$ 2,291,735**Reconciliation of loss from operations****to net cash flows from operating activities:**

Loss from operations	\$ (494,337)
Adjustments to reconcile loss from operations to net cash flows from operating activities:	
Depreciation	2,145,111
PERS on-behalf expense	(35,686)
(Increase) decrease in assets:	
Accounts receivable	217,349
Inventory	(5,278)
Other post employment benefit assets	(1,335,486)
Pension and OPEB deferrals	144,699
Increase (decrease) in liabilities:	
Accounts payable	(645,266)
Accrued payroll	(25,139)
Accrued leave	(36,495)
Net pension and OPEB liability	(472,217)
Pension and OPEB deferrals	1,513,416
Unearned revenue	2,998
Net cash flows from operating activities	\$ <u><u>973,669</u></u>

Noncash Capital and Related Financing Activities:

Capital contribution from other fund	\$ <u><u>293,384</u></u>
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CITY OF BETHEL, ALASKA

Municipal Dock Enterprise Fund

Schedule of Net Position

June 30, 2022

Assets and Deferred Outflows of Resources**Assets:****Current assets:**

Cash and cash equivalents	\$ 4,914,542
Investments	1,285,498
Accounts receivable (net of allowance)	361,408
Inventory	1,308
Total current assets	6,562,756

Long-term assets:

Other post employment benefit assets	144,661
Capital assets:	
Land	1,236,000
Construction in progress	1,043,556
Depreciable assets	66,079,930
Less accumulated depreciation	(16,929,263)
Net capital assets	51,430,223
Total long-term assets	51,574,884

Total assets	58,137,640
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Deferred outflows of resources -

Pension and OPEB deferrals	45,638
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Total assets and deferred outflows of resources	\$ 58,183,278
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Liabilities, Deferred Inflows of Resources and Net Position**Liabilities:****Current liabilities:**

Accounts payable	10,232
Accrued payroll	18,135
Accrued leave	24,112
Total current liabilities	52,479

Long-term liabilities -

Net pension and OPEB liability	246,481
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Total liabilities	298,960
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Deferred inflows of resources -

Pension and OPEB deferrals	155,851
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Net position:

Net investment in capital assets	51,430,223
Unrestricted	6,298,244
Total net position	57,728,467

Total liabilities, deferred inflows of resources and net position	\$ 58,183,278
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CITY OF BETHEL, ALASKA

Municipal Dock Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2022

Operating revenues:	
Charges for services	\$ 1,408,301
Other	19
Total operating revenues	<u>1,408,320</u>
Operating expenses:	
Personnel	322,115
Travel and training	2,247
Materials and supplies	191,166
Utilities and fuel	50,523
Repairs and maintenance	64,192
Other purchased services	73,644
Equipment	7,589
Insurance	13,497
Other expenditures	5,532
Depreciation	1,947,877
Indirect costs	143,822
Total operating expenses	<u>2,822,204</u>
Income (loss) from operations	(1,413,884)
Nonoperating revenues (expenses):	
State sources	(6,058)
Investment income	524
Total nonoperating revenues (expenses)	<u>(5,534)</u>
Change in net position	<u>(1,419,418)</u>
Net position, beginning of year	<u>59,147,885</u>
Net position, end of year	<u>\$ 57,728,467</u>

CITY OF BETHEL, ALASKA
Municipal Dock Enterprise Fund
Schedule of Cash Flows
Year Ended June 30, 2022

Cash flows from (for) operating activities:

Receipts from customers	\$ 1,559,650
Payment to suppliers	(606,311)
Payment to employees	(336,605)
Net cash flows from operating activities	<u>616,734</u>

Cash flows (for) investing activities:

Interest and dividends received	524
Purchases of investments	(1,285,498)
Sales of investments	263,740
Net cash flows from (for) investing activities	<u>(1,021,234)</u>

Cash flows (for) noncapital financing activities -

Due to other funds	<u>(44,666)</u>
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Cash flows (for) capital and related financing activities -

Acquisition of capital assets	<u>(86,307)</u>
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Net increase in cash and cash equivalents

(535,473)

Cash and cash equivalents, beginning of year

5,450,015

Cash and cash equivalents, end of year

\$ 4,914,542

Reconciliation of income from (for) operations**to net cash flows from operating activities:**

Loss from operations	\$ (1,413,884)
Adjustments to reconcile income (loss) from operations to net cash flows from operating activities:	
Depreciation	1,947,877
PERS on-behalf expense	(6,058)
(Increase) decrease in assets:	
Accounts receivable	151,330
Inventory	(102)
Other post employment benefit assets	(119,354)
Pension and OPEB deferrals	12,931
Increase (decrease) in liabilities:	
Accounts payable	(53,997)
Accrued payroll	6,449
Accrued leave	(1,510)
Pension and OPEB liability	(42,204)
Pension and OPEB deferrals	135,256
Net cash flows from operating activities	<u><u>\$ 616,734</u></u>

CITY OF BETHEL, ALASKA

Rental Property Enterprise Fund

Schedule of Net Position

June 30, 2022

Assets:**Current assets:**

Cash and cash equivalents	\$	1,836,547
Accounts receivable (net of allowance)		73,442
Lease receivable		3,251,696
Inventory		6,827
Total current assets		<u>5,168,512</u>

Long-term assets -

Restricted cash - bond reserve		<u>225,959</u>
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Capital assets:

Construction in progress		595,085
Land		43,000
Depreciable assets		9,876,329
Less accumulated depreciation		<u>(6,716,688)</u>
Net capital assets		<u>3,797,726</u>

Total long-term assets		<u>4,023,685</u>
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Total assets	\$	<u><u>9,192,197</u></u>
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Liabilities and Net Position**Liabilities:****Current liabilities:**

Accounts payable		351,749
Current portion - bonds payable		190,000
Accrued interest payable		5,438
Unearned revenue		<u>595,211</u>
Total current liabilities		<u>1,142,398</u>

Long-term Liabilities:

Advances from other funds		928,960
Bonds payable, net of current portion		1,115,000
Unamortized bond premium		<u>100,413</u>
Total long-term liabilities		<u>2,144,373</u>

Total liabilities		<u>3,286,771</u>
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Deferred inflows of resources -

Leases		<u>3,184,012</u>
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Net position:

Net investment in capital assets		2,392,313
Restricted - bond reserve		225,959
Unrestricted		<u>103,142</u>
Total net position		<u>2,721,414</u>

Total liabilities and net position	\$	<u><u>9,192,197</u></u>
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CITY OF BETHEL, ALASKA

Rental Property Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2022

Operating revenues -	
Charges for services	\$ <u>803,024</u>
Operating expenses:	
Utilities and fuel	156,977
Repairs and maintenance	157,969
Other purchased services	90,255
Insurance	55,057
Depreciation	<u>329,500</u>
Total operating expenses	<u>789,758</u>
Income from operations	13,266
Nonoperating revenues (expenses):	
Investment income	160,937
Interest expense	<u>(34,581)</u>
Net nonoperating revenues (expenses)	<u>126,356</u>
Change in net position	139,622
Net position, beginning of year	<u>2,581,792</u>
Net position, end of year	\$ <u><u>2,721,414</u></u>

CITY OF BETHEL, ALASKA
Rental Property Enterprise Fund
Schedule of Cash Flows
Year Ended June 30, 2022

Cash flows from (for) operating activities:	
Receipts from customers	\$ 698,206
Payment to suppliers	(131,159)
Net cash flows from operating activities	<u>567,047</u>
Cash flows (for) capital and related financing activities:	
Acquisition and construction of capital assets	(514,859)
Principal paid on long-term debt	(185,000)
Interest paid on long-term debt	(68,949)
Net cash flows (for) capital and related financing activities	<u>(768,808)</u>
Cash flows from investing activities -	
Investment income received	<u>160,937</u>
Net change in cash and cash equivalents	(40,824)
Cash and cash equivalents, beginning of year	<u>2,103,330</u>
Cash and cash equivalents, end of year	<u><u>\$ 2,062,506</u></u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:	
Cash and cash equivalents	\$ 1,836,547
Restricted cash - bond reserve	225,959
	<u>\$ 2,062,506</u>
Reconciliation of income from operations to net cash flows from operating activities:	
Income from operations	\$ 13,266
Adjustments to reconcile income from operations to net cash flows from operating activities:	
Depreciation	329,500
(Increase) decrease in assets:	
Accounts receivable	(3,288,830)
Inventory	(533)
Increase (decrease) in liabilities and deferred inflows:	
Accounts payable	329,632
Deferred inflows of resources - leases	3,184,012
Net cash flows from operating activities	<u><u>\$ 567,047</u></u>

CITY OF BETHEL, ALASKA

Public Transit Enterprise Fund

Schedule of Net Position

June 30, 2022

Assets and Deferred Outflows of Resources**Assets:****Current assets:**

Accounts receivable (net of allowance) \$ 198,328

Inventory 4,785

Total current assets 203,113**Long-term assets -**

Net other postemployment benefits 60,783

Capital assets:

Construction in progress 25,422

Depreciable assets 448,147

Less accumulated depreciation (370,788)

Net capital assets 102,781

Total long-term assets 163,564**Total Assets** 366,677**Deferred outflows of resources -**

Pension and OPEB deferrals 24,763

Total assets and deferred outflows of resources \$ 391,440**Liabilities, Deferred Inflows of Resources and Net Position****Liabilities:****Current liabilities:**

Accounts payable 22,868

Accrued payroll 6,977

Accrued leave 7,937

Due to other funds 801,229

Total current liabilities 839,011**Long-term liabilities -**

Pension and OPEB liability 130,690

Total liabilities 969,701**Deferred inflows of resources -**

OPEB deferred inflow 64,747

Total liabilities and deferred inflows of resources 1,034,448**Net position:**

Net investment in capital assets 102,781

Unrestricted (745,789)

Total net position (643,008)**Total liabilities, deferred inflows of resources and net position** \$ 391,440

CITY OF BETHEL, ALASKA

Public Transit Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2022

Operating revenues -	
Charges for services	\$ <u>5,345</u>
Operating expenses:	
Personnel	189,914
Travel and training	1,863
Materials and supplies	4,661
Utilities and fuel	38,191
Repairs and maintenance	21,406
Insurance	12,519
Other expenses	642
Depreciation	26,389
Indirect costs	95,088
Total operating expenses	<u>390,673</u>
Loss from operations	(385,328)
Nonoperating revenues:	
Federal sources	443,458
PERS on-behalf	2,441
Total nonoperating revenues	<u>445,899</u>
Change in net position	<u>60,571</u>
Net position, beginning of year	<u>(703,579)</u>
Net position, end of year	\$ <u><u>(643,008)</u></u>

CITY OF BETHEL, ALASKA

Public Transit Enterprise Fund

Schedule of Cash Flows

Year Ended June 30, 2022

Cash flows from (for) operating activities:

Receipts from customers	\$ (192,983)
Payment to suppliers	(153,650)
Payment to employees	(197,244)
Net cash flows (for) operating activities	<u>(543,877)</u>

Cash flows from (for) noncapital financing activities:

Due to other funds	125,841
Federal sources - grants	443,458
Net cash flows from noncapital financing activities	<u>569,299</u>

Cash flows (for) capital and related financing activities:

Acquisition and construction of capital assets	<u>(25,422)</u>
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Net change in cash and cash equivalents	-
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Cash and cash equivalents, beginning of year	<u>-</u>
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Cash and cash equivalents, end of year	<u><u>\$ -</u></u>
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Reconciliation of income (loss) from operations**to net cash flows (for) operating activities:**

Loss from operations	\$ (385,328)
Adjustments to reconcile loss from operations to net cash flows (for) operating activities:	
Depreciation	26,389
PERS on-behalf expense	2,441
(Increase) decrease in assets:	
Accounts receivable	(198,328)
Inventory	(373)
Other post employment benefit assets	(47,843)
Pension and OPEB deferrals	5,185
Increase (decrease) in liabilities:	
Accounts payable	21,093
Accrued payroll	1,132
Accrued leave	(5,545)
Pension and OPEB liability	(16,917)
Pension and OPEB deferrals	54,217
Net cash flows (for) operating activities	<u><u>\$ (543,877)</u></u>

CITY OF BETHEL, ALASKA

Internal Service Funds

Combining Schedule of Net Position

June 30, 2022

	Employee Health Insurance	Vehicle and Equipment	Total Internal Service Funds
Assets			
Current assets -			
Inventory	\$ -	170,728	170,728
Total current assets	-	170,728	170,728
Capital assets:			
Depreciable assets	-	343,523	343,523
Less accumulated depreciation	-	(145,524)	(145,524)
Net capital assets	-	197,999	197,999
Total assets	\$ -	368,727	368,727
Liabilities and net position			
Current liabilities:			
Accounts payable	-	12,698	12,698
Accrued payroll	-	17,427	17,427
Accrued leave	-	18,764	18,764
Due to other funds	784,431	420,843	1,205,274
Total current liabilities	784,431	469,732	1,254,163
Net position - unrestricted	(784,431)	(101,005)	(885,436)
Total liabilities and net position	\$ -	368,727	368,727

CITY OF BETHEL, ALASKA

Internal Service Funds

Combining Schedule of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2022

	Employee Health Insurance	Vehicle and Equipment	Total Internal Service Funds
Operating revenues -			
Interfund charges for services	\$ -	957,122	957,122
Operating expenses:			
Personnel	-	567,767	567,767
Travel and training	-	24	24
Materials and supplies	-	43,736	43,736
Utilities and fuel	-	64,048	64,048
Repairs and maintenance	-	9,560	9,560
Other purchased services	-	10,096	10,096
Equipment	-	24,670	24,670
Insurance	-	34,890	34,890
Other expenses	-	13,288	13,288
Depreciation	-	31,589	31,589
Indirect costs	-	181,909	181,909
Total operating expenses	-	981,577	981,577
Income (loss) from operations	-	(24,455)	(24,455)
Nonoperating revenues (expenses):			
State sources	-	25,504	25,504
Change in net position	-	1,049	1,049
Net position, beginning of year	(784,431)	(102,054)	(886,485)
Net position, end of year	\$ (784,431)	(101,005)	(885,436)

CITY OF BETHEL, ALASKA
Internal Service Funds
Combining Schedule of Cash Flows
Year Ended June 30, 2022

	Employee Health Insurance	Vehicle and Equipment	Total Internal Service Funds
Cash flows from (for) operating activities:			
Receipts from interfund services provided	\$ -	957,122	957,122
Payments to suppliers	-	(354,282)	(354,282)
Payments to employees	-	(543,364)	(543,364)
Net cash flows from (for) operating activities	<u>-</u>	<u>59,476</u>	<u>59,476</u>
Cash flows from noncapital financing activities -			
Decrease in due to other funds	<u>-</u>	<u>(91,365)</u>	<u>(91,365)</u>
Net increase in cash and cash equivalents	-	(31,889)	(31,889)
Cash and cash equivalents, beginning of year	<u>-</u>	<u>31,889</u>	<u>31,889</u>
Cash and cash equivalents, end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>
Reconciliation of loss from operations			
to net cash flows (for) operating activities:			
Income (loss) from operations	-	(24,455)	(24,455)
Adjustments to reconcile loss from operations to net cash flows (for) operating activities:			
Depreciation	-	31,589	31,589
PERS on-behalf	-	25,504	25,504
(Increase) decrease in assets:			
Inventory	-	28,477	28,477
Increase (decrease) in liabilities:			
Accounts and claims payable	-	(538)	(538)
Accrued payroll	-	2,932	2,932
Accrued leave	-	(4,033)	(4,033)
Net cash flows (for) operating activities	<u>\$ -</u>	<u>59,476</u>	<u>59,476</u>

CITY OF BETHEL, ALASKA
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Federal Grant Title	Grant Number	Assistance Listing Number	Total Grant Award	Federal Share of Expenditures
U.S. Department of the Interior				
Passed through the State of Alaska Department of Commerce, Community, and Economic Development - Payment in Lieu of Taxes	None	15.226	\$ 963,058	963,058
U.S. Department of Transportation				
Passed through the State of Alaska Department of Transportation and Public Facilities:				
Rural Public Transit	2512-22-0100	20.509	227,937	135,526
Rural Public Transit	2512-20-0200	20.509	731,328	307,932
Total U.S. Department of Transportation			959,265	443,458
U.S. Department of Homeland Security				
Passed through the State of Alaska Division of Homeland Security and Emergency Management:				
Homeland Security Grant Program - 2019	EMW-2019-SS-00031-S01	97.067	37,593	32,452
Homeland Security Grant Program - 2020	EMW-2020-SS-00012-S01	97.067	255,784	93,383
Total U.S. Department of Homeland Security			293,377	125,835
U.S. Department of the Treasury				
Passed through the State of Alaska Department of Commerce, Community, and Economic Development - COVID-19 - Coronavirus Local Fiscal Recovery Fund	None	21.027	3,357,327	550,791
Passed through the Alaska Community Foundation - COVID-19 - ARPA Non Profit Recovery Fund	27189	21.027	100,000	100,000
Total ALN 21.027			3,457,327	650,791
U.S. Department of Justice				
Direct:				
COPS Office School Violence Prevention Program	2019SVWX0071	16.710	500,000	12,000
COPS Hiring Grant	2020UMWX0439	16.710	125,000	41,667
Total ALN 16.710			625,000	53,667
JAG Grant	15PBJA-21-GG-01113-JAGX	16.738	13,508	9,807
COVID-19 Coronavirus Emergency Supplemental Funding	2020-VD-BX-1871	16.034	42,607	42,607
Total U.S. Department of Justice			681,115	106,081
U.S. Environmental Protection Agency				
Passed through the State of Alaska Department of Environmental Conservation - Village Safe Water Program	21ES93	66.202	395,250	110,922
U.S. Department of Health and Human Services				
Passed through the State of Alaska Department of Health - COVID-19 Emergency Operations Center	C0621-570-CC	93.323	284,730	10,065
Total Expenditures of Federal Awards			\$ 7,034,122	2,410,210
Reconciliation from Federal Financial Assistance to Federal Sources revenues, Exhibit B-3:				
Above expenditures, per schedule				\$ 2,410,210
Less: Federal sources reported in the proprietary funds, Exhibit C-2				(554,380)
Total Federal Sources revenue Exhibit B-3				\$ 1,855,830

See accompanying notes to the Schedule of Expenditures of Federal Awards.

CITY OF BETHEL, ALASKA

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2022

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the City of Bethel under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the City of Bethel, it is not intended to and does not present the basic financial statements of the City of Bethel.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The City of Bethel has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform guidance.

Note 3. Passed Through Awards

No amounts were passed through to subrecipients.

Note 4. Federal Loan Balances

The federal portion of the outstanding balances for the USDA Water and Sewer System Loan is \$253,223.

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

Members of the Council
City of Bethel, Alaska
Bethel, Alaska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Bethel, Alaska, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise City of Bethel, Alaska's basic financial statements, and have issued our report thereon dated April 22, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Bethel, Alaska's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Bethel, Alaska's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Bethel, Alaska's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a significant deficiency.

Members of the Council
City of Bethel, Alaska

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Bethel, Alaska's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Bethel, Alaska's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Bethel, Alaska's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City of Bethel, Alaska's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Anchorage, Alaska
April 22, 2024

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance as Required by the *Uniform Guidance*

Independent Auditor's Report

Members of the Council
City of Bethel, Alaska
Bethel, Alaska

Report on Compliance for Each Major Federal Program

Qualified Opinion

We have audited the City of Bethel, Alaska's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of City of Bethel, Alaska's major federal programs for the year ended June 30, 2022. The City of Bethel, Alaska's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on Each Major Federal Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, City of Bethel, Alaska complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Qualified Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Bethel, Alaska and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City of Bethel, Alaska's compliance with the compliance requirements referred to above.

Matters Giving Rise to Qualified Opinion on Major Federal Programs

As described in the accompanying schedule of findings and questioned costs, City of Bethel, Alaska did not comply with requirements regarding the Payment in Lieu of Taxes (ALN 15.226) and the Coronavirus State and Local Fiscal Recovery Funds / ARPA Non profit Recovery Funds (ALN 21.027) as described in Finding 2022-002 for reporting.

Compliance with such requirement is necessary, in our opinion, for the City of Bethel, Alaska to comply with the requirements applicable to those programs.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to City of Bethel, Alaska's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Bethel, Alaska's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Bethel, Alaska's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Bethel, Alaska's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Bethel, Alaska's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Bethel, Alaska's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

Government Auditing Standards requires that the auditor perform limited procedures on the City of Bethel, Alaska's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs and corrective action plan. City of Bethel, Alaska's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 2022-002 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires that the auditor to perform limited procedures on City of Bethel, Alaska's response to the internal control over compliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs and corrective action plan. City of Bethel, Alaska's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Anchorage, Alaska
April 22, 2024

CITY OF BETHEL, ALASKA

Federal Schedule of Findings and Questioned Costs

Year Ended June 30, 2022

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements were prepared in accordance with GAAP:

Unmodified

Is a going concern emphasis-of-matter paragraph
Included in the audit report?

_____ Yes x No

Internal control over financial reporting:

Material weakness(es) identified?

_____ Yes x No

Significant deficiency(ies) identified?

x Yes _____ None reported

Noncompliance material to financial statements noted?

_____ Yes x No

Federal Awards

Internal Control over major programs:

Material weakness(es) identified

(2 CFR 200.516 (a)(1))?

x Yes _____ No

Significant deficiency(ies) identified

(2 CFR 200.516 (a)(1))?

_____ Yes x None reported

Any material noncompliance with provisions of laws,
regulations, contracts, or grant agreements related
to a major program (2 CFR 200.516 (a)(2))?

x Yes _____ No

Type of auditor’s report issued on compliance
for major programs:

Qualified

Any audit findings disclosed that are required to
be reported in accordance with 2 CFR 200,
Section .516(a) (3) or (4)?

_____ Yes x No

Identification of major program:

ALN Number

15.226

21.027

Name of Federal Program

Payment in Lieu of Taxes

Coronavirus State and Local Fiscal
Recovery Funds / ARPA Non Profit
Recovery Funds

Dollar threshold used to distinguish
between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

_____ Yes x No

Federal Schedule of Findings and Questioned Costs, Continued

Section II – Financial Statement Findings

Finding 2022-001

Significant Deficiency

Lack of Internal Control Over Sales Tax Audit Policies

Criteria:	Proper utilization of enforcement mechanisms established under municipal code are imperative to ensure that sales tax collections are complete, accurate, and timely and any noncompliance by sellers are detected in a timely manner.
Condition and Context:	Section 4.16.350 of the Bethel Municipal Code states that the City may perform a discretionary sales tax audit at any time. The purpose of such an audit is to examine the business records of the seller in order to determine whether appropriate amounts of sales tax revenue have been collected by the seller and remitted to the city. We noted that the City has not performed audits of sales taxes recently.
Cause:	While Bethel Municipal Code establishes the City's right to perform sales tax audits, the City does not have formal processes and procedures in place to ensure that sales tax audits are performed on a routine basis.
Effect:	The nonperformance of sales tax audits increases the likelihood of noncompliance among the City's sellers which thereby increases the likelihood that the City is under-collecting sales tax revenue.
Repeat Finding:	Yes, this is a repeat of Finding 2021-003. Since it is a repeat finding we believe this to be a systemic issue.
Recommendation:	We recommend that management review the City's policies regarding the utilization of the right to perform discretionary sales tax audits under Bethel Municipal Code. We recommend management develop internal policies over sales tax audits which address, among other things, the establishment of a schedule for performing sales tax audits on a routine basis; criteria for number and types of sellers selected for audit; guidance for how sellers are to be selected; and processes to ensure that the population of sellers is complete and accurate.
Management's Response:	Management concurs with this finding. See corrective action plan.

Federal Schedule of Findings and Questioned Costs, Continued

Section III – Federal Award Findings and Questioned Costs**Finding 2022-002****Late Reporting and Noncompliance with Reporting Requirements**

Federal Agency:	U.S. Department of the Interior and U.S. Department of the Treasury
Federal Program:	Federal Payment in Lieu of Taxes (PILT) and Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) / ARPA Non Profit Recovery Fund (NPRF), respectively
Assistance Listing Number:	15.226 (PILT) and 21.027 (CSLFRF / NPRF), respectively
Award Number:	None (PILT), None (CSLFRF), 27189 (NPRF), respectively
Award Year:	2022
Type of Finding:	Material weakness in internal control over compliance and material noncompliance
Criteria:	Uniform Guidance requires that the reporting package must be submitted within the earlier of nine months after year end or 30 days after the report issuance in accordance with the provisions of 2 CFR Section 200, subpart F, section 200.512.
Condition and Context:	The City did not adhere to the Uniform Guidance requirement of submitting the reporting package within the earlier of 30 days after receipt of the audit report or nine months after the audit period.
Cause:	Lack of internal control over Uniform Guidance reporting requirements.
Effect:	The City was not in compliance with reporting requirements.
Questioned Costs:	None.
Repeat Finding:	Yes, this is a repeat of Finding 2021-005. Since it is a repeat finding we believe this to be a systemic issue.
Recommendation:	We recommend that the City comply with Uniform Guidance reporting requirements.
Management's Response:	Management concurs with this finding. See corrective action plan.



City of Bethel
City Manager's Office
PO Box 1388
Bethel AK 99559
(907) 543-1373 / (907) 543-1394 (fax)
www.cityofbethel.org

Summary Schedule of Prior Audit Findings

June 30, 2022

Financial Statement Findings

Finding 2021-001

Review of Pay Rates – Significant Deficiency in Internal Control Over Financial Reporting

Condition:

We noted payroll expenditures recorded in the general ledger that were not supported by signed and approved payrates on file reflecting the appropriate pay rate. The results of our payroll testing identified 18 instances out of a sample of 40 transactions without a properly signed and approved personnel action form displaying the current pay rate.

Status:

Finding has been resolved.

Finding 2021-002

General Ledger Reconciliations – Significant Deficiency in Internal Control Over Financial Reporting

Condition:

There was an adjustment made to the general ledger and the financial statements during the course of the audit to properly state fringe benefits expense charged to a grant and the associated grant revenue and receivable totaling \$34,574.

Status:

Finding has been resolved.

Finding 2021-003

Sales Tax Audit Policies – Significant Deficiency in Internal Control Over Financial Reporting

Condition:

Section 4.16.350 of the Bethel Municipal Code states that the City may perform a discretionary sales tax audit at any time. The purpose of such an audit is to examine the business records of the seller in order to determine whether appropriate amounts of sales tax revenue have been collected by the seller and remitted to the city. We noted that the City has not performed audits of sales taxes recently.

Status:

This finding has not been resolved and is repeated as finding 2022-001

CITY OF BETHEL, ALASKA

Summary Schedule of Prior Audit Findings, Continued

Finding 2021-004

Conflict of Interest Policies and Related Party Disclosures – Material Weakness in Internal Control Over Financial Reporting

Condition: Insufficient tracking and reporting of related parties transactions and conflict of interest resulted in additional proposed disclosures during the audit.

Status: Finding has been resolved.

Federal Award Findings and Questioned Costs

Finding 2021-005

Deadline for Federal Single Audit – Reporting – Noncompliance and Material Weakness in Internal Control over Compliance

Federal Agency: U.S. Department of the Treasury and Environmental Protection Agency
Federal Program: COVID-19 – Coronavirus Relief Fund and Congressionally Mandated Projects, respectively

Assistance Listing Number: 21.019 and 66.202, respectively

Award Number: 20-CRF-024 (21.019) / 18EQ57, 20ER77, 21ES93 (66.202)

Award Year: 2021

Condition: The City did not comply with the required submission date of the data collection form and reporting package to the FAC for the fiscal year ended June 30, 2021.

Status: This finding has not been resolved and is repeated as finding 2022-002.

CITY OF BETHEL, ALASKA

Summary Schedule of Prior Audit Findings, Continued

Finding 2021-006

**Payroll Documentation – Activities Allowed and Unallowed,
Allowable Costs/Cost Principles – Noncompliance and Material
Weakness in Internal Control over Compliance**

Federal Agency: U.S. Department of the Treasury
Federal Program: COVID-19 – Coronavirus Relief Fund
Assistance Listing Number: 21.019
Award Number: 20-CRF-024
Award Year: 2021

Condition: During our testing of payroll disbursements, we noted the following exceptions:

- 20 out of the 60 expenditures sampled did not have properly maintained personnel action forms signed by the employee.

- one out of the 60 expenditures sampled had an employee whose pay rate had decreased; however, no adjustment was made in the payroll system to reflect this decrease.

Status: This finding has been resolved.

Finding 2021-007

**Late Reporting – Significant Deficiency in Internal Control over
Compliance**

Federal Agency: Environmental Protection Agency
Federal Program: Congressionally Mandated Projects
Assistance Listing Number: 66.202
Award Number: 18EQ57, 20ER77, 21ES93 (66.202)
Award Year: 2021

Condition: During our testing of reporting, we noted two of the three reports tested were submitted after the due date.

Status: This finding has been resolved.

CITY OF BETHEL, ALASKA

Summary Schedule of Prior Audit Findings, Continued

Finding 2021-008

Subrecipient Agreements – Subrecipient Monitoring – Material Noncompliance and Material Weakness in Internal Control over Compliance

Federal Agency: U.S. Department of the Treasury
Federal Program: COVID-19 – Coronavirus Relief Fund
Assistance Listing Number: 21.019
Award Number: 20-CRF-024
Award Year: 2021

Condition: During our testing of subrecipient monitoring, we noted the subrecipient agreements did not include the required federal award identification or applicability of audit requirements. No action was taken to ensure the subrecipients were audited in accordance with 2 CFR 200.501, if applicable.

Status: This finding has been resolved.

Finding 2021-009

Monitoring Activities – Subrecipient Monitoring – Material Noncompliance and Material Weakness in Internal Control over Compliance

Federal Agency: U.S. Department of the Treasury
Federal Program: COVID-19 – Coronavirus Relief Fund
Assistance Listing Number: 21.019
Award Number: 20-CRF-024
Award Year: 2021

Condition: The City did not have controls in place to monitor subrecipient activities and ensure the subrecipient was audited in accordance with 2 CFR 200.501 if applicable.

Status: This finding has been resolved.

CITY OF BETHEL, ALASKA

Summary Schedule of Prior Audit Findings, Continued

Finding 2021-010

Sole Source Vendors – Procurement and Suspension and Debarment – Material Noncompliance and Material Weakness in Internal Control over Compliance

Federal Agency: Environmental Protection Agency
Federal Program: Congressionally Mandated Projects
Assistance Listing Number: 66.202
Award Number: 18EQ57, 20ER77, 21ES93 (66.202)
Award Year: 2021

Condition: During our testing of procurement and suspension and debarment, we noted the following exception: One of the three procurement transactions tested was procured via sole source without adequate support of the rationale to limit competition.

Status: This finding has been resolved.

Finding 2021-011

Expenditure Documentation – Activities Allowed and Unallowed, Allowable Costs/Cost Principles – Noncompliance and Material Weakness in Internal Control over Compliance

Federal Agency: U.S. Department of the Treasury
Federal Program: COVID-19 – Coronavirus Relief Fund
Assistance Listing Number: 21.019
Award Number: 20-CRF-024
Award Year: 2021

Condition: During our testing of nonpayroll disbursements, we noted the following exception: Three of the 62 disbursements sampled did not have adequate supporting documentation.

Status: This finding has been resolved.

CITY OF BETHEL, ALASKA

Summary Schedule of Prior Audit Findings, Continued

Finding 2021-012

Expenditure Approval – Activities Allowed and Unallowed, Allowable Costs/Cost Principles – Material Weakness in Internal Control over Compliance

Federal Agency: U.S. Department of the Treasury
Federal Program: COVID-19 – Coronavirus Relief Fund
Assistance Listing Number: 21.019
Award Number: 20-CRF-024
Award Year: 2021

Condition: During our testing of nonpayroll transactions, we noted the following exception: 17 of the 62 disbursements sampled did not have documentation of approval by management.

Status: This finding has been resolved.

Finding 2021-013

Gift Cards – Activities Allowed and Unallowed, Allowable Costs/Cost Principles – Noncompliance and Material Weakness in Internal Control over Compliance

Federal Agency: U.S. Department of the Treasury
Federal Program: COVID-19 – Coronavirus Relief Fund
Assistance Listing Number: 21.019
Award Number: 20-CRF-024
Award Year: 2021

Condition: During our testing of gift cards purchased by the City for distribution to individuals as an incentive for receiving the COVID-19 vaccine, we noted that the City did not maintain evidence of reconciling the gift card purchases to the gift cards distributed.

Status: This finding has been resolved.

CITY OF BETHEL, ALASKA

Summary Schedule of Prior Audit Findings, Continued

State Award Findings and Questioned Costs

Finding 2021-014 **Deadline for State Single Audit – Reporting – Noncompliance and Material Weakness in Internal Control over Compliance**

State Agency: State of Alaska, Department of Commerce, Community and Economic Development, Department of Administration, Department of Health, and Department of Environmental Conservation

Grant Name, Award - Number, and Award Year: Community Assistance Program, Grant No.: None, Award Year: 2021
Police Dispatch Systems, Grant No.: 12-DC-334, Award Year: 2021
State PERS Relief, Grant No.: None, Award Year: 2021
Community Service Patrol, Grant No.: 602-203-21002, Award Year: 2021
Village Safe Water Program, Grant No.: 20ER77, Award Year: 2020
Village Safe Water Program, Grant No.: 21ES93, Award Year: 2021

Condition: The City did not comply with the required submission date under 2 AAC 45.010(b) for the fiscal year ended June 30, 2021.

Status: The City did not require a state single audit during fiscal year 2023. Therefore, this finding was not repeated during fiscal year 2023.

Finding 2021-015 **Payroll Rates – Types of Services Allowed or Unallowd – Significant Deficiency in Internal Control over Compliance**

State Agency: State of Alaska, Department of Commerce, Community and Economic Development,

Grant Name, Award - Number, and Award Year: Community Assistance Program, Grant No.: None, Award Year: 2021

Condition: During our testing of payroll disbursements, we noted 18 out of 40 expenditures sampled did not have properly maintained personnel action forms signed by the employee.

Status: This finding has been resolved.

CITY OF BETHEL, ALASKA

Summary Schedule of Prior Audit Findings, Continued

Finding 2021-016

**Fringe Benefits – Types of Services Allowed or Unallowd –
Significant Deficiency in Internal Control over Compliance**

State Agency:

State of Alaska, Department of Environmental Conservation

Grant Name, Award -

Number, and Award Year:

Community Service Patrol, Grant No.: 602-203-21002, Award Year: 2021

Condition:

There was an adjustment made to the general ledger and the financial statements during the course of the audit to properly state fringe benefits expense charged to the program of \$34,574.

Status:

This finding has been resolved.

Finding 2021-017

**Notice to Tax Payers – Special Tests and Provisions –
Noncompliance and Material Weakness in Internal Control over
Compliance**

State Agency:

State of Alaska, Department of Commerce, Community and Economic Development,

Grant Name, Award -

Number, and Award Year:

Community Assistance Program, Grant No.: None, Award Year: 2021

Condition:

The City did not have evidence showing compliance with the requirements of AS 29.45.660.

Status:

The City did not require a state single audit during fiscal year 2023. Therefore, this finding was not repeated during fiscal year 2023.



City of Bethel
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Corrective Action Plan

June 30, 2022

Financial Statement Findings

Finding 2022-001

Sales Tax Audit Policies – Significant Deficiency in Internal Control Over Financial Reporting

Name of Contact Person: William Arnold, Interim City Manager

Corrective Action Plan: Management will review the City's policies regarding the utilization of the right to perform discretionary sales tax audits under the City's Municipal Code. Management will develop internal policies over sales tax audits and establish a schedule for performing sales tax audits

Proposed Completion Date: Fiscal year 2025

Federal Award Findings and Questioned Costs

Finding 2022-002

Late Reporting and Noncompliance with Reporting Requirements

Name of Contact Person: William Arnold, Interim City Manager

Corrective Action Plan: Management will carefully review report deadlines and ensure that submission of reports is made before they are due. Management will also carefully review reporting requirements and ensure that requirements are adhered to. This includes the following programs: US Department of the Interior, US Department of the Treasury Federal Payment in Lieu of Taxes (PILT) and Coronavirus State and Local Fiscal Recovery Funds/ ARPA Non-profit Recovery Fund.

Proposed Completion Date: Fiscal year 2023

City of Bethel Action Memorandum

Action memorandum No.	24-09		
Date action introduced:	May 14, 2024	Introduced by:	William Arnold, City Manager
Date action taken:		Approved	Denied
Confirmed by:			

Action Title: Acting City Manager to negotiate and execute negotiations for bid proposal for Police Communications Tower from STG Inc. with lowest bid of \$606,200.00.

Attachment(s) (1) Request for Bids - Police Communications Tower Package, Prepared by DOWL, LLC

Department/Individual:	Initials:	Remarks:
Administration William Arnold, Acting City Manager	WA	
Purchasing Agent, Carmen Murat	CM	

Account information:	Amount of fiscal impact:
	606,200.00

Summary Statement

The City of Bethel had DOWL prepare and issue a Request for Bids document for the construction of the Police Station Communication Tower with the proposal submission deadline of April 17, 2024. The City received two proposals from Company A and Company B by the deadline from qualified contractors in the state of Alaska, specifically with qualifications to work in the YK Delta. STG Inc. entered the lowest bid with all Request for Bid requirements attached.

**CITY OF BETHEL
BETHEL, ALASKA**



REQUEST FOR BIDS

Police Station Communication Tower Construction

Deadline for Questions / Protests: Friday, April 5, 2024, at 12:00 pm

Opening / Due Date: Friday, April 12, 2024

Opening Time: 12:00 pm

Opening Place: City of Bethel – City Hall
300 Chief Eddie Hoffman Highway
Bethel, Alaska 99559

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00 21 13	Instruction to Bidders
00 41 13	Bid Form
00 43 13	Bid Bond (EJCDC C-430, 2013 edition)
00 52 13	Agreement Between Owner and Contractor for Construction Contract (EJCDC C-520, 2013 edition)
00 61 13.13	Performance Bond (EJCDC C-610, 2013 edition)
00 61 13.16	Payment Bond (EJCDC C-615, 2013 edition)
00 72 13	Standard General Conditions of the Construction Contract (EJCDC C-700, 2013 edition)
00 80 00	Supplementary Conditions (EC-800)

DIVISION 01 GENERAL REQUIREMENTS

01 00 00	General Requirements
01 00 01	Method of Measurement and Basis of Payment

SIGNATURE AND VERIFICATION OF ANTI-COLLUSION

ENGINEERING DOCUMENTS

Bethel Police Station Communication Tower Drawings
Subsurface Exploration and Foundation Recommendations

SUPPLEMENTAL INFORMATION

ProComm Tower Layout and Headings
Survey Report

SECTION 00 11 13
ADVERTISEMENT FOR BIDS

CITY OF BETHEL
BETHEL, ALASKA
POLICE STATION COMMUNICATION TOWER CONSTRUCTION

The City of Bethel (Owner) is seeking separate sealed Bids for the construction of the Police Station Communication Tower (Project). Bids will be received by the Purchasing Agent at City Hall, located at 300 Chief Eddie Hoffman Highway (or PO Box 1388), Bethel, Alaska 99559, until 12:00 PM local time on Friday, April 12, 2024, at which time the Bids received will be publicly opened and read.

The Project includes constructing a self-supporting, 3-legged steel tower; furnishing antenna and dish hardware; and providing electrical modifications inside the Bethel Police Station. Note that access restrictions are in place for the project site and are outlined in Section 01 00 00, General Requirements.

Bids will be received for a single prime Contract. Bids shall be developed on a lump sum basis with a schedule of values following bidding as indicated in the Bid Form and the Method of Measurement and Basis of Payment.

The Issuing Office for the Bidding Documents is:

City of Bethel
C/O Purchasing Agent
Bethel, Alaska 99559
Email: purchasingagent@cityofbethel.net

Prospective Bidders may examine the Bidding Documents at the Issuing Office on Monday through Friday between the hours of 8:00 AM and 5:00 PM and may obtain copies of the Bidding Documents from the Issuing Office.

Bidding Documents may also be examined at The Plans Room LLC (4831 Old Seward Highway, Suite 202, Anchorage, Alaska), The Association of General Contractors (8005 Schoon Street, Anchorage, Alaska), and AGC/The Plans Room (3750 Bonita Street, Fairbanks, Alaska) on Monday through Friday between the hours of 9:00 AM and 4:00 PM; and the office of the Engineer, DOWL (5015 Business Park Boulevard, Suite 4000, Anchorage, Alaska), on Monday through Friday between the hours of 8:00 AM and 5:00 PM.

Each bid must be submitted and sealed in an envelope addressed to City of Bethel C/O Purchasing Agent, Bethel, Alaska 99559 and plainly marked on the outside of the envelope as "Bid for City of Bethel, Police Station Communication Tower Construction" and the date and hour of the bid opening. In person bids will be accepted from 11:30 AM to 12:00 PM at the entrance to City Hall (at 300 Chief Eddie Hoffman Highway). Bids may also be mailed to PO Box 1388, Bethel, Alaska 99559, or emailed to the Purchasing Agent.

The prevailing wage rates of the State of Alaska Department of Labor and Safety for Laborers' & Mechanics Minimum Rates of Pay (Pamphlet 600) apply to this project and are hereby incorporated by reference as if fully set forth herein.

The successful Bid shall comply with each provision thereof. Each Bid will be reviewed by the Owner and Engineer for compliance and completeness. Bidders must be in good standing with the City of Bethel. The winning bid will be selected based on the lowest, responsive, qualified bid. Local Bids will receive a five percent (5%) preference in determining the lowest responsible and responsive bid.

The City of Bethel will not be liable for any costs incurred by any Bidder in response to this advertisement. The City of Bethel reserves the right to reject any or all bids without cause.

All questions should be submitted in writing to the Purchasing Agent at purchasingagent@cityofbethel.net

END OF ADVERTISEMENT FOR BIDS

SECTION 00 21 13
INSTRUCTIONS TO BIDDERS
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ARTICLE 1 – DEFINED TERMS

- 1.01 Terms used in these Instructions to Bidders have the meanings indicated in the General Conditions and Supplementary Conditions. Additional terms used in these Instructions to Bidders have the meanings indicated below:
- A. *Issuing Office* – The office from which the Bidding Documents are to be issued and where the bidding procedures are to be administered.
- City of Bethel
C/O Purchasing Agent
Bethel, Alaska 99559
purchasingagent@cityofbethel.net
- B. *Local Bidder* – A local bidder means a business that submits a bid with fixed offices or distribution points located within the boundaries of the City of Bethel and who has a current City of Bethel business license and who is at the time of bidding in compliance with all requirements of the City of Bethel sales tax ordinance. A Bethel post office box number or residential address may not be used solely to establish status as a local bidder. The Owner reserves the final right to determine local bidder status.

ARTICLE 2 – COPIES OF BIDDING DOCUMENTS

- 2.01 Complete sets of the Bidding Documents may be obtained from the Issuing Office in the number and format stated in the advertisement or invitation to bid.
- 2.02 Complete sets of Bidding Documents shall be used in preparing Bids; neither Owner nor Engineer assumes any responsibility for errors or misinterpretations resulting from the use of incomplete sets of Bidding Documents.
- 2.03 Owner and Engineer, in making copies of Bidding Documents available on the above terms, do so only for the purpose of obtaining Bids for the Work and do not authorize or confer a license or grant for any other use.

ARTICLE 3 – QUALIFICATIONS OF BIDDERS

- 3.01 To demonstrate Bidder's qualifications to perform the Work, Bidder shall submit with its Bid (a) written evidence establishing its qualifications such as financial data, previous experience, and present commitments, and (b) the following additional information:
- A. Evidence of Bidder's authority to do business in the state or jurisdiction of where the Project is located,
- B. Alaska Contractor's License No.,
- C. List of proposed Subcontractor(s),
- D. List of proposed Supplier(s),
- E. Required Bid security in the form of a Bid Bond (EJCDC No. C-430, 2013),
- F. List of similar projects over the past five years, including location, size, owner contact name, and telephone, and

- G. If Bidder is a Local Bidder, a signed letter stating status as a Local Bidder must be provided and the Bidder must show compliance with the definition of a local bidder as found in Article 1 of this section.
- 3.02 Bidders must be in good standing with the Owner. Good standing includes but is not limited to:
1. No outstanding debts, fees, payments, or taxes owed to the Owner,
 2. No outstanding claims between the Owner and Bidder, and
 3. No previous history of default of duty, contract, or obligation to the Owner.
- 3.03 A Bidder's failure to submit required qualification information within the times indicated may disqualify Bidder from receiving an award of the Contract.
- 3.04 No requirement in this Article 3 to submit information will prejudice the right of Owner to seek additional pertinent information regarding Bidder's qualifications.
- 3.05 Bidder is advised to carefully review those portions of the Bid Form requiring Bidder's representations and certifications.

**ARTICLE 4 – SITE AND OTHER AREAS; EXISTING SITE CONDITIONS;
EXAMINATION OF SITE; OWNER'S SAFETY PROGRAM; OTHER WORK AT THE
SITE**

4.01 *Site and Other Areas*

- A. The Site is identified in the Bidding Documents. By definition, the Site includes rights-of-way, easements, and other lands furnished by Owner for the use of the Contractor. Any additional lands required for temporary construction facilities, construction equipment, or storage of materials and equipment, and any access needed for such additional lands, are to be obtained and paid for by the Contractor.
1. Owner has obtained rights-of-way for the project and agreements shall be made available to Bidders upon request.
 2. The Site is access restricted and the Bidder will need to coordinate with the Owner prior to entry. See Section 01 00 00, General Requirements.

4.02 *Existing Site Conditions*

- A. Subsurface, Physical, and Hazardous Environmental Conditions
1. The Supplementary Conditions identify:
 - a. One report known to Owner of explorations and tests of subsurface conditions at or adjacent to the Site — please see Engineering Documents.
 - b. No contaminated sites or Hazardous Environmental Conditions have been identified at or adjacent to the Site.
 2. Bidder is responsible for any interpretation or conclusion Bidder draws from any Technical Data or any other data, interpretations, opinions, or information contained in such reports or shown or indicated in such drawings.

3. If the Supplementary Conditions do not identify Technical Data, the default definition of Technical Data set forth in Article 1 of the General Conditions will apply.
- B. Adequacy of Data: Provisions concerning responsibilities for the adequacy of data furnished to prospective Bidders with respect to subsurface conditions, other physical conditions, and Underground Facilities, and possible changes in the Bidding Documents due to differing or unanticipated subsurface or physical conditions appear in Paragraphs 5.03, 5.04, and 5.05 of the General Conditions. Provisions concerning responsibilities for the adequacy of data furnished to prospective Bidders with respect to a Hazardous Environmental Condition at the Site, if any, and possible changes in the Contract Documents due to any Hazardous Environmental Condition uncovered or revealed at the Site which was not shown or indicated in the Drawings or Specifications or identified in the Contract Documents to be within the scope of the Work, appear in Paragraph 5.06 of the General Conditions.

4.03 *Site Visit and Testing by Bidders*

- A. Bidder shall conduct a voluntary Site visit during normal working hours and shall not disturb any ongoing operations at the Site. The Site is access restricted and the Bidder will need to coordinate with the Owner prior to the visit. See Section 01 00 00, General Requirements.
- B. Bidder is not required to conduct any subsurface testing, or exhaustive investigations of Site conditions.
- C. On request, and to the extent Owner has control over the Site, and schedule permitting, the Owner will provide Bidder access to the Site to conduct such additional examinations, investigations, explorations, tests, and studies as Bidder deems necessary for preparing and submitting a successful Bid. Owner will not have any obligation to grant such access if doing so is not practical because of existing operations, security or safety concerns, or restraints on Owner's authority regarding the Site.
- D. Bidder shall comply with all applicable Laws and Regulations regarding excavation and location of utilities, obtain all permits, and comply with all terms and conditions established by Owner or by property owners or other entities controlling the Site with respect to schedule, access, existing operations, security, liability insurance, and applicable safety programs.
- E. Bidder shall fill all holes and clean up and restore the Site to its former condition upon completion of such explorations, investigations, tests, and studies.

4.04 *Owner's Safety Program*

- A. Site visits and work at the Site may be governed by an Owner safety program. As the General Conditions indicate, if an Owner safety program exists, it will be noted in the Supplementary Conditions.

4.05 *Other Work at the Site*

- A. Reference is made to Article 8 of the Supplementary Conditions for the identification of the general nature of other work of which Owner is aware (if any) that is to be

performed at the Site by Owner or others (such as utilities and other prime contractors) and relates to the Work contemplated by these Bidding Documents. If Owner is party to a written contract for such other work, then on request, Owner will provide to each Bidder access to examine such contracts (other than portions thereof related to price and other confidential matters), if any.

ARTICLE 5 – BIDDER’S REPRESENTATIONS

5.01 It is the responsibility of each Bidder before submitting a Bid to:

- A. Examine and carefully study the Bidding Documents, and any data and reference items identified in the Bidding Documents;
- B. Visit the Site, conduct a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and satisfy itself as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work. As previously noted, the Site is access restricted and the Bidder will need to coordinate with the Owner prior to the visit. See Section 01 00 00, General Requirements.
- C. Become familiar with and satisfy itself as to all Laws and Regulations that may affect cost, progress, and performance of the Work;
- D. Carefully study all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings;
- E. Consider the information known to Bidder itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and the Site-related reports and drawings identified in the Bidding Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder; and (3) Bidder’s safety precautions and programs;
- F. Agree, based on the information and observations referred to in the preceding paragraph, that at the time of submitting its Bid no further examinations, investigations, explorations, tests, studies, or data are necessary for the determination of its Bid for performance of the Work at the price bid and within the times required, and in accordance with the other terms and conditions of the Bidding Documents;
- G. Become aware of the general nature of the work to be performed by Owner and others at the Site that relates to the Work as indicated in the Bidding Documents;
- H. Promptly give Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder discovers in the Bidding Documents and confirm that the written resolution thereof by Engineer is acceptable to Bidder;

- I. Determine that the Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for the performance and furnishing of the Work; and
- J. Agree that the submission of a Bid will constitute an incontrovertible representation by Bidder that Bidder has complied with every requirement of this Article, that without exception the Bid and all prices in the Bid are premised upon performing and furnishing the Work required by the Bidding Documents.

ARTICLE 6 – PRE-BID MEETING

- 6.01 A pre-bid meeting will not be scheduled.

ARTICLE 7 – INTERPRETATIONS AND ADDENDA

- 7.01 All questions about the meaning or intent of the Bidding Documents are to be submitted to Owner in writing. Interpretations or clarifications considered necessary by Owner in response to such questions will be issued by Addenda delivered to all parties recorded as having received the Bidding Documents. Questions received less than seven days prior to the date for opening of Bids may not be answered. Only questions answered by Addenda will be binding. Oral and other interpretations or clarifications will be without legal effect.
- 7.02 Addenda may be issued to clarify, correct, supplement, or change the Bidding Documents.

ARTICLE 8 – BID SECURITY

- 8.01 A Bid must be accompanied by Bid security made payable to Owner in an amount of five percent (5%) of Bidder's maximum Bid price (determined by adding the base bid and all alternates) and in the form of a certified check, bank money order, or a Bid bond (on the form included in the Bidding Documents) issued by a surety meeting the requirements of Paragraphs 6.01 and 6.02 of the General Conditions.
- 8.02 The Bid security of the apparent Successful Bidder will be retained until Owner awards the contract to such Bidder, and such Bidder has executed the Contract Documents, furnished the required contract security, and met the other conditions of the Notice of Award, whereupon the Bid security will be released. If the Successful Bidder fails to execute and deliver the Contract Documents and furnish the required contract security within 15 days after the Notice of Award, Owner may consider Bidder to be in default, annul the Notice of Award, and the Bid security of that Bidder will be forfeited. Such forfeiture shall be Owner's exclusive remedy if Bidder defaults.
- 8.03 The Bid security of other Bidders that Owner believes to have a reasonable chance of receiving the award may be retained by Owner until the earlier of seven days after the Effective Date of the Contract or 61 days after the Bid opening, whereupon Bid security furnished by such Bidders will be released.
- 8.04 Bid security of other Bidders that Owner believes do not have a reasonable chance of receiving the award will be released within seven days after the Bid opening.

ARTICLE 9 – CONTRACT TIMES

- 9.01 The number of days within which, or the dates by which, the Work is to be substantially completed and ready for final payment are set forth in the Agreement.

ARTICLE 10 – LIQUIDATED DAMAGES

- 10.01 Provisions for liquidated damages, if any, for failure to timely attain Substantial Completion or completion of the Work in readiness for final payment, are set forth in the Agreement.

ARTICLE 11 – SUBSTITUTE AND “OR-EQUAL” ITEMS

- 11.01 The Contract for the Work, if awarded, will be on the basis of materials and equipment specified or described in the Bidding Documents, and those “or-equal” or substitute materials and equipment subsequently approved by Engineer prior to the submittal of Bids and identified by Addendum. No item of material or equipment will be considered by Engineer as an “or-equal” or substitute unless written request for approval has been submitted by Bidder and has been received by Engineer at least 15 days prior to the date for receipt of Bids in case of a proposed substitute and 5 days prior in the case of a proposed “or equal”. Each such request shall comply with the requirements of Paragraphs 7.04 and 7.05 of the General Conditions. The burden of proof of the merit of the proposed item is upon Bidder. Engineer’s decision of approval or disapproval of a proposed item will be final. If Engineer approves any such proposed item, such approval will be set forth in an Addendum issued to all prospective Bidders. Bidders shall not rely upon approvals made in any other manner. Substitutes and “or-equal” materials and equipment may be proposed by Contractor in accordance with Paragraph 7.04 and 7.05 of the General Conditions after the Effective Date of the Contract.
- 11.02 All prices that Bidder sets forth in its Bid shall be based on the presumption that the Contractor will furnish the materials and equipment specified or described in the Bidding Documents, as supplemented by Addenda. Any assumptions regarding the possibility of post-Bid approvals of “or-equal” or substitution requests are made at Bidder’s sole risk.

ARTICLE 12 – SUBCONTRACTORS, SUPPLIERS, AND OTHERS

- 12.01 The Bid Documents, the apparent Successful Bidder, and any other Bidder so requested, shall within five days after Bid opening, submit to Owner a list of the Subcontractors or Suppliers proposed for the following portions of the Work: electrical and communication software and hardware, steel tower manufacture, and antenna/disk hardware.

If requested by Owner, such list shall be accompanied by an experience statement with pertinent information regarding similar projects and other evidence of qualification for each such Subcontractor, Supplier, or other individual or entity. If Owner or Engineer, after due investigation, has reasonable objection to any proposed Subcontractor, Supplier, individual, or entity, Owner may, before the Notice of Award is given, request apparent Successful Bidder to submit an acceptable substitute, in which case apparent Successful Bidder shall submit a substitute, Bidder’s Bid price will be increased (or decreased) by the difference in cost occasioned by such substitution, and Owner may consider such price adjustment in evaluating Bids and making the Contract award.

- 12.02 If apparent Successful Bidder declines to make any such substitution, Owner may award the Contract to the next lowest Bidder that proposes to use acceptable Subcontractors, Suppliers, or other individuals or entities. Declining to make requested substitutions will constitute grounds for forfeiture of the Bid security of any Bidder. Any Subcontractor, Supplier, individual, or entity so listed and against which Owner or Engineer makes no written objection prior to the giving of the Notice of Award will be deemed acceptable to Owner and Engineer subject to subsequent revocation of such acceptance as provided in Paragraph 7.06 of the General Conditions.
- 12.03 Contractor shall not be required to employ any Subcontractor, Supplier, individual, or entity against whom Contractor has reasonable objection.
- 12.04 The Contractor shall not award work to Subcontractor(s) in excess of the limits stated in SC 7.06.

ARTICLE 13 – PREPARATION OF BID

- 13.01 The Bid Form is included with the Bidding Documents.
- A. All blanks on the Bid Form shall be completed in ink and the Bid Form signed in ink. Erasures or alterations shall be initialed in ink by the person signing the Bid Form. A Bid price shall be indicated for each section, Bid item, alternate, adjustment unit price item, and unit price item listed therein.
- B. If the Bid Form expressly indicates that submitting pricing on a specific alternate item is optional, and Bidder elects to not furnish pricing for such optional alternate item, then Bidder may enter the words “No Bid” or “Not Applicable.”
- 13.02 A Bid by a corporation shall be executed in the corporate name by a corporate officer (whose title must appear under the signature), accompanied by evidence of authority to sign. The corporate address and state of incorporation shall be shown.
- 13.03 A bid by a partnership shall be executed in the partnership name and signed by a partner (whose title must appear under the signature), accompanied by evidence of authority to sign. The official address of the partnership shall be provided on the Bid Form.
- 13.04 A Bid by a limited liability company shall be executed in the name of the firm by a member or other authorized person and accompanied by evidence of authority to sign. The state of formation of the firm and the official address of the firm shall be shown.
- 13.05 A Bid by an individual shall show the Bidder’s name and official address.
- 13.06 A Bid by a joint venture shall be executed by an authorized representative of each joint venturer in the manner indicated on the Bid Form. The official address of the joint venture shall be shown.
- 13.07 All names shall be printed in ink below the signatures.
- 13.08 The Bid shall contain an acknowledgment of receipt of all Addenda, the numbers of which shall be filled in on the Bid Form.
- 13.09 Postal and e-mail addresses and telephone number for communications regarding the Bid shall be shown.

- 13.10 The Bid shall contain evidence of Bidder's authority and qualification to do business in the state where the Project is located, or Bidder shall covenant in writing to obtain such authority and qualification prior to award of the Contract and attach such covenant to the Bid. Bidder's state contractor license number, if any, shall also be shown on the Bid Form.

ARTICLE 14 – BASIS OF BID

14.01 *Lump Sum*

- A. Bidders shall submit a Bid on a lump sum basis for each item of Work listed in the bid price section of the Bid Form.
 - B. The "Bid Price" (sometimes referred to as the extended price) for each lump sum Bid item will be the "Bid Lump Sum Price" offered by the Bidder. The total of all lump sum Bid items will be the sum of these "Bid Prices"; such total will be used by Owner for Bid comparison purposes. The final quantities and Contract Price will be determined in accordance with Paragraph 13.03 of the General Conditions.
 - C. Discrepancies between the multiplication of units of Work and lump sum prices will be resolved in favor of the lump sum prices. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum.
- 14.02 Per the City of Bethel Municipal Code Chapter 4.20 Purchasing, local Bidders submitting a bid shall receive a five percent (5%) preference in determining the lowest responsible and responsive bid.

ARTICLE 15 – SUBMITTAL OF BID

- 15.01 With each copy of the Bidding Documents, a Bidder is furnished one separate unbound copy of the Bid Form, and, if required, the Bid Bond Form. The unbound copy of the Bid Form is to be completed and submitted with the Bid security and the other documents required to be submitted under the terms of Article 7 of the Bid Form.
- 15.02 A Bid shall be received no later than the date and time prescribed and at the place indicated in the Advertisement for Bid and shall be enclosed in a plainly marked package with the Project title (and, if applicable, the designated portion of the Project for which the Bid is submitted), the name and address of Bidder, and shall be accompanied by the Bid security and other required documents. If a Bid is sent by mail or other delivery system, the sealed envelope containing the Bid shall be enclosed in a separate package plainly marked on the outside with the notation "BID ENCLOSED." When using the mail or other delivery system, the Bidder is totally responsible for the mail or other delivery system delivering the Bid at the place and prior to the time indicated in the Advertisement for Bid. A mailed Bid shall be addressed to City of Bethel
C/O: Purchasing Agent, PO BOX 1388, Bethel, Alaska 99559.
- 15.03 Bids received after the date and time prescribed for the opening of bids, or not submitted at the correct location or in the designated manner, will not be accepted.

ARTICLE 16 – MODIFICATION AND WITHDRAWAL OF BID

- 16.01 A Bid may be withdrawn by an appropriate document duly executed in the same manner that a Bid must be executed and delivered to the place where Bids are to be submitted prior to the date and time for the opening of Bids. Upon receipt of such notice, the unopened Bid will be returned to the Bidder.
- 16.02 If a Bidder wishes to modify its Bid prior to Bid opening, Bidder must withdraw its initial Bid in the manner specified in Paragraph 16.01 and submit a new Bid prior to the date and time for the opening of Bids.
- 16.03 If within 24 hours after Bids are opened any Bidder files a duly signed written notice with Owner and promptly thereafter demonstrates to the reasonable satisfaction of Owner that there was a material and substantial mistake in the preparation of its Bid, that Bidder may withdraw its Bid, and the Bid security will be returned.

ARTICLE 17 – OPENING OF BIDS

- 17.01 Bids will be opened at the time and place indicated in the advertisement or invitation to bid and, unless obviously non-responsive, read aloud publicly. An abstract of the amounts of the base Bids and major alternates, if any, will be made available to Bidders after the opening of Bids.

ARTICLE 18 – BIDS TO REMAIN SUBJECT TO ACCEPTANCE

- 18.01 All Bids will remain subject to acceptance for the period of time stated in the Bid Form, but Owner may, in its sole discretion, release any Bid and return the Bid security prior to the end of this period.

ARTICLE 19 – EVALUATION OF BIDS AND AWARD OF CONTRACT

- 19.01 Owner reserves the right to reject any or all Bids, including without limitation, nonconforming, nonresponsive, unbalanced, or conditional Bids. Owner will reject the Bid of any Bidder that Owner finds, after reasonable inquiry and evaluation, to not be responsible. If Bidder purports to add terms or conditions to its Bid, takes exception to any provision of the Bidding Documents, or attempts to alter the contents of the Contract Documents for purposes of the Bid, then the Owner will reject the Bid as nonresponsive; provided that Owner also reserves the right to waive all minor informalities not involving price, time, or changes in the Work.
- 19.02 If Owner awards the contract for the Work, such award shall be to the responsible Bidder submitting the lowest responsive Bid.
- 19.03 More than one Bid for the same Work from an individual or entity under the same or different names will not be considered. Reasonable grounds for believing that any Bidder has an interest in more than one Bid for the Work may be cause for disqualification of that Bidder and the rejection of all Bids in which that Bidder has an interest.
- 19.04 Evaluation of Bids
- A. In evaluating Bids, Owner will consider whether or not the Bids comply with the prescribed requirements, and such alternates, unit prices, and other data, as may be requested in the Bid Form or prior to the Notice of Award.

- B. For the determination of the apparent low Bidder when unit price bids are submitted, Bids will be compared on the basis of the total of the products of the estimated quantity of each item and unit price Bid for that item, together with any lump sum items.
- 19.05 In evaluating whether a Bidder is responsible, Owner will consider the qualifications of the Bidder and may consider the qualifications and experience of Subcontractors and Suppliers proposed for those portions of the Work for which the identity of Subcontractors and Suppliers must be submitted as provided in the Bidding Documents.
- 19.06 Owner may conduct such investigations as Owner deems necessary to establish the responsibility, qualifications, and financial ability of Bidders and any proposed Subcontractors, Suppliers, individuals, or entities to perform the Work in accordance with the Contract Documents.

ARTICLE 20 – BONDS AND INSURANCE

- 20.01 Article 6 of the General Conditions, as may be modified by the Supplementary Conditions, sets forth Owner's requirements as to performance and payment bonds and insurance. When the Successful Bidder delivers the Agreement (executed by Successful Bidder) to Owner, it shall be accompanied by required bonds and insurance documentation.

ARTICLE 21 – SIGNING OF AGREEMENT

- 21.01 When Owner issues a Notice of Award to the Successful Bidder, it shall be accompanied by the unexecuted counterparts of the Agreement along with the other Contract Documents as identified in the Agreement. Within 15 days thereafter, Successful Bidder shall execute and deliver the required number of counterparts of the Agreement (and any bonds and insurance documentation required to be delivered by the Contract Documents) to Owner. Within ten days thereafter, Owner shall deliver one fully executed counterpart of the Agreement to Successful Bidder, together with printed and electronic copies of the Contract Documents as stated in Paragraph 2.02 of the General Conditions.

ARTICLE 22 – CANCELLATION OF BID PROCESS

- 22.01 The City retains the right to cancel the bid process at any point.

ARTICLE 23 – SALES AND USE TAXES

NOTE USED

ARTICLE 24 – CONTRACTS TO BE ASSIGNED

NOT USED

ARTICLE 25 – WAGE RATE REQUIREMENTS

- 25.01 The prevailing wage rates of the State of Alaska apply to this contract as do any requirements of the State of Alaska associated with the use of these State prevailing wages.

ARTICLE 26 – BID PROTESTS

- 26.01 A Bidder may protest a bid result in writing to the Owner within (7) seven calendar days of the Bid opening. Any protests received after seven days will not be accepted. Oral protest will not be accepted.
- 26.02 In order for a protest to be granted, a Bidder must prove by preponderance of the evidence that their Bid was the lowest responsive, responsible Bid.

END OF INSTRUCTION TO BIDDERS

**SECTION 00 41 13
BID FORM****TABLE OF CONTENTS**

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ARTICLE 1 – BID RECIPIENT

1.01 This Bid is submitted to:

City of Bethel
C/O: Purchasing Agent
Bethel, Alaska 99559
Email: purchasingagent@cityofbethel.net

1.02 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Owner in the form included in the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

ARTICLE 2 – BIDDER’S ACKNOWLEDGEMENTS

2.01 Bidder accepts all the terms and conditions of the Advertisement and Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for 60 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner.

ARTICLE 3 – BIDDER’S REPRESENTATIONS

3.01 In submitting this Bid, Bidder represents that:

- A. Bidder has examined and carefully studied the Bidding Documents, and any data and reference items identified in the Bidding Documents, and hereby acknowledges receipt of the following Addenda:

<u>Addendum No.</u>	<u>Addendum Date</u>
_____	_____
_____	_____
_____	_____
_____	_____

- B. Bidder has visited the Site and become familiar with and satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- C. Bidder is familiar with and has satisfied itself as to all federal, state, and local Laws and Regulations that may affect cost, progress, and performance of the Work.
- D. Bidder has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings.

- E. Bidder has considered the information known to Bidder itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and any Site-related reports and drawings identified in the Bidding Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder; and (3) Bidder's safety precautions and programs.
- F. Bidder agrees, based on the information and observations referred to in the preceding paragraph, that no further examinations, investigations, explorations, tests, studies, or data are necessary for the determination of this Bid for performance of the Work at the price bid and within the times required, and in accordance with the other terms and conditions of the Bidding Documents.
- G. Bidder is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Bidding Documents.
- H. Bidder has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder has discovered in the Bidding Documents and confirms that the written resolution thereof by Engineer is acceptable to Bidder.
- I. The Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for the performance and furnishing of the Work.
- J. Bidder will submit written evidence of its authority to do business in the State or other jurisdiction where the Project is located not later than the date of its execution of the 00 52 13 Agreement.
- K. The submission of this Bid constitutes an incontrovertible representation by Bidder that Bidder has complied with every requirement of this Article, and that without exception the Bid and all prices in the Bid are premised upon performing and furnishing the Work required by the Bidding Documents.

ARTICLE 4 – BIDDER'S CERTIFICATION

4.01 Bidder certifies that:

- A. This Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any collusive agreement or rules of any group, association, organization, or corporation;
- B. Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid;
- C. Bidder has not solicited or induced any individual or entity to refrain from bidding; and
- D. Bidder has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph 4.01.D:
 - 1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process;

2. “fraudulent practice” means an intentional misrepresentation of facts made (a) to influence the bidding process to the detriment of Owner, (b) to establish bid prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
 3. “collusive practice” means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish bid prices at artificial, non-competitive levels; and
 4. “coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.
- E. Bidder has not been contacted by any City employee or City Council member for purposes of influencing the City’s bid decision.
 - F. If selected, Bidder will not engage in discriminating against any person because of race, national origin, color, age, creed, religion, sex, sexual orientation, gender identity, political affiliation, marital status, ancestry, disability, or status as a disabled veteran.
 - G. Bidder’s failure to certify to the statements in this section shall result in automatic rejection of the bid.
 - H. If Bidder is found to have been in violation of any of the statements in this section, City shall automatically reject the bid.
 - I. City may cancel a contract if, during the course of such contract, the City finds Bidder to be in violation of any of the sworn statements required by this section.

ARTICLE 5 – BASIS OF BID

- 5.01 Bidder will complete the Work in accordance with the Contract Documents for the following price.

TOTAL LUMP SUM BASE BID

(use words)

(\$_____)
(Use numerals)

ARTICLE 6 – TIME OF COMPLETION

- 6.01 Bidder agrees that the Work will be substantially complete and will be completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before the dates or within the number of calendar days indicated in the Agreement.
- 6.02 Bidder accepts the provisions of the Agreement as to liquidated damages.

ARTICLE 7 – ATTACHMENTS TO THIS BID

- 7.01 The following documents are submitted with and made a condition of this Bid:
- A. Required Bid Security;
 - B. List of Proposed Subcontractors;
 - C. List of Proposed Suppliers;
 - D. List of Project References, which indicates experience with communication tower construction and hardware installation;
 - E. Evidence of authority to do business in the state of the Project; or a written covenant to obtain such license within the time for acceptance of Bids;
 - F. Contractor's License No.: _____;
 - G. Required Bidder Qualification Statement with supporting data;
 - H. If a local Bidder signed letter stating status as a local Bidder, then show that the Bidder complies with the definition of a local bidder as found in Article 1, Instruction to Bidders;
 - I. Signed and completed Bid Schedule or submittal.
 - J. Signed and dated verification of anti-collusion.

ARTICLE 8 – DEFINED TERMS

- 8.01 The terms used in this Bid with initial capital letters have the meanings stated in the Instructions to Bidders, the General Conditions, and the Supplementary Conditions.

ARTICLE 9 – BID SUBMITTALBIDDER: *[Indicate correct name of bidding entity]*

By:

[Signature] _____*[Printed name]* _____*(If Bidder is a corporation, a limited liability company, a partnership, or a joint venture, attach evidence of authority to sign.)*

Attest:

[Signature] _____*[Printed name]* _____

Title: _____

Submittal Date: _____

Address for giving notices:

Telephone Number: _____

Fax Number: _____

Contact Name and e-mail address: _____

Bidder's License No.: _____

(where applicable)

END OF BID FORM

SECTION 00 43 13 BID BOND (PENAL SUM FORM)

Any singular reference to Bidder, Surety, Owner or other party shall be considered plural where applicable.

BIDDER (*Name and Address*):

SURETY (*Name, and Address of Principal Place of Business*):

OWNER (*Name and Address*):

City of Bethel
PO Box 1388
Bethel, Alaska 99559

BID

Bid Due Date: Friday, April 12, 2024

Description (*Project Name— Include Location*): Police Station Communication Tower Construction

BOND

Bond Number:

Date:

Penal sum _____ \$ _____
(Words) (Figures)

Surety and Bidder, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Bid Bond to be duly executed by an authorized officer, agent, or representative.

BIDDER

SURETY

(Seal)

Bidder's Name and Corporate Seal

(Seal)

Surety's Name and Corporate Seal

By:

Signature

By:

Signature (Attach Power of Attorney)

Print Name

Print Name

Title

Title

Attest:

Signature

Attest:

Signature

Title

Title

Note: Addresses are to be used for giving any required notice.

Provide execution by any additional parties, such as joint venturers, if necessary.

1. Bidder and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to pay to Owner upon default of Bidder the penal sum set forth on the face of this Bond. Payment of the penal sum is the extent of Bidder's and Surety's liability. Recovery of such penal sum under the terms of this Bond shall be Owner's sole and exclusive remedy upon default of Bidder.
2. Default of Bidder shall occur upon the failure of Bidder to deliver within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents.
3. This obligation shall be null and void if:
 - 3.1 Owner accepts Bidder's Bid and Bidder delivers within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents, or
 - 3.2 All Bids are rejected by Owner, or
 - 3.3 Owner fails to issue a Notice of Award to Bidder within the time specified in the Bidding Documents (or any extension thereof agreed to in writing by Bidder and, if applicable, consented to by Surety when required by Paragraph 5 hereof).
4. Payment under this Bond will be due and payable upon default of Bidder and within 30 calendar days after receipt by Bidder and Surety of written notice of default from Owner, which notice will be given with reasonable promptness, identifying this Bond and the Project and including a statement of the amount due.
5. Surety waives notice of any and all defenses based on or arising out of any time extension to issue Notice of Award agreed to in writing by Owner and Bidder, provided that the total time for issuing Notice of Award including extensions shall not in the aggregate exceed 120 days from the Bid due date without Surety's written consent.
6. No suit or action shall be commenced under this Bond prior to 30 calendar days after the notice of default required in Paragraph 4 above is received by Bidder and Surety and in no case later than one year after the Bid due date.
7. Any suit or action under this Bond shall be commenced only in a court of competent jurisdiction located in the state in which the Project is located.
8. Notices required hereunder shall be in writing and sent to Bidder and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier, or by United States Registered or Certified Mail, return receipt requested, postage pre-paid, and shall be deemed to be effective upon receipt by the party concerned.
9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent, or representative who executed this Bond on behalf of Surety to execute, seal, and deliver such Bond and bind the Surety thereby.
10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirement of any applicable statute that has been omitted from this Bond shall be deemed to be included herein as if set forth at length. If any provision of this Bond conflicts with any applicable statute, then the provision of said statute shall govern and the remainder of this Bond that is not in conflict therewith shall continue in full force and effect.
11. The term "Bid" as used herein includes a Bid, offer, or proposal as applicable.

SECTION 00 52 13

**AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)**

THIS AGREEMENT is by and between City of Bethel, P.O. Box 1388, Bethel, AK 99559 ("Owner") and
____ ("Contractor").

Owner and Contractor hereby agree as follows:

ARTICLE 1 – WORK

- 1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

ARTICLE 2 – THE PROJECT

- 2.01 *The Project, of which the Work under the Contract Documents is a part, is generally described as follows: All materials, equipment, labor, and related services to construct **the Police Station Communication Tower. This project scope includes constructing a self-supporting, 3-legged steel tower; furnishing antenna and dish hardware; and providing electrical modifications inside the Bethel Police Station.***

ARTICLE 3 – ENGINEER

- 3.01 The Project has been designed by **New Horizons Telecom, Inc. with input on antenna and dish hardware from ProComm.**
- 3.02 The Owner has retained **DOWL** ("Engineer") to act as Owner's representative, assume all duties and responsibilities, and have the rights and authority assigned to Engineer in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents.

ARTICLE 4 – CONTRACT TIMES

- 4.01 *Time of the Essence*
- A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.
- 4.02 *Contract Times: Dates*
- A. The Work will be substantially completed on or before **October 31, 2024**, and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before **November 15, 2024**.
- 4.03 *Liquidated Damages*
- A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial and other losses if the Work is not completed and Milestones not achieved within the times specified in Paragraph 4.02 above, plus any extensions thereof allowed

AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)

in accordance with the Contract. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):

1. Substantial Completion: Contractor shall pay Owner \$ 250 for each day that expires after the time (as duly adjusted pursuant to the Contract) specified in Paragraph 4.02.A above for Substantial Completion until the Work is substantially complete.
2. Completion of Remaining Work: After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Time (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner \$ 500 for each day that expires after such time until the Work is completed and ready for final payment.
3. Liquidated damages for failing to timely attain Substantial Completion and final completion are not additive and will not be imposed concurrently.
4. ~~Milestones: Contractor shall pay Owner \$ _____ for each day that expires after the time (as duly adjusted pursuant to the Contract) specified above for achievement of Milestone 1, until Milestone 1 is achieved.~~

~~B. Bonus: Contractor and Owner further recognize the Owner will realize financial and other benefits if the Work is completed prior to the time specified for Substantial Completion. Accordingly, Owner and Contractor agree that as a bonus for early completion, Owner shall pay Contractor \$ _____ for each day prior to the time specified in Paragraph 4.02 for Substantial Completion (as duly adjusted pursuant to the Contract) that the Work is substantially complete. The maximum value of the bonus shall be limited to \$ _____.~~

1.

ARTICLE 5 – CONTRACT PRICE

- 5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents the amounts that follow, subject to adjustment under the Contract:
 - A. For all Work, at the prices stated in Contractor's Bid, attached hereto as an exhibit.

ARTICLE 6 – PAYMENT PROCEDURES

- 6.01 *Submittal and Processing of Payments*
 - A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.
- 6.02 *Progress Payments; Retainage*
 - A. Owner shall make progress payments on account of the Contract Price on the basis of Contractor's Applications for Payment on or about the 1st (first) day of each month during performance of the Work as provided in Paragraph 6.02.A.1 below, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General

AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)

Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no Schedule of Values, as provided elsewhere in the Contract.

1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract
 - a. **Ninety (90)** percent of Work completed (with the balance being retainage), and
 - b. **Ninety (90)** percent of cost of materials and equipment not incorporated in the Work (with the balance being retainage).

- B. Upon Substantial Completion of the entire Work to be provided under the Contract Documents, Owner shall pay an amount sufficient to increase total payments to Contractor to **Ninety-eight (98)** percent of the Work completed, less such amounts set off by Owner pursuant to Paragraph 15.01.E of the General Conditions, and less **Two Hundred (200)** percent of Engineer's estimate of the value of Work to be completed or corrected as shown on the punch list of items to be completed or corrected prior to final payment.

6.03 *Final Payment*

- A. Upon final completion and acceptance of the Work in accordance with Paragraph 15.06 of the General Conditions, Owner shall pay the remainder of the Contract Price as recommended by Engineer as provided in said Paragraph 15.06.

ARTICLE 7 – INTEREST

- 7.01 All amounts not paid when due shall bear interest at the rate of **Eight (8)** percent per annum.

ARTICLE 8 – CONTRACTOR'S REPRESENTATIONS

- 8.01 In order to induce Owner to enter into this Contract, Contractor makes the following representations:
- A. Contractor has examined and carefully studied the Contract Documents, and any data and reference items identified in the Contract Documents.
 - B. Contractor has visited the Site, conducted a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
 - C. Contractor is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.
 - D. Contractor has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings.
 - E. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations

obtained from visits to the Site; the Contract Documents; and the Site-related reports and drawings identified in the Contract Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (3) Contractor's safety precautions and programs.

- F. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
- G. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
- H. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
- I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
- J. Contractor's entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

ARTICLE 9 – CONTRACT DOCUMENTS

9.01 *Contents*

- A. The Contract Documents consist of the following:
 - 1. This Agreement (EJCDC C-520 pages 1 to 7, inclusive).
 - 2. Performance bond (EJCDC C-610 pages 1 to 3, inclusive).
 - 3. Payment bond (EJCDC C-615 pages 1 to 3, inclusive).
 - 4. General Conditions (EJCDC C-700 pages 1 to 69, inclusive).
 - 5. Supplementary Conditions (EJCDC C-800 pages 1 to 4, inclusive).
 - 6. Specifications as listed in the table of contents of the Project Manual.
 - 7. Drawings (not attached but incorporated by reference) consisting of 12 sheets with each sheet bearing the following general title: **Bethel Police Communications Tower**
 - 8. Addenda (numbers ___ to ___, inclusive).
 - 9. Exhibits to this Agreement (enumerated as follows):
 - a. Contractor's Bid (pages ___ to ___, inclusive).
 - 10. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
 - a. Notice to Proceed.
 - b. Work Change Directives.

- c. Change Orders.
 - d. Field Orders.
- B. The documents listed in Paragraph 9.01.A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 9.
- D. The Contract Documents may only be amended, modified, or supplemented as provided in the General Conditions.

ARTICLE 10 – MISCELLANEOUS

10.01 *Terms*

- A. Terms used in this Agreement will have the meanings stated in the General Conditions and the Supplementary Conditions.

10.02 *Assignment of Contract*

- A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

10.03 *Successors and Assigns*

- A. Owner and Contractor each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

10.04 *Severability*

- A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

10.05 *Contractor's Certifications*

- A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 10.05:
 - 1. "corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value likely to influence the action of a public official in the bidding process or in the Contract execution;
 - 2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;

AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)

3. “collusive practice” means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and
4. “coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

10.06 *Other Provisions*

- A. Owner stipulates that if the General Conditions that are made a part of this Contract are based on EJCDC® C-700, Standard General Conditions for the Construction Contract, published by the Engineers Joint Contract Documents Committee®, and if Owner is the party that has furnished said General Conditions, then Owner has plainly shown all modifications to the standard wording of such published document to the Contractor, through a process such as highlighting or “track changes” (redline/strikeout), or in the Supplementary Conditions.

AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.

This Agreement will be effective on _____ (which is the Effective Date of the Contract).

OWNER:

City of Bethel _____

By: _____

Title: _____

Attest: _____

Title: _____

Address for giving notices:

CONTRACTOR:

By: _____

Title: _____

(If Contractor is a corporation, a partnership, or a joint venture, attaches evidence of authority to sign.)

Attest: _____

Title: _____

Address for giving notices:

License or
Registration
No.:

(where applicable)

**SECTION 00 61 13.13
PERFORMANCE BOND**

CONTRACTOR *(name and address):*

SURETY *(name and address of principal place of business):*

OWNER *(name and address):*

City of Bethel
P.O. Box 1388
Bethel, Alaska 99559

CONSTRUCTION CONTRACT

Effective Date of the Agreement:

Amount:

Description *(name and location):*

BOND

Bond Number:

Date *(not earlier than the Effective Date of the Agreement of the Construction Contract):*

Amount:

Modifications to this Bond Form: ☐ None ☐ See Paragraph 16

Surety and Contractor, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Performance Bond to be duly executed by an authorized officer, agent, or representative.

CONTRACTOR AS PRINCIPAL

(seal)

Contractor's Name and Corporate Seal

By: _____
Signature

Print Name

Title

Attest: _____
Signature

Title

SURETY

(seal)

Surety's Name and Corporate Seal

By: _____
Signature *(attach power of attorney)*

Print Name

Title

Attest: _____
Signature

Title

Notes: (1) Provide supplemental execution by any additional parties, such as joint venturers. (2) Any singular reference to Contractor, Surety, Owner, or other party shall be considered plural where applicable.

1. The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.
2. If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except when applicable to participate in a conference as provided in Paragraph 3.
3. If there is no Owner Default under the Construction Contract, the Surety's obligation under this Bond shall arise after:
 - 3.1 The Owner first provides notice to the Contractor and the Surety that the Owner is considering declaring a Contractor Default. Such notice shall indicate whether the Owner is requesting a conference among the Owner, Contractor, and Surety to discuss the Contractor's performance. If the Owner does not request a conference, the Surety may, within five (5) business days after receipt of the Owner's notice, request such a conference. If the Surety timely requests a conference, the Owner shall attend. Unless the Owner agrees otherwise, any conference requested under this Paragraph 3.1 shall be held within ten (10) business days of the Surety's receipt of the Owner's notice. If the Owner, the Contractor, and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default;
 - 3.2 The Owner declares a Contractor Default, terminates the Construction Contract and notifies the Surety; and
 - 3.3 The Owner has agreed to pay the Balance of the Contract Price in accordance with the terms of the Construction Contract to the Surety or to a contractor selected to perform the Construction Contract.
4. Failure on the part of the Owner to comply with the notice requirement in Paragraph 3.1 shall not constitute a failure to comply with a condition precedent to the Surety's obligations, or release the Surety from its obligations, except to the extent the Surety demonstrates actual prejudice.
5. When the Owner has satisfied the conditions of Paragraph 3, the Surety shall promptly and at the Surety's expense take one of the following actions:
 - 5.1 Arrange for the Contractor, with the consent of the Owner, to perform and complete the Construction Contract;
 - 5.2 Undertake to perform and complete the Construction Contract itself, through its agents or independent contractors;
 - 5.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and a contractor selected with the Owners concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Paragraph 7 in excess of the Balance of the Contract Price incurred by the Owner as a result of the Contractor Default; or
 - 5.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor, and with reasonable promptness under the circumstances:
 - 5.4.1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, make payment to the Owner; or
 - 5.4.2 Deny liability in whole or in part and notify the Owner, citing the reasons for denial.
6. If the Surety does not proceed as provided in Paragraph 5 with reasonable promptness, the Surety shall be deemed to be in default on this Bond seven days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Paragraph 5.4, and the Owner refuses the payment or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.
7. If the Surety elects to act under Paragraph 5.1, 5.2, or 5.3, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. Subject to the commitment by the Owner to pay the Balance of the Contract Price, the Surety is obligated, without duplication for:
 - 7.1 the responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;
 - 7.2 additional legal, design professional, and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Paragraph 5; and
 - 7.3 liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.

8. If the Surety elects to act under Paragraph 5.1, 5.3, or 5.4, the Surety's liability is limited to the amount of this Bond.
9. The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, successors, and assigns.
10. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders, and other obligations.
11. Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after a declaration of Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this paragraph are void or prohibited by law, the minimum periods of limitations available to sureties as a defense in the jurisdiction of the suit shall be applicable.
12. Notice to the Surety, the Owner, or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears.
13. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.
14. Definitions
 - 14.1 Balance of the Contract Price: The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made including allowance for the Contractor for any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.
 - 14.2 Construction Contract: The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and changes made to the agreement and the Contract Documents.
 - 14.3 Contractor Default: Failure of the Contractor, which has not been remedied or waived, to perform or otherwise to comply with a material term of the Construction Contract.
 - 14.4 Owner Default: Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.
 - 14.5 Contract Documents: All the documents that comprise the agreement between the Owner and Contractor.
15. If this Bond is issued for an agreement between a contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.
16. Modifications to this Bond are as follows:

SECTION 00 61 13.16
PAYMENT BOND

CONTRACTOR *(name and address):*

SURETY *(name and address of principal place of business):*

OWNER *(name and address):*

City of Bethel
P.O. Box 1388
Bethel, Alaska 99559

CONSTRUCTION CONTRACT

Effective Date of the Agreement:
Amount:
Description *(name and location):*

BOND

Bond Number:
Date *(not earlier than the Effective Date of the Agreement of the Construction Contract):*
Amount:
Modifications to this Bond Form: ☐ None ☐ See Paragraph 18

Surety and Contractor, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Payment Bond to be duly executed by an authorized officer, agent, or representative.

CONTRACTOR AS PRINCIPAL

SURETY

Contractor's Name and Corporate Seal

Surety's Name and Corporate Seal

By: _____
Signature

By: _____
Signature *(attach power of attorney)*

Print Name

Print Name

Title

Title

Attest: _____
Signature

Attest: _____
Signature

Title

Title

Notes: (1) Provide supplemental execution by any additional parties, such as joint venturers. (2) Any singular reference to Contractor, Surety, Owner, or other party shall be considered plural where applicable.

1. The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the Owner to pay for labor, materials, and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.
2. If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies, and holds harmless the Owner from claims, demands, liens, or suits by any person or entity seeking payment for labor, materials, or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.
3. If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond shall arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Paragraph 13) of claims, demands, liens, or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials, or equipment furnished for use in the performance of the Construction Contract, and tendered defense of such claims, demands, liens, or suits to the Contractor and the Surety.
4. When the Owner has satisfied the conditions in Paragraph 3, the Surety shall promptly and at the Surety's expense defend, indemnify, and hold harmless the Owner against a duly tendered claim, demand, lien, or suit.
5. The Surety's obligations to a Claimant under this Bond shall arise after the following:
 - 5.1 Claimants who do not have a direct contract with the Contractor,
 - 5.1.1 have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and
 - 5.1.2 have sent a Claim to the Surety (at the address described in Paragraph 13).
 - 5.2 Claimants who are employed by or have a direct contract with the Contractor have sent a Claim to the Surety (at the address described in Paragraph 13).
6. If a notice of non-payment required by Paragraph 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Paragraph 5.1.1.
7. When a Claimant has satisfied the conditions of Paragraph 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:
 - 7.1 Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and
 - 7.2 Pay or arrange for payment of any undisputed amounts.
 - 7.3 The Surety's failure to discharge its obligations under Paragraph 7.1 or 7.2 shall not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Paragraph 7.1 or 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.
8. The Surety's total obligation shall not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Paragraph 7.3, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.
9. Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.
10. The Surety shall not be liable to the Owner, Claimants, or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to or give notice on behalf of Claimants, or otherwise have any obligations to Claimants under this Bond.
11. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders, and other obligations.
12. No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Paragraph 5.1.2 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

13. Notice and Claims to the Surety, the Owner, or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, shall be sufficient compliance as of the date received.
14. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.
15. Upon requests by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.
16. **Definitions**
 - 16.1 **Claim:** A written statement by the Claimant including at a minimum:
 1. The name of the Claimant;
 2. The name of the person for whom the labor was done, or materials or equipment furnished;
 3. A copy of the agreement or purchase order pursuant to which labor, materials, or equipment was furnished for use in the performance of the Construction Contract;
 4. A brief description of the labor, materials, or equipment furnished;
 5. The date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
 6. The total amount earned by the Claimant for labor, materials, or equipment furnished as of the date of the Claim;
 7. The total amount of previous payments received by the Claimant; and
 8. The total amount due and unpaid to the Claimant for labor, materials, or equipment furnished as of the date of the Claim.
 - 16.2 **Claimant:** An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials, or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of this Bond shall be to include without limitation in the terms of "labor, materials, or equipment" that part of the water, gas, power, light, heat, oil, gasoline, telephone service, or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials, or equipment were furnished.
 - 16.3 **Construction Contract:** The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.
 - 16.4 **Owner Default:** Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.
 - 16.5 **Contract Documents:** All the documents that comprise the agreement between the Owner and Contractor.
17. If this Bond is issued for an agreement between a contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.
18. Modifications to this Bond are as follows:

STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

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ARTICLE 1 – DEFINITIONS AND TERMINOLOGY

1.01 *Defined Terms*

- A. Wherever used in the Bidding Requirements or Contract Documents, a term printed with initial capital letters, including the term's singular and plural forms, will have the meaning indicated in the definitions below. In addition to terms specifically defined, terms with initial capital letters in the Contract Documents include references to identified articles and paragraphs, and the titles of other documents or forms.
1. *Addenda*—Written or graphic instruments issued prior to the opening of Bids which clarify, correct, or change the Bidding Requirements or the proposed Contract Documents.
 2. *Agreement*—The written instrument, executed by Owner and Contractor, that sets forth the Contract Price and Contract Times, identifies the parties and the Engineer, and designates the specific items that are Contract Documents.
 3. *Application for Payment*—The form acceptable to Engineer which is to be used by Contractor during the course of the Work in requesting progress or final payments and which is to be accompanied by such supporting documentation as is required by the Contract Documents.
 4. *Bid*—The offer of a Bidder submitted on the prescribed form setting forth the prices for the Work to be performed.
 5. *Bidder*—An individual or entity that submits a Bid to Owner.
 6. *Bidding Documents*—The Bidding Requirements, the proposed Contract Documents, and all Addenda.
 7. *Bidding Requirements*—The advertisement or invitation to bid, Instructions to Bidders, Bid Bond or other Bid security, if any, the Bid Form, and the Bid with any attachments.
 8. *Change Order*—A document which is signed by Contractor and Owner and authorizes an addition, deletion, or revision in the Work or an adjustment in the Contract Price or the Contract Times, or other revision to the Contract, issued on or after the Effective Date of the Contract.
 9. *Change Proposal*—A written request by Contractor, duly submitted in compliance with the procedural requirements set forth herein, seeking an adjustment in Contract Price or Contract Times, or both; contesting an initial decision by Engineer concerning the requirements of the Contract Documents or the acceptability of Work under the Contract Documents; challenging a set-off against payments due; or seeking other relief with respect to the terms of the Contract.
 10. *Claim*—(a) A demand or assertion by Owner directly to Contractor, duly submitted in compliance with the procedural requirements set forth herein: seeking an adjustment of Contract Price or Contract Times, or both; contesting an initial decision by Engineer concerning the requirements of the Contract Documents or the acceptability of Work under the Contract Documents; contesting Engineer's decision regarding a Change Proposal; seeking resolution of a contractual issue that Engineer has declined to address; or seeking other relief with respect to the terms of the Contract; or (b) a demand or assertion by Contractor directly to Owner, duly submitted in compliance with the procedural

requirements set forth herein, contesting Engineer's decision regarding a Change Proposal; or seeking resolution of a contractual issue that Engineer has declined to address. A demand for money or services by a third party is not a Claim.

11. *Constituent of Concern*—Asbestos, petroleum, radioactive materials, polychlorinated biphenyls (PCBs), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to (a) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§9601 et seq. ("CERCLA"); (b) the Hazardous Materials Transportation Act, 49 U.S.C. §§5501 et seq.; (c) the Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq. ("RCRA"); (d) the Toxic Substances Control Act, 15 U.S.C. §§2601 et seq.; (e) the Clean Water Act, 33 U.S.C. §§1251 et seq.; (f) the Clean Air Act, 42 U.S.C. §§7401 et seq.; or (g) any other federal, state, or local statute, law, rule, regulation, ordinance, resolution, code, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.
12. *Contract*—The entire and integrated written contract between the Owner and Contractor concerning the Work.
13. *Contract Documents*—Those items so designated in the Agreement, and which together comprise the Contract.
14. *Contract Price*—The money that Owner has agreed to pay Contractor for completion of the Work in accordance with the Contract Documents. .
15. *Contract Times*—The number of days or the dates by which Contractor shall: (a) achieve Milestones, if any; (b) achieve Substantial Completion; and (c) complete the Work.
16. *Contractor*—The individual or entity with which Owner has contracted for performance of the Work.
17. *Cost of the Work*—See Paragraph 13.01 for definition.
18. *Drawings*—The part of the Contract that graphically shows the scope, extent, and character of the Work to be performed by Contractor.
19. *Effective Date of the Contract*—The date, indicated in the Agreement, on which the Contract becomes effective.
20. *Engineer*—The individual or entity named as such in the Agreement.
21. *Field Order*—A written order issued by Engineer which requires minor changes in the Work but does not change the Contract Price or the Contract Times.
22. *Hazardous Environmental Condition*—The presence at the Site of Constituents of Concern in such quantities or circumstances that may present a danger to persons or property exposed thereto. The presence at the Site of materials that are necessary for the execution of the Work, or that are to be incorporated in the Work, and that are controlled and contained pursuant to industry practices, Laws and Regulations, and the requirements of the Contract, does not establish a Hazardous Environmental Condition.
23. *Laws and Regulations; Laws or Regulations*—Any and all applicable laws, statutes, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.

24. *Liens*—Charges, security interests, or encumbrances upon Contract-related funds, real property, or personal property.
25. *Milestone*—A principal event in the performance of the Work that the Contract requires Contractor to achieve by an intermediate completion date or by a time prior to Substantial Completion of all the Work.
26. *Notice of Award*—The written notice by Owner to a Bidder of Owner's acceptance of the Bid.
27. *Notice to Proceed*—A written notice by Owner to Contractor fixing the date on which the Contract Times will commence to run and on which Contractor shall start to perform the Work.
28. *Owner*—The individual or entity with which Contractor has contracted regarding the Work, and which has agreed to pay Contractor for the performance of the Work, pursuant to the terms of the Contract.
29. *Progress Schedule*—A schedule, prepared and maintained by Contractor, describing the sequence and duration of the activities comprising the Contractor's plan to accomplish the Work within the Contract Times.
30. *Project*—The total undertaking to be accomplished for Owner by engineers, contractors, and others, including planning, study, design, construction, testing, commissioning, and start-up, and of which the Work to be performed under the Contract Documents is a part.
31. *Project Manual*—The written documents prepared for, or made available for, procuring and constructing the Work, including but not limited to the Bidding Documents or other construction procurement documents, geotechnical and existing conditions information, the Agreement, bond forms, General Conditions, Supplementary Conditions, and Specifications. The contents of the Project Manual may be bound in one or more volumes.
32. *Resident Project Representative*—The authorized representative of Engineer assigned to assist Engineer at the Site. As used herein, the term Resident Project Representative or "RPR" includes any assistants or field staff of Resident Project Representative.
33. *Samples*—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and that establish the standards by which such portion of the Work will be judged.
34. *Schedule of Submittals*—A schedule, prepared and maintained by Contractor, of required submittals and the time requirements for Engineer's review of the submittals and the performance of related construction activities.
35. *Schedule of Values*—A schedule, prepared and maintained by Contractor, allocating portions of the Contract Price to various portions of the Work and used as the basis for reviewing Contractor's Applications for Payment.
36. *Shop Drawings*—All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work. Shop Drawings, whether approved or not, are not Drawings and are not Contract Documents.

37. *Site*—Lands or areas indicated in the Contract Documents as being furnished by Owner upon which the Work is to be performed, including rights-of-way and easements, and such other lands furnished by Owner which are designated for the use of Contractor.
38. *Specifications*—The part of the Contract that consists of written requirements for materials, equipment, systems, standards, and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable to the Work.
39. *Subcontractor*—An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work.
40. *Substantial Completion*—The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of Engineer, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms “substantially complete” and “substantially completed” as applied to all or part of the Work refer to Substantial Completion thereof.
41. *Successful Bidder*—The Bidder whose Bid the Owner accepts, and to which the Owner makes an award of contract, subject to stated conditions.
42. *Supplementary Conditions*—The part of the Contract that amends or supplements these General Conditions.
43. *Supplier*—A manufacturer, fabricator, supplier, distributor, materialman, or vendor having a direct contract with Contractor or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Contractor or a Subcontractor.
44. *Technical Data*—Those items expressly identified as Technical Data in the Supplementary Conditions, with respect to either (a) subsurface conditions at the Site, or physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities) or (b) Hazardous Environmental Conditions at the Site. If no such express identifications of Technical Data have been made with respect to conditions at the Site, then the data contained in boring logs, recorded measurements of subsurface water levels, laboratory test results, and other factual, objective information regarding conditions at the Site that are set forth in any geotechnical or environmental report prepared for the Project and made available to Contractor are hereby defined as Technical Data with respect to conditions at the Site under Paragraphs 5.03, 5.04, and 5.06.
45. *Underground Facilities*—All underground pipelines, conduits, ducts, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or attachments, and any encasements containing such facilities, including but not limited to those that convey electricity, gases, steam, liquid petroleum products, telephone or other communications, fiber optic transmissions, cable television, water, wastewater, storm water, other liquids or chemicals, or traffic or other control systems.
46. *Unit Price Work*—Work to be paid for on the basis of unit prices.
47. *Work*—The entire construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction; furnishing, installing, and incorporating all materials and equipment into such

construction; and may include related services such as testing, start-up, and commissioning, all as required by the Contract Documents.

48. *Work Change Directive*—A written directive to Contractor issued on or after the Effective Date of the Contract, signed by Owner and recommended by Engineer, ordering an addition, deletion, or revision in the Work. **A Work Change Directive cannot change Contract Price or Contract Times without a subsequent Change Order.**

1.02 *Terminology*

- A. The words and terms discussed in the following paragraphs are not defined but, when used in the Bidding Requirements or Contract Documents, have the indicated meaning.
- B. *Intent of Certain Terms or Adjectives:*
1. The Contract Documents include the terms “as allowed,” “as approved,” “as ordered,” “as directed” or terms of like effect or import to authorize an exercise of professional judgment by Engineer. In addition, the adjectives “reasonable,” “suitable,” “acceptable,” “proper,” “satisfactory,” or adjectives of like effect or import are used to describe an action or determination of Engineer as to the Work. It is intended that such exercise of professional judgment, action, or determination will be solely to evaluate, in general, the Work for compliance with the information in the Contract Documents and with the design concept of the Project as a functioning whole as shown or indicated in the Contract Documents (unless there is a specific statement indicating otherwise). The use of any such term or adjective is not intended to and shall not be effective to assign to Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility contrary to the provisions of Article 10 or any other provision of the Contract Documents.
- C. *Day:*
1. The word “day” means a calendar day of 24 hours measured from midnight to the next midnight.
- D. *Defective:*
1. The word “defective,” when modifying the word “Work,” refers to Work that is unsatisfactory, faulty, or deficient in that it:
 - a. does not conform to the Contract Documents; or
 - b. does not meet the requirements of any applicable inspection, reference standard, test, or approval referred to in the Contract Documents; or
 - c. has been damaged prior to Engineer’s recommendation of final payment (unless responsibility for the protection thereof has been assumed by Owner at Substantial Completion in accordance with Paragraph 15.03 or 15.04).
- E. *Furnish, Install, Perform, Provide:*
1. The word “furnish,” when used in connection with services, materials, or equipment, shall mean to supply and deliver said services, materials, or equipment to the Site (or some other specified location) ready for use or installation and in usable or operable condition.

2. The word “install,” when used in connection with services, materials, or equipment, shall mean to put into use or place in final position said services, materials, or equipment complete and ready for intended use.
 3. The words “perform” or “provide,” when used in connection with services, materials, or equipment, shall mean to furnish and install said services, materials, or equipment complete and ready for intended use.
 4. If the Contract Documents establish an obligation of Contractor with respect to specific services, materials, or equipment, but do not expressly use any of the four words “furnish,” “install,” “perform,” or “provide,” then Contractor shall furnish and install said services, materials, or equipment complete and ready for intended use.
- F. Unless stated otherwise in the Contract Documents, words or phrases that have a well-known technical or construction industry or trade meaning are used in the Contract Documents in accordance with such recognized meaning.

ARTICLE 2 – PRELIMINARY MATTERS

2.01 *Delivery of Bonds and Evidence of Insurance*

- A. *Bonds*: When Contractor delivers the executed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner such bonds as Contractor may be required to furnish.
- B. *Evidence of Contractor’s Insurance*: When Contractor delivers the executed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner, with copies to each named insured and additional insured (as identified in the Supplementary Conditions or elsewhere in the Contract), the certificates and other evidence of insurance required to be provided by Contractor in accordance with Article 6.
- C. *Evidence of Owner’s Insurance*: After receipt of the executed counterparts of the Agreement and all required bonds and insurance documentation, Owner shall promptly deliver to Contractor, with copies to each named insured and additional insured (as identified in the Supplementary Conditions or otherwise), the certificates and other evidence of insurance required to be provided by Owner under Article 6.
- D. **Contractor shall use forms EJCDC No. C-610 and C-615 (2013 ed.) for the Labor and Material Payment Bond and Performance Bond. Each bond shall be in the amount of 100 percent of the contract amount. City of Bethel shall be named as co-obligee or a separate Warranty Bond shall be provided to them upon completion of the work.**

2.02 *Copies of Documents*

- A. Owner shall furnish to Contractor **four (4)** printed copies of the Contract (including one fully executed counterpart of the Agreement), and one copy in electronic portable document format (PDF). Additional printed copies will be furnished upon request at the cost of reproduction.
- B. Owner shall maintain and safeguard at least one original printed record version of the Contract, including Drawings and Specifications signed and sealed by Engineer and other design professionals. Owner shall make such original printed record version of the Contract available to Contractor for review. Owner may delegate the responsibilities under this provision to Engineer.

2.03 *Before Starting Construction*

- A. *Preliminary Schedules:* Within 10 days after the Effective Date of the Contract (or as otherwise specifically required by the Contract Documents), Contractor shall submit to Engineer for timely review:
1. a preliminary Progress Schedule indicating the times (numbers of days or dates) for starting and completing the various stages of the Work, including any Milestones specified in the Contract;
 2. a preliminary Schedule of Submittals; and
 3. a preliminary Schedule of Values for all of the Work which includes quantities and prices of items which when added together equal the Contract Price and subdivides the Work into component parts in sufficient detail to serve as the basis for progress payments during performance of the Work. Such prices will include an appropriate amount of overhead and profit applicable to each item of Work.
 4. **Contractor shall submit a preliminary list of construction equipment with hourly rates, owned or rented by the Contractor and all Subcontractors that will be used in the performance of the Work. The equipment list will include information necessary to confirm the hourly rates per Paragraph 13.01.B.5.c of these General Conditions including: make, model, and year of manufacture as well as horse power, capacity or weight and accessories.**

2.04 *Preconstruction Conference; Designation of Authorized Representatives*

- A. Before any Work at the Site is started, a conference attended by Owner, Contractor, Engineer, and others as appropriate will be held to establish a working understanding among the parties as to the Work and to discuss the schedules referred to in Paragraph 2.03.A, procedures for handling Shop Drawings, Samples, and other submittals, processing Applications for Payment, electronic or digital transmittals, and maintaining required records.
- B. At this conference Owner and Contractor each shall designate, in writing, a specific individual to act as its authorized representative with respect to the services and responsibilities under the Contract. Such individuals shall have the authority to transmit and receive information, render decisions relative to the Contract, and otherwise act on behalf of each respective party.
- C. **A preconstruction conference will be held in Bethel and will be coordinated with the Contractor after bid opening.**

2.05 *Initial Acceptance of Schedules*

- ~~A. Prior to the first application for payment all schedules and documents identified in paragraph 2.03 shall be finalized and acceptable to Owner and Engineer. No progress payment shall be made to Contractor until acceptable schedules are submitted to Engineer and Owner as provided below. Acceptance of these schedules and documents by either Engineer or Owner will neither impose on Engineer or Owner responsibility for sequencing, scheduling or progress of the Work and will not interfere with or relieve Contractor from Contractor's full responsibility therefore. At least 10 days before submission of the first Application for Payment a conference, attended by Contractor, Engineer, and others as appropriate, will be held to review for acceptability to Engineer as provided below the schedules submitted in accordance with Paragraph 2.03.A. Contractor shall have an additional 10 days to make corrections and~~

~~adjustments and to complete and resubmit the schedules. No progress payment shall be made to Contractor until acceptable schedules are submitted to Engineer.~~

1. The Progress Schedule will be acceptable to Engineer if it provides an orderly progression of the Work to completion within the Contract Times. Such acceptance will not impose on Engineer responsibility for the Progress Schedule, for sequencing, scheduling, or progress of the Work, nor interfere with or relieve Contractor from Contractor's full responsibility therefor.
2. Contractor's Schedule of Submittals will be acceptable to Engineer if it provides a workable arrangement for reviewing and processing the required submittals.
3. Contractor's Schedule of Values will be acceptable to Engineer as to form and substance if it provides a reasonable allocation of the Contract Price to the component parts of the Work.
4. **Contractor's Schedule of Equipment will be acceptable to Engineer as to form and substance if it provides the necessary information to reference the equipment and establish the hourly rates in accordance with paragraph 13.01.B.5.c.**

2.06 *Electronic Transmittals*

- A. Except as otherwise stated elsewhere in the Contract, the Owner, Engineer, and Contractor may transmit, and shall accept, Project-related correspondence, text, data, documents, drawings, information, and graphics, including but not limited to Shop Drawings and other submittals, in electronic media or digital format, either directly, or through access to a secure Project website.
- B. If the Contract does not establish protocols for electronic or digital transmittals, then Owner, Engineer, and Contractor shall jointly develop such protocols.
- C. When transmitting items in electronic media or digital format, the transmitting party makes no representations as to long term compatibility, usability, or readability of the items resulting from the recipient's use of software application packages, operating systems, or computer hardware differing from those used in the drafting or transmittal of the items, or from those established in applicable transmittal protocols.

ARTICLE 3 – DOCUMENTS: INTENT, REQUIREMENTS, REUSE

3.01 *Intent*

- A. The Contract Documents are complementary; what is required by one is as binding as if required by all.
- B. It is the intent of the Contract Documents to describe a functionally complete project (or part thereof) to be constructed in accordance with the Contract Documents.
- C. Unless otherwise stated in the Contract Documents, if there is a discrepancy between the electronic or digital versions of the Contract Documents (including any printed copies derived from such electronic or digital versions) and the printed record version, the printed record version shall govern.
- D. The Contract supersedes prior negotiations, representations, and agreements, whether written or oral.

- E. Engineer will issue clarifications and interpretations of the Contract Documents as provided herein.

3.02 *Reference Standards*

A. Standards Specifications, Codes, Laws and Regulations

1. Reference in the Contract Documents to standard specifications, manuals, reference standards, or codes of any technical society, organization, or association, or to Laws or Regulations, whether such reference be specific or by implication, shall mean the standard specification, manual, reference standard, code, or Laws or Regulations in effect at the time of opening of Bids (or on the Effective Date of the Contract if there were no Bids), except as may be otherwise specifically stated in the Contract Documents.
2. No provision of any such standard specification, manual, reference standard, or code, or any instruction of a Supplier, shall be effective to change the duties or responsibilities of Owner, Contractor, or Engineer, or any of their subcontractors, consultants, agents, or employees, from those set forth in the part of the Contract Documents prepared by or for Engineer. No such provision or instruction shall be effective to assign to Owner, Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, any duty or authority to supervise or direct the performance of the Work or any duty or authority to undertake responsibility inconsistent with the provisions of the part of the Contract Documents prepared by or for Engineer.

3.03 *Reporting and Resolving Discrepancies*

A. *Reporting Discrepancies:*

1. *Contractor's Verification of Figures and Field Measurements:* Before undertaking each part of the Work, Contractor shall carefully study the Contract Documents, and check and verify pertinent figures and dimensions therein, particularly with respect to applicable field measurements. Contractor shall promptly report in writing to Engineer any conflict, error, ambiguity, or discrepancy that Contractor discovers, or has actual knowledge of, and shall not proceed with any Work affected thereby until the conflict, error, ambiguity, or discrepancy is resolved, by a clarification or interpretation by Engineer, or by an amendment or supplement to the Contract Documents issued pursuant to Paragraph 11.01.
2. *Contractor's Review of Contract Documents:* If, before or during the performance of the Work, Contractor discovers any conflict, error, ambiguity, or discrepancy within the Contract Documents, or between the Contract Documents and (a) any applicable Law or Regulation, (b) actual field conditions, (c) any standard specification, manual, reference standard, or code, or (d) any instruction of any Supplier, then Contractor shall promptly report it to Engineer in writing. Contractor shall not proceed with the Work affected thereby (except in an emergency as required by Paragraph 7.15) until the conflict, error, ambiguity, or discrepancy is resolved, by a clarification or interpretation by Engineer, or by an amendment or supplement to the Contract Documents issued pursuant to Paragraph 11.01.
3. Contractor shall not be liable to Owner or Engineer for failure to report any conflict, error, ambiguity, or discrepancy in the Contract Documents unless Contractor had actual knowledge thereof.

B. *Resolving Discrepancies:*

1. Except as may be otherwise specifically stated in the Contract Documents, the provisions of the part of the Contract Documents prepared by or for Engineer shall take precedence in resolving any conflict, error, ambiguity, or discrepancy between such provisions of the Contract Documents and:
 - a. the provisions of any standard specification, manual, reference standard, or code, or the instruction of any Supplier (whether or not specifically incorporated by reference as a Contract Document); or
 - b. the provisions of any Laws or Regulations applicable to the performance of the Work (unless such an interpretation of the provisions of the Contract Documents would result in violation of such Law or Regulation).

3.04 *Requirements of the Contract Documents*

- A. During the performance of the Work and until final payment, Contractor and Owner shall submit to the Engineer all matters in question concerning the requirements of the Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Contract Documents, as soon as possible after such matters arise. Engineer will be the initial interpreter of the requirements of the Contract Documents, and judge of the acceptability of the Work thereunder.
- B. Engineer will, with reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Contract Documents. Engineer's written clarification, interpretation, or decision will be final and binding on Contractor, unless it appeals by submitting a Change Proposal, and on Owner, unless it appeals by filing a Claim.
- C. If a submitted matter in question concerns terms and conditions of the Contract Documents that do not involve (1) the performance or acceptability of the Work under the Contract Documents, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, then Engineer will promptly give written notice to Owner and Contractor that Engineer is unable to provide a decision or interpretation. If Owner and Contractor are unable to agree on resolution of such a matter in question, either party may pursue resolution as provided in Article 12.

3.05 *Reuse of Documents*

- A. Contractor and its Subcontractors and Suppliers shall not:
 1. have or acquire any title to or ownership rights in any of the Drawings, Specifications, or other documents (or copies of any thereof) prepared by or bearing the seal of Engineer or its consultants, including electronic media editions, or reuse any such Drawings, Specifications, other documents, or copies thereof on extensions of the Project or any other project without written consent of Owner and Engineer and specific written verification or adaptation by Engineer; or
 2. have or acquire any title or ownership rights in any other Contract Documents, reuse any such Contract Documents for any purpose without Owner's express written consent, or violate any copyrights pertaining to such Contract Documents.

- B. The prohibitions of this Paragraph 3.05 will survive final payment, or termination of the Contract. Nothing herein shall preclude Contractor from retaining copies of the Contract Documents for record purposes.

ARTICLE 4 – COMMENCEMENT AND PROGRESS OF THE WORK

4.01 *Commencement of Contract Times; Notice to Proceed*

- A. The Contract Times will commence to run on the thirtieth day after the Effective Date of the Contract or, if a Notice to Proceed is given, on the day indicated in the Notice to Proceed. A Notice to Proceed may be given at any time within 30 days after the Effective Date of the Contract. In no event will the Contract Times commence to run later than the sixtieth day after the day of Bid opening or the thirtieth day after the Effective Date of the Contract, whichever date is earlier.

4.02 *Starting the Work*

- A. Contractor shall start to perform the Work on the date when the Contract Times commence to run. No Work shall be done at the Site prior to such date.

4.03 *Reference Points*

- A. Owner shall provide engineering surveys to establish reference points for construction which in Engineer's judgment are necessary to enable Contractor to proceed with the Work. Contractor shall be responsible for laying out the Work, shall protect and preserve the established reference points and property monuments, and shall make no changes or relocations without the prior written approval of Owner. Contractor shall report to Engineer whenever any reference point or property monument is lost or destroyed or requires relocation because of necessary changes in grades or locations, and shall be responsible for the accurate replacement or relocation of such reference points or property monuments by professionally qualified personnel.

4.04 *Progress Schedule*

- A. Contractor shall adhere to the Progress Schedule established in accordance with Paragraph 2.05 as it may be adjusted from time to time as provided below.
 - 1. Contractor shall submit to Engineer for acceptance (to the extent indicated in Paragraph 2.05) proposed adjustments in the Progress Schedule that will not result in changing the Contract Times.
 - 2. Proposed adjustments in the Progress Schedule that will change the Contract Times shall be submitted in accordance with the requirements of Article 11.
- B. Contractor shall carry on the Work and adhere to the Progress Schedule during all disputes or disagreements with Owner. No Work shall be delayed or postponed pending resolution of any disputes or disagreements, or during any appeal process, except as permitted by Paragraph 16.04, or as Owner and Contractor may otherwise agree in writing.

4.05 *Delays in Contractor's Progress*

- A. If Owner, Engineer, or anyone for whom Owner is responsible, delays, disrupts, or interferes with the performance or progress of the Work, then Contractor shall be entitled to an equitable adjustment in the Contract Times and Contract Price. Contractor's entitlement to an adjustment

of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times.

- B. Contractor shall not be entitled to an adjustment in Contract Price or Contract Times for delay, disruption, or interference caused by or within the control of Contractor. Delay, disruption, and interference attributable to and within the control of a Subcontractor or Supplier shall be deemed to be within the control of Contractor.
- C. If Contractor's performance or progress is delayed, disrupted, or interfered with by unanticipated causes not the fault of and beyond the control of Owner, Contractor, and those for which they are responsible, then Contractor shall be entitled to an equitable adjustment in Contract Times. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times. Such an adjustment shall be Contractor's sole and exclusive remedy for the delays, disruption, and interference described in this paragraph. Causes of delay, disruption, or interference that may give rise to an adjustment in Contract Times under this paragraph include but are not limited to the following:
 - 1. severe and unavoidable natural catastrophes such as fires, floods, epidemics, and earthquakes;
 - 2. abnormal weather conditions;
 - 3. acts or failures to act of utility owners (other than those performing other work at or adjacent to the Site by arrangement with the Owner, as contemplated in Article 8); and
 - 4. acts of war or terrorism.
- D. Delays, disruption, and interference to the performance or progress of the Work resulting from the existence of a differing subsurface or physical condition, an Underground Facility that was not shown or indicated by the Contract Documents, or not shown or indicated with reasonable accuracy, and those resulting from Hazardous Environmental Conditions, are governed by Article 5.
- E. Paragraph 8.03 governs delays, disruption, and interference to the performance or progress of the Work resulting from the performance of certain other work at or adjacent to the Site.
- F. Contractor shall not be entitled to an adjustment in Contract Price or Contract Times for any delay, disruption, or interference if such delay is concurrent with a delay, disruption, or interference caused by or within the control of Contractor.
- G. Contractor must submit any Change Proposal seeking an adjustment in Contract Price or Contract Times under this paragraph within 30 days of the commencement of the delaying, disrupting, or interfering event.

ARTICLE 5 – AVAILABILITY OF LANDS; SUBSURFACE AND PHYSICAL CONDITIONS; HAZARDOUS ENVIRONMENTAL CONDITIONS

5.01 *Availability of Lands*

- A. Owner shall furnish the Site. Owner shall notify Contractor of any encumbrances or restrictions not of general application but specifically related to use of the Site with which Contractor must comply in performing the Work.

- B. Upon reasonable written request, Owner shall furnish Contractor with a current statement of record legal title and legal description of the lands upon which permanent improvements are to be made and Owner's interest therein as necessary for giving notice of or filing a mechanic's or construction lien against such lands in accordance with applicable Laws and Regulations.
- C. Contractor shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment. **If it is necessary or desirable that the Contractor use land outside of the Owner's site, easement or right-of-way, the Contractor shall obtain consent from the property owner and tenant of the land. The Contractor shall not enter for material delivery, storage or occupy for any other purpose with men, tools, equipment, construction material, or with materials excavated from the site, any private property outside the designated limits of the construction site, easement boundaries, or right-of-way without written permission from the property owner and tenant.**

5.02 *Use of Site and Other Areas*

A. *Limitation on Use of Site and Other Areas:*

- 1. Contractor shall confine construction equipment, temporary construction facilities, the storage of materials and equipment, and the operations of workers to the Site, adjacent areas that Contractor has arranged to use through construction easements or otherwise, and other adjacent areas permitted by Laws and Regulations, and shall not unreasonably encumber the Site and such other adjacent areas with construction equipment or other materials or equipment. Contractor shall assume full responsibility for (a) damage to the Site; (b) damage to any such other adjacent areas used for Contractor's operations; (c) damage to any other adjacent land or areas; and (d) for injuries and losses sustained by the owners or occupants of any such land or areas; provided that such damage or injuries result from the performance of the Work or from other actions or conduct of the Contractor or those for which Contractor is responsible.
 - 2. If a damage or injury claim is made by the owner or occupant of any such land or area because of the performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible, Contractor shall (a) take immediate corrective or remedial action as required by Paragraph 7.12, or otherwise; (b) promptly attempt to settle the claim as to all parties through negotiations with such owner or occupant, or otherwise resolve the claim by arbitration or other dispute resolution proceeding, or at law; and (c) to the fullest extent permitted by Laws and Regulations, indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against any such claim, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any claim or action, legal or equitable, brought by any such owner or occupant against Owner, Engineer, or any other party indemnified hereunder to the extent caused directly or indirectly, in whole or in part by, or based upon, Contractor's performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible.
- B. *Removal of Debris During Performance of the Work:* During the progress of the Work the Contractor shall keep the Site and other adjacent areas free from accumulations of waste

materials, rubbish, and other debris. Removal and disposal of such waste materials, rubbish, and other debris shall conform to applicable Laws and Regulations.

- C. *Cleaning*: Prior to Substantial Completion of the Work Contractor shall clean the Site and the Work and make it ready for utilization by Owner. At the completion of the Work Contractor shall remove from the Site and adjacent areas all tools, appliances, construction equipment and machinery, and surplus materials and shall restore to original condition all property not designated for alteration by the Contract Documents.
- D. *Loading of Structures*: Contractor shall not load nor permit any part of any structure to be loaded in any manner that will endanger the structure, nor shall Contractor subject any part of the Work or adjacent structures or land to stresses or pressures that will endanger them.

5.03 *Subsurface and Physical Conditions*

- A. *Reports and Drawings*: The Supplementary Conditions identify:
 - 1. those reports known to Owner of explorations and tests of subsurface conditions at or adjacent to the Site;
 - 2. those drawings known to Owner of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities); and
 - 3. Technical Data contained in such reports and drawings.
- B. *Reliance by Contractor on Technical Data Authorized*: Contractor may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely upon the accuracy of the Technical Data (as defined in Article 1) contained in any geotechnical or environmental report prepared for the Project and made available to Contractor. Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, with respect to:
 - 1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, and safety precautions and programs incident thereto; or
 - 2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or
 - 3. any Contractor interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions, or information.
 - 4. **Contractor is required to visit the site and become familiar with and satisfied as to the general, local, and site conditions that may affect cost, progress, performance, and furnishing of the Work. This is to involve an alert, heads-up, eyes open, reasonable examination of the area and the conditions under which the Work is to be performed (See 5.04 D.2b). Note that the site is access restricted. See Section 01 00 00, General Requirements.**

5.04 *Differing Subsurface or Physical Conditions*

- A. *Notice by Contractor:* If Contractor believes that any subsurface or physical condition that is uncovered or revealed at the Site either:
1. is of such a nature as to establish that any Technical Data on which Contractor is entitled to rely as provided in Paragraph 5.03 is materially inaccurate; or
 2. is of such a nature as to require a change in the Drawings or Specifications; or
 3. differs materially from that shown or indicated in the Contract Documents; or
 4. is of an unusual nature, and differs materially from conditions ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents;

then Contractor shall, promptly after becoming aware thereof and before further disturbing the subsurface or physical conditions or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), notify Owner and Engineer in writing about such condition **within 15 calendar days of discovery**. Contractor shall not further disturb such condition or perform any Work in connection therewith (except with respect to an emergency) until receipt of a written statement permitting Contractor to do so.

No Change Proposal or Claim for an adjustment in Contract Price or Contract Time (including Milestones) will be valid for differing subsurface or physical conditions if notice provisions of the Paragraph 5.04 are not followed.

- B. *Engineer's Review:* After receipt of written notice as required by the preceding paragraph, Engineer will promptly review the subsurface or physical condition in question; determine the necessity of Owner's obtaining additional exploration or tests with respect to the condition; conclude whether the condition falls within any one or more of the differing site condition categories in Paragraph 5.04.A above; obtain any pertinent cost or schedule information from Contractor; prepare recommendations to Owner regarding the Contractor's resumption of Work in connection with the subsurface or physical condition in question and the need for any change in the Drawings or Specifications; and advise Owner in writing of Engineer's findings, conclusions, and recommendations.
- C. *Owner's Statement to Contractor Regarding Site Condition:* After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the subsurface or physical condition in question, addressing the resumption of Work in connection with such condition, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations, in whole or in part.
- D. *Possible Price and Times Adjustments:*
1. Contractor shall be entitled to an equitable adjustment in Contract Price or Contract Times, or both, to the extent that the existence of a differing subsurface or physical condition, or any related delay, disruption, or interference, causes an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:
 - a. such condition must fall within any one or more of the categories described in Paragraph 5.04.A;

- b. with respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.03; and,
 - c. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times.
- 2. Contractor shall not be entitled to any adjustment in the Contract Price or Contract Times with respect to a subsurface or physical condition if:
 - a. Contractor knew of the existence of such condition at the time Contractor made a commitment to Owner with respect to Contract Price and Contract Times by the submission of a Bid or becoming bound under a negotiated contract, or otherwise; or
 - b. the existence of such condition reasonably could have been discovered or revealed as a result of any examination, investigation, exploration, test, or study of the Site and contiguous areas expressly required by the Bidding Requirements or Contract Documents to be conducted by or for Contractor prior to Contractor's making such commitment; or
 - c. Contractor failed to give the written notice as required by Paragraph 5.04.A.
- 3. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, or both, then any such adjustment shall be set forth in a Change Order.
- 4. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, or both, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the subsurface or physical condition in question.

5.05 *Underground Facilities*

- A. *Contractor's Responsibilities:* The information and data shown or indicated in the Contract Documents with respect to existing Underground Facilities at or adjacent to the Site is based on information and data furnished to Owner or Engineer by the owners of such Underground Facilities, including Owner, or by others. Unless it is otherwise expressly provided in the Supplementary Conditions:
 - 1. Owner and Engineer do not warrant or guarantee the accuracy or completeness of any such information or data provided by others; and
 - 2. the cost of all of the following will be included in the Contract Price, and Contractor shall have full responsibility for:
 - a. reviewing and checking all information and data regarding existing Underground Facilities at the Site;
 - b. locating all Underground Facilities shown or indicated in the Contract Documents as being at the Site;
 - c. coordination of the Work with the owners (including Owner) of such Underground Facilities, during construction; and

- d. the safety and protection of all existing Underground Facilities at the Site, and repairing any damage thereto resulting from the Work.
 - e. **Before beginning any excavation, the Contractor shall contact the appropriate "one call" underground utility locate service and/or notify all owners of underground facilities (as applicable) and coordinate the Work with the owners of such underground facilities. The information shown or indicated in the Contract Documents with respect to existing underground facilities is based on information and data obtained from the owners of the facilities without field exploration and as such Owner and Engineer are not responsible for the accuracy or completeness of such information or data.**
- B. *Notice by Contractor:* If Contractor believes that an Underground Facility that is uncovered or revealed at the Site **is unusual and payment per the applicable unit price item Bid for encountering existing Underground Facilities isn't applicable and** was not shown or indicated in the Contract Documents, or was not shown or indicated with reasonable accuracy, then Contractor shall, promptly after becoming aware thereof and before further disturbing conditions affected thereby or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), identify the owner of such Underground Facility and give written notice to that owner and to Owner and Engineer.
- C. *Engineer's Review:* Engineer will promptly review the Underground Facility and conclude whether such Underground Facility was not shown or indicated in the Contract Documents, or was not shown or indicated with reasonable accuracy; obtain any pertinent cost or schedule information from Contractor; prepare recommendations to Owner regarding the Contractor's resumption of Work in connection with the Underground Facility in question; determine the extent, if any, to which a change is required in the Drawings or Specifications to reflect and document the consequences of the existence or location of the Underground Facility; and advise Owner in writing of Engineer's findings, conclusions, and recommendations. During such time, Contractor shall be responsible for the safety and protection of such Underground Facility.
- D. *Owner's Statement to Contractor Regarding Underground Facility:* After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the Underground Facility in question, addressing the resumption of Work in connection with such Underground Facility, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations in whole or in part.
- E. *Possible Price and Times Adjustments:*
- 1. Contractor shall **be paid at the unit price Bid for encountering Underground Facilities and will not** be entitled to **additional** equitable adjustment in the Contract Price or Contract Times, or both, **unless the Engineer's review determines that the existing facility is unusual and shouldn't be covered by the unit price and the** ~~to the extent that any existing Underground Facility at the Site that was not shown or indicated in the Contract Documents, or was not shown or indicated with reasonable accuracy, or any related~~ ~~causes~~ causing an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:

- a. Contractor did not know of and could not reasonably have been expected to be aware of or to have anticipated the existence or actual location of the Underground Facility in question;
 - b. With respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.03;
 - c. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times; and
 - d. Contractor gave the notice required in Paragraph 5.05.B.
2. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, or both, then any such adjustment shall be set forth in a Change Order.
 3. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, or both, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the Underground Facility in question.

5.06 Hazardous Environmental Conditions at Site

A. Reports and Drawings: The Supplementary Conditions identify:

1. those reports and drawings known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site; and
2. Technical Data contained in such reports and drawings.

B. Reliance by Contractor on Technical Data Authorized: Contractor may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely on the accuracy of the Technical Data (as defined in Article 1) contained in any geotechnical or environmental report prepared for the Project and made available to Contractor. Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors with respect to:

1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences and procedures of construction to be employed by Contractor and safety precautions and programs incident thereto; or
2. other data, interpretations, opinions and information contained in such reports or shown or indicated in such drawings; or
3. any Contractor interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions or information.

C. Contractor shall not be responsible for removing or remediating any Hazardous Environmental Condition encountered, uncovered, or revealed at the Site unless such removal or remediation is expressly identified in the Contract Documents to be within the scope of the Work.

- D. Contractor shall be responsible for controlling, containing, and duly removing all Constituents of Concern brought to the Site by Contractor, Subcontractors, Suppliers, or anyone else for whom Contractor is responsible, and for any associated costs; and for the costs of removing and remediating any Hazardous Environmental Condition created by the presence of any such Constituents of Concern.
- E. If Contractor encounters, uncovers, or reveals a Hazardous Environmental Condition whose removal or remediation is not expressly identified in the Contract Documents as being within the scope of the Work, or if Contractor or anyone for whom Contractor is responsible creates a Hazardous Environmental Condition, then Contractor shall immediately: (1) secure or otherwise isolate such condition; (2) stop all Work in connection with such condition and in any area affected thereby (except in an emergency as required by Paragraph 7.15); and (3) notify Owner and Engineer (and promptly thereafter confirm such notice in writing). Owner shall promptly consult with Engineer concerning the necessity for Owner to retain a qualified expert to evaluate such condition or take corrective action, if any. Promptly after consulting with Engineer, Owner shall take such actions as are necessary to permit Owner to timely obtain required permits and provide Contractor the written notice required by Paragraph 5.06.F. If Contractor or anyone for whom Contractor is responsible created the Hazardous Environmental Condition in question, then Owner may remove and remediate the Hazardous Environmental Condition, and impose a set-off against payments to account for the associated costs.
- F. Contractor shall not resume Work in connection with such Hazardous Environmental Condition or in any affected area until after Owner has obtained any required permits related thereto, and delivered written notice to Contractor either (1) specifying that such condition and any affected area is or has been rendered safe for the resumption of Work, or (2) specifying any special conditions under which such Work may be resumed safely.
- G. If Owner and Contractor cannot agree as to entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times, or both, as a result of such Work stoppage or such special conditions under which Work is agreed to be resumed by Contractor, then within 30 days of Owner's written notice regarding the resumption of Work, Contractor may submit a Change Proposal, or Owner may impose a set-off.
- H. If after receipt of such written notice Contractor does not agree to resume such Work based on a reasonable belief it is unsafe, or does not agree to resume such Work under such special conditions, then Owner may order the portion of the Work that is in the area affected by such condition to be deleted from the Work, following the contractual change procedures in Article 11. Owner may have such deleted portion of the Work performed by Owner's own forces or others in accordance with Article 8.
- I. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition, provided that such Hazardous Environmental Condition (1) was not shown or indicated in the Drawings, Specifications, or other Contract Documents, identified as Technical Data entitled to limited reliance pursuant to Paragraph 5.06.B, or identified in the Contract Documents to be included within the scope of the Work, and (2) was not created by Contractor or by anyone for

whom Contractor is responsible. Nothing in this Paragraph 5.06.H shall obligate Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.

- J. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the failure to control, contain, or remove a Constituent of Concern brought to the Site by Contractor or by anyone for whom Contractor is responsible, or to a Hazardous Environmental Condition created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 5.06.J shall obligate Contractor to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
- K. The provisions of Paragraphs 5.03, 5.04, and 5.05 do not apply to the presence of Constituents of Concern or to a Hazardous Environmental Condition uncovered or revealed at the Site.

ARTICLE 6 – BONDS AND INSURANCE

6.01 *Performance, Payment, and Other Bonds*

- A. Contractor shall furnish a performance bond and a payment bond, each in an amount at least equal to the Contract Price, as security for the faithful performance and payment of all of Contractor's obligations under the Contract. These bonds shall remain in effect until one year after the date when final payment becomes due or until completion of the correction period specified in Paragraph 15.08, whichever is later, except as provided otherwise by Laws or Regulations, the Supplementary Conditions, or other specific provisions of the Contract. Contractor shall also furnish such other bonds as are required by the Supplementary Conditions or other specific provisions of the Contract.
- B. All bonds shall be in the form prescribed by the Contract except as provided otherwise by Laws or Regulations, and shall be executed by such sureties as are named in "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (as amended and supplemented) by the Financial Management Service, Surety Bond Branch, U.S. Department of the Treasury. A bond signed by an agent or attorney-in-fact must be accompanied by a certified copy of that individual's authority to bind the surety. The evidence of authority shall show that it is effective on the date the agent or attorney-in-fact signed the accompanying bond.
- C. Contractor shall obtain the required bonds from surety companies that are duly licensed or authorized in the jurisdiction in which the Project is located to issue bonds in the required amounts.
- D. If the surety on a bond furnished by Contractor is declared bankrupt or becomes insolvent, or its right to do business is terminated in any state or jurisdiction where any part of the Project is located, or the surety ceases to meet the requirements above, then Contractor shall promptly notify Owner and Engineer and shall, within 20 days after the event giving rise to such

notification, provide another bond and surety, both of which shall comply with the bond and surety requirements above.

- E. If Contractor has failed to obtain a required bond, Owner may exclude the Contractor from the Site and exercise Owner's termination rights under Article 16.
- F. Upon request, Owner shall provide a copy of the payment bond to any Subcontractor, Supplier, or other person or entity claiming to have furnished labor or materials used in the performance of the Work.

6.02 *Insurance—General Provisions*

- A. Owner and Contractor shall obtain and maintain insurance as required in this Article and in the Supplementary Conditions.
- B. All insurance required by the Contract to be purchased and maintained by Owner or Contractor shall be obtained from insurance companies that are duly licensed or authorized, in the state or jurisdiction in which the Project is located, to issue insurance policies for the required limits and coverages. Unless a different standard is indicated in the Supplementary Conditions, all companies that provide insurance policies required under this Contract shall have an A.M. Best rating of A-VII or better.
- C. Contractor shall deliver to Owner, with copies to each named insured and additional insured (as identified in this Article, in the Supplementary Conditions, or elsewhere in the Contract), certificates of insurance establishing that Contractor has obtained and is maintaining the policies, coverages, and endorsements required by the Contract. Upon request by Owner or any other insured, Contractor shall also furnish other evidence of such required insurance, including but not limited to copies of policies and endorsements, and documentation of applicable self-insured retentions and deductibles. Contractor may block out (redact) any confidential premium or pricing information contained in any policy or endorsement furnished under this provision.
- D. Owner shall deliver to Contractor, with copies to each named insured and additional insured (as identified in this Article, the Supplementary Conditions, or elsewhere in the Contract), certificates of insurance establishing that Owner has obtained and is maintaining the policies, coverages, and endorsements required of Owner by the Contract (if any). Upon request by Contractor or any other insured, Owner shall also provide other evidence of such required insurance (if any), including but not limited to copies of policies and endorsements, and documentation of applicable self-insured retentions and deductibles. Owner may block out (redact) any confidential premium or pricing information contained in any policy or endorsement furnished under this provision.
- E. Failure of Owner or Contractor to demand such certificates or other evidence of the other party's full compliance with these insurance requirements, or failure of Owner or Contractor to identify a deficiency in compliance from the evidence provided, shall not be construed as a waiver of the other party's obligation to obtain and maintain such insurance.
- F. If either party does not purchase or maintain all of the insurance required of such party by the Contract, such party shall notify the other party in writing of such failure to purchase prior to the start of the Work, or of such failure to maintain prior to any change in the required coverage.

- G. If Contractor has failed to obtain and maintain required insurance, Owner may exclude the Contractor from the Site, impose an appropriate set-off against payment, and exercise Owner's termination rights under Article 16.
- H. Without prejudice to any other right or remedy, if a party has failed to obtain required insurance, the other party may elect to obtain equivalent insurance to protect such other party's interests at the expense of the party who was required to provide such coverage, and the Contract Price shall be adjusted accordingly.
- I. Owner does not represent that insurance coverage and limits established in this Contract necessarily will be adequate to protect Contractor or Contractor's interests.
- J. The insurance and insurance limits required herein shall not be deemed as a limitation on Contractor's liability under the indemnities granted to Owner and other individuals and entities in the Contract.

6.03 *Contractor's Insurance*

- A. *Workers' Compensation:* Contractor shall purchase and maintain workers' compensation and employer's liability insurance for:
 - 1. claims under workers' compensation, disability benefits, and other similar employee benefit acts.
 - 2. United States Longshoreman and Harbor Workers' Compensation Act and Jones Act coverage (if applicable).
 - 3. claims for damages because of bodily injury, occupational sickness or disease, or death of Contractor's employees (by stop-gap endorsement in monopolist worker's compensation states).
 - 4. Foreign voluntary worker compensation (if applicable).
- B. *Commercial General Liability—Claims Covered:* Contractor shall purchase and maintain commercial general liability insurance, covering all operations by or on behalf of Contractor, on an occurrence basis, against:
 - 1. claims for damages because of bodily injury, sickness or disease, or death of any person other than Contractor's employees.
 - 2. claims for damages insured by reasonably available personal injury liability coverage.
 - 3. claims for damages, other than to the Work itself, because of injury to or destruction of tangible property wherever located, including loss of use resulting therefrom.
- C. *Commercial General Liability—Form and Content:* Contractor's commercial liability policy shall be written on a 1996 (or later) ISO commercial general liability form (occurrence form) and include the following coverages and endorsements:
 - 1. Products and completed operations coverage:
 - a. Such insurance shall be maintained for three years after final payment.
 - b. Contractor shall furnish Owner and each other additional insured (as identified in the Supplementary Conditions or elsewhere in the Contract) evidence of continuation of such insurance at final payment and three years thereafter.

2. Blanket contractual liability coverage, to the extent permitted by law, including but not limited to coverage of Contractor's contractual indemnity obligations in Paragraph 7.18.
 3. Broad form property damage coverage.
 4. Severability of interest.
 5. Underground, explosion, and collapse coverage.
 6. Personal injury coverage.
 7. Additional insured endorsements that include both ongoing operations and products and completed operations coverage through ISO Endorsements CG 20 10 10 01 and CG 20 37 10 01 (together); or CG 20 10 07 04 and CG 20 37 07 04 (together); or their equivalent.
 8. For design professional additional insureds, ISO Endorsement CG 20 32 07 04, "Additional Insured—Engineers, Architects or Surveyors Not Engaged by the Named Insured" or its equivalent.
- D. *Automobile liability:* Contractor shall purchase and maintain automobile liability insurance against claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance, or use of any motor vehicle. The automobile liability policy shall be written on an occurrence basis.
- E. *Umbrella or excess liability:* Contractor shall purchase and maintain umbrella or excess liability insurance written over the underlying employer's liability, commercial general liability, and automobile liability insurance described in the paragraphs above. Subject to industry-standard exclusions, the coverage afforded shall follow form as to each and every one of the underlying policies.
- F. *Contractor's pollution liability insurance:* Contractor shall purchase and maintain a policy covering third-party injury and property damage claims, including clean-up costs, as a result of pollution conditions arising from Contractor's operations and completed operations. This insurance shall be maintained for no less than three years after final completion.
- G. *Additional insureds:* The Contractor's commercial general liability, automobile liability, umbrella or excess, and pollution liability policies shall include and list as additional insureds Owner and Engineer, and any individuals or entities identified in the Supplementary Conditions; include coverage for the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of all such additional insureds; and the insurance afforded to these additional insureds shall provide primary coverage for all claims covered thereby (including as applicable those arising from both ongoing and completed operations) on a non-contributory basis. Contractor shall obtain all necessary endorsements to support these requirements.
- H. *Contractor's professional liability insurance:* If Contractor will provide or furnish professional services under this Contract, through a delegation of professional design services or otherwise, then Contractor shall be responsible for purchasing and maintaining applicable professional liability insurance. This insurance shall provide protection against claims arising out of performance of professional design or related services, and caused by a negligent error, omission, or act for which the insured party is legally liable. It shall be maintained throughout the duration of the Contract and for a minimum of two years after Substantial Completion. If such professional design services are performed by a Subcontractor, and not by Contractor itself,

then the requirements of this paragraph may be satisfied through the purchasing and maintenance of such insurance by such Subcontractor.

- I. *General provisions:* The policies of insurance required by this Paragraph 6.03 shall:
 - 1. include at least the specific coverages provided in this Article.
 - 2. be written for not less than the limits of liability provided in this Article and in the Supplementary Conditions, or required by Laws or Regulations, whichever is greater.
 - 3. contain a provision or endorsement that the coverage afforded will not be canceled, materially changed, or renewal refused until at least 10 days prior written notice has been given to Contractor. Within three days of receipt of any such written notice, Contractor shall provide a copy of the notice to Owner, Engineer, and each other insured under the policy.
 - 4. remain in effect at least until final payment (and longer if expressly required in this Article) and at all times thereafter when Contractor may be correcting, removing, or replacing defective Work as a warranty or correction obligation, or otherwise, or returning to the Site to conduct other tasks arising from the Contract Documents.
 - 5. be appropriate for the Work being performed and provide protection from claims that may arise out of or result from Contractor's performance of the Work and Contractor's other obligations under the Contract Documents, whether it is to be performed by Contractor, any Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable.
- J. The coverage requirements for specific policies of insurance must be met by such policies, and not by reference to excess or umbrella insurance provided in other policies.

6.04 *Owner's Liability Insurance*

- A. In addition to the insurance required to be provided by Contractor under Paragraph 6.03, Owner, at Owner's option, may purchase and maintain at Owner's expense Owner's own liability insurance as will protect Owner against claims which may arise from operations under the Contract Documents.
- B. Owner's liability policies, if any, operate separately and independently from policies required to be provided by Contractor, and Contractor cannot rely upon Owner's liability policies for any of Contractor's obligations to the Owner, Engineer, or third parties.

6.05 *Property Insurance*

- A. *Builder's Risk:* Unless otherwise provided in the Supplementary Conditions, Contractor shall purchase and maintain builder's risk insurance upon the Work on a completed value basis, in the amount of the full insurable replacement cost thereof (subject to such deductible amounts as may be provided in the Supplementary Conditions or required by Laws and Regulations). This insurance shall:
 - 1. include the Owner and Contractor as named insureds, and all Subcontractors, and any individuals or entities required by the Supplementary Conditions to be insured under such builder's risk policy, as insureds or named insureds. For purposes of the remainder of this Paragraph 6.05, Paragraphs 6.06 and 6.07, and any corresponding Supplementary Conditions, the parties required to be insured shall collectively be referred to as "insureds."

2. be written on a builder's risk "all risk" policy form that shall at least include insurance for physical loss or damage to the Work, temporary buildings, falsework, and materials and equipment in transit, and shall insure against at least the following perils or causes of loss: fire; lightning; windstorm; riot; civil commotion; terrorism; vehicle impact; aircraft; smoke; theft; vandalism and malicious mischief; mechanical breakdown, boiler explosion, and artificially generated electric current; earthquake; volcanic activity, and other earth movement; flood; collapse; explosion; debris removal; demolition occasioned by enforcement of Laws and Regulations; water damage (other than that caused by flood); and such other perils or causes of loss as may be specifically required by the Supplementary Conditions. If insurance against mechanical breakdown, boiler explosion, and artificially generated electric current; earthquake; volcanic activity, and other earth movement; or flood, are not commercially available under builder's risk policies, by endorsement or otherwise, such insurance may be provided through other insurance policies acceptable to Owner and Contractor.
3. cover, as insured property, at least the following: (a) the Work and all materials, supplies, machinery, apparatus, equipment, fixtures, and other property of a similar nature that are to be incorporated into or used in the preparation, fabrication, construction, erection, or completion of the Work, including Owner-furnished or assigned property; (b) spare parts inventory required within the scope of the Contract; and (c) temporary works which are not intended to form part of the permanent constructed Work but which are intended to provide working access to the Site, or to the Work under construction, or which are intended to provide temporary support for the Work under construction, including scaffolding, form work, fences, shoring, falsework, and temporary structures.
4. cover expenses incurred in the repair or replacement of any insured property (including but not limited to fees and charges of engineers and architects).
5. extend to cover damage or loss to insured property while in temporary storage at the Site or in a storage location outside the Site (but not including property stored at the premises of a manufacturer or Supplier).
6. extend to cover damage or loss to insured property while in transit.
7. allow for partial occupation or use of the Work by Owner, such that those portions of the Work that are not yet occupied or used by Owner shall remain covered by the builder's risk insurance.
8. allow for the waiver of the insurer's subrogation rights, as set forth below.
9. provide primary coverage for all losses and damages caused by the perils or causes of loss covered.
10. not include a co-insurance clause.
11. include an exception for ensuing losses from physical damage or loss with respect to any defective workmanship, design, or materials exclusions.
12. include performance/hot testing and start-up.
13. be maintained in effect, subject to the provisions herein regarding Substantial Completion and partial occupancy or use of the Work by Owner, until the Work is complete.

- B. *Notice of Cancellation or Change:* All the policies of insurance (and the certificates or other evidence thereof) required to be purchased and maintained in accordance with this Paragraph 6.05 will contain a provision or endorsement that the coverage afforded will not be canceled or materially changed or renewal refused until at least 10 days prior written notice has been given to the purchasing policyholder. Within three days of receipt of any such written notice, the purchasing policyholder shall provide a copy of the notice to each other insured.
- C. *Deductibles:* The purchaser of any required builder's risk or property insurance shall pay for costs not covered because of the application of a policy deductible.
- D. *Partial Occupancy or Use by Owner:* If Owner will occupy or use a portion or portions of the Work prior to Substantial Completion of all the Work as provided in Paragraph 15.04, then Owner (directly, if it is the purchaser of the builder's risk policy, or through Contractor) will provide notice of such occupancy or use to the builder's risk insurer. The builder's risk insurance shall not be canceled or permitted to lapse on account of any such partial use or occupancy; rather, those portions of the Work that are occupied or used by Owner may come off the builder's risk policy, while those portions of the Work not yet occupied or used by Owner shall remain covered by the builder's risk insurance.
- E. *Additional Insurance:* If Contractor elects to obtain other special insurance to be included in or supplement the builder's risk or property insurance policies provided under this Paragraph 6.05, it may do so at Contractor's expense.
- F. *Insurance of Other Property:* If the express insurance provisions of the Contract do not require or address the insurance of a property item or interest, such as tools, construction equipment, or other personal property owned by Contractor, a Subcontractor, or an employee of Contractor or a Subcontractor, then the entity or individual owning such property item will be responsible for deciding whether to insure it, and if so in what amount.

6.06 *Waiver of Rights*

- A. All policies purchased in accordance with Paragraph 6.05, expressly including the builder's risk policy, shall contain provisions to the effect that in the event of payment of any loss or damage the insurers will have no rights of recovery against any insureds thereunder, or against Engineer or its consultants, or their officers, directors, members, partners, employees, agents, consultants, or subcontractors. Owner and Contractor waive all rights against each other and the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from any of the perils or causes of loss covered by such policies and any other property insurance applicable to the Work; and, in addition, waive all such rights against Engineer, its consultants, all Subcontractors, all individuals or entities identified in the Supplementary Conditions as insureds, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, under such policies for losses and damages so caused. None of the above waivers shall extend to the rights that any party making such waiver may have to the proceeds of insurance held by Owner or Contractor as trustee or fiduciary, or otherwise payable under any policy so issued.
- B. Owner waives all rights against Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, for:

1. loss due to business interruption, loss of use, or other consequential loss extending beyond direct physical loss or damage to Owner's property or the Work caused by, arising out of, or resulting from fire or other perils whether or not insured by Owner; and
 2. loss or damage to the completed Project or part thereof caused by, arising out of, or resulting from fire or other insured peril or cause of loss covered by any property insurance maintained on the completed Project or part thereof by Owner during partial occupancy or use pursuant to Paragraph 15.04, after Substantial Completion pursuant to Paragraph 15.03, or after final payment pursuant to Paragraph 15.06.
- C. Any insurance policy maintained by Owner covering any loss, damage or consequential loss referred to in Paragraph 6.06.B shall contain provisions to the effect that in the event of payment of any such loss, damage, or consequential loss, the insurers will have no rights of recovery against Contractor, Subcontractors, or Engineer, or the officers, directors, members, partners, employees, agents, consultants, or subcontractors of each and any of them.
- D. Contractor shall be responsible for assuring that the agreement under which a Subcontractor performs a portion of the Work contains provisions whereby the Subcontractor waives all rights against Owner, Contractor, all individuals or entities identified in the Supplementary Conditions as insureds, the Engineer and its consultants, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, relating to, or resulting from any of the perils or causes of loss covered by builder's risk insurance and any other property insurance applicable to the Work.

6.07 *Receipt and Application of Property Insurance Proceeds*

- A. Any insured loss under the builder's risk and other policies of insurance required by Paragraph 6.05 will be adjusted and settled with the named insured that purchased the policy. Such named insured shall act as fiduciary for the other insureds, and give notice to such other insureds that adjustment and settlement of a claim is in progress. Any other insured may state its position regarding a claim for insured loss in writing within 15 days after notice of such claim.
- B. Proceeds for such insured losses may be made payable by the insurer either jointly to multiple insureds, or to the named insured that purchased the policy in its own right and as fiduciary for other insureds, subject to the requirements of any applicable mortgage clause. A named insured receiving insurance proceeds under the builder's risk and other policies of insurance required by Paragraph 6.05 shall distribute such proceeds in accordance with such agreement as the parties in interest may reach, or as otherwise required under the dispute resolution provisions of this Contract or applicable Laws and Regulations.
- C. If no other special agreement is reached, the damaged Work shall be repaired or replaced, the money so received applied on account thereof, and the Work and the cost thereof covered by Change Order, if needed.

ARTICLE 7 – CONTRACTOR'S RESPONSIBILITIES

7.01 *Supervision and Superintendence*

- A. Contractor shall supervise, inspect, and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Contractor shall be solely responsible for the means, methods, techniques, sequences, and procedures of construction.

- B. At all times during the progress of the Work, Contractor shall assign a competent resident superintendent who shall not be replaced without written notice to Owner and Engineer except under extraordinary circumstances.

7.02 *Labor; Working Hours*

- A. Contractor shall provide competent, suitably qualified personnel to survey and lay out the Work and perform construction as required by the Contract Documents. Contractor shall at all times maintain good discipline and order at the Site.
- B. Except as otherwise required for the safety or protection of persons or the Work or property at the Site or adjacent thereto, and except as otherwise stated in the Contract Documents, all Work at the Site shall be performed during daytime hours (7:00 AM to 7:00 PM), Monday through Friday. Contractor will not perform Work on a Saturday, Sunday, or any legal holiday. Contractor may perform Work outside regular working hours or on Saturdays, Sundays, or legal holidays only with Owner's written consent, which will not be unreasonably withheld.

7.03 *Services, Materials, and Equipment*

- A. Unless otherwise specified in the Contract Documents, Contractor shall provide and assume full responsibility for all services, materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water, sanitary facilities, temporary facilities, and all other facilities and incidentals necessary for the performance, testing, start up, and completion of the Work, whether or not such items are specifically called for in the Contract Documents.
- B. All materials and equipment incorporated into the Work shall be of good quality and new, except as otherwise provided in the Contract Documents. All special warranties and guarantees required by the Specifications shall expressly run to the benefit of Owner. If required by Engineer, Contractor shall furnish satisfactory evidence (including reports of required tests) as to the source, kind, and quality of materials and equipment.
- C. All materials and equipment shall be stored, applied, installed, connected, erected, protected, used, cleaned, and conditioned in accordance with instructions of the applicable Supplier, except as otherwise may be provided in the Contract Documents.

7.04 *"Or Equals"*

- A. Whenever an item of material or equipment is specified or described in the Contract Documents by using the name of a proprietary item or the name of a particular Supplier, the Contract Price has been based upon Contractor furnishing such item as specified. The specification or description of such an item is intended to establish the type, function, appearance, and quality required. Unless the specification or description contains or is followed by words reading that no like, equivalent, or "or equal" item is permitted, Contractor may request that Engineer authorize the use of other items of material or equipment, or items from other proposed suppliers under the circumstances described below.
 - 1. If Engineer in its sole discretion determines that an item of material or equipment proposed by Contractor is functionally equal to that named and sufficiently similar so that no change in related Work will be required, Engineer shall deem it an "or equal" item. For the purposes of this paragraph, a proposed item of material or equipment will be considered functionally equal to an item so named if:

- a. in the exercise of reasonable judgment Engineer determines that:
 - 1) it is at least equal in materials of construction, quality, durability, appearance, strength, and design characteristics;
 - 2) it will reliably perform at least equally well the function and achieve the results imposed by the design concept of the completed Project as a functioning whole;
 - 3) it has a proven record of performance and availability of responsive service; and
 - 4) it is not objectionable to Owner.
- b. Contractor certifies that, if approved and incorporated into the Work:
 - 1) there will be no increase in cost to the Owner or increase in Contract Times; and
 - 2) it will conform substantially to the detailed requirements of the item named in the Contract Documents.
- B. *Contractor's Expense*: Contractor shall provide all data in support of any proposed "or equal" item at Contractor's expense.
- C. *Engineer's Evaluation and Determination*: Engineer will be allowed a reasonable time to evaluate each "or-equal" request. Engineer may require Contractor to furnish additional data about the proposed "or-equal" item. Engineer will be the sole judge of acceptability. No "or-equal" item will be ordered, furnished, installed, or utilized until Engineer's review is complete and Engineer determines that the proposed item is an "or-equal", which will be evidenced by an approved Shop Drawing or other written communication. Engineer will advise Contractor in writing of any negative determination.
- D. *Effect of Engineer's Determination*: Neither approval nor denial of an "or-equal" request shall result in any change in Contract Price. The Engineer's denial of an "or-equal" request shall be final and binding, and may not be reversed through an appeal under any provision of the Contract Documents.
- E. *Treatment as a Substitution Request*: If Engineer determines that an item of material or equipment proposed by Contractor does not qualify as an "or-equal" item, Contractor may request that Engineer considered the proposed item as a substitute pursuant to Paragraph 7.05.

7.05 Substitutes

- A. Unless the specification or description of an item of material or equipment required to be furnished under the Contract Documents contains or is followed by words reading that no substitution is permitted, Contractor may request that Engineer authorize the use of other items of material or equipment under the circumstances described below. To the extent possible such requests shall be made before commencement of related construction at the Site.
 - 1. Contractor shall submit sufficient information as provided below to allow Engineer to determine if the item of material or equipment proposed is functionally equivalent to that named and an acceptable substitute therefor. Engineer will not accept requests for review of proposed substitute items of material or equipment from anyone other than Contractor.
 - 2. The requirements for review by Engineer will be as set forth in Paragraph 7.05.B, as supplemented by the Specifications, and as Engineer may decide is appropriate under the circumstances.

3. Contractor shall make written application to Engineer for review of a proposed substitute item of material or equipment that Contractor seeks to furnish or use. The application:
 - a. shall certify that the proposed substitute item will:
 - 1) perform adequately the functions and achieve the results called for by the general design,
 - 2) be similar in substance to that specified, and
 - 3) be suited to the same use as that specified.
 - b. will state:
 - 1) the extent, if any, to which the use of the proposed substitute item will necessitate a change in Contract Times,
 - 2) whether use of the proposed substitute item in the Work will require a change in any of the Contract Documents (or in the provisions of any other direct contract with Owner for other work on the Project) to adapt the design to the proposed substitute item, and
 - 3) whether incorporation or use of the proposed substitute item in connection with the Work is subject to payment of any license fee or royalty.
 - c. will identify:
 - 1) all variations of the proposed substitute item from that specified, and
 - 2) available engineering, sales, maintenance, repair, and replacement services.
 - d. shall contain an itemized estimate of all costs or credits that will result directly or indirectly from use of such substitute item, including but not limited to changes in Contract Price, shared savings, costs of redesign, and claims of other contractors affected by any resulting change.
- B. *Engineer's Evaluation and Determination:* Engineer will be allowed a reasonable time to evaluate each substitute request, and to obtain comments and direction from Owner. Engineer may require Contractor to furnish additional data about the proposed substitute item. Engineer will be the sole judge of acceptability. No substitute will be ordered, furnished, installed, or utilized until Engineer's review is complete and Engineer determines that the proposed item is an acceptable substitute. Engineer's determination will be evidenced by a Field Order or a proposed Change Order accounting for the substitution itself and all related impacts, including changes in Contract Price or Contract Times. Engineer will advise Contractor in writing of any negative determination.
- C. *Special Guarantee:* Owner may require Contractor to furnish at Contractor's expense a special performance guarantee or other surety with respect to any substitute.
- D. *Reimbursement of Engineer's Cost:* Engineer will record Engineer's costs in evaluating a substitute proposed or submitted by Contractor. Whether or not Engineer approves a substitute so proposed or submitted by Contractor, Contractor shall reimburse Owner for the reasonable charges of Engineer for evaluating each such proposed substitute. Contractor shall also reimburse Owner for the reasonable charges of Engineer for making changes in the Contract

Documents (or in the provisions of any other direct contract with Owner) resulting from the acceptance of each proposed substitute.

- E. *Contractor's Expense:* Contractor shall provide all data in support of any proposed substitute at Contractor's expense.
- F. *Effect of Engineer's Determination:* If Engineer approves the substitution request, Contractor shall execute the proposed Change Order and proceed with the substitution. The Engineer's denial of a substitution request shall be final and binding, and may not be reversed through an appeal under any provision of the Contract Documents. Contractor may challenge the scope of reimbursement costs imposed under Paragraph 7.05.D, by timely submittal of a Change Proposal.

7.06 *Concerning Subcontractors, Suppliers, and Others*

- A. Contractor may retain Subcontractors and Suppliers for the performance of parts of the Work. Such Subcontractors and Suppliers must be acceptable to Owner. **The Contractor shall not award work valued at more than fifty percent (50%) of the Contract Price to Subcontractor(s), without prior written approval of the Owner.**
- B. ~~**Deleted.** Contractor shall retain specific Subcontractors, Suppliers, or other individuals or entities for the performance of designated parts of the Work if required by the Contract to do so.~~
- C. Subsequent to the submittal of Contractor's Bid or final negotiation of the terms of the Contract, Owner may not require Contractor to retain any Subcontractor, Supplier, or other individual or entity to furnish or perform any of the Work against which Contractor has reasonable objection.
- D. Prior to entry into any binding subcontract or purchase order, Contractor shall submit to Owner the identity of the proposed Subcontractor or Supplier (unless Owner has already deemed such proposed Subcontractor or Supplier acceptable, during the bidding process or otherwise). Such proposed Subcontractor or Supplier shall be deemed acceptable to Owner unless Owner raises a substantive, reasonable objection within five days.
- E. Owner may require the replacement of any Subcontractor, Supplier, or other individual or entity retained by Contractor to perform any part of the Work. ~~Owner also may require Contractor to retain specific replacements; provided, however, that~~ Owner may not require a replacement to which Contractor has a reasonable objection. If Contractor has submitted the identity of certain Subcontractors, Suppliers, or other individuals or entities for acceptance by Owner, and Owner has accepted it (either in writing or by failing to make written objection thereto), then Owner may subsequently revoke the acceptance of any such Subcontractor, Supplier, or other individual or entity so identified solely on the basis of substantive, reasonable objection after due investigation. Contractor shall submit an acceptable replacement for the rejected Subcontractor, Supplier, or other individual or entity.
- F. If Owner requires the replacement of any Subcontractor, Supplier, or other individual or entity retained by Contractor to perform any part of the Work, then Contractor shall be entitled to an adjustment in Contract Price or Contract Times, or both, with respect to the replacement; and Contractor shall initiate a Change Proposal for such adjustment within 30 days of Owner's requirement of replacement.

- G. No acceptance by Owner of any such Subcontractor, Supplier, or other individual or entity, whether initially or as a replacement, shall constitute a waiver of the right of Owner to the completion of the Work in accordance with the Contract Documents.
- H. On a monthly basis Contractor shall submit to Engineer a complete list of all Subcontractors and Suppliers having a direct contract with Contractor, and of all other Subcontractors and Suppliers known to Contractor at the time of submittal.
- I. Contractor shall be fully responsible to Owner and Engineer for all acts and omissions of the Subcontractors, Suppliers, and other individuals or entities performing or furnishing any of the Work just as Contractor is responsible for Contractor's own acts and omissions.
- J. Contractor shall be solely responsible for scheduling and coordinating the work of Subcontractors, Suppliers, and all other individuals or entities performing or furnishing any of the Work.
- K. Contractor shall restrict all Subcontractors, Suppliers, and such other individuals or entities performing or furnishing any of the Work from communicating with Engineer or Owner, except through Contractor or in case of an emergency, or as otherwise expressly allowed herein.
- L. The divisions and sections of the Specifications and the identifications of any Drawings shall not control Contractor in dividing the Work among Subcontractors or Suppliers or delineating the Work to be performed by any specific trade.
- M. All Work performed for Contractor by a Subcontractor or Supplier shall be pursuant to an appropriate contractual agreement that specifically binds the Subcontractor or Supplier to the applicable terms and conditions of the Contract Documents for the benefit of Owner and Engineer.
- N. Owner may furnish to any Subcontractor or Supplier, to the extent practicable, information about amounts paid to Contractor on account of Work performed for Contractor by the particular Subcontractor or Supplier.
- O. Nothing in the Contract Documents:
 - 1. shall create for the benefit of any such Subcontractor, Supplier, or other individual or entity any contractual relationship between Owner or Engineer and any such Subcontractor, Supplier, or other individual or entity; nor
 - 2. shall create any obligation on the part of Owner or Engineer to pay or to see to the payment of any money due any such Subcontractor, Supplier, or other individual or entity except as may otherwise be required by Laws and Regulations.

7.07 Patent Fees and Royalties

- A. Contractor shall pay all license fees and royalties and assume all costs incident to the use in the performance of the Work or the incorporation in the Work of any invention, design, process, product, or device which is the subject of patent rights or copyrights held by others. If a particular invention, design, process, product, or device is specified in the Contract Documents for use in the performance of the Work and if, to the actual knowledge of Owner or Engineer, its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights shall be disclosed by Owner in the Contract Documents.

- B. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, and its officers, directors, members, partners, employees, agents, consultants, and subcontractors from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device specified in the Contract Documents, but not identified as being subject to payment of any license fee or royalty to others required by patent rights or copyrights.
- C. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device not specified in the Contract Documents.

7.08 *Permits*

- A. Unless otherwise provided in the Contract Documents, Contractor shall obtain and pay for all construction permits and licenses. Owner shall assist Contractor, when necessary, in obtaining such permits and licenses. Contractor shall pay all governmental charges and inspection fees necessary for the prosecution of the Work which are applicable at the time of the submission of Contractor's Bid (or when Contractor became bound under a negotiated contract). Owner shall pay all charges of utility owners for connections for providing permanent service to the Work

7.09 *Taxes*

- A. Contractor shall pay all sales, consumer, use, and other similar taxes required to be paid by Contractor in accordance with the Laws and Regulations of the place of the Project which are applicable during the performance of the Work.

7.10 *Laws and Regulations*

- A. Contractor shall give all notices required by and shall comply with all Laws and Regulations applicable to the performance of the Work. Except where otherwise expressly required by applicable Laws and Regulations, neither Owner nor Engineer shall be responsible for monitoring Contractor's compliance with any Laws or Regulations.
- B. If Contractor performs any Work or takes any other action knowing or having reason to know that it is contrary to Laws or Regulations, Contractor shall bear all resulting costs and losses, and shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such Work or other action. It shall not be Contractor's responsibility to make certain that the Work described in the Contract Documents

is in accordance with Laws and Regulations, but this shall not relieve Contractor of Contractor's obligations under Paragraph 3.03.

- C. Owner or Contractor may give notice to the other party of any changes after the submission of Contractor's Bid (or after the date when Contractor became bound under a negotiated contract) in Laws or Regulations having an effect on the cost or time of performance of the Work, including but not limited to changes in Laws or Regulations having an effect on procuring permits and on sales, use, value-added, consumption, and other similar taxes. If Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times resulting from such changes, then within 30 days of such notice Contractor may submit a Change Proposal, or Owner may initiate a Claim.

7.11 *Record Documents*

- A. Contractor shall maintain in a safe place at the Site one printed record copy of all Drawings, Specifications, Addenda, Change Orders, Work Change Directives, Field Orders, written interpretations and clarifications, and approved Shop Drawings. Contractor shall keep such record documents in good order and annotate them to show changes made during construction. These record documents, together with all approved Samples, will be available to Engineer for reference. Upon completion of the Work, Contractor shall deliver these record documents to Engineer. **The Engineer will transfer the Contractor's record information to the original drawings, and submit prints to the Contractor for review. Contractor shall provide writing confirmation that the record drawings are complete and accurate before final payment is approved by the Engineer.**

7.12 *Safety and Protection*

- A. Contractor shall be solely responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work. Such responsibility does not relieve Subcontractors of their responsibility for the safety of persons or property in the performance of their work, nor for compliance with applicable safety Laws and Regulations. Contractor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury, or loss to:
 - 1. all persons on the Site or who may be affected by the Work;
 - 2. all the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site; and
 - 3. other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, other work in progress, utilities, and Underground Facilities not designated for removal, relocation, or replacement in the course of construction.
- B. Contractor shall comply with all applicable Laws and Regulations relating to the safety of persons or property, or to the protection of persons or property from damage, injury, or loss; and shall erect and maintain all necessary safeguards for such safety and protection. Contractor shall notify Owner; the owners of adjacent property, Underground Facilities, and other utilities; and other contractors and utility owners performing work at or adjacent to the Site, when prosecution of the Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property or work in progress.

- C. Contractor shall comply with the applicable requirements of Owner's safety programs, if any. The Supplementary Conditions identify any Owner's safety programs that are applicable to the Work.
- D. Contractor shall inform Owner and Engineer of the specific requirements of Contractor's safety program with which Owner's and Engineer's employees and representatives must comply while at the Site.
- E. All damage, injury, or loss to any property referred to in Paragraph 7.12.A.2 or 7.12.A.3 caused, directly or indirectly, in whole or in part, by Contractor, any Subcontractor, Supplier, or any other individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, shall be remedied by Contractor at its expense (except damage or loss attributable to the fault of Drawings or Specifications or to the acts or omissions of Owner or Engineer or anyone employed by any of them, or anyone for whose acts any of them may be liable, and not attributable, directly or indirectly, in whole or in part, to the fault or negligence of Contractor or any Subcontractor, Supplier, or other individual or entity directly or indirectly employed by any of them).
- F. Contractor's duties and responsibilities for safety and protection shall continue until such time as all the Work is completed and Engineer has issued a notice to Owner and Contractor in accordance with Paragraph 15.06.B that the Work is acceptable (except as otherwise expressly provided in connection with Substantial Completion).
- G. Contractor's duties and responsibilities for safety and protection shall resume whenever Contractor or any Subcontractor or Supplier returns to the Site to fulfill warranty or correction obligations, or to conduct other tasks arising from the Contract Documents.
- H. **It is expressly understood by the parties to this Agreement that the Contractor is solely responsible for initiation, maintenance, and supervision of safety precautions and programs in connection with the Work. The right of the Owner and Engineer to observe or otherwise review the Work and operations shall not relieve the Contractor from any of his covenants and obligations hereunder.**
- I. **The Contractor shall be responsible for and shall take necessary precautions and provide all material and equipment to protect, shore, brace and maintain all underground pipes, conduits, drains, sewers, water mains, gas mains, cables, and other underground construction uncovered in the proximity or otherwise affected by the Work. All pavement surfacing, driveways, curbs, walks, buildings, grass areas, trees, utility poles or guy wires damaged by the Contractor in performance of the Work shall be repaired and/or replaced to the satisfaction of the Owner, Engineer and effected property owner at the Contractor's expense. The Contractor shall also be responsible for all damage to streets, roads, highways, shoulders, ditches, embankments, culverts, bridges or other public or private property or facility, regardless of location or character, which may be caused by moving, hauling, or otherwise transporting equipment, materials, or men to and from the Work whether by Contractor or Subcontractors. The Contractor shall make satisfactory and acceptable arrangements with the owner of, or the agency or authority having jurisdiction over the damaged property or facility concerning its repair, replacement or payment of costs incurred in connection with said damage.**
- J. **The Contractor shall conduct its work so as to interfere as little as possible with public travel, whether vehicular or pedestrian. Whenever it is necessary to cross, obstruct or close roads, driveways, and walks, whether public or private, the Contractor shall obtain approval from the**

governing party and shall at its own expense provide and maintain suitable and safe bridges, detours and other temporary expedients for the accommodation of public and private drives before interfering with them. The provision for temporary expedients will not be required if the Contractor has obtained permission from the owner and tenant of the private property, or from the authority having jurisdiction over public property involved, to obstruct traffic at the designated point.

- K. **Safety provisions must be entirely adequate and meet with city, state or Federal regulations to protect the public on the sidewalks, streets and roads.**

7.13 *Safety Representative*

- A. Contractor shall designate a qualified and experienced safety representative at the Site whose duties and responsibilities shall be the prevention of accidents and the maintaining and supervising of safety precautions and programs.

7.14 *Hazard Communication Programs*

- A. Contractor shall be responsible for coordinating any exchange of material safety data sheets or other hazard communication information required to be made available to or exchanged between or among employers at the Site in accordance with Laws or Regulations.

7.15 *Emergencies*

- A. In emergencies affecting the safety or protection of persons or the Work or property at the Site or adjacent thereto, Contractor is obligated to act to prevent threatened damage, injury, or loss. Contractor shall give Engineer prompt written notice if Contractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby or are required as a result thereof. If Engineer determines that a change in the Contract Documents is required because of the action taken by Contractor in response to such an emergency, a Work Change Directive or Change Order will be issued.

7.16 *Shop Drawings, Samples, and Other Submittals*

- A. *Shop Drawing and Sample Submittal Requirements:*
1. Before submitting a Shop Drawing or Sample, Contractor shall have:
 - a. reviewed and coordinated the Shop Drawing or Sample with other Shop Drawings and Samples and with the requirements of the Work and the Contract Documents;
 - b. determined and verified all field measurements, quantities, dimensions, specified performance and design criteria, installation requirements, materials, catalog numbers, and similar information with respect thereto;
 - c. determined and verified the suitability of all materials and equipment offered with respect to the indicated application, fabrication, shipping, handling, storage, assembly, and installation pertaining to the performance of the Work; and
 - d. determined and verified all information relative to Contractor's responsibilities for means, methods, techniques, sequences, and procedures of construction, and safety precautions and programs incident thereto.

2. Each submittal shall bear a stamp or specific written certification that Contractor has satisfied Contractor's obligations under the Contract Documents with respect to Contractor's review of that submittal, and that Contractor approves the submittal.
 3. With each submittal, Contractor shall give Engineer specific written notice of any variations that the Shop Drawing or Sample may have from the requirements of the Contract Documents. This notice shall be set forth in a written communication separate from the Shop Drawings or Sample submittal; and, in addition, in the case of Shop Drawings by a specific notation made on each Shop Drawing submitted to Engineer for review and approval of each such variation.
- B. *Submittal Procedures for Shop Drawings and Samples:* Contractor shall submit Shop Drawings and Samples to Engineer for review and approval in accordance with the accepted Schedule of Submittals. Each submittal will be identified as Engineer may require.
1. *Shop Drawings:*
 - a. Contractor shall submit the number of copies required in the Specifications.
 - b. Data shown on the Shop Drawings will be complete with respect to quantities, dimensions, specified performance and design criteria, materials, and similar data to show Engineer the services, materials, and equipment Contractor proposes to provide and to enable Engineer to review the information for the limited purposes required by Paragraph 7.16.D.
 2. *Samples:*
 - a. Contractor shall submit the number of Samples required in the Specifications.
 - b. Contractor shall clearly identify each Sample as to material, Supplier, pertinent data such as catalog numbers, the use for which intended and other data as Engineer may require to enable Engineer to review the submittal for the limited purposes required by Paragraph 7.16.D.
 3. Where a Shop Drawing or Sample is required by the Contract Documents or the Schedule of Submittals, any related Work performed prior to Engineer's review and approval of the pertinent submittal will be at the sole expense and responsibility of Contractor.
- C. *Other Submittals:* Contractor shall submit other submittals to Engineer in accordance with the accepted Schedule of Submittals, and pursuant to the applicable terms of the Specifications.
- D. *Engineer's Review:*
1. Engineer will provide timely review of Shop Drawings and Samples in accordance with the Schedule of Submittals acceptable to Engineer. Engineer's review and approval will be only to determine if the items covered by the submittals will, after installation or incorporation in the Work, conform to the information given in the Contract Documents and be compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents.
 2. Engineer's review and approval will not extend to means, methods, techniques, sequences, or procedures of construction or to safety precautions or programs incident thereto.
 3. Engineer's review and approval of a separate item as such will not indicate approval of the assembly in which the item functions.

4. Engineer's review and approval of a Shop Drawing or Sample shall not relieve Contractor from responsibility for any variation from the requirements of the Contract Documents unless Contractor has complied with the requirements of Paragraph 7.16.A.3 and Engineer has given written approval of each such variation by specific written notation thereof incorporated in or accompanying the Shop Drawing or Sample. Engineer will document any such approved variation from the requirements of the Contract Documents in a Field Order.
5. Engineer's review and approval of a Shop Drawing or Sample shall not relieve Contractor from responsibility for complying with the requirements of Paragraph 7.16.A and B.
6. Engineer's review and approval of a Shop Drawing or Sample, or of a variation from the requirements of the Contract Documents, shall not, under any circumstances, change the Contract Times or Contract Price, unless such changes are included in a Change Order.
7. Neither Engineer's receipt, review, acceptance or approval of a Shop Drawing, Sample, or other submittal shall result in such item becoming a Contract Document.
8. Contractor shall perform the Work in compliance with the requirements and commitments set forth in approved Shop Drawings and Samples, subject to the provisions of Paragraph 7.16.D.4.

E. *Resubmittal Procedures:*

1. Contractor shall make corrections required by Engineer and shall return the required number of corrected copies of Shop Drawings and submit, as required, new Samples for review and approval. Contractor shall direct specific attention in writing to revisions other than the corrections called for by Engineer on previous submittals.
2. Contractor shall furnish required submittals with sufficient information and accuracy to obtain required approval of an item with no more than three submittals. Engineer will record Engineer's time for reviewing a fourth or subsequent submittal of a Shop Drawings, sample, or other item requiring approval, and Contractor shall be responsible for Engineer's charges to Owner for such time. Owner may impose a set-off against payments due to Contractor to secure reimbursement for such charges.
3. If Contractor requests a change of a previously approved submittal item, Contractor shall be responsible for Engineer's charges to Owner for its review time, and Owner may impose a set-off against payments due to Contractor to secure reimbursement for such charges, unless the need for such change is beyond the control of Contractor.

7.17 *Contractor's General Warranty and Guarantee*

- A. Contractor warrants and guarantees to Owner that all Work will be in accordance with the Contract Documents and will not be defective. Engineer and its officers, directors, members, partners, employees, agents, consultants, and subcontractors shall be entitled to rely on Contractor's warranty and guarantee.
- B. Contractor's warranty and guarantee hereunder excludes defects or damage caused by:
 1. abuse, modification, or improper maintenance or operation by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or
 2. normal wear and tear under normal usage.

- C. Contractor's obligation to perform and complete the Work in accordance with the Contract Documents shall be absolute. None of the following will constitute an acceptance of Work that is not in accordance with the Contract Documents or a release of Contractor's obligation to perform the Work in accordance with the Contract Documents:
1. observations by Engineer;
 2. recommendation by Engineer or payment by Owner of any progress or final payment;
 3. the issuance of a certificate of Substantial Completion by Engineer or any payment related thereto by Owner;
 4. use or occupancy of the Work or any part thereof by Owner;
 5. any review and approval of a Shop Drawing or Sample submittal;
 6. the issuance of a notice of acceptability by Engineer;
 7. any inspection, test, or approval by others; or
 8. any correction of defective Work by Owner.
- D. If the Contract requires the Contractor to accept the assignment of a contract entered into by Owner, then the specific warranties, guarantees, and correction obligations contained in the assigned contract shall govern with respect to Contractor's performance obligations to Owner for the Work described in the assigned contract.

7.18 Indemnification

- A. To the fullest extent permitted by Laws and Regulations, and in addition to any other obligations of Contractor under the Contract or otherwise, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the performance of the Work, provided that any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom but only to the extent caused by any negligent act or omission of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work or anyone for whose acts any of them may be liable.
- B. In any and all claims against Owner or Engineer or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors by any employee (or the survivor or personal representative of such employee) of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, the indemnification obligation under Paragraph 7.18.A shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Contractor or any such Subcontractor, Supplier, or other individual or entity under workers' compensation acts, disability benefit acts, or other employee benefit acts.
1. **Contractor specifically and expressly waives any immunity that may be granted it under workers' compensation acts, disability benefit acts, or other employee benefit acts in**

regard to 17.1.B above; provided Contractor's waiver of immunity by the provisions of this paragraph extends only to claims against Contractor by Indemnitees, and does not include, or extend to, any claims by Contractor's employees directly against Contractor.

- C. The indemnification obligations of Contractor under Paragraph 7.18.A shall not extend to the liability of Engineer and Engineer's officers, directors, members, partners, employees, agents, consultants and subcontractors arising out of:
 - 1. the preparation or approval of, or the failure to prepare or approve maps, Drawings, opinions, reports, surveys, Change Orders, designs, or Specifications; or
 - 2. giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.

7.19 *Delegation of Professional Design Services*

- A. Contractor will not be required to provide professional design services unless such services are specifically required by the Contract Documents for a portion of the Work or unless such services are required to carry out Contractor's responsibilities for construction means, methods, techniques, sequences and procedures. Contractor shall not be required to provide professional services in violation of applicable Laws and Regulations.
- B. If professional design services or certifications by a design professional related to systems, materials, or equipment are specifically required of Contractor by the Contract Documents, Owner and Engineer will specify all performance and design criteria that such services must satisfy. Contractor shall cause such services or certifications to be provided by a properly licensed professional, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, and other submittals prepared by such professional. Shop Drawings and other submittals related to the Work designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to Engineer.
- C. Owner and Engineer shall be entitled to rely upon the adequacy, accuracy, and completeness of the services, certifications, or approvals performed by such design professionals, provided Owner and Engineer have specified to Contractor all performance and design criteria that such services must satisfy.
- D. Pursuant to this paragraph, Engineer's review and approval of design calculations and design drawings will be only for the limited purpose of checking for conformance with performance and design criteria given and the design concept expressed in the Contract Documents. Engineer's review and approval of Shop Drawings and other submittals (except design calculations and design drawings) will be only for the purpose stated in Paragraph 7.16.D.1.
- E. Contractor shall not be responsible for the adequacy of the performance or design criteria specified by Owner or Engineer.

ARTICLE 8 – OTHER WORK AT THE SITE

8.01 *Other Work*

- A. In addition to and apart from the Work under the Contract Documents, the Owner may perform other work at or adjacent to the Site. Such other work may be performed by Owner's employees, or through contracts between the Owner and third parties. Owner may also arrange to have third-party utility owners perform work on their utilities and facilities at or adjacent to the Site.

- B. If Owner performs other work at or adjacent to the Site with Owner's employees, or through contracts for such other work, then Owner shall give Contractor written notice thereof prior to starting any such other work. If Owner has advance information regarding the start of any utility work at or adjacent to the Site, Owner shall provide such information to Contractor.
- C. Contractor shall afford each other contractor that performs such other work, each utility owner performing other work, and Owner, if Owner is performing other work with Owner's employees, proper and safe access to the Site, and provide a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work. Contractor shall do all cutting, fitting, and patching of the Work that may be required to properly connect or otherwise make its several parts come together and properly integrate with such other work. Contractor shall not endanger any work of others by cutting, excavating, or otherwise altering such work; provided, however, that Contractor may cut or alter others' work with the written consent of Engineer and the others whose work will be affected.
- D. If the proper execution or results of any part of Contractor's Work depends upon work performed by others under this Article 8, Contractor shall inspect such other work and promptly report to Engineer in writing any delays, defects, or deficiencies in such other work that render it unavailable or unsuitable for the proper execution and results of Contractor's Work. Contractor's failure to so report will constitute an acceptance of such other work as fit and proper for integration with Contractor's Work except for latent defects and deficiencies in such other work.

8.02 *Coordination*

- A. If Owner intends to contract with others for the performance of other work at or adjacent to the Site, to perform other work at or adjacent to the Site with Owner's employees, or to arrange to have utility owners perform work at or adjacent to the Site, the following will be set forth in the Supplementary Conditions or provided to Contractor prior to the start of any such other work:
 - 1. the identity of the individual or entity that will have authority and responsibility for coordination of the activities among the various contractors;
 - 2. an itemization of the specific matters to be covered by such authority and responsibility; and
 - 3. the extent of such authority and responsibilities.
- B. Unless otherwise provided in the Supplementary Conditions, Owner shall have sole authority and responsibility for such coordination.

8.03 *Legal Relationships*

- A. If, in the course of performing other work at or adjacent to the Site for Owner, the Owner's employees, any other contractor working for Owner, or any utility owner causes damage to the Work or to the property of Contractor or its Subcontractors, or delays, disrupts, interferes with, or increases the scope or cost of the performance of the Work, through actions or inaction, then Contractor shall be entitled to an equitable adjustment in the Contract Price or the Contract Times, or both. Contractor must submit any Change Proposal seeking an equitable adjustment in the Contract Price or the Contract Times under this paragraph within 30 days of the damaging, delaying, disrupting, or interfering event. The entitlement to, and extent of, any such equitable adjustment shall take into account information (if any) regarding such other work that was

provided to Contractor in the Contract Documents prior to the submittal of the Bid or the final negotiation of the terms of the Contract. When applicable, any such equitable adjustment in Contract Price shall be conditioned on Contractor assigning to Owner all Contractor's rights against such other contractor or utility owner with respect to the damage, delay, disruption, or interference that is the subject of the adjustment. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times.

- B. Contractor shall take reasonable and customary measures to avoid damaging, delaying, disrupting, or interfering with the work of Owner, any other contractor, or any utility owner performing other work at or adjacent to the Site. If Contractor fails to take such measures and as a result damages, delays, disrupts, or interferes with the work of any such other contractor or utility owner, then Owner may impose a set-off against payments due to Contractor, and assign to such other contractor or utility owner the Owner's contractual rights against Contractor with respect to the breach of the obligations set forth in this paragraph.
- C. When Owner is performing other work at or adjacent to the Site with Owner's employees, Contractor shall be liable to Owner for damage to such other work, and for the reasonable direct delay, disruption, and interference costs incurred by Owner as a result of Contractor's failure to take reasonable and customary measures with respect to Owner's other work. In response to such damage, delay, disruption, or interference, Owner may impose a set-off against payments due to Contractor.
- D. If Contractor damages, delays, disrupts, or interferes with the work of any other contractor, or any utility owner performing other work at or adjacent to the Site, through Contractor's failure to take reasonable and customary measures to avoid such impacts, or if any claim arising out of Contractor's actions, inactions, or negligence in performance of the Work at or adjacent to the Site is made by any such other contractor or utility owner against Contractor, Owner, or Engineer, then Contractor shall (1) promptly attempt to settle the claim as to all parties through negotiations with such other contractor or utility owner, or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law, and (2) indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against any such claims, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such damage, delay, disruption, or interference.

ARTICLE 9 – OWNER'S RESPONSIBILITIES

9.01 *Communications to Contractor*

- A. Except as otherwise provided in these General Conditions, Owner shall issue all communications to Contractor through Engineer.

9.02 *Replacement of Engineer*

- A. Owner may at its discretion appoint an engineer to replace Engineer, provided Contractor makes no reasonable objection to the replacement engineer. The replacement engineer's status under the Contract Documents shall be that of the former Engineer.

9.03 *Furnish Data*

- A. Owner shall promptly furnish the data required of Owner under the Contract Documents.

9.04 *Pay When Due*

- A. Owner shall make payments to Contractor when they are due as provided in the Agreement.

9.05 *Lands and Easements; Reports, Tests, and Drawings*

- A. Owner's duties with respect to providing lands and easements are set forth in Paragraph 5.01.
- B. Owner's duties with respect to providing engineering surveys to establish reference points are set forth in Paragraph 4.03.
- C. Article 5 refers to Owner's identifying and making available to Contractor copies of reports of explorations and tests of conditions at the Site, and drawings of physical conditions relating to existing surface or subsurface structures at the Site.

9.06 *Insurance*

- A. Owner's responsibilities, if any, with respect to purchasing and maintaining liability and property insurance are set forth in Article 6.

9.07 *Change Orders*

- A. Owner's responsibilities with respect to Change Orders are set forth in Article 11.

9.08 *Inspections, Tests, and Approvals*

- A. Owner's responsibility with respect to certain inspections, tests, and approvals is set forth in Paragraph 14.02.B.

9.09 *Limitations on Owner's Responsibilities*

- A. The Owner shall not supervise, direct, or have control or authority over, nor be responsible for, Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Owner will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.

9.10 *Undisclosed Hazardous Environmental Condition*

- A. Owner's responsibility in respect to an undisclosed Hazardous Environmental Condition is set forth in Paragraph 5.06.

9.11 *Evidence of Financial Arrangements*

- A. Upon request of Contractor, Owner shall furnish Contractor reasonable evidence that financial arrangements have been made to satisfy Owner's obligations under the Contract Documents (including obligations under proposed changes in the Work).

9.12 *Safety Programs*

- A. While at the Site, Owner's employees and representatives shall comply with the specific applicable requirements of Contractor's safety programs of which Owner has been informed.
- B. Owner shall furnish copies of any applicable Owner safety programs to Contractor.

ARTICLE 10 – ENGINEER’S STATUS DURING CONSTRUCTION

10.01 *Owner’s Representative*

- A. Engineer will be Owner’s representative during the construction period. The duties and responsibilities and the limitations of authority of Engineer as Owner’s representative during construction are set forth in the Contract.

10.02 *Visits to Site*

- A. Engineer will make visits to the Site at intervals appropriate to the various stages of construction as Engineer deems necessary in order to observe as an experienced and qualified design professional the progress that has been made and the quality of the various aspects of Contractor’s executed Work. Based on information obtained during such visits and observations, Engineer, for the benefit of Owner, will determine, in general, if the Work is proceeding in accordance with the Contract Documents. Engineer will not be required to make exhaustive or continuous inspections on the Site to check the quality or quantity of the Work. Engineer’s efforts will be directed toward providing for Owner a greater degree of confidence that the completed Work will conform generally to the Contract Documents. On the basis of such visits and observations, Engineer will keep Owner informed of the progress of the Work and will endeavor to guard Owner against defective Work.
- B. Engineer’s visits and observations are subject to all the limitations on Engineer’s authority and responsibility set forth in Paragraph 10.08. Particularly, but without limitation, during or as a result of Engineer’s visits or observations of Contractor’s Work, Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor’s means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work.

10.03 *Project Representative*

- A. A Project Representative will also represent Engineer at the Site and assist Engineer in observing the progress and quality of the Work, then the authority and responsibilities of any such Project Representative will be as provided in the Supplementary Conditions, and limitations on the responsibilities thereof will be as provided in Paragraph 10.08. If Owner designates another representative or agent to represent Owner at the Site who is not Engineer’s consultant, agent, or employee, the responsibilities and authority and limitations thereon of such other individual or entity will be as provided in the Supplementary Conditions.

10.04 *Rejecting Defective Work*

- A. Engineer has the authority to reject Work in accordance with Article 14.

10.05 *Shop Drawings, Change Orders and Payments*

- A. Engineer’s authority, and limitations thereof, as to Shop Drawings and Samples, are set forth in Paragraph 7.16.
- B. Engineer’s authority, and limitations thereof, as to design calculations and design drawings submitted in response to a delegation of professional design services, if any, are set forth in Paragraph 7.19.
- C. Engineer’s authority as to Change Orders is set forth in Article 11.

- D. Engineer's authority as to Applications for Payment is set forth in Article 15.

10.06 *Determinations for Unit Price Work*

- A. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor as set forth in Paragraph 13.03.

10.07 *Decisions on Requirements of Contract Documents and Acceptability of Work*

- A. Engineer will render decisions regarding the requirements of the Contract Documents, and judge the acceptability of the Work, pursuant to the specific procedures set forth herein for initial interpretations, Change Proposals, and acceptance of the Work. In rendering such decisions and judgments, Engineer will not show partiality to Owner or Contractor, and will not be liable to Owner, Contractor, or others in connection with any proceedings, interpretations, decisions, or judgments conducted or rendered in good faith.

10.08 *Limitations on Engineer's Authority and Responsibilities*

- A. Neither Engineer's authority or responsibility under this Article 10 or under any other provision of the Contract, nor any decision made by Engineer in good faith either to exercise or not exercise such authority or responsibility or the undertaking, exercise, or performance of any authority or responsibility by Engineer, shall create, impose, or give rise to any duty in contract, tort, or otherwise owed by Engineer to Contractor, any Subcontractor, any Supplier, any other individual or entity, or to any surety for or employee or agent of any of them.
- B. Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Engineer will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.
- C. Engineer will not be responsible for the acts or omissions of Contractor or of any Subcontractor, any Supplier, or of any other individual or entity performing any of the Work.
- D. Engineer's review of the final Application for Payment and accompanying documentation and all maintenance and operating instructions, schedules, guarantees, bonds, certificates of inspection, tests and approvals, and other documentation required to be delivered by Paragraph 15.06.A will only be to determine generally that their content complies with the requirements of, and in the case of certificates of inspections, tests, and approvals, that the results certified indicate compliance with the Contract Documents.
- E. The limitations upon authority and responsibility set forth in this Paragraph 10.08 shall also apply to the Resident Project Representative, if any.

10.09 *Compliance with Safety Program*

- A. While at the Site, Engineer's employees and representatives will comply with the specific applicable requirements of Owner's and Contractor's safety programs (if any) of which Engineer has been informed.

ARTICLE 11 – AMENDING THE CONTRACT DOCUMENTS; CHANGES IN THE WORK

11.01 *Amending and Supplementing Contract Documents*

- A. The Contract Documents may be amended or supplemented by a Change Order, a Work Change Directive, or a Field Order.
1. *Change Orders:*
 - a. If an amendment or supplement to the Contract Documents includes a change in the Contract Price or the Contract Times, such amendment or supplement must be set forth in a Change Order. A Change Order also may be used to establish amendments and supplements of the Contract Documents that do not affect the Contract Price or Contract Times.
 - b. Owner and Contractor may amend those terms and conditions of the Contract Documents that do not involve (1) the performance or acceptability of the Work, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, without the recommendation of the Engineer. Such an amendment shall be set forth in a Change Order.
 2. *Work Change Directives:* A Work Change Directive will not change the Contract Price or the Contract Times but is evidence that the parties expect that the modification ordered or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order, following negotiations by the parties as to the Work Change Directive's effect, if any, on the Contract Price and Contract Times; or, if negotiations are unsuccessful, by a determination under the terms of the Contract Documents governing adjustments, expressly including Paragraph 11.04 regarding change of Contract Price. Contractor must submit any Change Proposal seeking an adjustment of the Contract Price or the Contract Times, or both, no later than 30 days after the completion of the Work set out in the Work Change Directive. Owner must submit any Claim seeking an adjustment of the Contract Price or the Contract Times, or both, no later than 60 days after issuance of the Work Change Directive.
 3. *Field Orders:* Engineer may authorize minor changes in the Work if the changes do not involve an adjustment in the Contract Price or the Contract Times and are compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Such changes will be accomplished by a Field Order and will be binding on Owner and also on Contractor, which shall perform the Work involved promptly. If Contractor believes that a Field Order justifies an adjustment in the Contract Price or Contract Times, or both, then before proceeding with the Work at issue, Contractor shall submit a Change Proposal as provided herein.

11.02 *Owner-Authorized Changes in the Work*

- A. Without invalidating the Contract and without notice to any surety, Owner may, at any time or from time to time, order additions, deletions, or revisions in the Work. Such changes shall be supported by Engineer's recommendation, to the extent the change involves the design (as set forth in the Drawings, Specifications, or otherwise), or other engineering or technical matters. Such changes may be accomplished by a Change Order, if Owner and Contractor have agreed as to the effect, if any, of the changes on Contract Times or Contract Price; or by a Work Change

Directive. Upon receipt of any such document, Contractor shall promptly proceed with the Work involved; or, in the case of a deletion in the Work, promptly cease construction activities with respect to such deleted Work. Added or revised Work shall be performed under the applicable conditions of the Contract Documents. Nothing in this paragraph shall obligate Contractor to undertake work that Contractor reasonably concludes cannot be performed in a manner consistent with Contractor's safety obligations under the Contract Documents or Laws and Regulations.

11.03 *Unauthorized Changes in the Work*

- A. Contractor shall not be entitled to an increase in the Contract Price or an extension of the Contract Times with respect to any work performed that is not required by the Contract Documents, as amended, modified, or supplemented, except in the case of an emergency as provided in Paragraph 7.15 or in the case of uncovering Work as provided in Paragraph 14.05.

11.04 *Change of Contract Price*

- A. The Contract Price may only be changed by a Change Order. Any Change Proposal for an adjustment in the Contract Price shall comply with the provisions of Paragraph 11.06. Any Claim for an adjustment of Contract Price shall comply with the provisions of Article 12.
- B. An adjustment in the Contract Price will be determined as follows:
 - 1. where the Work involved is covered by unit prices contained in the Contract Documents, then by application of such unit prices to the quantities of the items involved (subject to the provisions of Paragraph 13.03); or
 - 2. where the Work involved is not covered by unit prices contained in the Contract Documents, then by a mutually agreed lump sum (which may include an allowance for overhead and profit not necessarily in accordance with Paragraph 11.04.C.2); or
 - 3. where the Work involved is not covered by unit prices contained in the Contract Documents and the parties do not reach mutual agreement to a lump sum, then on the basis of the Cost of the Work (determined as provided in Paragraph 13.01) plus a Contractor's fee for overhead and profit (determined as provided in Paragraph 11.04.C).
- C. *Contractor's Fee:* When applicable, the Contractor's fee for overhead and profit shall be determined as follows:
 - 1. a mutually acceptable fixed fee; or
 - 2. if a fixed fee is not agreed upon, then a fee based on the following percentages of the various portions of the Cost of the Work:
 - a. for costs incurred under Paragraphs 13.01.B.1 and 13.01.B.2, the Contractor's fee shall be 15 percent;
 - b. for costs incurred under Paragraph 13.01.B.3, the Contractor's fee shall be five percent;
 - c. where one or more tiers of subcontracts are on the basis of Cost of the Work plus a fee and no fixed fee is agreed upon, the intent of Paragraphs 11.01.C.2.a and 11.01.C.2.b is that the Contractor's fee shall be based on: (1) a fee of 15 percent of the costs incurred under Paragraphs 13.01.A.1 and 13.01.A.2 by the Subcontractor that actually performs the Work, at whatever tier, and (2) with respect to Contractor itself and to any Subcontractors of a tier higher than that of the Subcontractor that actually

performs the Work, a fee of five percent of the amount (fee plus underlying costs incurred) attributable to the next lower tier Subcontractor; provided, however, that for any such subcontracted work the maximum total fee to be paid by Owner shall be no greater than 27 percent of the costs incurred by the Subcontractor that actually performs the work;

- d. no fee shall be payable on the basis of costs itemized under Paragraphs 13.01.B.4, 13.01.B.5, and 13.01.C;
- e. the amount of credit to be allowed by Contractor to Owner for any change which results in a net decrease in cost will be the amount of the actual net decrease in cost plus a deduction in Contractor's fee by an amount equal to five percent of such net decrease; and
- f. when both additions and credits are involved in any one change, the adjustment in Contractor's fee shall be computed on the basis of the net change in accordance with Paragraphs 11.04.C.2.a through 11.04.C.2.e, inclusive.

11.05 *Change of Contract Times*

- A. The Contract Times may only be changed by a Change Order. Any Change Proposal for an adjustment in the Contract Times shall comply with the provisions of Paragraph 11.06. Any Claim for an adjustment in the Contract Times shall comply with the provisions of Article 12.
- B. An adjustment of the Contract Times shall be subject to the limitations set forth in Paragraph 4.05, concerning delays in Contractor's progress.

11.06 *Change Proposals*

- A. Contractor shall submit a Change Proposal to Engineer to request an adjustment in the Contract Times or Contract Price; appeal an initial decision by Engineer concerning the requirements of the Contract Documents or relating to the acceptability of the Work under the Contract Documents; contest a set-off against payment due; or seek other relief under the Contract. The Change Proposal shall specify any proposed change in Contract Times or Contract Price, or both, or other proposed relief, and explain the reason for the proposed change, with citations to any governing or applicable provisions of the Contract Documents.
 - 1. *Procedures:* Contractor shall submit each Change Proposal to Engineer promptly (but in no event later than 30 days) after the start of the event giving rise thereto, or after such initial decision. The Contractor shall submit supporting data, including the proposed change in Contract Price or Contract Time (if any), to the Engineer and Owner within 15 days after the submittal of the Change Proposal. The supporting data shall be accompanied by a written statement that the supporting data are accurate and complete, and that any requested time or price adjustment is the entire adjustment to which Contractor believes it is entitled as a result of said event. Engineer will advise Owner regarding the Change Proposal, and consider any comments or response from Owner regarding the Change Proposal.
 - 2. *Engineer's Action:* Engineer will review each Change Proposal and, within 30 days after receipt of the Contractor's supporting data, either deny the Change Proposal in whole, approve it in whole, or deny it in part and approve it in part. Such actions shall be in writing, with a copy provided to Owner and Contractor. If Engineer does not take action on the Change Proposal within 30 days, then either Owner or Contractor may at any time

thereafter submit a letter to the other party indicating that as a result of Engineer's inaction the Change Proposal is deemed denied, thereby commencing the time for appeal of the denial under Article 12.

3. *Binding Decision:* Engineer's decision will be final and binding upon Owner and Contractor, unless Owner or Contractor appeals the decision by filing a Claim under Article 12.
- B. *Resolution of Certain Change Proposals:* If the Change Proposal does not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters, then Engineer will notify the parties that the Engineer is unable to resolve the Change Proposal. For purposes of further resolution of such a Change Proposal, such notice shall be deemed a denial, and Contractor may choose to seek resolution under the terms of Article 12.

11.07 *Execution of Change Orders*

- A. Owner and Contractor shall execute appropriate Change Orders covering:
 1. changes in the Contract Price or Contract Times which are agreed to by the parties, including any undisputed sum or amount of time for Work actually performed in accordance with a Work Change Directive;
 2. changes in Contract Price resulting from an Owner set-off, unless Contractor has duly contested such set-off;
 3. changes in the Work which are: (a) ordered by Owner pursuant to Paragraph 11.02, (b) required because of Owner's acceptance of defective Work under Paragraph 14.04 or Owner's correction of defective Work under Paragraph 14.07, or (c) agreed to by the parties, subject to the need for Engineer's recommendation if the change in the Work involves the design (as set forth in the Drawings, Specifications, or otherwise), or other engineering or technical matters; and
 4. changes in the Contract Price or Contract Times, or other changes, which embody the substance of any final and binding results under Paragraph 11.06, or Article 12.
- B. If Owner or Contractor refuses to execute a Change Order that is required to be executed under the terms of this Paragraph 11.07, it shall be deemed to be of full force and effect, as if fully executed.

11.08 *Notification to Surety*

- A. If the provisions of any bond require notice to be given to a surety of any change affecting the general scope of the Work or the provisions of the Contract Documents (including, but not limited to, Contract Price or Contract Times), the giving of any such notice will be Contractor's responsibility. The amount of each applicable bond will be adjusted to reflect the effect of any such change.

ARTICLE 12 – CLAIMS

12.01 *Claims*

- A. *Claims Process:* The following disputes between Owner and Contractor shall be submitted to the Claims process set forth in this Article:
1. Appeals by Owner or Contractor of Engineer's decisions regarding Change Proposals;
 2. Owner demands for adjustments in the Contract Price or Contract Times, or other relief under the Contract Documents; and
 3. Disputes that Engineer has been unable to address because they do not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters.
- B. *Submittal of Claim:* The party submitting a Claim shall deliver it directly to the other party to the Contract promptly (but in no event later than 30 days) after the start of the event giving rise thereto; in the case of appeals regarding Change Proposals within 30 days of the decision under appeal. The party submitting the Claim shall also furnish a copy to the Engineer, for its information only. The responsibility to substantiate a Claim shall rest with the party making the Claim. In the case of a Claim by Contractor seeking an increase in the Contract Times or Contract Price, or both, Contractor shall certify that the Claim is made in good faith, that the supporting data are accurate and complete, and that to the best of Contractor's knowledge and belief the amount of time or money requested accurately reflects the full amount to which Contractor is entitled.
- C. *Review and Resolution:* The party receiving a Claim shall review it thoroughly, giving full consideration to its merits. The two parties shall seek to resolve the Claim through the exchange of information and direct negotiations. The parties may extend the time for resolving the Claim by mutual agreement. All actions taken on a Claim shall be stated in writing and submitted to the other party, with a copy to Engineer.
- D. *Mediation:*
1. At any time after initiation of a Claim, Owner and Contractor may mutually agree to mediation of the underlying dispute. The agreement to mediate shall stay the Claim submittal and response process.
 2. If Owner and Contractor agree to mediation, then after 60 days from such agreement, either Owner or Contractor may unilaterally terminate the mediation process, and the Claim submittal and decision process shall resume as of the date of the termination. If the mediation proceeds but is unsuccessful in resolving the dispute, the Claim submittal and decision process shall resume as of the date of the conclusion of the mediation, as determined by the mediator.
 3. Owner and Contractor shall each pay one-half of the mediator's fees and costs.
- E. *Partial Approval:* If the party receiving a Claim approves the Claim in part and denies it in part, such action shall be final and binding unless within 30 days of such action the other party invokes the procedure set forth in Article 17 for final resolution of disputes.
- F. *Denial of Claim:* If efforts to resolve a Claim are not successful, the party receiving the Claim may deny it by giving written notice of denial to the other party. If the receiving party does not take

action on the Claim within 90 days, then either Owner or Contractor may at any time thereafter submit a letter to the other party indicating that as a result of the inaction, the Claim is deemed denied, thereby commencing the time for appeal of the denial. A denial of the Claim shall be final and binding unless within 30 days of the denial the other party invokes the procedure set forth in Article 17 for the final resolution of disputes.

- G. *Final and Binding Results:* If the parties reach a mutual agreement regarding a Claim, whether through approval of the Claim, direct negotiations, mediation, or otherwise; or if a Claim is approved in part and denied in part, or denied in full, and such actions become final and binding; then the results of the agreement or action on the Claim shall be incorporated in a Change Order to the extent they affect the Contract, including the Work, the Contract Times, or the Contract Price.

ARTICLE 13 – COST OF THE WORK; ALLOWANCES; UNIT PRICE WORK

13.01 *Cost of the Work*

- A. *Purposes for Determination of Cost of the Work:* The term Cost of the Work means the sum of all costs necessary for the proper performance of the Work at issue, as further defined below. The provisions of this Paragraph 13.01 are used for two distinct purposes:
1. To determine Cost of the Work when Cost of the Work is a component of the Contract Price, under cost-plus-fee, time-and-materials, or other cost-based terms; or
 2. To determine the value of a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price. When the value of any such adjustment is determined on the basis of Cost of the Work, Contractor is entitled only to those additional or incremental costs required because of the change in the Work or because of the event giving rise to the adjustment.
- B. *Costs Included:* Except as otherwise may be agreed to in writing by Owner, costs included in the Cost of the Work shall be in amounts no higher than those prevailing in the locality of the Project, shall not include any of the costs itemized in Paragraph 13.01.C, and shall include only the following items:
1. Payroll costs for employees in the direct employ of Contractor in the performance of the Work under schedules of job classifications agreed upon by Owner and Contractor. Such employees shall include, without limitation, superintendents, foremen, and other personnel employed full time on the Work. Payroll costs for employees not employed full time on the Work shall be apportioned on the basis of their time spent on the Work. Payroll costs shall include, but not be limited to, salaries and wages plus the cost of fringe benefits, which shall include social security contributions, unemployment, excise, and payroll taxes, workers' compensation, health and retirement benefits, bonuses, sick leave, and vacation and holiday pay applicable thereto. The expenses of performing Work outside of regular working hours, on Saturday, Sunday, or legal holidays, shall be included in the above to the extent authorized by Owner.
 2. Cost of all materials and equipment furnished and incorporated in the Work, including costs of transportation and storage thereof, and Suppliers' field services required in connection therewith. All cash discounts shall accrue to Contractor unless Owner deposits funds with Contractor with which to make payments, in which case the cash discounts shall accrue to

Owner. All trade discounts, rebates, and refunds and returns from sale of surplus materials and equipment shall accrue to Owner, and Contractor shall make provisions so that they may be obtained.

3. Payments made by Contractor to Subcontractors for Work performed by Subcontractors. If required by Owner, Contractor shall obtain competitive bids from subcontractors acceptable to Owner and Contractor and shall deliver such bids to Owner, who will then determine, with the advice of Engineer, which bids, if any, will be acceptable. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee shall be determined in the same manner as Contractor's Cost of the Work and fee as provided in this Paragraph 13.01.
4. Costs of special consultants (including but not limited to engineers, architects, testing laboratories, surveyors, attorneys, and accountants) employed for services specifically related to the Work.
5. Supplemental costs including the following:
 - a. The proportion of necessary transportation, travel, and subsistence expenses of Contractor's employees incurred in discharge of duties connected with the Work.
 - b. Cost, including transportation and maintenance, of all materials, supplies, equipment, machinery, appliances, office, and temporary facilities at the Site, and hand tools not owned by the workers, which are consumed in the performance of the Work, and cost, less market value, of such items used but not consumed which remain the property of Contractor.
 - c. ~~Rentals of~~ **The cost for the use of** all construction equipment and machinery, and the parts thereof, **whether owned by the Contractor or** rented from Contractor or others **shall be calculated as follows and include the** ~~in accordance with rental agreements approved by Owner with the advice of Engineer, and the costs of transportation, loading, unloading, assembly, dismantling, and removal thereof~~ **for equipment involved only in the changed portion of the work covered under the Cost of the Work method. Transportation, loading and assembly costs will not be included for equipment already on the site which is being used for other portions of the Work. Hourly equipment and machinery rates shall be calculated from the Rental Rate Blue Book for Construction Equipment, and the equipment list submitted according to Paragraph 2.03 and 2.05 and as follows. All such costs shall be in accordance with the terms of said rental agreements. The rental of any such equipment, machinery, or parts shall cease when the use thereof is no longer necessary for the Work.**
 - 1) **For working equipment, the hourly rate shall be the monthly rental rate divided by 176 hours per month plus the hourly operating cost.**
 - 2) **For equipment on standby, the hourly rate shall be 50% of the monthly rental rate divided by 176 hours per month and the hourly operating cost shall not be applied.**
 - 3) **For specialized equipment rented for a short duration used for change order work or additional work not part of the scope of the Work bid, the equipment rental rate will be in accordance with the terms of a third party rental agreement or shall be negotiated prior to the work being performed.**

- d. Sales, consumer, use, and other similar taxes related to the Work, and for which Contractor is liable, as imposed by Laws and Regulations.
 - e. Deposits lost for causes other than negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, and royalty payments and fees for permits and licenses.
 - f. Losses and damages (and related expenses) caused by damage to the Work, not compensated by insurance or otherwise, sustained by Contractor in connection with the performance of the Work (except losses and damages within the deductible amounts of property insurance established in accordance with Paragraph 6.05), provided such losses and damages have resulted from causes other than the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable. Such losses shall include settlements made with the written consent and approval of Owner. No such losses, damages, and expenses shall be included in the Cost of the Work for the purpose of determining Contractor's fee.
 - g. The cost of utilities, fuel, and sanitary facilities at the Site.
 - h. Minor expenses such as communication service at the Site, express and courier services, and similar petty cash items in connection with the Work.
 - i. The costs of premiums for all bonds and insurance that Contractor is required by the Contract Documents to purchase and maintain.
- C. *Costs Excluded:* The term Cost of the Work shall not include any of the following items:
- 1. Payroll costs and other compensation of Contractor's officers, executives, principals (of partnerships and sole proprietorships), general managers, safety managers, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks, and other personnel employed by Contractor, whether at the Site or in Contractor's principal or branch office for general administration of the Work and not specifically included in the agreed upon schedule of job classifications referred to in Paragraph 13.01.B.1 or specifically covered by Paragraph 13.01.B.4. The payroll costs and other compensation excluded here are to be considered administrative costs covered by the Contractor's fee.
 - 2. Expenses of Contractor's principal and branch offices other than Contractor's office at the Site.
 - 3. Any part of Contractor's capital expenses, including interest on Contractor's capital employed for the Work and charges against Contractor for delinquent payments.
 - 4. Costs due to the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, including but not limited to, the correction of defective Work, disposal of materials or equipment wrongly supplied, and making good any damage to property.
 - 5. Other overhead or general expense costs of any kind and the costs of any item not specifically and expressly included in Paragraph 13.01.B.
- D. *Contractor's Fee:* When the Work as a whole is performed on the basis of cost-plus, Contractor's fee shall be determined as set forth in the Agreement. When the value of any Work covered by

a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price is determined on the basis of Cost of the Work, Contractor's fee shall be determined as set forth in Paragraph 11.04.C.

- E. *Documentation*: Whenever the Cost of the Work for any purpose is to be determined pursuant to this Article 13, Contractor will establish and maintain records thereof in accordance with generally accepted accounting practices and submit in a form acceptable to Engineer an itemized cost breakdown together with supporting data.

13.02 Allowances

- A. It is understood that Contractor has included in the Contract Price all allowances so named in the Contract Documents and shall cause the Work so covered to be performed for such sums and by such persons or entities as may be acceptable to Owner and Engineer.
- B. *Cash Allowances*: Contractor agrees that:
1. the cash allowances include the cost to Contractor (less any applicable trade discounts) of materials and equipment required by the allowances to be delivered at the Site, and all applicable taxes; and
 2. Contractor's costs for unloading and handling on the Site, labor, installation, overhead, profit, and other expenses contemplated for the cash allowances have been included in the Contract Price and not in the allowances, and no demand for additional payment on account of any of the foregoing will be valid.
- C. *Contingency Allowance*: Contractor agrees that a contingency allowance, if any, is for the sole use of Owner to cover unanticipated costs.
- D. Prior to final payment, an appropriate Change Order will be issued as recommended by Engineer to reflect actual amounts due Contractor on account of Work covered by allowances, and the Contract Price shall be correspondingly adjusted.

13.03 Unit Price Work

- A. Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Contract Price will be deemed to include for all Unit Price Work an amount equal to the sum of the unit price for each separately identified item of Unit Price Work times the estimated quantity of each item as indicated in the Agreement.
- B. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Bids and determining an initial Contract Price. Payments to Contractor for Unit Price Work will be based on actual quantities.
- C. Each unit price will be deemed to include an amount considered by Contractor to be adequate to cover Contractor's overhead and profit for each separately identified item.
- D. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor. Engineer will review with Contractor the Engineer's preliminary determinations on such matters before rendering a written decision thereon (by recommendation of an Application for Payment or otherwise). Engineer's written decision thereon will be final and binding (except as modified by Engineer to reflect changed factual conditions or more accurate data) upon Owner and Contractor, subject to the provisions of the following paragraph.

- E. **The unit price of an item of Unit Price Work shall be subject to reevaluation and adjustment under the following conditions** ~~Within 30 days of Engineer's written decision under the preceding paragraph, Contractor may submit a Change Proposal, or Owner may file a Claim, seeking an adjustment in the Contract Price if:~~
1. **if the extended price of a particular item of Unit Price Work amounts to five percent (5%) or more of the Contract Price (based on estimated quantities at the time of Contract formation) and the variation in the quantity of that particular item of Unit Price Work actually furnished or performed by Contractor differs by more than twenty-five percent (25%) from the estimated quantity of such item indicated in the Agreement; and**
 2. there is no corresponding adjustment with respect to any other item of Work; and
 3. Contractor believes that it is entitled to an increase in Contract Price as a result of having incurred additional expense or Owner believes that Owner is entitled to a decrease in Contract Price, and the parties are unable to agree as to the amount of any such increase or decrease.

ARTICLE 14 – TESTS AND INSPECTIONS; CORRECTION, REMOVAL OR ACCEPTANCE OF DEFECTIVE WORK

14.01 *Access to Work*

- A. Owner, Engineer, their consultants and other representatives and personnel of Owner, independent testing laboratories, and authorities having jurisdiction will have access to the Site and the Work at reasonable times for their observation, inspection, and testing. Contractor shall provide them proper and safe conditions for such access and advise them of Contractor's safety procedures and programs so that they may comply therewith as applicable.

14.02 *Tests, Inspections, and Approvals*

- A. Contractor shall give Engineer timely notice of readiness of the Work (or specific parts thereof) for all required inspections and tests, and shall cooperate with inspection and testing personnel to facilitate required inspections and tests.
- B. Owner shall retain and pay for the services of an independent inspector, testing laboratory, or other qualified individual or entity to perform all inspections and tests expressly required by the Contract Documents to be furnished and paid for by Owner, except that costs incurred in connection with tests or inspections of covered Work shall be governed by the provisions of Paragraph 14.05.
- C. If Laws or Regulations of any public body having jurisdiction require any Work (or part thereof) specifically to be inspected, tested, or approved by an employee or other representative of such public body, Contractor shall assume full responsibility for arranging and obtaining such inspections, tests, or approvals, pay all costs in connection therewith, and furnish Engineer the required certificates of inspection or approval.
- D. Contractor shall be responsible for arranging, obtaining, and paying for all inspections and tests required:
1. by the Contract Documents, unless the Contract Documents expressly allocate responsibility for a specific inspection or test to Owner;

2. to attain Owner's and Engineer's acceptance of materials or equipment to be incorporated in the Work;
3. by manufacturers of equipment furnished under the Contract Documents;
4. for testing, adjusting, and balancing of mechanical, electrical, and other equipment to be incorporated into the Work; and
5. for acceptance of materials, mix designs, or equipment submitted for approval prior to Contractor's purchase thereof for incorporation in the Work.

Such inspections and tests shall be performed by independent inspectors, testing laboratories, or other qualified individuals or entities acceptable to Owner and Engineer.

- E. If the Contract Documents require the Work (or part thereof) to be approved by Owner, Engineer, or another designated individual or entity, then Contractor shall assume full responsibility for arranging and obtaining such approvals.
- F. If any Work (or the work of others) that is to be inspected, tested, or approved is covered by Contractor without written concurrence of Engineer, Contractor shall, if requested by Engineer, uncover such Work for observation. Such uncovering shall be at Contractor's expense unless Contractor had given Engineer timely notice of Contractor's intention to cover the same and Engineer had not acted with reasonable promptness in response to such notice.

14.03 *Defective Work*

- A. *Contractor's Obligation:* It is Contractor's obligation to assure that the Work is not defective.
- B. *Engineer's Authority:* Engineer has the authority to determine whether Work is defective, and to reject defective Work.
- C. *Notice of Defects:* Prompt notice of all defective Work of which Owner or Engineer has actual knowledge will be given to Contractor.
- D. *Correction, or Removal and Replacement:* Promptly after receipt of written notice of defective Work, Contractor shall correct all such defective Work, whether or not fabricated, installed, or completed, or, if Engineer has rejected the defective Work, remove it from the Project and replace it with Work that is not defective.
- E. *Preservation of Warranties:* When correcting defective Work, Contractor shall take no action that would void or otherwise impair Owner's special warranty and guarantee, if any, on said Work.
- F. *Costs and Damages:* In addition to its correction, removal, and replacement obligations with respect to defective Work, Contractor shall pay all claims, costs, losses, and damages arising out of or relating to defective Work, including but not limited to the cost of the inspection, testing, correction, removal, replacement, or reconstruction of such defective Work, fines levied against Owner by governmental authorities because the Work is defective, and the costs of repair or replacement of work of others resulting from defective Work. Prior to final payment, if Owner and Contractor are unable to agree as to the measure of such claims, costs, losses, and damages resulting from defective Work, then Owner may impose a reasonable set-off against payments due under Article 15.

14.04 *Acceptance of Defective Work*

- A. If, instead of requiring correction or removal and replacement of defective Work, Owner prefers to accept it, Owner may do so (subject, if such acceptance occurs prior to final payment, to Engineer's confirmation that such acceptance is in general accord with the design intent and applicable engineering principles, and will not endanger public safety). Contractor shall pay all claims, costs, losses, and damages attributable to Owner's evaluation of and determination to accept such defective Work (such costs to be approved by Engineer as to reasonableness), and for the diminished value of the Work to the extent not otherwise paid by Contractor. If any such acceptance occurs prior to final payment, the necessary revisions in the Contract Documents with respect to the Work shall be incorporated in a Change Order. If the parties are unable to agree as to the decrease in the Contract Price, reflecting the diminished value of Work so accepted, then Owner may impose a reasonable set-off against payments due under Article 15. If the acceptance of defective Work occurs after final payment, Contractor shall pay an appropriate amount to Owner.

14.05 *Uncovering Work*

- A. Engineer has the authority to require special inspection or testing of the Work, whether or not the Work is fabricated, installed, or completed.
- B. If any Work is covered contrary to the written request of Engineer, then Contractor shall, if requested by Engineer, uncover such Work for Engineer's observation, and then replace the covering, all at Contractor's expense.
- C. If Engineer considers it necessary or advisable that covered Work be observed by Engineer or inspected or tested by others, then Contractor, at Engineer's request, shall uncover, expose, or otherwise make available for observation, inspection, or testing as Engineer may require, that portion of the Work in question, and provide all necessary labor, material, and equipment.
 - 1. If it is found that the uncovered Work is defective, Contractor shall be responsible for all claims, costs, losses, and damages arising out of or relating to such uncovering, exposure, observation, inspection, and testing, and of satisfactory replacement or reconstruction (including but not limited to all costs of repair or replacement of work of others); and pending Contractor's full discharge of this responsibility the Owner shall be entitled to impose a reasonable set-off against payments due under Article 15.
 - 2. If the uncovered Work is not found to be defective, Contractor shall be allowed an increase in the Contract Price or an extension of the Contract Times, or both, directly attributable to such uncovering, exposure, observation, inspection, testing, replacement, and reconstruction. If the parties are unable to agree as to the amount or extent thereof, then Contractor may submit a Change Proposal within 30 days of the determination that the Work is not defective.

14.06 *Owner May Stop the Work*

- A. If the Work is defective, or Contractor fails to supply sufficient skilled workers or suitable materials or equipment, or fails to perform the Work in such a way that the completed Work will conform to the Contract Documents, then Owner may order Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, this right of Owner to stop the Work shall not give rise to any duty on the part of Owner to exercise this right for the

benefit of Contractor, any Subcontractor, any Supplier, any other individual or entity, or any surety for, or employee or agent of any of them.

14.07 Owner May Correct Defective Work

- A. If Contractor fails within a reasonable time after written notice from Engineer to correct defective Work, or to remove and replace rejected Work as required by Engineer, or if Contractor fails to perform the Work in accordance with the Contract Documents, or if Contractor fails to comply with any other provision of the Contract Documents, then Owner may, after seven days written notice to Contractor, correct or remedy any such deficiency.
- B. In exercising the rights and remedies under this Paragraph 14.07, Owner shall proceed expeditiously. In connection with such corrective or remedial action, Owner may exclude Contractor from all or part of the Site, take possession of all or part of the Work and suspend Contractor's services related thereto, and incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere. Contractor shall allow Owner, Owner's representatives, agents and employees, Owner's other contractors, and Engineer and Engineer's consultants access to the Site to enable Owner to exercise the rights and remedies under this paragraph.
- C. All claims, costs, losses, and damages incurred or sustained by Owner in exercising the rights and remedies under this Paragraph 14.07 will be charged against Contractor as set-offs against payments due under Article 15. Such claims, costs, losses and damages will include but not be limited to all costs of repair, or replacement of work of others destroyed or damaged by correction, removal, or replacement of Contractor's defective Work.
- D. Contractor shall not be allowed an extension of the Contract Times because of any delay in the performance of the Work attributable to the exercise by Owner of Owner's rights and remedies under this Paragraph 14.07.

ARTICLE 15 – PAYMENTS TO CONTRACTOR; SET-OFFS; COMPLETION; CORRECTION PERIOD

15.01 Progress Payments

- A. *Basis for Progress Payments:* The Schedule of Values established as provided in Article 2 will serve as the basis for progress payments and will be incorporated into a form of Application for Payment acceptable to Engineer. Progress payments on account of Unit Price Work will be based on the number of units completed during the pay period, as determined under the provisions of Paragraph 13.03. Progress payments for cost-based Work will be based on Cost of the Work completed by Contractor during the pay period.
- B. *Applications for Payments:*
 - 1. At least 20 days before the date established in the Agreement for each progress payment (but not more often than once a month), Contractor shall submit to Engineer for review an Application for Payment filled out and signed by Contractor covering the Work completed as of the date of the Application and accompanied by such supporting documentation as is required by the Contract Documents. If payment is requested on the basis of materials and equipment not incorporated in the Work but delivered and suitably stored at the Site or at another location agreed to in writing, the Application for Payment shall also be accompanied by a bill of sale, invoice, or other documentation warranting that Owner has received the materials and equipment free and clear of all Liens, and evidence that the

materials and equipment are covered by appropriate property insurance, a warehouse bond, or other arrangements to protect Owner's interest therein, all of which must be satisfactory to Owner. **Payment for materials in storage shall be based on the actual cost of the materials and equipment to Contactor and shall not include any overhead or profit. Documentation warranting Owner has received the materials and equipment free and clear of all Liens will be waived for the material in storage included in the first progress payment. However, proof of payment and clear title must be submitted with Application No. 2 for all material included in Application No. 1. Without such documentation amounts paid per Application No. 1 for materials in storage will be deducted from Application No 2. Beginning with the second application, all payment for materials in storage will require documentation warranting that Owner is receiving the materials free and clear of all liens.**

2. Beginning with the second Application for Payment, each Application shall include an affidavit of Contractor stating that all previous progress payments received on account of the Work have been applied on account to discharge Contractor's legitimate obligations associated with prior Applications for Payment.
3. The amount of retainage with respect to progress payments will be as stipulated in the Agreement. **Retainage may be used by Owner to offset costs for any of the losses enumerated in Paragraphs 15.01.C.6.a through 15.01.C.6.e inclusive, 15.01.E.1.a through 15.01.E.1.i inclusive or 16.02.E. In additions retainage may be used by the Owner to protect against loss from failure of the Contractor to complete necessary work and to offset any liquidated damages due Owner.**

No payments will be made that would deplete the retainage, place in escrow any funds that are required for retainage, or invest retainage for the benefit of the Contractor.

4. **Each Application for Payment shall be accompanied by Contractor's updated progress schedule, shop drawing schedule, procurement schedule, and other data specified herein. Owner reserves the right to required submission of certified payroll records by the Contractor.**

C. Review of Applications:

1. Engineer will, within 10 days after receipt of each Application for Payment, including each resubmittal, either indicate in writing a recommendation of payment and present the Application to Owner, or return the Application to Contractor indicating in writing Engineer's reasons for refusing to recommend payment. In the latter case, Contractor may make the necessary corrections and resubmit the Application.
2. Engineer's recommendation of any payment requested in an Application for Payment will constitute a representation by Engineer to Owner, based on Engineer's observations of the executed Work as an experienced and qualified design professional, and on Engineer's review of the Application for Payment and the accompanying data and schedules, that to the best of Engineer's knowledge, information and belief:
 - a. the Work has progressed to the point indicated;
 - b. the quality of the Work is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, the results of any subsequent tests called for in the Contract Documents, a final determination of quantities and classifications for Unit Price Work

- under Paragraph 13.03, and any other qualifications stated in the recommendation); and
- c. the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe the Work.
3. By recommending any such payment Engineer will not thereby be deemed to have represented that:
- a. inspections made to check the quality or the quantity of the Work as it has been performed have been exhaustive, extended to every aspect of the Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Contract; or
 - b. there may not be other matters or issues between the parties that might entitle Contractor to be paid additionally by Owner or entitle Owner to withhold payment to Contractor.
4. Neither Engineer's review of Contractor's Work for the purposes of recommending payments nor Engineer's recommendation of any payment, including final payment, will impose responsibility on Engineer:
- a. to supervise, direct, or control the Work, or
 - b. for the means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or
 - c. for Contractor's failure to comply with Laws and Regulations applicable to Contractor's performance of the Work, or
 - d. to make any examination to ascertain how or for what purposes Contractor has used the money paid on account of the Contract Price, or
 - e. to determine that title to any of the Work, materials, or equipment has passed to Owner free and clear of any Liens.
5. Engineer may refuse to recommend the whole or any part of any payment if, in Engineer's opinion, it would be incorrect to make the representations to Owner stated in Paragraph 15.01.C.2.
6. Engineer will recommend reductions in payment (set-offs) necessary in Engineer's opinion to protect Owner from loss because:
- a. the Work is defective, requiring correction or replacement;
 - b. the Contract Price has been reduced by Change Orders;
 - c. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
 - d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible; or
 - e. Engineer has actual knowledge of the occurrence of any of the events that would constitute a default by Contractor and therefore justify termination for cause under the Contract Documents.

D. *Payment Becomes Due:*

1. **The Application for Payment with Engineer's recommendations will be presented to the Owner and Agency (if applicable) for consideration. If both Owner and Agency find the Application for Payment acceptable, the recommended amount less any reduction under the provision of Paragraph 15.01.E will become due twenty (20) days after the Application for Payment is presented to the Owner, and the Owner will make payment to the Contractor.** ~~Ten days after presentation of the Application for Payment to Owner with Engineer's recommendation, the amount recommended (subject to any Owner set-offs) will become due, and when due will be paid by Owner to Contractor.~~

E. *Reductions in Payment by Owner:*

1. In addition to any reductions in payment (set-offs) recommended by Engineer, Owner is entitled to impose a set-off against payment based on any of the following:
 - a. claims have been made against Owner on account of Contractor's conduct in the performance or furnishing of the Work, or Owner has incurred costs, losses, or damages on account of Contractor's conduct in the performance or furnishing of the Work, including but not limited to claims, costs, losses, or damages from workplace injuries, adjacent property damage, non-compliance with Laws and Regulations, and patent infringement;
 - b. Contractor has failed to take reasonable and customary measures to avoid damage, delay, disruption, and interference with other work at or adjacent to the Site;
 - c. Contractor has failed to provide and maintain required bonds or insurance;
 - d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible;
 - e. Owner has incurred extra charges or engineering costs related to submittal reviews, evaluations of proposed substitutes, tests and inspections, or return visits to manufacturing or assembly facilities;
 - f. the Work is defective, requiring correction or replacement;
 - g. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
 - h. the Contract Price has been reduced by Change Orders;
 - i. an event that would constitute a default by Contractor and therefore justify a termination for cause has occurred;
 - j. liquidated damages have accrued as a result of Contractor's failure to achieve Milestones, Substantial Completion, or final completion of the Work;
 - k. Liens have been filed in connection with the Work, except where Contractor has delivered a specific bond satisfactory to Owner to secure the satisfaction and discharge of such Liens;
 - l. there are other items entitling Owner to a set off against the amount recommended.
2. If Owner imposes any set-off against payment, whether based on its own knowledge or on the written recommendations of Engineer, Owner will give Contractor immediate written

notice (with a copy to Engineer) stating the reasons for such action and the specific amount of the reduction, and promptly pay Contractor any amount remaining after deduction of the amount so withheld. Owner shall promptly pay Contractor the amount so withheld, or any adjustment thereto agreed to by Owner and Contractor, if Contractor remedies the reasons for such action. The reduction imposed shall be binding on Contractor unless it duly submits a Change Proposal contesting the reduction.

3. Upon a subsequent determination that Owner's refusal of payment was not justified, the amount wrongfully withheld shall be treated as an amount due as determined by Paragraph 15.01.C.1 and subject to interest as provided in the Agreement.

15.02 *Contractor's Warranty of Title*

- A. Contractor warrants and guarantees that title to all Work, materials, and equipment furnished under the Contract will pass to Owner free and clear of (1) all Liens and other title defects, and (2) all patent, licensing, copyright, or royalty obligations, no later than seven days after the time of payment by Owner.

15.03 *Substantial Completion*

- A. When Contractor considers the entire Work ready for its intended use Contractor shall notify Owner and Engineer in writing that the entire Work is substantially complete and request that Engineer issue a certificate of Substantial Completion. Contractor shall at the same time submit to Owner and Engineer an initial draft of punch list items to be completed or corrected before final payment.
- B. Promptly after Contractor's notification, Owner, Contractor, and Engineer shall make an inspection of the Work to determine the status of completion. If Engineer or Owner does not consider the Work substantially complete, Engineer will notify Contractor in writing giving the reasons therefor. **Contractor shall immediately correct the deficiencies and re-notify the Engineer in writing that the Work is substantially complete.**
- C. If Engineer considers the Work substantially complete, Engineer will deliver to Owner a preliminary certificate of Substantial Completion which shall fix the date of Substantial Completion. Engineer shall attach to the certificate a punch list of items to be completed or corrected before final payment. Owner shall have seven days after receipt of the preliminary certificate during which to make written objection to Engineer as to any provisions of the certificate or attached punch list. If, after considering the objections to the provisions of the preliminary certificate, Engineer concludes that the Work is not substantially complete, Engineer will, within 14 days after submission of the preliminary certificate to Owner, notify Contractor in writing that the Work is not substantially complete, stating the reasons therefor. If Owner does not object to the provisions of the certificate, or if despite consideration of Owner's objections Engineer concludes that the Work is substantially complete, then Engineer will, within said 14 days, execute and deliver to Owner and Contractor a final certificate of Substantial Completion (with a revised punch list of items to be completed or corrected) reflecting such changes from the preliminary certificate as Engineer believes justified after consideration of any objections from Owner.
- D. At the time of receipt of the preliminary certificate of Substantial Completion, Owner and Contractor will confer regarding Owner's use or occupancy of the Work following Substantial Completion, review the builder's risk insurance policy with respect to the end of the builder's

risk coverage, and confirm the transition to coverage of the Work under a permanent property insurance policy held by Owner. Unless Owner and Contractor agree otherwise in writing, Owner shall bear responsibility for security, operation, protection of the Work, property insurance, maintenance, heat, and utilities upon Owner's use or occupancy of the Work.

- E. After Substantial Completion the Contractor shall promptly begin work on the punch list of items to be completed or corrected prior to final payment. In appropriate cases Contractor may submit monthly Applications for Payment for completed punch list items, following the progress payment procedures set forth above.
- F. Owner shall have the right to exclude Contractor from the Site after the date of Substantial Completion subject to allowing Contractor reasonable access to remove its property and complete or correct items on the punch list.

15.04 *Partial Use or Occupancy*

- A. Prior to Substantial Completion of all the Work, Owner may use or occupy any substantially completed part of the Work which has specifically been identified in the Contract Documents, or which Owner, Engineer, and Contractor agree constitutes a separately functioning and usable part of the Work that can be used by Owner for its intended purpose without significant interference with Contractor's performance of the remainder of the Work, subject to the following conditions:
 - 1. At any time Owner may request in writing that Contractor permit Owner to use or occupy any such part of the Work that Owner believes to be substantially complete. If and when Contractor agrees that such part of the Work is substantially complete, Contractor, Owner, and Engineer will follow the procedures of Paragraph 15.03.A through E for that part of the Work.
 - 2. At any time Contractor may notify Owner and Engineer in writing that Contractor considers any such part of the Work substantially complete and request Engineer to issue a certificate of Substantial Completion for that part of the Work.
 - 3. Within a reasonable time after either such request, Owner, Contractor, and Engineer shall make an inspection of that part of the Work to determine its status of completion. If Engineer does not consider that part of the Work to be substantially complete, Engineer will notify Owner and Contractor in writing giving the reasons therefor. If Engineer considers that part of the Work to be substantially complete, the provisions of Paragraph 15.03 will apply with respect to certification of Substantial Completion of that part of the Work and the division of responsibility in respect thereof and access thereto.
 - 4. No use or occupancy or separate operation of part of the Work may occur prior to compliance with the requirements of Paragraph 6.05 regarding builder's risk or other property insurance.

15.05 *Final Inspection*

- A. Upon written notice from Contractor that the entire Work or an agreed portion thereof is complete, Engineer will promptly make a final inspection with Owner and Contractor and will notify Contractor in writing of all particulars in which this inspection reveals that the Work, or agreed portion thereof, is incomplete or defective. Contractor shall immediately take such measures as are necessary to complete such Work or remedy such deficiencies.

15.06 *Final Payment*

A. *Application for Payment:*

1. After Contractor has, in the opinion of Engineer **and Owner**, satisfactorily completed all corrections identified during the final inspection and has delivered, in accordance with the Contract Documents, all maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance, certificates of inspection, annotated record documents (as provided in Paragraph 7.11), and other documents, Contractor may make application for final payment.
2. The final Application for Payment shall be accompanied (except as previously delivered) by:
 - a. all documentation called for in the Contract Documents;
 - b. consent of the surety, if any, to final payment;
 - c. satisfactory evidence that all title issues have been resolved such that title to all Work, materials, and equipment has passed to Owner free and clear of any Liens or other title defects, or will so pass upon final payment.
 - d. a list of all disputes that Contractor believes are unsettled; and
 - e. complete and legally effective releases or waivers (satisfactory to Owner) of all Lien rights arising out of the Work, and of Liens filed in connection with the Work, **and**
 - f. **record documents.**
3. In lieu of the releases or waivers of Liens specified in Paragraph 15.06.A.2 and as approved by Owner, Contractor may furnish receipts or releases in full and an affidavit of Contractor that: (a) the releases and receipts include all labor, services, material, and equipment for which a Lien could be filed; and (b) all payrolls, material and equipment bills, and other indebtedness connected with the Work for which Owner might in any way be responsible, or which might in any way result in liens or other burdens on Owner's property, have been paid or otherwise satisfied. If any Subcontractor or Supplier fails to furnish such a release or receipt in full, Contractor may furnish a bond or other collateral satisfactory to Owner to indemnify Owner against any Lien, or Owner at its option may issue joint checks payable to Contractor and specified Subcontractors and Suppliers.

B. *Engineer's Review of Application and Acceptance:*

1. If, on the basis of Engineer's observation of the Work during construction and final inspection, and Engineer's review of the final Application for Payment and accompanying documentation as required by the Contract Documents, Engineer is satisfied that the Work has been completed and Contractor's other obligations under the Contract have been fulfilled, Engineer will, within ten days after receipt of the final Application for Payment, indicate in writing Engineer's recommendation of final payment and present the Application for Payment to Owner for payment. Such recommendation shall account for any set-offs against payment that are necessary in Engineer's opinion to protect Owner from loss for the reasons stated above with respect to progress payments. At the same time Engineer will also give written notice to Owner and Contractor that the Work is acceptable, subject to the provisions of Paragraph 15.07. Otherwise, Engineer will return the Application for Payment to Contractor, indicating in writing the reasons for refusing to recommend final

payment, in which case Contractor shall make the necessary corrections and resubmit the Application for Payment.

- C. *Completion of Work*: The Work is complete (subject to surviving obligations) when it is ready for final payment as established by the Engineer's written recommendation of final payment.
- D. *Payment Becomes Due*: Thirty days after the presentation to Owner of the final Application for Payment and accompanying documentation, the amount recommended by Engineer (less any further sum Owner is entitled to set off against Engineer's recommendation, including but not limited to set-offs for liquidated damages and set-offs allowed under the provisions above with respect to progress payments) will become due and shall be paid by Owner to Contractor.

15.07 *Waiver of Claims*

- A. The making of final payment will not constitute a waiver by Owner of claims or rights against Contractor. Owner expressly reserves claims and rights arising from unsettled Liens, from defective Work appearing after final inspection pursuant to Paragraph 15.05, from Contractor's failure to comply with the Contract Documents or the terms of any special guarantees specified therein, from outstanding Claims by Owner, or from Contractor's continuing obligations under the Contract Documents.
- B. The acceptance of final payment by Contractor will constitute a waiver by Contractor of all claims and rights against Owner other than those pending matters that have been duly submitted or appealed under the provisions of Article 17.

15.08 *Correction Period*

- A. If within one year after the date of Substantial Completion (or such longer period of time as may be prescribed by the terms of any applicable special guarantee required by the Contract Documents, or by any specific provision of the Contract Documents), any Work is found to be defective, or if the repair of any damages to the Site, adjacent areas that Contractor has arranged to use through construction easements or otherwise, and other adjacent areas used by Contractor as permitted by Laws and Regulations, is found to be defective, then Contractor shall promptly, without cost to Owner and in accordance with Owner's written instructions:
 - 1. correct the defective repairs to the Site or such other adjacent areas;
 - 2. correct such defective Work;
 - 3. if the defective Work has been rejected by Owner, remove it from the Project and replace it with Work that is not defective, and
 - 4. satisfactorily correct or repair or remove and replace any damage to other Work, to the work of others, or to other land or areas resulting therefrom.
- B. If Contractor does not promptly comply with the terms of Owner's written instructions, or in an emergency where delay would cause serious risk of loss or damage, Owner may have the defective Work corrected or repaired or may have the rejected Work removed and replaced. Contractor shall pay all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and replacement (including but not limited to all costs of repair or replacement of work of others).

- C. In special circumstances where a particular item of equipment is placed in continuous service before Substantial Completion of all the Work, the correction period for that item may start to run from an earlier date if so provided in the Specifications.
- D. Where defective Work (and damage to other Work resulting therefrom) has been corrected or removed and replaced under this paragraph, the correction period hereunder with respect to such Work will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.
- E. Contractor's obligations under this paragraph are in addition to all other obligations and warranties. The provisions of this paragraph shall not be construed as a substitute for, or a waiver of, the provisions of any applicable statute of limitation or repose.

ARTICLE 16 – SUSPENSION OF WORK AND TERMINATION

16.01 *Owner May Suspend Work*

- A. At any time and without cause, Owner may suspend the Work or any portion thereof for a period of not more than 90 consecutive days by written notice to Contractor and Engineer. Such notice will fix the date on which Work will be resumed. Contractor shall resume the Work on the date so fixed. Contractor shall be entitled to an adjustment in the Contract Price or an extension of the Contract Times, or both, directly attributable to any such suspension. Any Change Proposal seeking such adjustments shall be submitted no later than 30 days after the date fixed for resumption of Work.

16.02 *Owner May Terminate for Cause*

- A. The occurrence of any one or more of the following events will constitute a default by Contractor and justify termination for cause:
 - 1. Contractor's persistent failure to perform the Work in accordance with the Contract Documents (including, but not limited to, failure to supply sufficient skilled workers or suitable materials or equipment or failure to adhere to the Progress Schedule);
 - 2. Failure of Contractor to perform or otherwise to comply with a material term of the Contract Documents;
 - 3. Contractor's disregard of Laws or Regulations of any public body having jurisdiction; or
 - 4. Contractor's repeated disregard of the authority of Owner or Engineer.
- B. If one or more of the events identified in Paragraph 16.02.A occurs, then after giving Contractor (and any surety) ten days written notice that Owner is considering a declaration that Contractor is in default and termination of the contract, Owner may proceed to:
 - 1. declare Contractor to be in default, and give Contractor (and any surety) notice that the Contract is terminated; and
 - 2. enforce the rights available to Owner under any applicable performance bond.
- C. Subject to the terms and operation of any applicable performance bond, if Owner has terminated the Contract for cause, Owner may exclude Contractor from the Site, take possession of the Work, incorporate in the Work all materials and equipment stored at the Site or for which

Owner has paid Contractor but which are stored elsewhere, and complete the Work as Owner may deem expedient.

- D. Owner may not proceed with termination of the Contract under Paragraph 16.02.B if Contractor within seven days of receipt of notice of intent to terminate begins to correct its failure to perform and proceeds diligently to cure such failure.
- E. If Owner proceeds as provided in Paragraph 16.02.B, Contractor shall not be entitled to receive any further payment until the Work is completed. If the unpaid balance of the Contract Price exceeds the cost to complete the Work, including all related claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals) sustained by Owner, such excess will be paid to Contractor. If the cost to complete the Work including such related claims, costs, losses, and damages exceeds such unpaid balance, Contractor shall pay the difference to Owner. Such claims, costs, losses, and damages incurred by Owner will be reviewed by Engineer as to their reasonableness and, when so approved by Engineer, incorporated in a Change Order. When exercising any rights or remedies under this paragraph, Owner shall not be required to obtain the lowest price for the Work performed.
- F. Where Contractor's services have been so terminated by Owner, the termination will not affect any rights or remedies of Owner against Contractor then existing or which may thereafter accrue, or any rights or remedies of Owner against Contractor or any surety under any payment bond or performance bond. Any retention or payment of money due Contractor by Owner will not release Contractor from liability.
- G. If and to the extent that Contractor has provided a performance bond under the provisions of Paragraph 6.01.A, the provisions of that bond shall govern over any inconsistent provisions of Paragraphs 16.02.B and 16.02.D.

16.03 *Owner May Terminate For Convenience*

- A. Upon seven days written notice to Contractor and Engineer, Owner may, without cause and without prejudice to any other right or remedy of Owner, terminate the Contract. In such case, Contractor shall be paid for (without duplication of any items):
 - 1. completed and acceptable Work executed in accordance with the Contract Documents prior to the effective date of termination, including fair and reasonable sums for overhead and profit on such Work;
 - 2. expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials, or equipment as required by the Contract Documents in connection with uncompleted Work, plus fair and reasonable sums for overhead and profit on such expenses; and
 - 3. other reasonable expenses directly attributable to termination, including costs incurred to prepare a termination for convenience cost proposal.
- B. Contractor shall not be paid on account of loss of anticipated overhead, profits, or revenue, or other economic loss arising out of or resulting from such termination.

16.04 *Contractor May Stop Work or Terminate*

- A. If, through no act or fault of Contractor, (1) the Work is suspended for more than 90 consecutive days by Owner or under an order of court or other public authority, or (2) Engineer fails to act on any Application for Payment within 30 days after it is submitted, or (3) Owner fails for 30 days

to pay Contractor any sum finally determined to be due, then Contractor may, upon seven days written notice to Owner and Engineer, and provided Owner or Engineer do not remedy such suspension or failure within that time, terminate the contract and recover from Owner payment on the same terms as provided in Paragraph 16.03.

- B. In lieu of terminating the Contract and without prejudice to any other right or remedy, if Engineer has failed to act on an Application for Payment within 30 days after it is submitted, or Owner has failed for 30 days to pay Contractor any sum finally determined to be due, Contractor may, seven days after written notice to Owner and Engineer, stop the Work until payment is made of all such amounts due Contractor, including interest thereon. The provisions of this paragraph are not intended to preclude Contractor from submitting a Change Proposal for an adjustment in Contract Price or Contract Times or otherwise for expenses or damage directly attributable to Contractor's stopping the Work as permitted by this paragraph.

ARTICLE 17 – FINAL RESOLUTION OF DISPUTES

17.01 *Methods and Procedures*

- A. *Disputes Subject to Final Resolution:* The following disputed matters are subject to final resolution under the provisions of this Article:
1. A timely appeal of an approval in part and denial in part of a Claim, or of a denial in full; and
 2. Disputes between Owner and Contractor concerning the Work or obligations under the Contract Documents, and arising after final payment has been made.
- B. *Final Resolution of Disputes:* For any dispute subject to resolution under this Article, Owner or Contractor may:
1. elect in writing to invoke the dispute resolution process provided for in the Supplementary Conditions; or
 2. agree with the other party to submit the dispute to another dispute resolution process; or
 3. if no dispute resolution process is provided for in the Supplementary Conditions or mutually agreed to, give written notice to the other party of the intent to submit the dispute to a court of competent jurisdiction.

ARTICLE 18 – MISCELLANEOUS

18.01 *Giving Notice*

- A. Whenever any provision of the Contract Documents requires the giving of written notice, it will be deemed to have been validly given if:
1. delivered in person, by a commercial courier service or otherwise, to the individual or to a member of the firm or to an officer of the corporation for which it is intended; or
 2. delivered at or sent by registered or certified mail, postage prepaid, to the last business address known to the sender of the notice.

18.02 *Computation of Times*

- A. When any period of time is referred to in the Contract by days, it will be computed to exclude the first and include the last day of such period. If the last day of any such period falls on a

Saturday or Sunday or on a day made a legal holiday by the law of the applicable jurisdiction, such day will be omitted from the computation.

18.03 *Cumulative Remedies*

- A. The duties and obligations imposed by these General Conditions and the rights and remedies available hereunder to the parties hereto are in addition to, and are not to be construed in any way as a limitation of, any rights and remedies available to any or all of them which are otherwise imposed or available by Laws or Regulations, by special warranty or guarantee, or by other provisions of the Contract. The provisions of this paragraph will be as effective as if repeated specifically in the Contract Documents in connection with each particular duty, obligation, right, and remedy to which they apply.

18.04 *Limitation of Damages*

- A. With respect to any and all Change Proposals, Claims, disputes subject to final resolution, and other matters at issue, neither Owner nor Engineer, nor any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, shall be liable to Contractor for any claims, costs, losses, or damages sustained by Contractor on or in connection with any other project or anticipated project.

18.05 *No Waiver*

- A. A party's non-enforcement of any provision shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Contract.

18.06 *Survival of Obligations*

- A. All representations, indemnifications, warranties, and guarantees made in, required by, or given in accordance with the Contract, as well as all continuing obligations indicated in the Contract, will survive final payment, completion, and acceptance of the Work or termination or completion of the Contract or termination of the services of Contractor.

18.07 *Controlling Law*

- A. This Contract is to be governed by the law of the state in which the Project is located.

18.08 *Headings*

- A. Article and paragraph headings are inserted for convenience only and do not constitute parts of these General Conditions.

SECTION 00 80 00

SUPPLEMENTARY CONDITIONS

These Supplementary Conditions amend or supplement the Standard General Conditions of the Construction Contract, EJCDC® C-700 (2013 Edition). All provisions that are not so amended or supplemented remain in full force and effect.

To the greatest extent possible the modifications to the Standard General Conditions of the Construction Contract (EJCDC 700) have been made electronically in the text of the General Conditions. The modifications are shown in the General Conditions as strikeout for deletions and bold/underline for additions. These Supplementary Conditions contain additional “project specific” changes, additions or modifications.

The terms used in these Supplementary Conditions have the meanings stated in the General Conditions. Additional terms used in these Supplementary Conditions have the meanings stated below, which are applicable to both the singular and plural thereof.

The address system used in these Supplementary Conditions is the same as the address system used in the General Conditions, with the prefix "SC" added thereto.

ARTICLE 5 – AVAILABILITY OF LANDS; SUBSURFACE AND PHYSICAL CONDITIONS; HAZARDOUS ENVIRONMENTAL CONDITIONS

SC-5.03 Subsurface and Physical Conditions

SC-5.03 Add the following new paragraphs immediately after Paragraph 5.03.B:

- C.** The following reports of explorations and tests of subsurface conditions at or adjacent to the Site are known to Owner:
 - 1.** January 2, 2018 DOWL Letter
Subject: Subsurface Exploration and Foundation Recommendations
Police Station Communication Tower, Bethel, Alaska

SC-5.06 Add the following subparagraph 5.06.A.1 and 5.06.A.2:

- 1.** The following reports regarding Hazardous Environmental Conditions at the Site are known to Owner:
 - a.** *No known reports for the Site.*

ARTICLE 6 – BONDS AND INSURANCE

SC-6.03 Contractor's Liability Insurance

Add the following new paragraph immediately after Paragraph 6.03.J:

- K.** The limits of liability for the insurance required by Paragraph 6.03 of the General Conditions shall provide coverage for not less than the following amounts or greater where required by Laws and Regulations:

1. Workers' Compensation, and related coverages under Paragraphs 6.03.A.1 and A.2 of the General Conditions:

State:	<u>Statutory</u>
Federal, if applicable (e.g., Longshoreman's):	<u>Statutory</u>
Employer's Liability:	
Bodily injury, each accident	<u>\$1,000,000</u>
Bodily injury by disease, each employee	<u>\$1,000,000</u>
Bodily injury/disease aggregate	<u>\$1,000,000</u>

2. Contractor's Commercial General Liability under Paragraphs 6.03.B and 6.03.C of the General Conditions:

General Aggregate	<u>\$2,000,000</u>
Products - Completed Operations Aggregate	<u>\$1,000,000</u>
Personal and Advertising Injury	<u>\$1,000,000</u>
Each Occurrence (Bodily Injury and Property Damage)	<u>\$1,000,000</u>

3. Automobile Liability under Paragraph 6.03.D. of the General Conditions:

Combined Single Limit \$1,000,000

4. Excess or Umbrella Liability:

Per Occurrence	<u>\$4,000,000</u>
General Aggregate	<u>\$4,000,000</u>

5. Contractor's Pollution Liability:

Each Occurrence	<u>NA</u>
General Aggregate	<u>NA</u>

☒ If box is checked, Contractor is not required to provide Contractor's Pollution Liability insurance under this Contract

6. Additional Insureds: In addition to Owner and Engineer, include as additional insureds the following:

a. New Horizons Telecon, Inc.

7. Contractor's Professional Liability:

Each Claim	<u>NA</u>
Annual Aggregate	<u>NA</u>

ARTICLE 7 – CONTRACTOR'S RESPONSIBILITIES

SC-7.12 Safety and Protection

- A. The Contractor is to prepare and maintain a project specific health and safety plan. Health and Safety plan will be subject to review and approval by Engineer and Owner.

ARTICLE 17 – FINAL RESOLUTION OF DISPUTES

SC-17.02 Arbitration

- A. All matters subject to final resolution under this Article will be decided by arbitration in accordance with the Construction Industry Rules of the American Arbitration Association subject to the conditions and limitations of this paragraph. This agreement to arbitrate and any other agreement or consent to arbitrate entered into will be specifically enforceable under the prevailing law of any court having jurisdiction.
- B. The demand for arbitration will be filed in writing with the other party to the Contract. The demand for arbitration will be made within the specific time required in this Article, or if no specified time is applicable within a reasonable time after the matter in question has arisen, and in no event shall any such demand be made after the date when institution of legal or equitable proceedings based on such matter in question would be barred by the applicable statute of limitations. The demand for arbitration should include specific reference to Paragraph SC-17.02.D below.
- C. No arbitration arising out of or relating to the Contract shall include by consolidation, joinder, or in any other manner any other individual or entity (including Engineer, and Engineer's consultants and the officers, directors, partners, agents, employees or consultants of any of them) who is not a party to this Contract unless:
1. the inclusion of such other individual or entity is necessary if complete relief is to be afforded among those who are already parties to the arbitration; and
 2. such other individual or entity is substantially involved in a question of law or fact which is common to those who are already parties to the arbitration and which will arise in such proceedings.
- D. The award rendered by the arbitrator(s) shall be consistent with the agreement of the parties, in writing, and include a concise breakdown of the award, and a written explanation of the award specifically citing the Contract provisions deemed applicable and relied on in making the award.

- E. The award will be final. Judgment may be entered upon it in any court having jurisdiction thereof, and it will not be subject to modification or appeal, subject to provisions of the Laws and Regulations relating to vacating or modifying an arbitral award.**
- F. The fees and expenses of the arbitrators and any arbitration service shall be shared equally by Owner and Contractor.**

SECTION 01 00 00 GENERAL REQUIREMENTS

PART 1 - PART 1 –SCOPE OF WORK

1.01 General

The Project consists of constructing a self-supporting, 3-legged steel tower; furnishing antenna and dish hardware; and providing electrical modifications inside the Bethel Police Station.

PART 2 - PRE-CONSTRUCTION REQUIREMENTS

2.01 NONE

PART 3 - EXTRA OR DISPUTED WORK REPORTS

- 3.01 If payment for work performed is to be based on time and materials, or if a claim is contemplated in which time and material reports would assist in settling the claim, the Contractor shall maintain adequate records on the Daily Report forms available from the Engineer. The reported work shall have the Engineer's signature to indicate his concurrence prior to being submitted to the Contract Administrator within 48 hours of the time the work was performed. Concurrence by the Engineer does not indicate agreement to or authorization of "extra work" or "extra payment" but rather indicates agreement that the work effort recorded during that time period was in fact done.

PART 4 - MATERIAL TESTING AND INSPECTION

4.01 Contractor's Obligation

- A. The Contractor shall obtain and pay for all testing that may be necessary to qualify Contractor-furnished materials for use in the work. This shall include material quality tests, mix designs, equipment and plant calibration, and other similar tests required to qualify Contractor-furnished materials for compliance with the specifications. The Contractor shall submit test results to the Engineer sufficiently in advance of the work so that approval to proceed is received by the Contractor prior to using that material in the work.
- B. Samples of material required for testing shall be furnished by the Contractor.
- C. The Contractor is responsible for coordinating with the Engineer and requesting all testing, including field testing paid for by the Owner.
- D. The Contractor shall pay for all failing field tests performed to monitor construction control of the materials used in the work.
- E. Payment for failing field tests will be deducted from any amounts due or to become due to the Contractor.

4.02 Owner's Obligation

The Owner will be paying for the Engineer to be onsite part-time during the construction.

PART 5 - WEATHER LIMITATIONS

- 5.01 The Contractor shall protect each increment of completed work against detrimental effects due to weather, by approved methods. Any increment of completed work that is damaged by freezing or rain, shall be reconditioned, reshaped, re-compacted, or replaced by the Contractor in conformance with the requirements of this specification without additional cost to the Owner.

PART 6 - NOTICE TO BE GIVEN

- 6.01 Given the access restrictions in place at the Bethel Police Station, Contractor shall notify the Owner at least five (5) business days prior to the start of on-site activities and provide a schedule of dates and times when personnel will be on site.
- 6.02 All Contractor personnel entering the Bethel Police Station must have a background check completed with the State of Alaska Department of Public Safety ahead of work, or be escorted at all times while in the Bethel Police Station. Escort services must be requested from the Owner a minimum of forty-eight (48) hours in advance.
- 6.03 The local Bethel Police Department contact shall be Jonathan Smith, jsmith@cityofbethel.net, 907-543-3781. Communications with the local contact shall be in addition to all specified communications with the Owner.
- 6.04 Given the need to maintain continuous operations at the Bethel Police Station, Contractor shall notify the Owner at least three (3) business days prior to the following:
- A. Building power shut-off,
 - B. Need to isolate any portion of the Bethel Police Station,
 - C. Any other activities that would compromise the normal operation of the Bethel Police Station, and
 - D. On-site testing.

PART 7 - LABOR STANDARDS, REPORTING, AND PREVAILING WAGE RATES DETERMINATIONS

- 7.01 The prevailing wage rates of the State of Alaska apply to this contract as do any requirements of the State of Alaska associated with the use of these State prevailing wages.

PART 8 - EXECUTION OF WORK

- 8.01 Owner IT Services

The Owner's internet service is, in part, provided via satellite dishes mounted on the Police Station building. Contractor shall be responsible for maintaining the Owner's internet service by not blocking or inhibiting the satellite dishes in any way. Service disruptions will not be allowed.

8.02 Survey Control

Benchmarks, monuments, and baselines shown on the Survey Report, shall be used for horizontal and vertical control by the Contractor. Caution shall be used when working near these and other survey monuments so as not to disturb them.

8.03 Disturbing Existing Monuments and Property Corners

Should the Contractor's normal prosecution of work require that he disturb any property corners or survey monuments, he shall re-establish them after completion of the project and at no additional cost to the Owner. All referencing and re-establishment of property corners and survey monuments shall be performed by a Land Surveyor registered in the State of Alaska.

8.04 Construction Survey

All construction survey stakes will be placed by the Contractor, based on the reference points indicated in the Drawings.

PART 9 - AS-BUILTS**9.01 General**

The Contractor shall provide the Owner as-built information on all construction. This information will include copies of the Contractor's field survey notes and a set of the Drawings red-lined with as-built information. .

A. Control

Basis for horizontal control for as-built information shall be the system of stationing provided in the Survey Report. All elevations shall be based on the datum used for design.

B. Survey Notes

All field survey notes shall include date, name of surveyor or foreman, and adequate description of TBM's when used. Sketches shall have north arrow and show relationship or ties to stationing control. All notes shall be reduced to show actual elevation at design datum.

END OF GENERAL REQUIREMENTS

SECTION 01 00 01
METHOD OF MEASUREMENT AND BASIS OF PAYMENT

PART 1 - GENERAL

1.01 Scope

The method of measurement and basis of payment is described in this section.

1.02 General

The total bid price of the Contract shall cover all work shown on the Construction Drawings and required by the Specifications and other Contract Documents. All costs in connection with the Work, including furnishing all materials, equipment, supplies and appurtenances; providing all construction, equipment, and tools; and performing all necessary labor and supervision to fully complete the Work, shall be included in the lump sum bid price. No item required by the Contract Documents for the proper and successful completion of the Work will be paid for outside of or in addition to the price submitted in the bid. Bid price will also apply to additional similar work that is not shown on the plans that the Engineer may require to be installed during the course of the project.

1.03 Method of Measurement and Basis of Payment

A single lump sum contract will be awarded which will cover all work, and incidental work, covered in the Construction Drawings and Specifications and other Contract Documents. Successful bidder shall submit a proposed schedule of values following bidding, before contract execution, for Owner and Engineer approval.

END OF METHOD OF MEASUREMENT AND BASIS OF PAYMENT

SIGNATURE AND VERIFICATION OF ANTI-COLLUSION

By signing below, I hereby acknowledge the following:

1. Bidder, nor any of their representatives or third party mandated by Bidder, has attempted to contact City representatives or members of the selection committee for the purpose of influencing their choice, judgment or recommendation relating to the contract, or with members of the City Council to influence their decision.
2. Bidder has produced the bid package without collusion, communication, agreement or arrangement with a competitor with regards to price, methods, factors or formulas for setting prices, to the decision to submit a bid package or to present a bid package that does not comply, directly or indirectly, with specifications contained in the Request for Bids.
3. Neither the Bidder nor any of its representatives engaged in discrimination, intimidating measures, influence peddling or corruption or entered into any form of collusion, communication, agreement or arrangement with other suppliers or third parties relating to a contract with the City of Bethel.
4. If selected, neither Bidder nor any of its representatives will engage in discriminating against any person because of race, color, religion (creed), gender, gender expression or identity, age, national origin (ancestry), disability, marital status, sexual orientation, military status, political affiliation, or any other status protected by law.
5. Failure to complete and attach this sworn declaration shall result in automatic rejection of the bid.
6. In the event that the Bidder, or a representative or third party mandated by them, has violated any of the statements above, the Bidder's proposal shall be automatically rejected.
7. The City may cancel a contract that has been awarded if the City becomes aware, during the course of the contract, of a situation contravening any sworn statement required by this section.

Signature

Date

Printed Name

Anti-Collusion

BETHEL POLICE STATION COMMUNICATION TOWER

PROJECT INFORMATION

PROJECT LOCATION: BETHEL, AK
NHTI PROJECT NUMBER: 23-0147-20

CONTACT INFORMATION

NEW HORIZONS TELECOM, INC.

901 COPE INDUSTRIAL WAY
PALMER, ALASKA 99645
PHONE - (907) 761-6000
LICENSE # AECC610

CIVIL / STRUCTURAL DESIGN

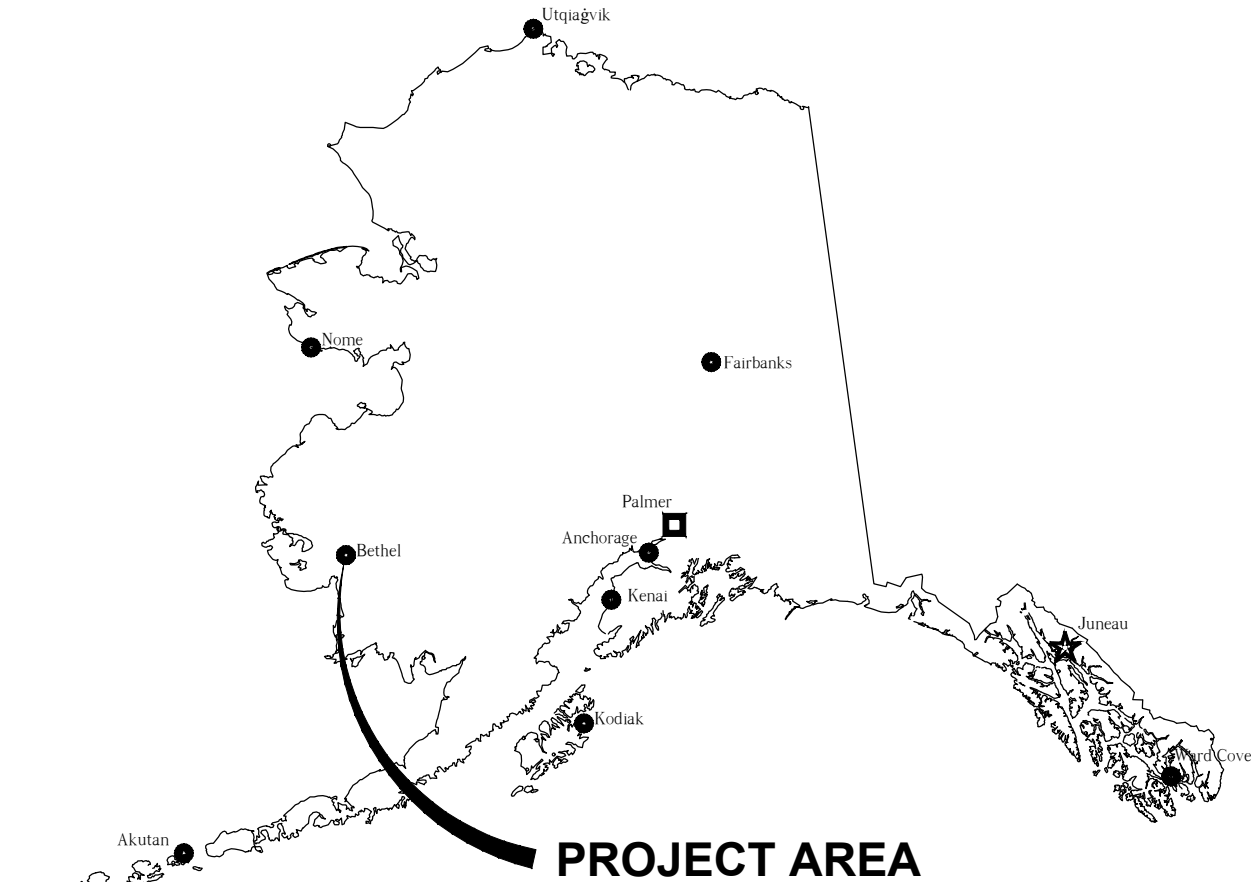
DALE R. BROWNING, PE, SE
NHTI - (907) 761-6000
901 COPE INDUSTRIAL WAY
PALMER, ALASKA 99645

ELECTRICAL DESIGN

GEORGE P. DODGE, PE
NHTI - (907) 354-6053
901 COPE INDUSTRIAL WAY
PALMER, ALASKA 99645

Sheet List Table

SHEET #	TITLE	REV #
T1.0	COVER SHEET	1
C1.0	ENLARGED SITE PLAN	0
C2.0	TOWER ELEVATION	1
S1.0	TOWER PILE PLAN NOTES AND DETAILS	0
S1.1	TOWER PILE SPOOL ASSEMBLY	0
S2.0	ICE BRIDGE DETAILS	0
E1.0	ADMINISTRATION BLDG REMODEL ONE-LINE DIAGRAM	0
E1.1	ADMINISTRATION BLDG REMODEL PANEL SCHEDULE "IT"	0
E1.2	AIC CALCULATIONS	0
E2.0	TOWER GROUNDING TOWER PLAN	0
E2.1	ELECTRICAL GROUNDING TOWER ELEVATION	1
E3.0	ELECTRICAL AC PLAN	0





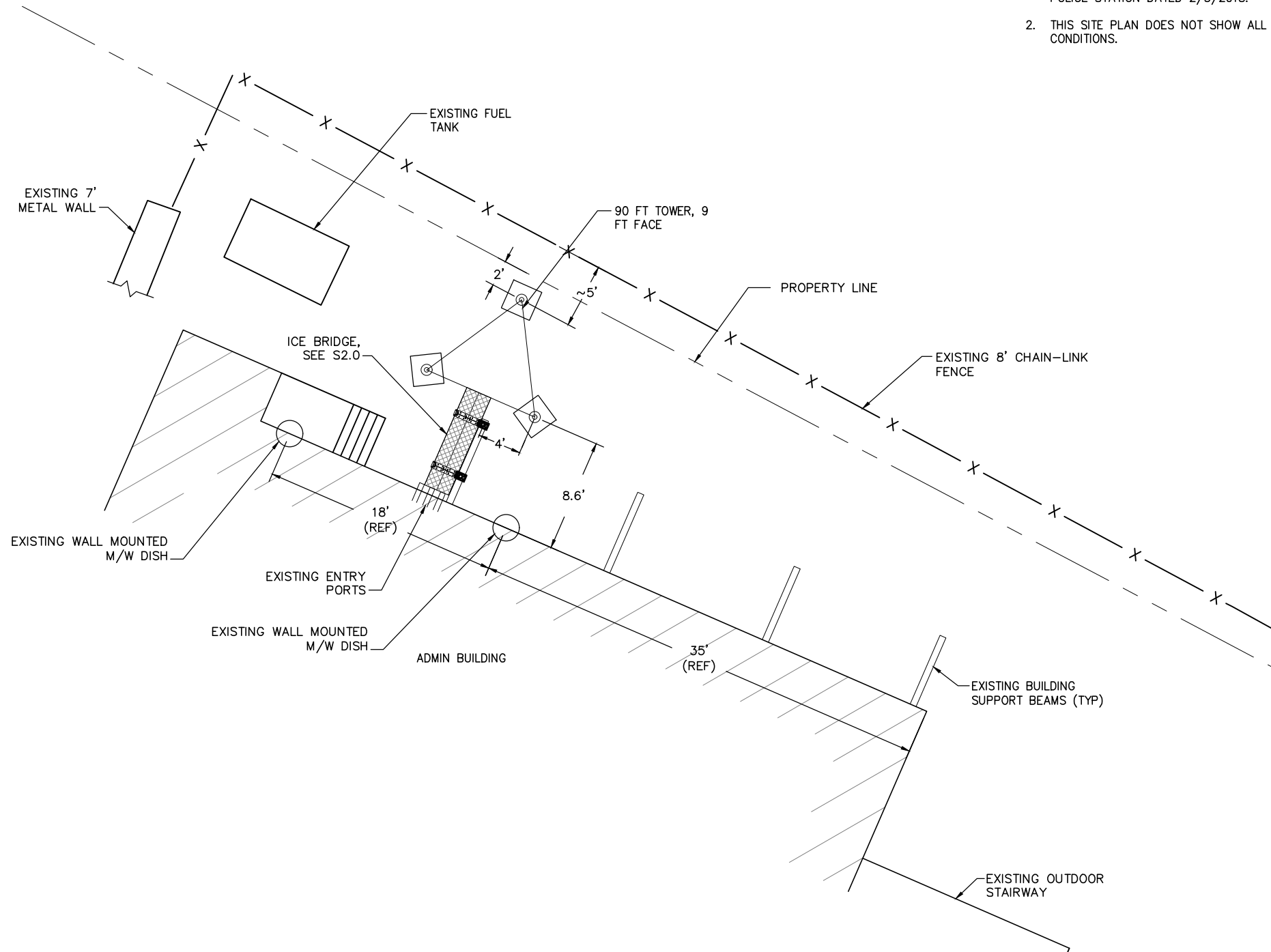
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REV	DESCRIPTION	DATE
0	ISSUE FOR CONSTRUCTION	240112
1	UPDATED PER IFC COMMENTS	240214

COVER SHEET

T1.0

FILE: X:\23 JOBS\23-0147-20 DOW - BETHEL POLICE COMMUNICATIONS TOWER UPDATED DESIGN PACKAGE\05-ENGR\CA\DT1.0 COVER SHEET.DWG | PLOT DATE: 240214



- NOTES:
1. SITE LAYOUT DEVELOPED FROM DOWL SURVEY, BETHEL POLICE STATION DATED 2/5/2018.
 2. THIS SITE PLAN DOES NOT SHOW ALL EXISTING CONDITIONS.



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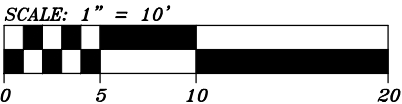
BETHEL POLICE COMMUNICATIONS TOWER

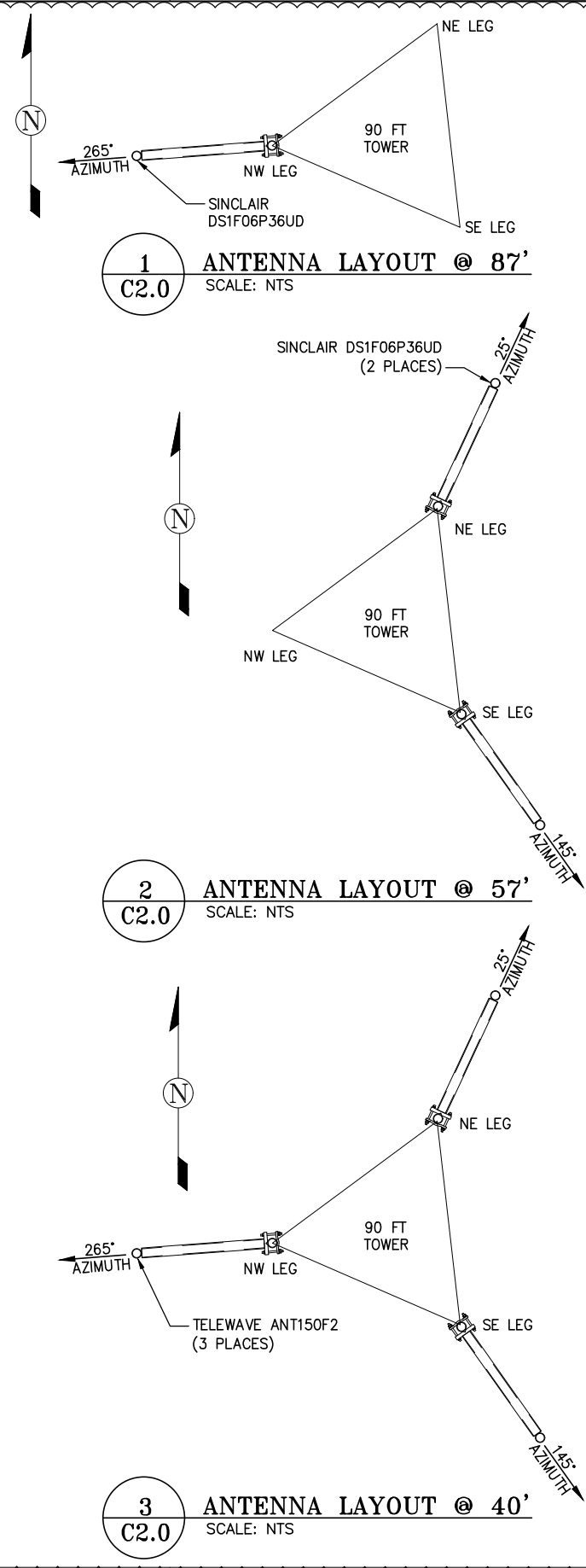
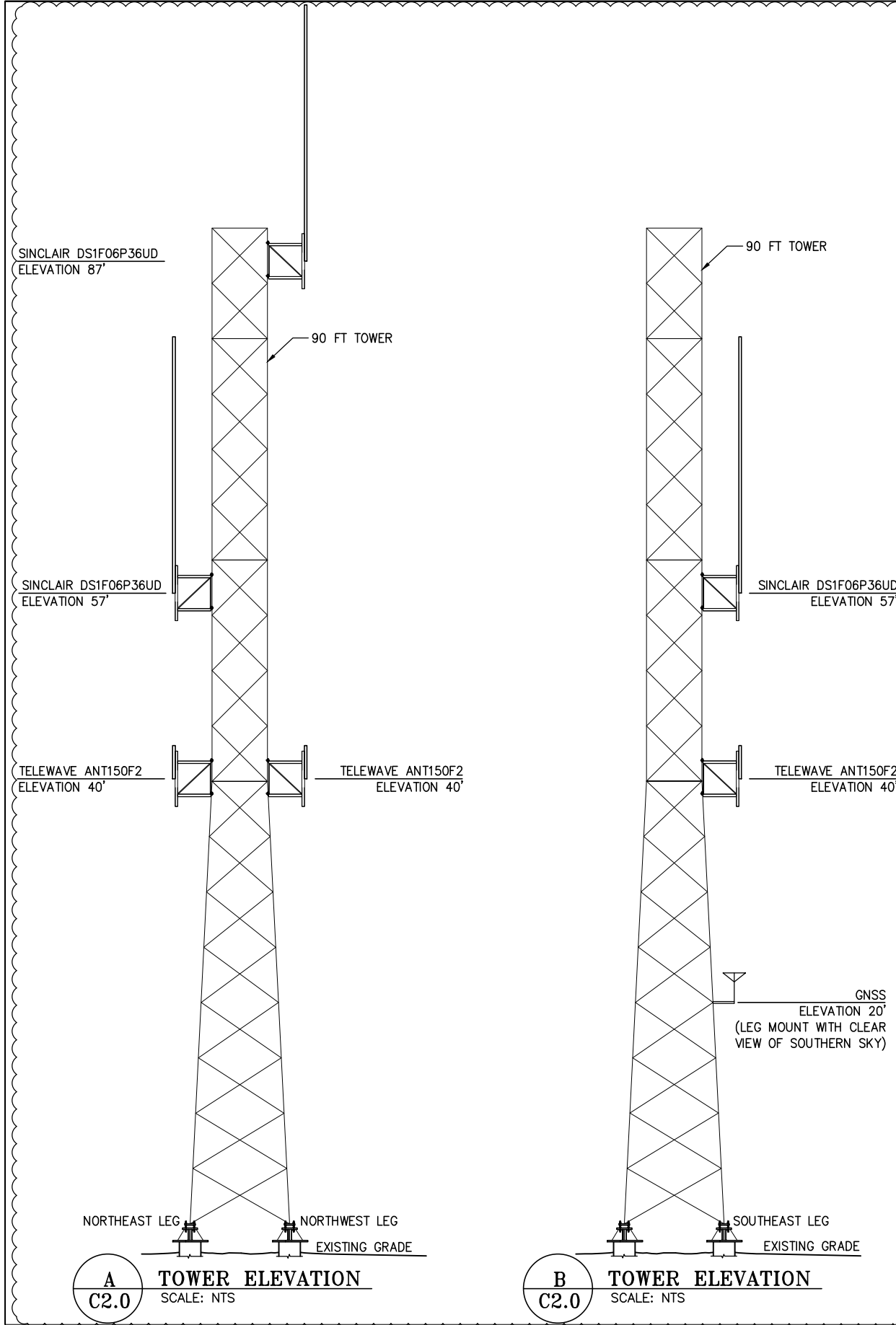
DWN:JAA	DSN: DRB	APP: DRB	REV
JOB #: 23-0147-20			0
DATE: 240112			

ENLARGED SITE PLAN

C1.0

1
C1.0
ENLARGED SITE PLAN
SCALE: 1"=10'





NOTES:

1. THIS IS A DIAGRAMMATIC REPRESENTATION OF TOWER AND ANTENNAS. RAD HEIGHT AND AZIMUTH OF ANTENNAS ARE PROVIDED BY OWNER. ANTENNA ATTACHMENTS PER TOWER AND ANTENNA MANUFACTURER'S SPECIFICATIONS.

2. ELEVATIONS SHOWN ARE FROM BASE OF TOWER. ELEVATIONS ABOVE GRADE VARY AN ADDITIONAL ~24" - 42".



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BETHEL POLICE COMMUNICATIONS TOWER

DWN: JAA	DSN: DRB	APP: DRB	REV
JOB #: 23-0147-20	DATE: 240112		1

TOWER ELEVATION

C2.0

DESIGN CRITERIA:

TOWER BASE REACTIONS (SABRE #534883)

AXIAL LOAD:	7.63 KIPS
TOTAL SHEAR:	16.22 KIPS
O.T. MOMENT:	818 FT-KIPS
UPLIFT PER LEG:	96 KIPS
COMP PER LEG:	107 KIPS
SHEAR PER LEG:	9.74 KIPS

TOWER DESIGN WIND SPEED: 157 MPH
PER TIA-222-H

EXPOSURE:	C
TOPO CATEGORY:	1
STRUCTURE CLASS:	III
IMPORTANCE FACTOR:	1.25
RADIAL ICE:	1/4 IN

NOTES:

STRUCTURAL STEEL:

1. STRUCTURAL STEEL, ANGLES AND MISCELLANEOUS SHAPES SHALL BE ASTM A36.
2. STRUCTURAL W SHAPES TO BE ASTM A992, $F_y=50$ KSI.
3. PILE SPOOL PIECE PLATES AND GUSSETS: ASTM A572, GRADE 50, $F_y=50$ KSI.
4. PILE: 24" ϕ x 1/2" WALL (MIN), $F_y=42$ KSI OR GREATER.
5. SPOOL PIECE PIPE: 4.5" ϕ x 0.375" WALL, $F_y=42$ KSI OR GREATER.
6. BOLTS-ASTM A3125, GRADE 325, NUT-ASTM A563, GRADE DH, WASHERS-ASTM F436. ALL BOLTS, NUTS, AND WASHERS SHALL BE HOT DIPPED GALVANIZED.
7. ALL THREAD ANCHOR ROD, ASTM F1554, GRADE 105 GALVANIZED.
8. COAT ALL EXPOSED STEEL (EXCEPT TOWER) WITH TWO COATS OF ZRC GALVILITE (OR EQUAL) COLD GALVANIZING PAINT AFTER FABRICATION AND TOUCH UP AFTER INSTALLATION AS REQUIRED.

WELDING:

1. ALL WELDING SHALL BE IN ACCORDANCE WITH AISC AND AWS STANDARDS AND PERFORMED BY AWS CERTIFIED WELDERS USING QUALIFIED WELD PROCEDURES.
2. PROVIDE SPECIAL INSPECTION PER IBC CHAPTER 17.

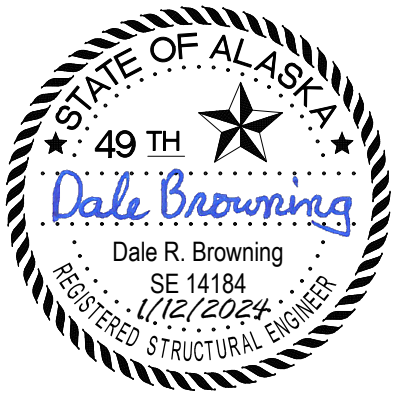
PILES:

1. PROVIDE SPECIAL INSPECTION PER IBC CHAPTER 17.
2. A HAMMER WITH A MINIMUM ENERGY RATING OF 24,000 FT-LBS (OR VIBRATORY HAMMER) IS RECOMMENDED. SEE DOWL GEOTECHNICAL REPORT FOR PILE DRIVING SOIL CONDITIONS.
3. EXCAVATE AS MINIMAL AS POSSIBLE TO SET PILE. UPON COMPLETION OF DRIVING PILE, FILL EXCAVATION WITH COMPACTED NFS GRAVEL. TOP WITH 4" OF TOPSOIL AND SEED TO MATCH EXISTING CONDITIONS.
4. PILE DRIVING TOLERANCE:
CENTER TO CENTER OF PILES: $\pm 1"$
PILE OUT OF PLUMB: 1 DEGREE
ELEVATION DIFFERENCE OF PILE CAPS: 1/8"
PILE CAP OUT OF LEVEL: 1/16"



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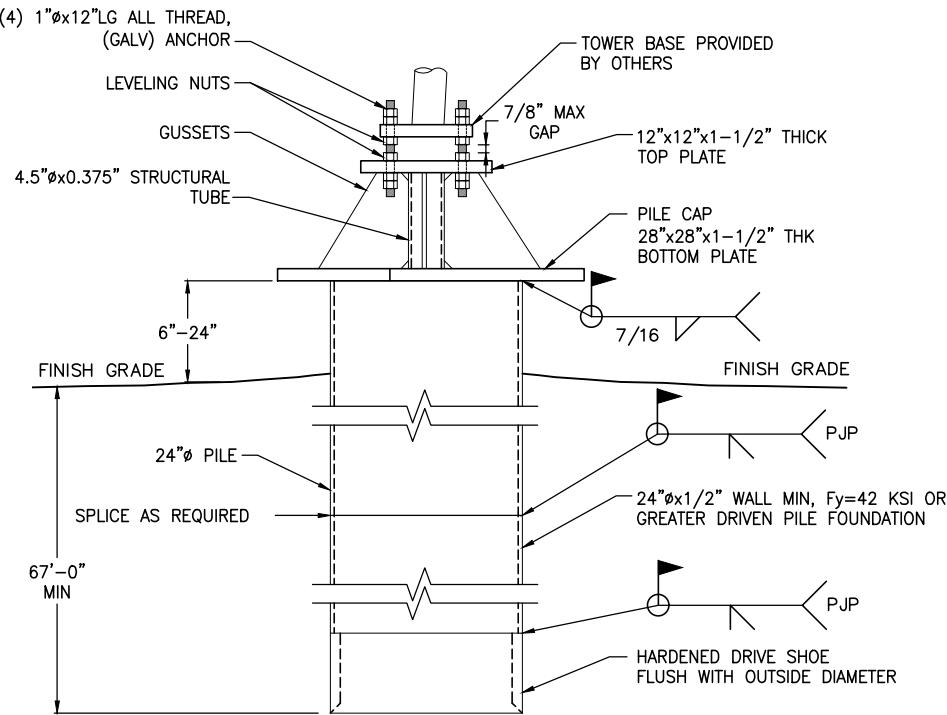
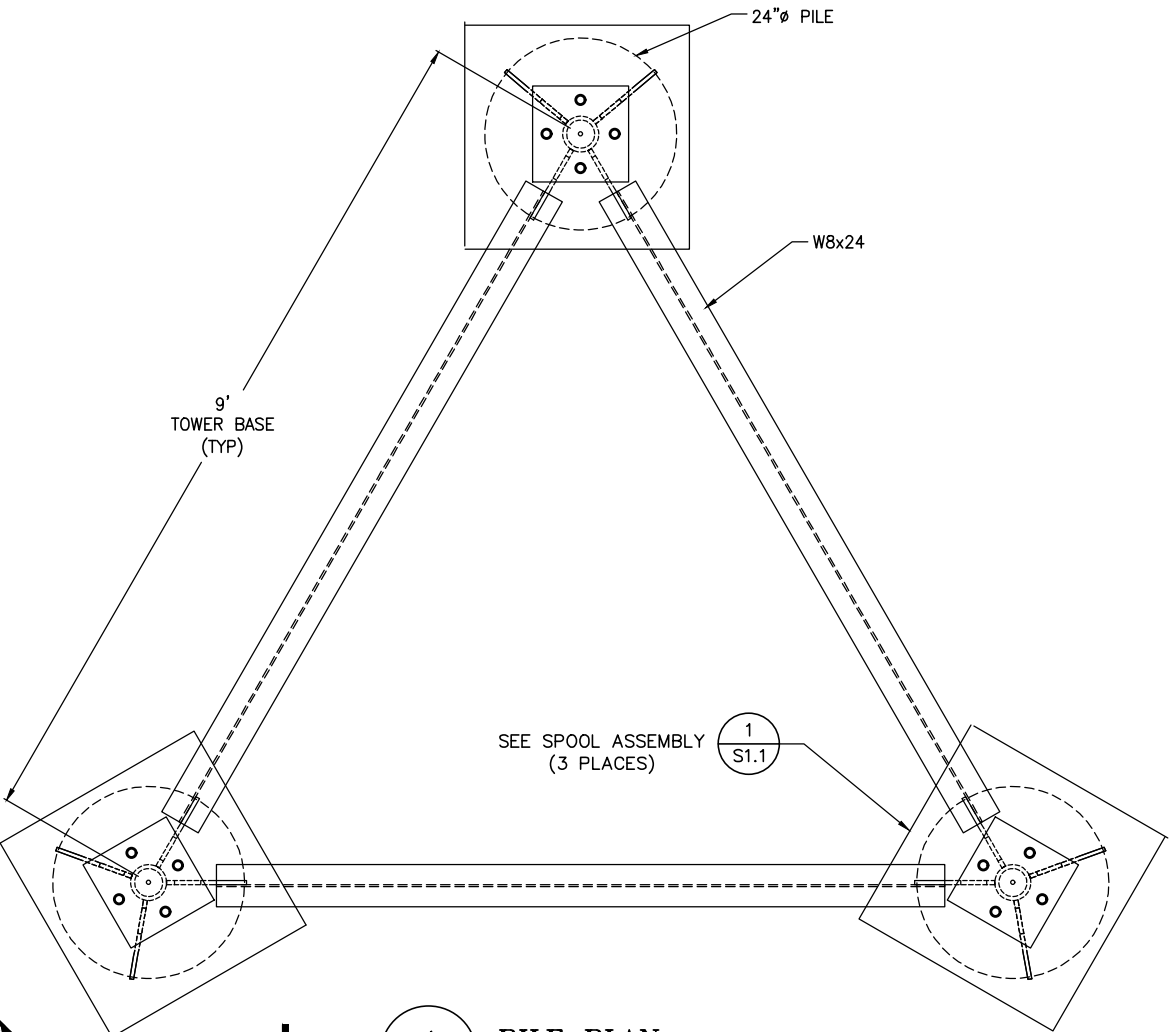
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REV	DESCRIPTION	DATE
0	ISSUE FOR CONSTRUCTION	240112

BETHEL POLICE
COMMUNICATIONS
TOWER

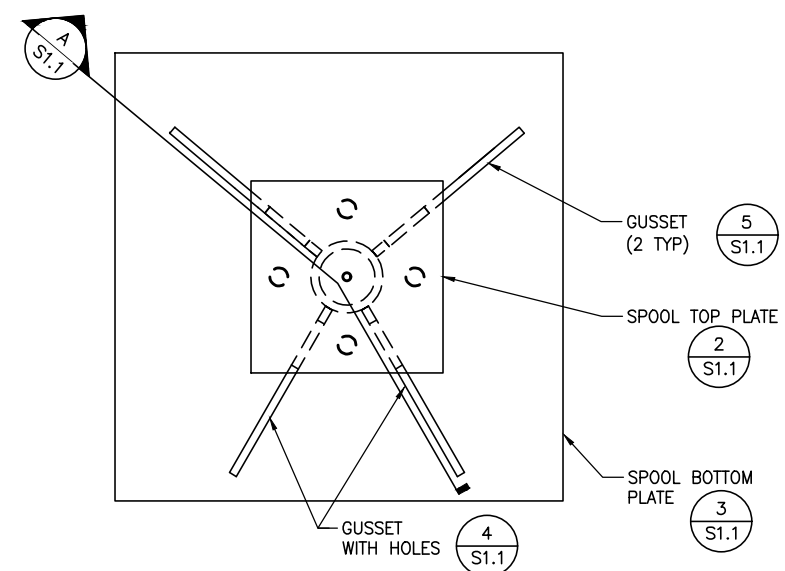
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JOB #: 23-0147-20	DATE: 240112		

TOWER PILE
PLAN NOTES AND
DETAILS
S1.0

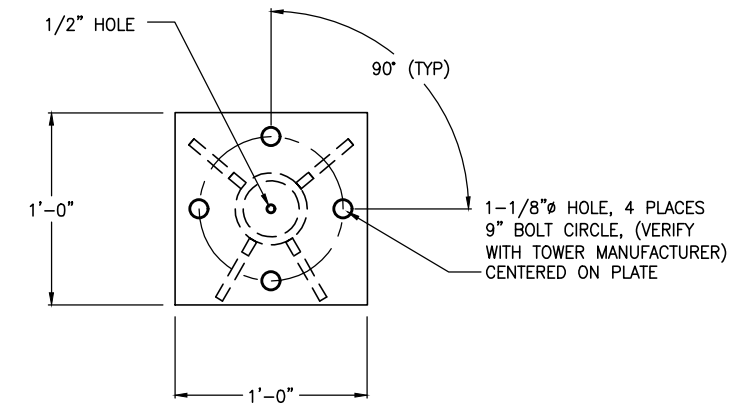


1 PILE PLAN
SCALE: 1/2" = 1'-0"

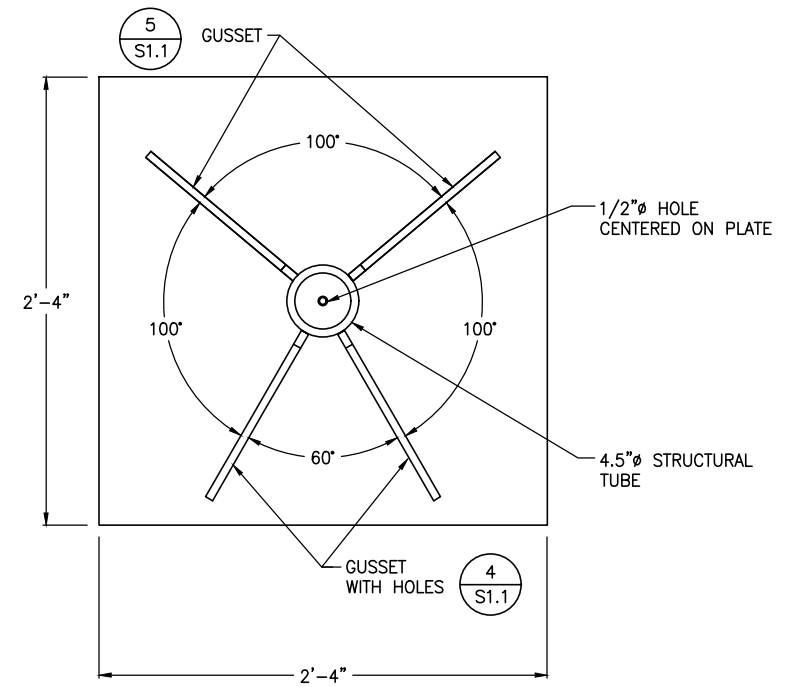
2 TYPICAL CONNECTION DETAIL
SCALE: NTS



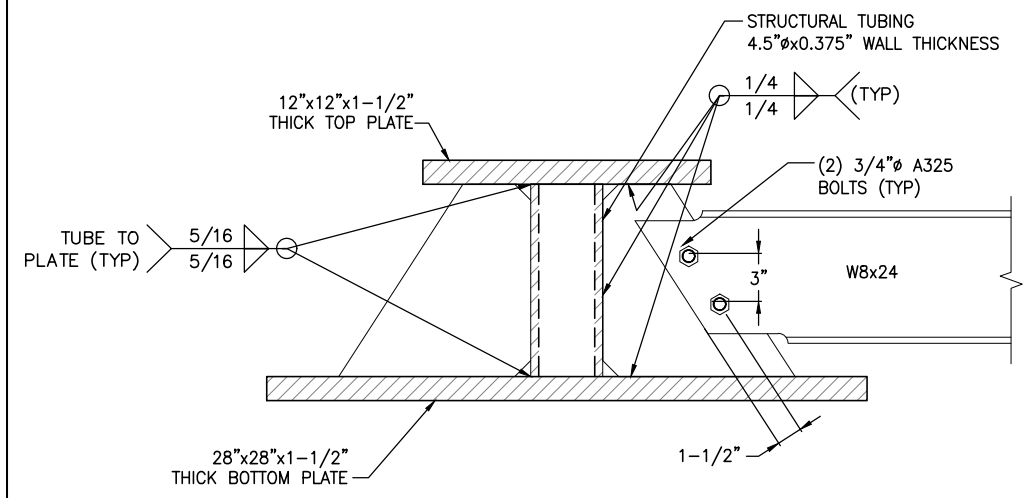
1 SPOOL ASSEMBLY
SCALE: 1" = 1'-0"



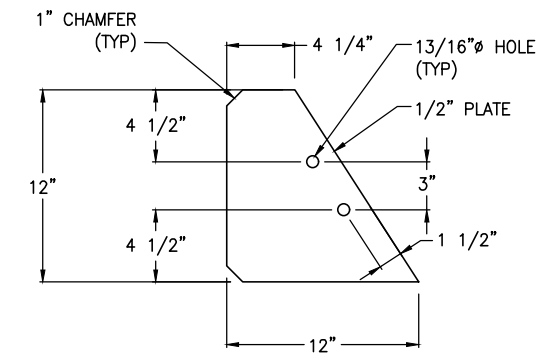
2 SPOOL TOP PLATE
SCALE: 1" = 1'-0"



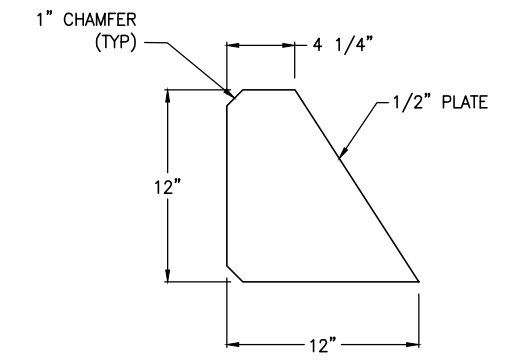
3 SPOOL BOTTOM PLATE
SCALE: 1" = 1'-0"



A SPOOL SECTION
SCALE: 1" = 1'-0"



4 GUSSET WITH HOLES (2 PLACES)
SCALE: 1" = 1'-0"



5 GUSSET (2 PLACES)
SCALE: 1" = 1'-0"



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BETHEL POLICE COMMUNICATIONS TOWER

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JOB #: 23-0147-20		DATE: 240112	

TOWER PILE SPOOL ASSEMBLY

S1.1



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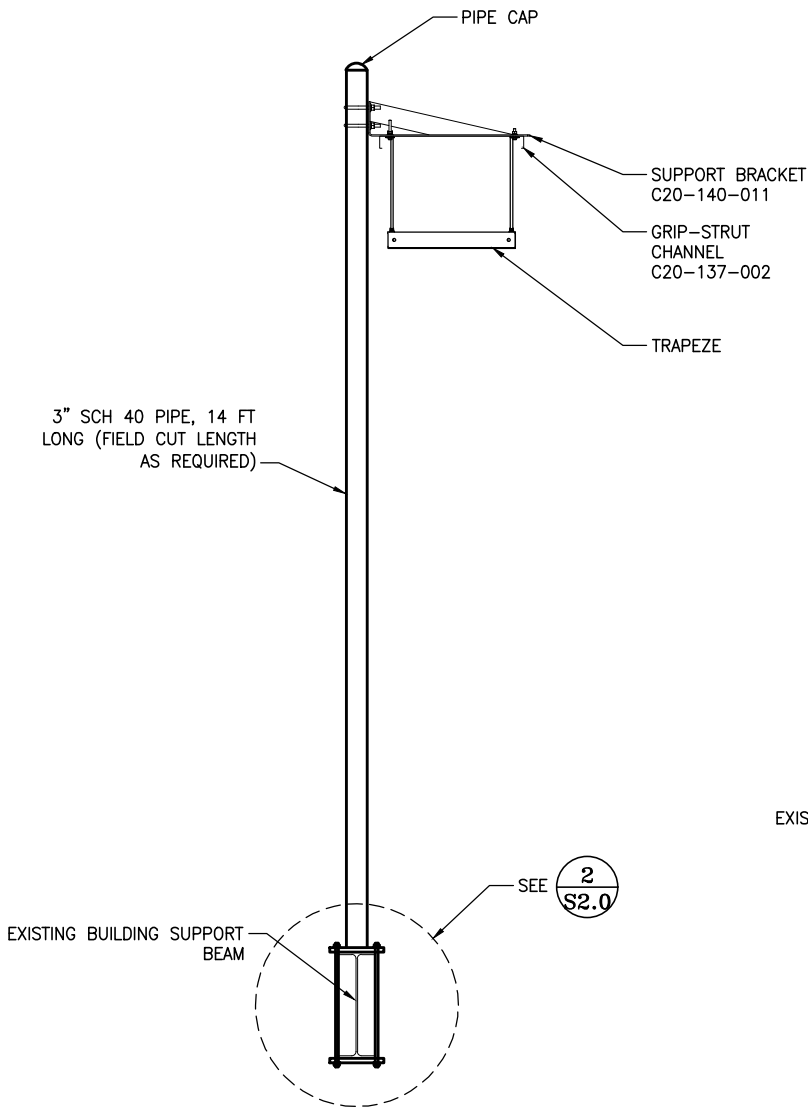
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BETHEL POLICE COMMUNICATIONS TOWER

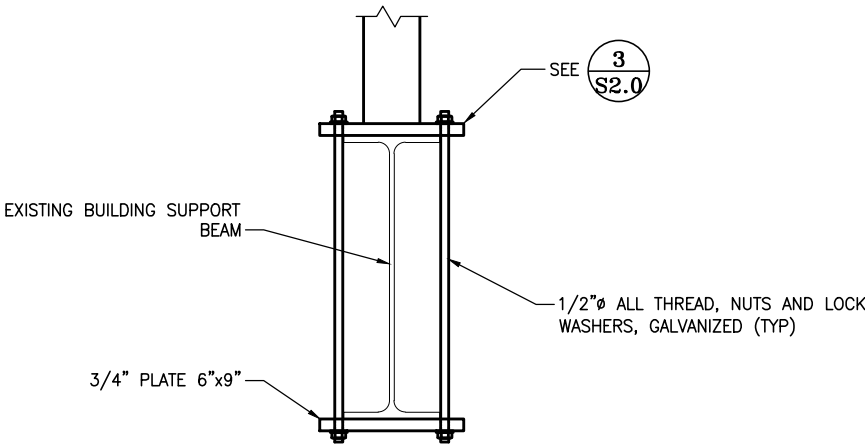
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JOB #: 23-0147-20		DATE: 240112	

ICE BRIDGE DETAILS

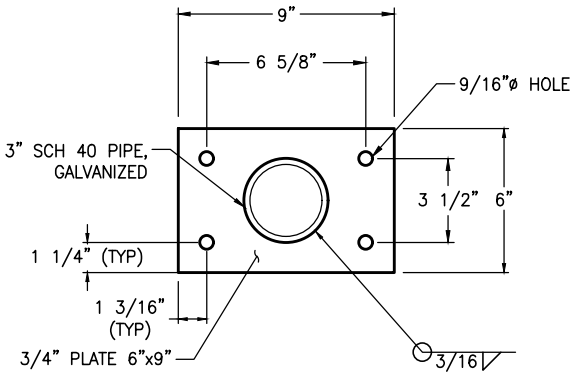
S2.0



1 ICE BRIDGE POST
SCALE: 3/8" = 1'-0"



2 ICE BRIDGE BASE ATTACHMENT DETAIL
SCALE: 1" = 1'-0"



3 ICE BRIDGE BASE PLATE
SCALE: 1-1/2" = 1'-0"

- NOTES:
- 1. NEW WORK TO COMPLY WITH THE 2020 NEC.
 - 2. ALL NEW CONDUCTORS TO BE COPPER.
 - 3. NEW WORK SHOWN IN **BOLD**.
 - 4. CIRCUIT BREAKER SUBFEED LUG SQUARE D P/N: Q02225SL.
 - 5. INSTALL TWO (2) SQUARE-D Q0120 CIRCUIT BREAKER PANEL "IT" POSITIONS 25 AND 27.
 - 6. ROUTE CONDUCTORS IN MINIMUM 1/2" EMT.



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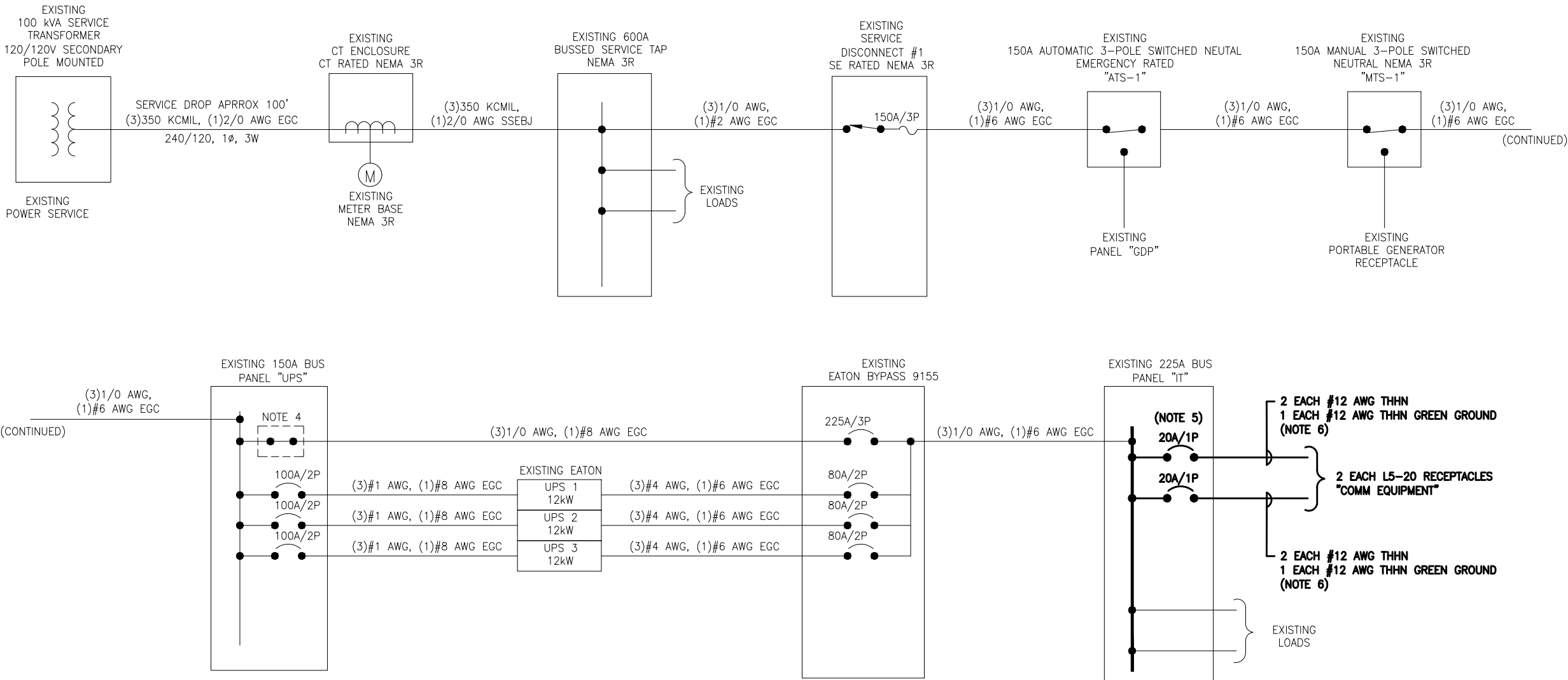
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BETHEL POLICE
COMMUNICATIONS
TOWER

DWN:JAA	DSN: GPD	APP: GPD	REV 0
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ADMINISTRATION
BLDG REMODEL
ONE-LINE DIAGRAM
E1.0



1
E1.0 **ELECTRICAL ONE-LINE DIAGRAM**
SCALE: NTS

- NOTES:
1. NEW ELECTRICAL WORK TO COMPLY WITH THE 2020 NEC.
 2. NEW WORK SHOWN IN **BOLD**.
 3. EXISTING PANEL LOAD MEASURED 11/09/17:
L1 34A
L2 54A
 4. NEW LOAD ADDED TO PANEL "IT" IS 300W (1.25A PER LEG).
 5. INSTALL TWO (2) SQUARE-D QO120 CIRCUIT BREAKERS IN BREAKER PANEL POSITIONS 25 AND 27.



NEW HORIZONS

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BETHEL POLICE
COMMUNICATIONS
TOWER

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JOB #: 23-0147-20		DATE:240112	

ADMINISTRATION
BLDG REMODEL
PANEL SCHEDULE "IT"
E1.1

Panel: IT									
Location: Electrical Room									
Square-D QO142I225			120/240V	1 ph.	3W	60 ~	225A Main lugs		
	kVA per leg						kVA per leg		
Load Description	L1	L2	Brkr	Ckt	Ckt	Brkr	L1	L2	Load Description
Spare			20/1	1	2	100/2			911 Dispatch Panel
Spare			20/1	3	4				
Spare			20/1	5	6	125/2			Surge Protector
Spare			20/1	7	8				
IT Room Receptacle			20/1	9	10	20/1			IT Room Receptacle
IT Room Receptacle			20/1	11	12	20/1			Door Lock Controls
IT Room Receptacle			20/1	13	14	20/1			IT Room Receptacle
IT Room Receptacle			20/1	15	16	20/1			IT Room Receptacle
IT Room Receptacle			20/1	17	18	20/1			IT Room Receptacle
IT Room Receptacle			20/1	19	20	20/1			IT Room Receptacle
IT Room Receptacle			20/1	21	22	20/1			Under Panel Receptcle
IT Room Receptacle			20/1	23	24	20/1			IT Room Lights
COMM RECEPTACLE (NOTES 4 & 5)			20/1	25	26	50/2			GEN SET PANEL
COMM RECEPTACLE (NOTES 4 & 5)			20/1	27	28				
			blank	29	30	20/1			Spare
			blank	31	32	blank			
			blank	33	34	blank			
			blank	35	36	blank			
			blank	37	38	blank			
			blank	39	40	blank			
			blank	41	42	blank			
Totals, per leg									
L1 total (kVA)	4.23		Total L1 amps		35.25				
L2 total (kVA)	6.63		Total L2 amps		55.25				
Total (kVA)	10.86								

1-Phase Fault Current Calculator		Date: 9-Mar-18	Site:	Bethel Police Station	
Point to Point Method as described in the Cooper Bussmann Bulletin EPR-1					
Assumes infinite primary current available.					
At Utility Transformer					
Utility Transformer KVA:	100.0	Full Load Amps (FLA):	417	FLA =	$\frac{KVA \times 1000}{SV}$
Service Voltage (SV):	240	Multiplier	71.43	Multiplier =	$\frac{100}{Transf \%Z}$
Transformer Impedance %Z:	1.40	Short Circuit Amps (Isca):	29762	Isca =	FLA x Multiplier
At Service Entrance					
Length of Service Cable ft (L):	120	F Factor (L-L)	1.770	F (L-L) =	$\frac{2 \times L \times Isca}{C \times N \times SV}$
# Parallel Phase Conductors (N):	1	Multiplier M (L-L)	0.361	M (L-L) =	$\frac{1}{1 + F (L-L)}$
Conductor Size:	350 KcMil	F Factor (L-N)	5.311	F (L-N) =	$\frac{2 \times L \times (1.5 \times Isca)}{C \times N \times (SV / 2)}$
Conductor Material (AL or CU):	AL	Multiplier M (L-N)	0.158	M (L-N) =	$\frac{1}{1 + F (L-N)}$
Metal Conduit (Y or N):	N	Short Circuit Amps (L-L):	10744	Isca (L-L) =	Isca x M (L-L)
C Value:	16813	Short Circuit Amps (L-N):	7074	Isca (L-N) =	(Isca x 1.5) x M (L-N)
At Panel UPS					
Length of Service Cable ft (L):	12	F Factor (L-L)	0.120	F (L-L) =	$\frac{2 \times L \times Isca (L-L)}{C \times N \times SV}$
# Parallel Phase Conductors (N):	1	Multiplier M (L-L)	0.893	M (L-L) =	$\frac{1}{1 + F (L-L)}$
Conductor Size:	1/0	F Factor (L-N)	0.159	F (L-N) =	$\frac{2 \times L \times Isca (L-N)}{C \times N \times (SV / 2)}$
Conductor Material (AL or CU):	CU	Multiplier M (L-N)	0.863	M (L-N) =	$\frac{1}{1 + F (L-N)}$
Metal Conduit (Y or N):	Y	Short Circuit Amps (L-L):	9589	Isca (L-L) =	Isca (L-L) x M (L-L)
C Value:	8925	Short Circuit Amps (L-N):	6106	Isca (L-N) =	Isca (L-N) x M (L-N)

- NOTES:
- ALL WORK TO COMPLY WITH 2020 NEC.
 - FACILITY ELECTRIC USAGE FOR THE PAST YEAR PROVIDED BY AVEC. HIGHEST USAGE OCCURRED DURING DECEMBER 2022 AT 14460kWh FOR A 30 DAY CYCLE. (14460kWh/30 DAYS/24 HOURS = 20.1kW).
 - SHORT CIRCUIT CURRENT CALCULATED AT UPS PANEL, PANEL "IT" IS DOWN-STREAM AND IS LESS.

EXISTING SERVICE LOAD CALCULATIONS

MAX USAGE (NOTE 2) 20.1kW
NEC 220.87: $\times 1.25$
25.1kW

@ 0.8 PF: 31.4kVA

NEW LOAD

NEW DISPATCH RADIOS: .3kVA
TOTAL LOAD: 31.7kVA

CALCULATED CURRENT
@ 240V: 132.1A

EXISTING 600A SERVICE IS ADEQUATE.



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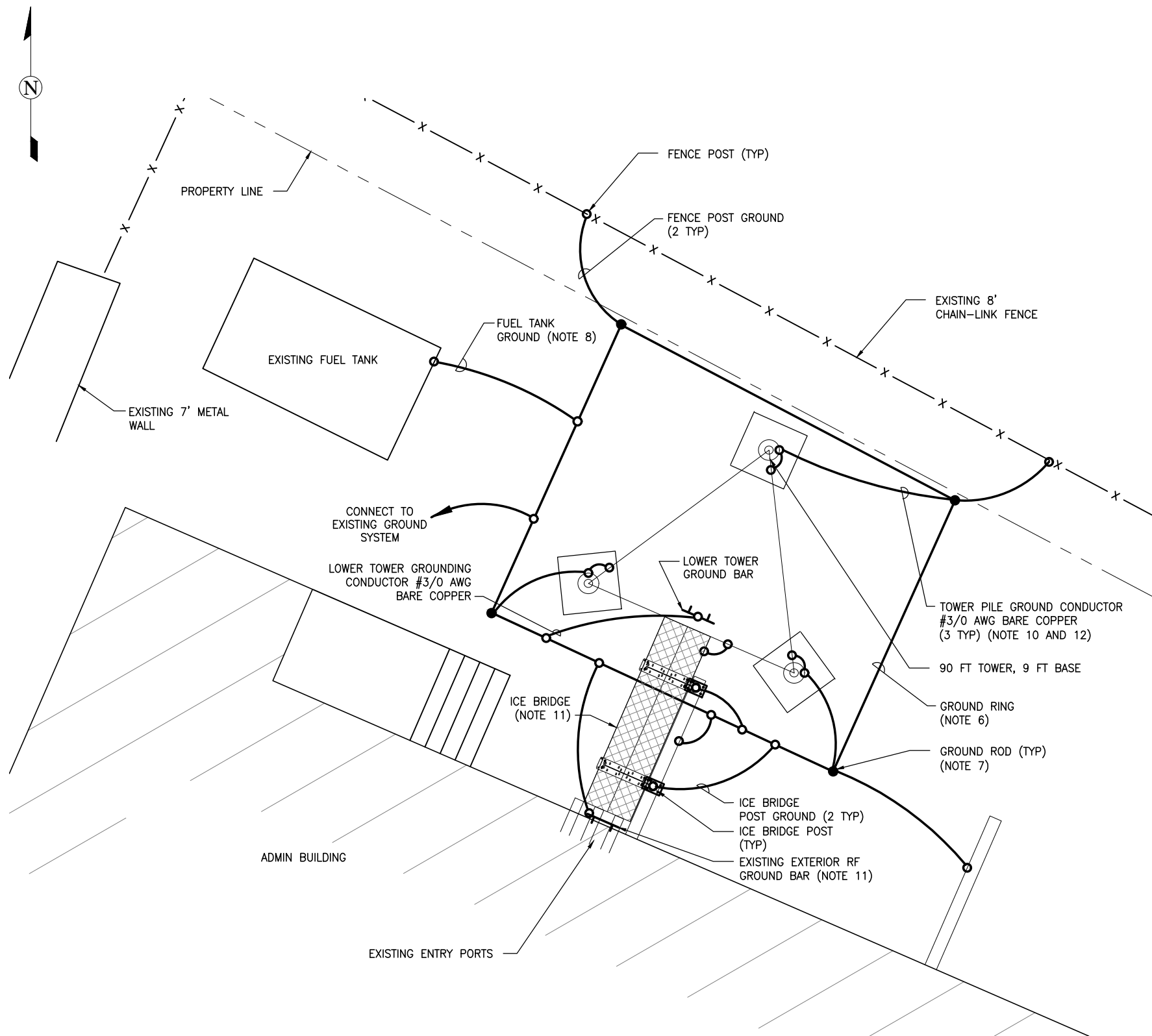
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BETHEL POLICE
COMMUNICATIONS
TOWER

DWN:JAA	DSN: GPD	APP: GPD	REV
JOB #: 23-0147-20	DATE:240112		0

AIC
CALCULATIONS

E1.2



- NOTES:**
1. SITE LAYOUT DEVELOPED FROM DOWL SURVEY, BETHEL POLICE STATION DATED 2/5/2018.
 2. THIS SITE PLAN DOES NOT SHOW ALL EXISTING CONDITIONS.
 3. NEW ELECTRICAL WORK TO COMPLY WITH 2020 NEC.
 4. ALL CONDUCTORS TO BE #2 AWG SOLID BARE TINNED COPPER (SBTC) UNLESS OTHERWISE NOTED.
 5. ALL BELOW GRADE BONDS TO BE EXOTHERMIC WELDS. ABOVE GRADE BONDS TO BE COMPRESSION LUG CONNECTION OR EXOTHERMIC WELDS.
 6. GROUND RING TO BE #2 AWG SOLID BARE TINNED COPPER (SBTC) AND BURIED A MINIMUM OF 30" BELOW GRADE. EXOTHERMICALLY WELD GROUND RING TO GROUND RODS.
 7. GROUND RODS TO BE 3/4"x10' COPPER CLAD AND TO BE DRIVEN VERTICALLY 12" BELOW FINAL GRADE. EXOTHERMICALLY WELD GROUND RING TO GROUND RODS. GROUND RODS TO BE SPACED A MAXIMUM OF 20' APART.
 8. FUEL TANK GROUND CONDUCTOR TO BE BONDED WITH COMPRESSION LUG TO FUEL TANK. DO NOT EXOTHERMICALLY WELD TO TANK
 9. ALL EXPOSED CONDUCTORS BETWEEN GRADE AND 6' ABOVE GRADE TO BE PROTECTED FROM DAMAGE WITH NON METALLIC LIQUID TIGHT.
 10. CONNECT THE TOWER PILE GROUND CONDUCTORS TO TOWER PILES BY EXOTHERMIC WELDS.
 11. ICE BRIDGE SHALL NOT BE ELECTRICALLY BONDED TO SHELTER OR EXTERIOR RF GROUND BAR.
 12. TOWER PILE GROUND CONDUCTORS TO BE BONDED DIRECTLY TO GROUND ROD.
 13. TOWER GROUND BARS TO BE ELECTRICALLY BONDED TO TOWER.

- LEGEND:**
- 3/4"x10' COPPER CLAD GROUND ROD EXOTHERMICALLY WELDED TO GROUND RING
 - EXOTHERMIC WELD OR COMPRESSION LUG (NOTE 5)
 - GROUND BAR

1
E2.0

GROUNDING PLAN
SCALE: 1"=5'



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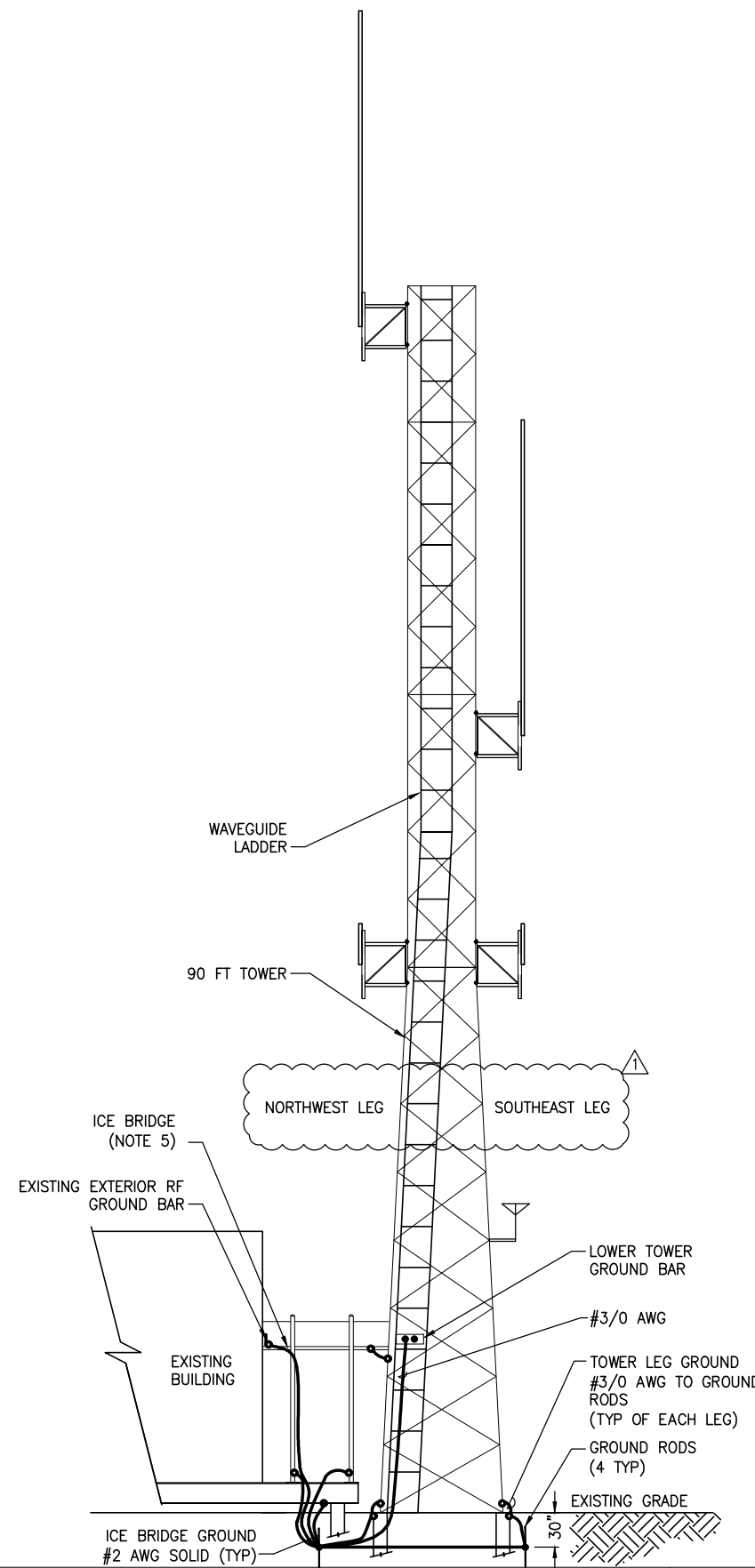
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**BETHEL POLICE
COMMUNICATIONS
TOWER**

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JOB #: 23-0147-20	DATE: 240112		

**TOWER GROUNDING
TOWER PLAN**

E2.0



- NOTES:
1. NEW ELECTRICAL WORK TO COMPLY WITH 2020 NEC.
 2. ALL CONDUCTORS TO BE COPPER.
 3. ANTENNAS TO BE BONDED TO TOWER WITH MECHANICAL CONNECTION.
 4. ALL EXPOSED CONDUCTORS BETWEEN GRADE AND 6' ABOVE GRADE TO BE PROTECTED FROM DAMAGE WITH NON METALLIC LIQUID TIGHT.
 5. ICE BRIDGE SHALL NOT BE ELECTRICALLY BONDED TO BUILDING OR EXTERIOR RF GROUND BAR.
 6. SEE E2.0 FOR ADDITIONAL GROUNDING INFORMATION.
 7. ONLY NORTHWEST AND SOUTHEAST LEG SHOWN FOR CLARITY.
 8. SEE C2.0 FOR ANTENNA PLACEMENT ON THE TOWER.

1
E2.1 TOWER ELEVATION
SCALE: NTS



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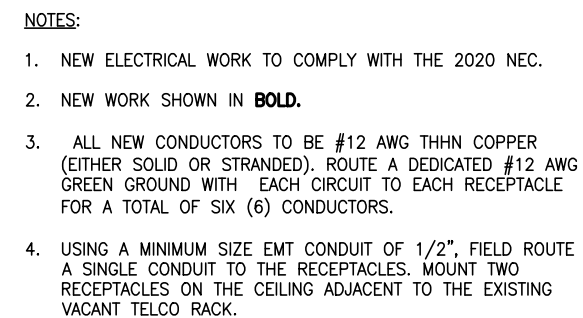
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1	UPDATED PER IFC COMMENTS	240214

BETHEL POLICE COMMUNICATIONS TOWER

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ELECTRICAL GROUNDING TOWER ELEVATION
E2.1

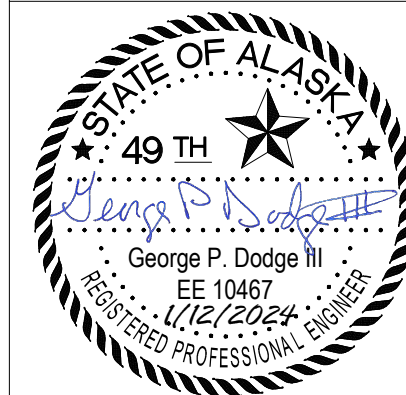


 L5-20R LOCKING RECEPTACLE



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ELECTRICAL AC PLAN

E3.0

1
E3.0 **ELECTRICAL AC PLAN**
SCALE: 1/4" = 1'-0"



January 2, 2018
W.O. 1529.50117.01
Report No. 5939

Mr. Peter Williams
City of Bethel
PO Box 1388
Bethel, AK 99559

Subject: Subsurface Exploration and Foundation Recommendations
Police Station Communication Tower, Bethel, Alaska

Dear Mr. Williams:

This letter presents the results of our subsurface exploration and foundation recommendations for the planned police station communication tower in Bethel, Alaska. This report includes the log of one test boring drilled during the current exploration, the results of laboratory tests, and recommendations regarding foundation design and construction considerations.

INTRODUCTION

The City of Bethel (City) remodeled an existing structure off Salmonberry Road in 2014 and the police department was relocated to it. The current police communication system is housed at the local radio station, and the police radio antennas are attached to the radio station's tower. The City plans to construct a new communication tower at the new police station so the communication system is on-site. The project location is shown on Figure A-1 in Appendix A.

On November 9, 2017 DOWL and New Horizons Telecom, Inc. visited the site and prepared recommendations for the proposed tower. Based on these findings, a 90-foot tall, self-supporting, 3-legged tower was recommended. A driven pile foundation was also recommended; however, subsurface information and geotechnical recommendations are needed for the final foundation design. Base reactions for the proposed tower are factored loads (1.6) of 125 kips compression, 114 kips uplift, and 11.05 kips shear for individual legs.

Scope of Work. DOWL submitted a proposal for the pre-construction design services on November 17, 2017. The geotechnical engineering phase of the project consists of drilling, soil sampling, laboratory testing, and documentation of geotechnical recommendations. In brief, the geotechnical scope of work included:

- Drilling one test boring to a depth of 80 feet at the proposed tower location,
- Collecting subsurface temperatures using Temperature Acquisition Cables,
- Performing laboratory soils testing, and
- Providing a letter report describing the subsurface investigation and laboratory data, recommendations regarding design parameters for the tower foundation, and recommendations for associated construction earthwork, inspection and testing.

FIELD EXPLORATION AND LABORATORY TESTING

Field Exploration. The field exploration was conducted on December 6, 2017. One test boring was drilled, sampled, and logged to a depth of 80 feet. The test boring was located in the field using swing-tie measurements from existing structures, and its location is only as accurate as the method implies. The test boring location is shown on Figure A-2 in Appendix A.

The test boring was drilled using a GeoProbe 6620DT track-mounted drill rig fitted with continuous-flight, hollow-stem auger. The rig is owned and operated by GeoTek Alaska, Inc. of Anchorage, Alaska. The drilling was supervised and the samples logged by an engineer with our firm.

Soil samples were obtained at 2.5-foot intervals to a depth of 10 feet, at 5-foot intervals to 50 feet, and every 10 feet thereafter, using a standard split-spoon sampler. The Standard Penetration Test (SPT) was performed in the test boring by driving a 2-inch outside-diameter, split-spoon sampler a distance of 18 inches ahead of the auger with a 140-pound hammer falling 30 inches in general accordance with ASTM Standard Test Method for Standard Penetration Test and Split-Barrel Sampling of Soils (D1586). The standard penetration resistance (N) value shown on the test boring log (blows/foot) indicates the number of blows required to drive the sampler the last 12 inches. These values are an indication of the relative density or consistency of the subsoil. N-values in frozen soils are highly influenced by ice content and ground temperature, and may be much higher than when thawed. The N-values shown on the log are raw data from the field and have not been adjusted for sampling equipment type or overburden pressure.

Brass liners were used to obtain samples of frozen soil. The brass liner is placed inside the split-spoon sampler and it allows for a sample of frozen soil to be collected, and returned intact to the lab for thaw consolidation testing.

Soil samples recovered during drilling were visual-manually classified in the field, in general accordance with ASTM D2488, and sealed in plastic bags to preserve their natural water content. The samples were transported to DOWL's Anchorage laboratory for further testing.

A sealed one-inch PVC standpipe was installed in the test boring to allow subsurface temperature measurements. Temperature measurements were taken on December 7, 2017 prior to leaving Bethel, and the results are included on the test boring log.

Laboratory Testing. Laboratory tests were performed on selected samples to measure soil index properties, which provide a basis for estimating engineering properties. Soil testing included moisture content, grain size analyses, and thaw consolidation. Soil samples will be stored until March 2018, after which time they will be discarded unless other arrangements are made.

Moisture Content. The moisture content of all recovered samples was determined in accordance with ASTM D2216, except, due to limited sample sizes, some tests may have been performed on samples smaller than the minimum test size required by the standard. The water contents are reported on the graphic test boring log in Appendix B.

Particle Size Distribution Tests. Two particle-size distribution tests were performed in accordance with ASTM D6913. This test consists of mechanical sieving. The results are included on the graphic test boring log, and are presented graphically in Appendix C.

Frost Classification. One gradation sample was further testing for its frost classification, in accordance with ASTM D422. This test classifies the distribution of particles smaller than the No. 200 sieve. The result of the test is included on the Test Boring Log in Appendix B and is reported on the Particle Size Distribution Test for that sample in Appendix C.

Thaw Consolidation. One thaw consolidation test was performed on a permafrost sample to determine the amount of settlement that occurs when the soil is thawed. The thaw consolidation test is a conventional uniaxial consolidation test performed in standard uniaxial test equipment. The frozen sample is kept in the tube and the test is performed by thawing and consolidating the soil under one constant pressure. Porous disks placed at the top and bottom of the sample allow water to drain.

SITE CONDITIONS

Bethel is located on the west bank of the Kuskokwim River, and is underlain by thick alluvial sand and discontinuous permafrost. The area around Bethel is characterized by tundra and grasses, with occasional stands of willow and alder. The proposed tower will be constructed between the police station building and a chain link fence along the northern property line (Figure A-2).

The soil descriptions and stratigraphy contained herein and the classifications shown on the test boring log are the engineer's interpretation of the field log and the results of the laboratory soil testing. The largest particle size that can be recovered with a standard drill hole sampler is often smaller than the maximum particle size in a gravelly soil deposit. Therefore, the soil descriptions and test results for gravelly soils tend to be biased toward the finer particle sizes. Refer to the Test Boring Log - Descriptive Guide in Appendix B immediately following the test boring log for a more detailed presentation on sample sizes, sample quality, frost classifications, soil types, and the soil classification procedures.

Subsurface Conditions. The subsurface soils at the site are composed of very fine to fine grained sand with silt. Fill material in Bethel can be very difficult, or impossible, to distinguish from native material.

This subsurface exploration was conducted during early winter and several inches of snow covered the ground surface, limiting observations of the site surface conditions. Daytime and nighttime temperatures were below freezing. A frozen active layer was observed to about 2 feet of depth and permafrost was encountered at about 25 feet below the ground surface.

Silty Sand. The soils observed in the boring are comprised of silty sand (SM). The silt content varies from about 20 to 40 percent, with lower silt content in the upper approximately 13 feet. Where thawed, the sand is loose to medium dense, with uncorrected blow counts between 7 and 25 and an average blow count of 8. Where frozen below 25 feet, blow counts ranged from 45 to 73. Moisture contents above the water table were between 5 and 13 percent, and were 23 to 26 percent below the water table, including the permafrost samples.

Groundwater. Groundwater was observed at about 10 feet below the ground surface.

Permafrost. Permafrost was encountered at about 25 feet of depth, well below the active layer, and extended to the termination depth of the boring. The permafrost is very warm with an average temperature of 31.8 to 31.9 degrees Fahrenheit.

A sealed 1-inch PVC pipe was installed in the bore hole after drilling and before the auger was removed. The following day, a 40-foot long Temperature Acquisition Cable (TAC) with thermistor nodes at two-foot intervals was lowered into the pipe and the soil temperatures were recorded. Temperature readings are presented on the test boring log in Appendix B.

ENGINEERING ANALYSIS & RECOMMENDATIONS

The following sections discuss the observed conditions, our interpretation of the data, and our recommended foundation design for the proposed communication tower. These recommendations are based on professional judgment and experience and the data collected during the site exploration and soil laboratory tests. These recommendations generally are not the only design options available; there may be several acceptable alternatives. These recommendations are not intended to represent the only way, but rather to indicate one appropriate option based on the information available.

Foundation

The thaw consolidation test indicated total consolidation of 0.9%. Visible ice crystals or lenses were not observed during drilling. Frozen moisture contents were similar or less than the thawed saturated sand moisture contents. Based on this information, it is our opinion that the soil is relatively thaw stable and ice poor. Temperatures acquired after drilling indicated an average ground temperature of 31.8 to 31.9°F which is too warm to rely on adfreeze bond strength. Climate predictions by the Scenarios Network for Alaska and Arctic Planning (SNAP) indicate significant warming trends to continue, Figure 1 Monthly Average Temperatures for Bethel, Alaska.

Based on these assumptions, the foundation has been designed assuming the permafrost adfreeze bond is unreliable, passive freezing options are not viable due to proximity to the existing building, and the permafrost is in a relatively unpredictable state of thaw.

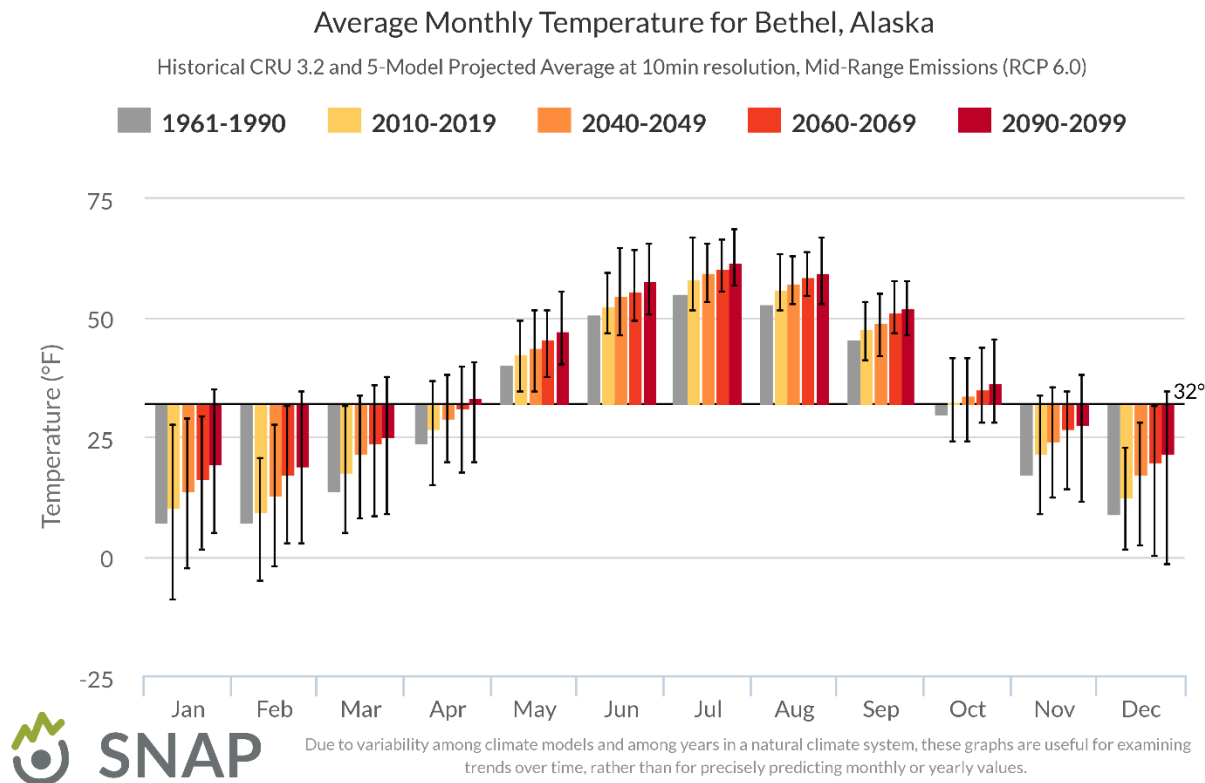


Figure 1: SNAP Monthly Average Temperatures

Driven Piles. A driven pipe pile located at each tower leg is recommended. The piles should be driven with an appropriately sized impact hammer or with a large vibratory hammer, and seated with an impact hammer. The piles should be driven open-ended with hardened driving shoes that are flush to the outside. Being that the piles will be driven into permafrost, pre-drilling may be necessary at depth or installed during the winter. Pre-drilled holes should be a maximum of four inches smaller than the diameter of the pipe and a maximum of three feet less than the driven depth of the pipe.

The following table presents the estimated ultimate axial capacities of a single pipe pile. A factor of safety of 2 has been applied assuming they represent short-term dynamic loading because of thawing ground conditions. Settlement, or uplift, of one-quarter inch to one-half inch should be anticipated for individual piles loaded to the working load. Settlement of the pile foundation should occur essentially simultaneously with the load application.

Table 1: Ultimate Pile Capacities

Pipe Pile Diameter (inch)	Wall Thickness (inch)	Minimum Embedment Depth (feet)	Ultimate Axial Compression Capacity (kips)	Ultimate Axial Uplift Capacity (kips)
24	0.5	67	304	143
30	0.5	56	312	142

Piles should be installed to the recommended minimum embedment depth. Establishing depth based on driving resistance is not recommended as these capacities do not represent long-term pile capacities in frozen ground.

Helical piles. Helical piles are a feasible alternative and may be a desirable option because they can be embedded fully within the thawed soils above the permafrost. A single helical pile at each tower leg is not able to resist the uplift forces, so a group of helical piles will be required. Helical piles may be battered to resist lateral loads. Helical piles may be sized according to the following table:

Table 2: Helical Pile Ultimate Capacities

Embedment Depth (ft)	Shaft Diameter (in)	Helix diameters (in)	Ultimate Capacity (lb)	Minimum Top Helix Depth (feet)	Minimum Required Torque (ft-lb)
15	3.5	14-12-10	35,200	13	4,400
25	3.5	14-12-10	46,600	13	6,000
25	3.5	14-14-14	63,750	13	8,500
25	3.5	16-16-16	84,600	13	11,300

Helices should be spaced 3 times the diameter of the lower helix, and the spacing should be at even multiples of the helix pitch to minimize soil disturbance. If the minimum torque is difficult to obtain in thawed soil at the minimum depth, larger helices can be used if available. The minimum embedment depth of 13 feet exceeds the maximum frost depth for this soil profile using Berg2. Exceeding the minimum torque should be anticipated before minimum embedment.

The helical piles should be installed according to the manufacturer recommendations. The maximum torque rating for the selected shaft shall not be exceeded, otherwise a pilot hole is necessary. They should be screwed into the soil surface without augering (i.e. no cuttings should be pulled out), as augering may reduce the capacity of the helical piles. The advance rate of the piles during installation should be equal to the pitch of the helix for each rotation, to minimize ground disturbance. Installation torque should be measured as the piles are installed.

If winter construction is planned, the surface frost may increase the torque needed to install the piles so much that the piles cannot be screwed in without damage. To prevent this, a pilot hole may be used to assist installation. A qualified inspector should be present during installation to observe the installation methods and record torque per foot of embedment, rate of embedment and embedment depth.

Seismic Design Criteria

Site characterization in accordance with ASCE 7-10 Site Class Definitions are based on the average properties in the top 100 feet of the soil column. The standard penetration resistance or N-value can be correlated to the soil shear wave velocity which defines the classification from A to F, for further details please refer to ASCE 7-10. With frozen soil at 25 feet, the average N-value exceeds 50. The subject site was explored to a depth of 80 feet, however, it is anticipated deeper soils remain frozen and will maintain a high soil shear wave velocity. Based on these parameters, the seismic site class C is an appropriate classification. For mapped acceleration parameters please see the USGS Design Map Summary Report in Appendix A.

Liquefaction. Liquefaction is the partial or total loss of strength of soils that can occur during strong earthquake shaking of significant duration. Earthquake-induced liquefaction generally occurs only under particular conditions, including high groundwater table, strong earthquake ground shaking of long duration, and loose uniform sands. Typically, liquefaction occurs where the groundwater table is shallow (5 to 10 feet deep) and generally only at depths less than about 50 feet.

Based on N-values observed in the thawed soil and using the simplified method (Youd et al 2001) for this site, the risk of liquefaction is considered to be low.

LIMITATIONS

This report was prepared for the City of Bethel, for the planned police station communication tower in Bethel, Alaska. Changes to the design, layout, or location of the tower should be provided to the project geotechnical engineer for review. Significant changes may alter the conclusions and recommendations presented in this report.

This geotechnical investigation only gives a small view of the subsurface conditions on the site, and variations may exist that were not encountered during the investigation. If unexpected soil conditions are encountered during construction or the tower isn't performing within tolerance, it is important to communicate these conditions with the project geotechnical engineer and to evaluate if the conditions may influence the conclusions and recommendations in this report. No warranty is expressed or implied by this report. The geotechnical field program and recommendations followed the standard of care expected of professionals performing similar work in the State of Alaska.

If you have any questions regarding this report or its use, or if we may provide additional services, please contact us.

Sincerely,
DOWL



Jillian Nicolazzo, E.I.
Field Geotechnical Engineer

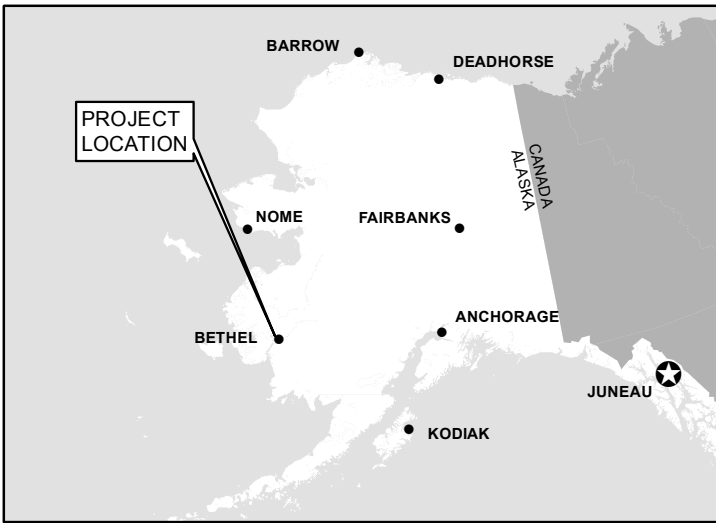


Jeremiah E. Holland, P.E.
Senior Geotechnical Engineer



Attachment(s): As stated

- Appendix A: Vicinity and Test Boring Location Maps and USGS Summary Report
- Appendix B: Test Boring Log and Descriptive Guide
- Appendix C: Laboratory Testing Results

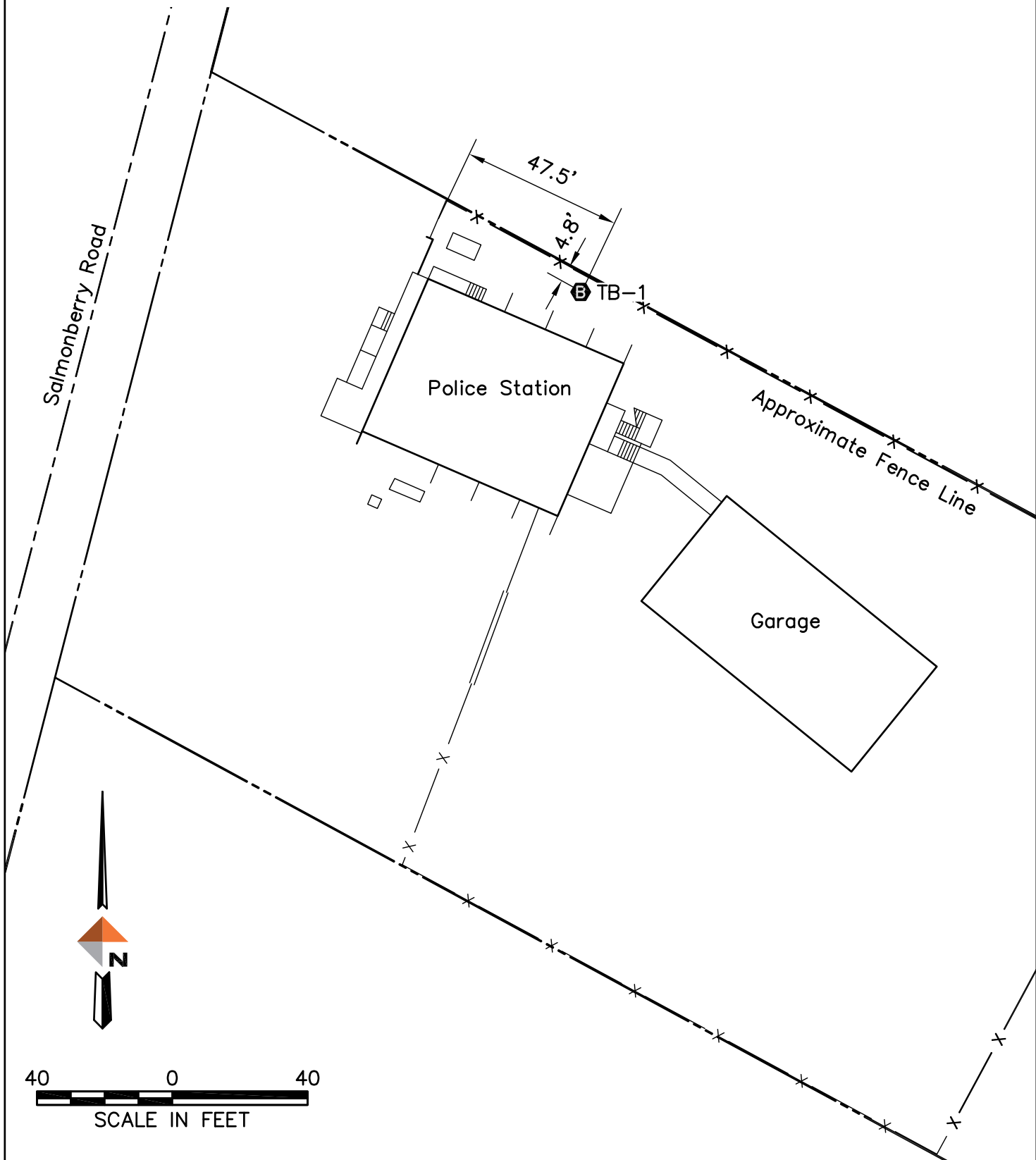


VICINITY MAP
Police Station Communication Tower
Bethel, Alaska

PROJECT	1529.50117.01
DATE	Dec 18, 2017
FIGURE A-1	

LEGEND

TB-1 APPROXIMATE TEST BORING LOCATION

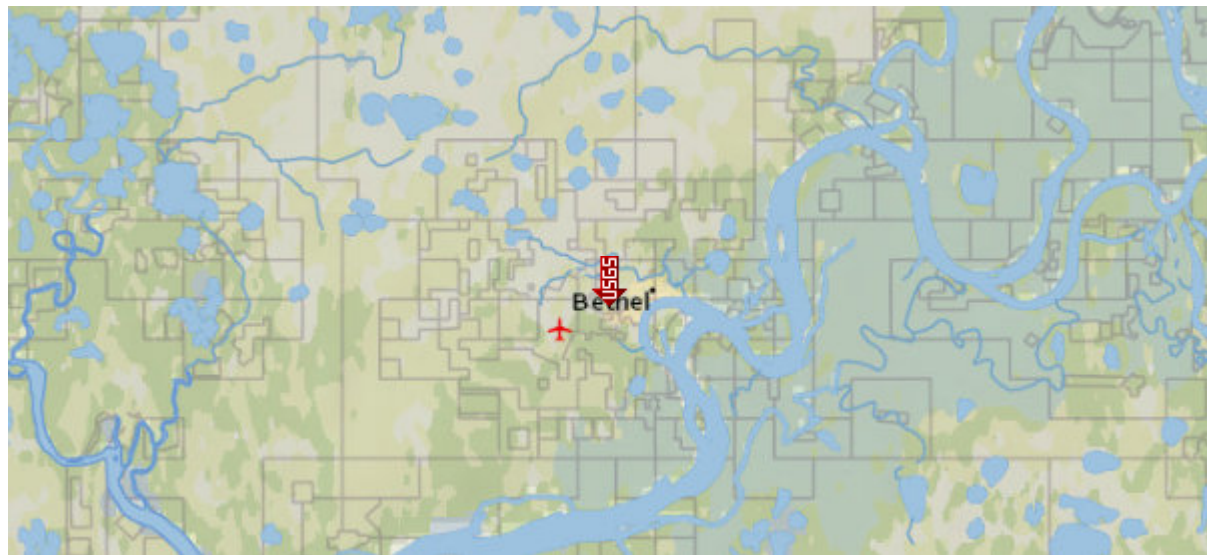


	TEST BORING LOCATION MAP Police Station Communication Tower Bethel, Alaska		PROJECT 1529.50117.01
			DATE Dec 15, 2017
	FIGURE # A-2		

 Design Maps Summary Report

User–Specified Input

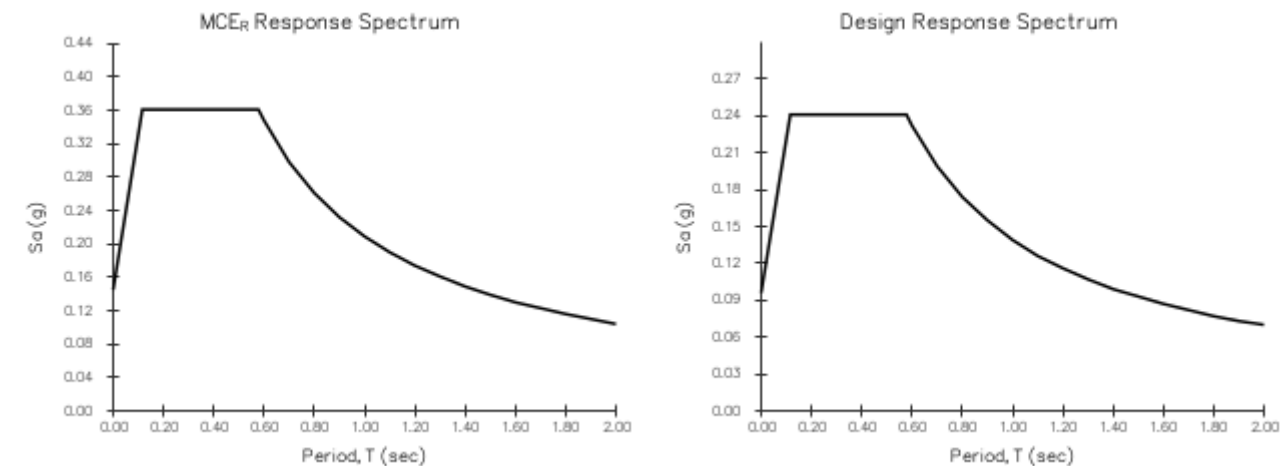
Report Title	Bethel Communications Tower
	Fri December 22, 2017 20:25:17 UTC
Building Code Reference Document	ASCE 7-10 Standard
	(which utilizes USGS hazard data available in 2008)
Site Coordinates	60.79662°N, 161.80132°W
Site Soil Classification	Site Class C – “Very Dense Soil and Soft Rock”
Risk Category	I/II/III



USGS–Provided Output

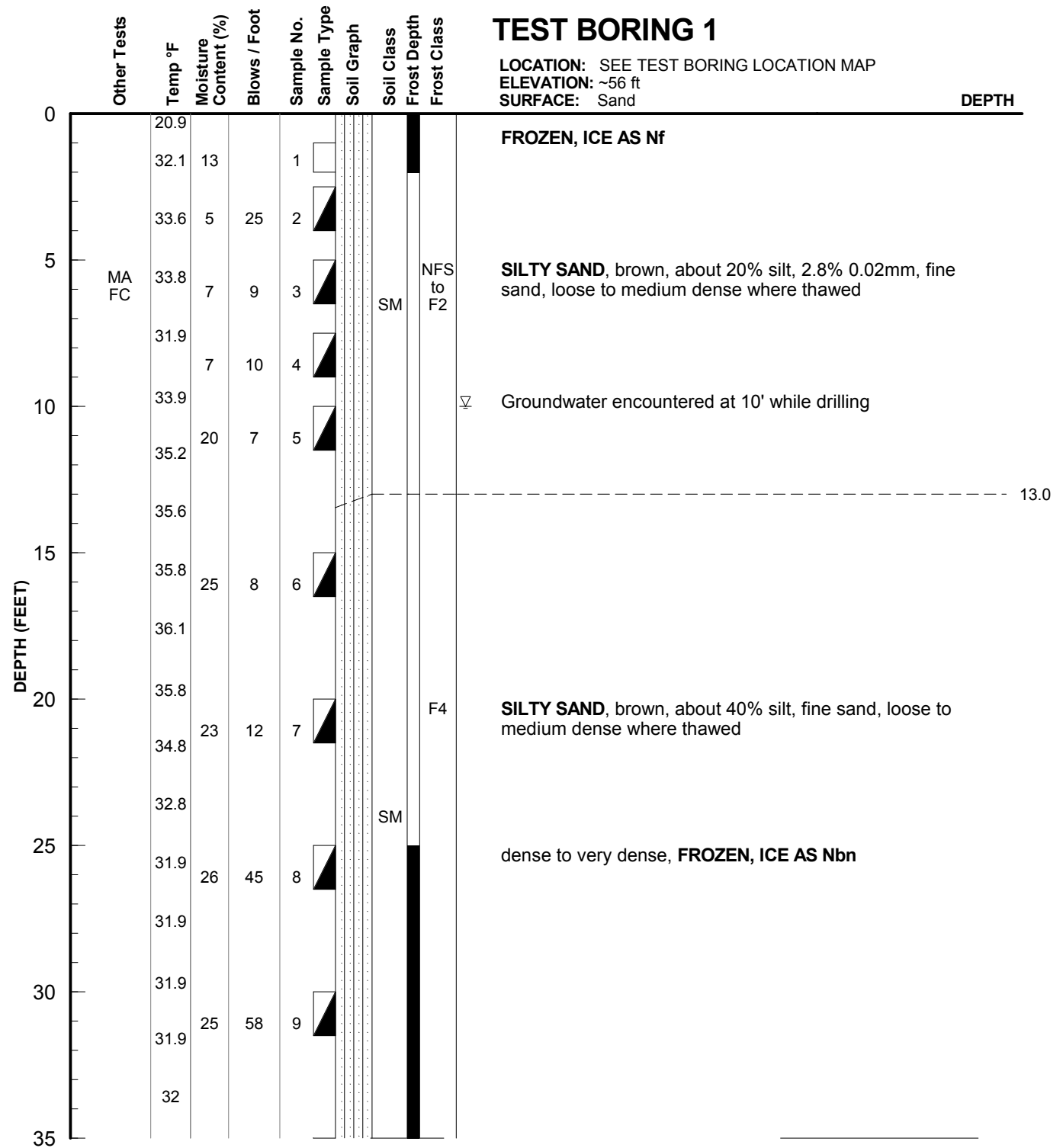
$S_s = 0.301\text{ g}$	$S_{MS} = 0.361\text{ g}$	$S_{DS} = 0.241\text{ g}$
$S_1 = 0.125\text{ g}$	$S_{M1} = 0.209\text{ g}$	$S_{D1} = 0.139\text{ g}$

For information on how the S_s and S_1 values above have been calculated from probabilistic (risk-targeted) and deterministic ground motions in the direction of maximum horizontal response, please return to the application and select the “2009 NEHRP” building code reference document.



For PGA_M , T_L , C_{RS} , and C_{R1} values, please [view the detailed report](#).

Although this information is a product of the U.S. Geological Survey, we provide no warranty, expressed or implied, as to the accuracy of the data contained therein. This tool is not a substitute for technical subject-matter knowledge.

**KEY**

MA = Mechanical Analysis

FC = Frost Classification

wt = Unit Weight

TD = Total Depth

Thaw Consol = Thaw Consolidation

□ = Grab Sample

▀ = SPT Sample

⊞ = Shelby Tube - pushed

⊞ = Direct Push Sample

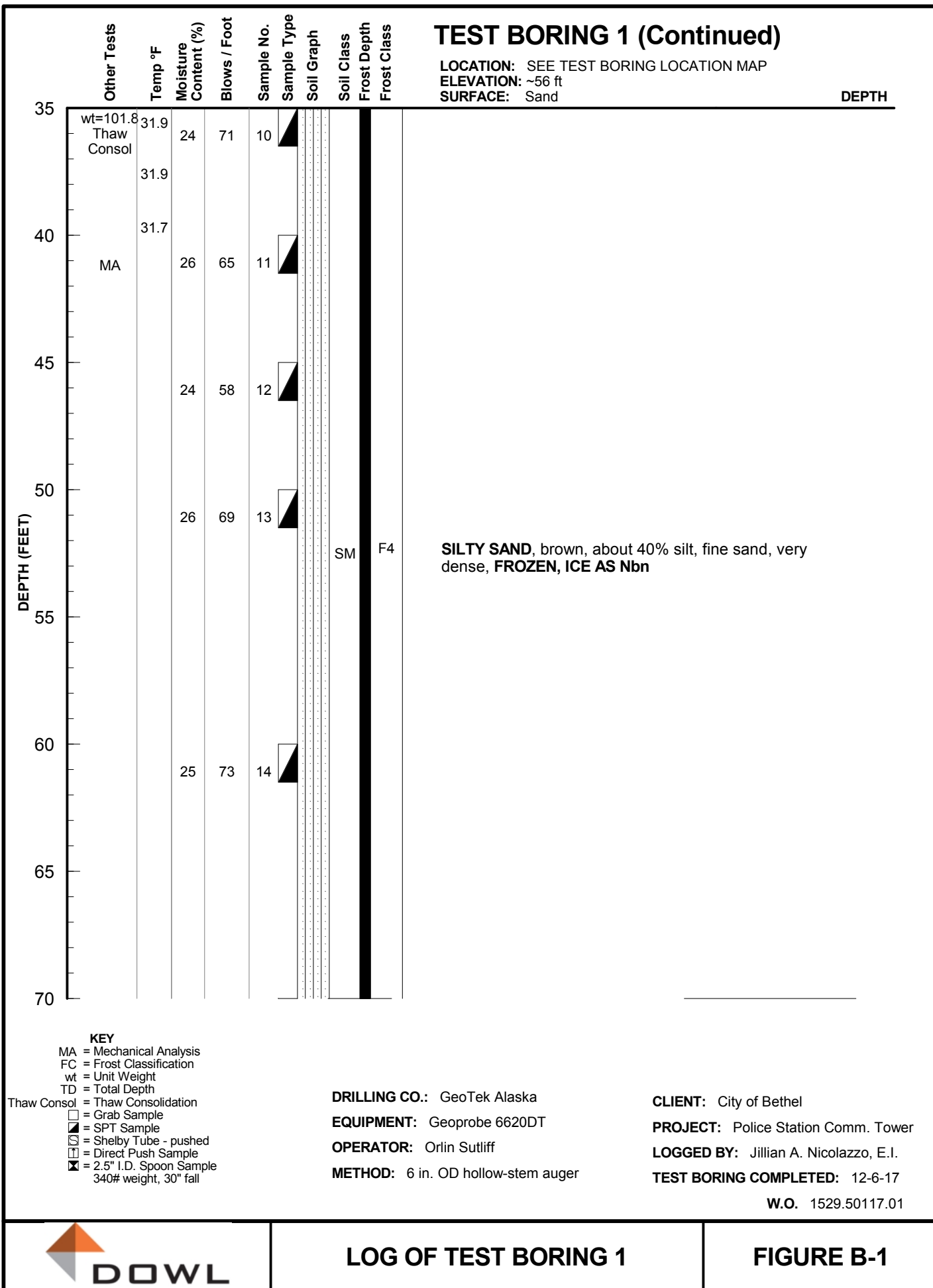
⊞ = 2.5" I.D. Spoon Sample

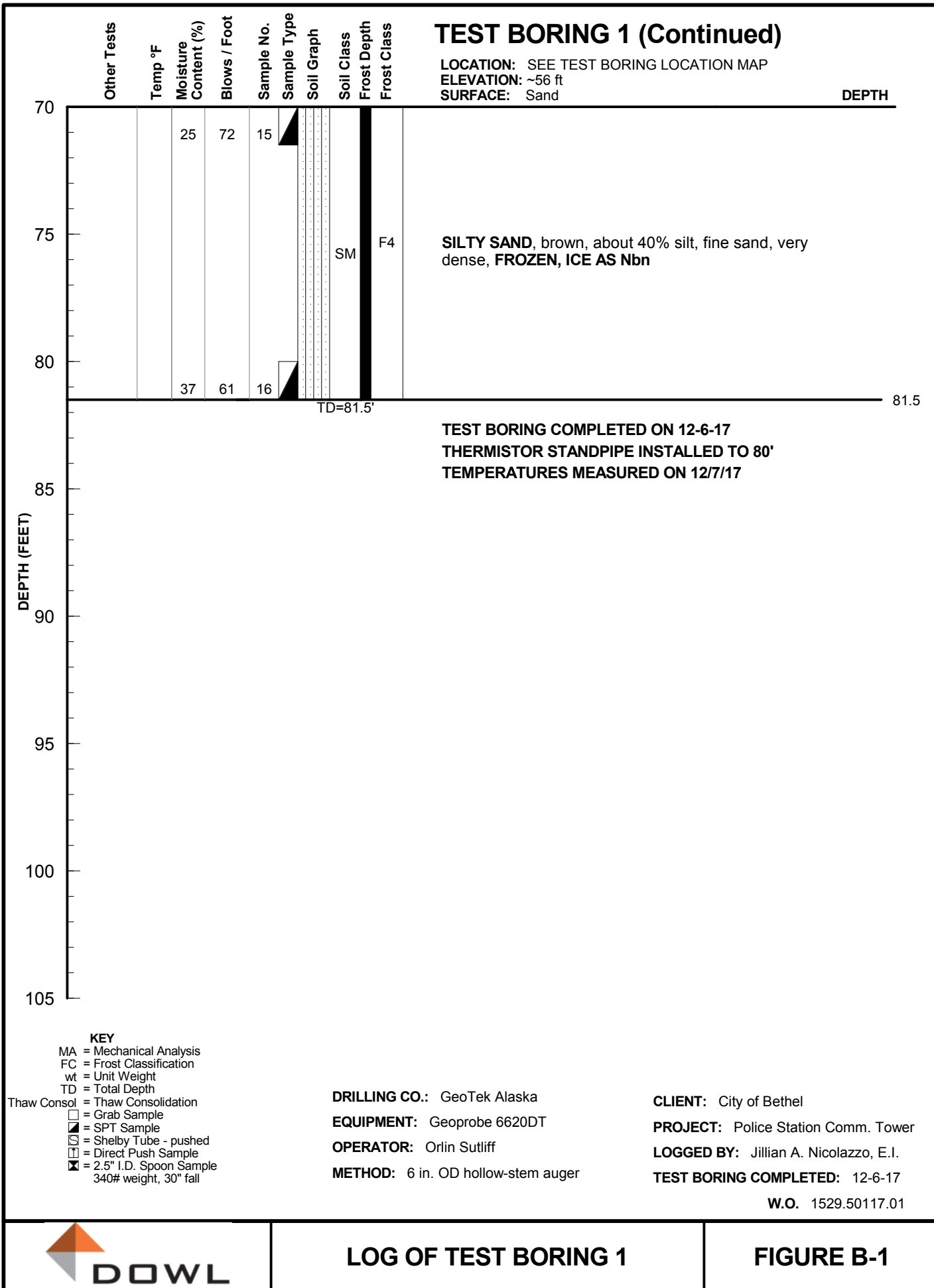
340# weight, 30" fall

DRILLING CO.: GeoTek Alaska**EQUIPMENT:** Geoprobe 6620DT**OPERATOR:** Orlin Sutliff**METHOD:** 6 in. OD hollow-stem auger**CLIENT:** City of Bethel**PROJECT:** Police Station Comm. Tower**LOGGED BY:** Jillian A. Nicolazzo, E.I.**TEST BORING COMPLETED:** 12-6-17

W.O. 1529.50117.01

**LOG OF TEST BORING 1****FIGURE B-1**





TEST BORING LOG – DESCRIPTIVE GUIDE

Soil Descriptions – The soil classified visually in the field based on drill action, auger cuttings, and sample information. The recovered soil samples are classified visually again in the laboratory. The soil description on the on the boring log is based on an interpretation of the field and laboratory visual classifications, along with the results of the laboratory testing which may have been performed.

The **soil classification** is based on ASTM Designation D2487 “Standard Test method for Classification of Soils for Engineering Purposes” and ASTM D 2488 “Standard Practice for Description and Identification of Soils (Visual – Manual Procedure)”. The **soil frost classification** is based on the system developed by the U.S. Army Corps of Engineers and is performed in accordance with the Departments of the Army and Air Force Publication TM 5-822-5 “Pavement Design for Roads, Streets, Walks, and Open Storage Areas”. Outlines of these classification procedures are presented on the following pages.

The soil color is the subjective interpretation of the individual logging the test boring.

Plasticity Indices - The plasticity of the minus No. 40 fraction of the soil is described and the fine-grained soils are identified from manual tests using the following tables as a guide:

Soil Symbol	Dry Strength	Dilatancy	Toughness
ML	none to low	slow to rapid	low or thread cannot be formed
CL	medium to high	none to slow	medium
MH	low to medium	none to slow	low to medium
CH	high to very high	none	high

Plasticity Description	Criteria
Non Plastic	A 1/8" (3.2mm) thread cannot be rolled at any water content
Low	A thread can barely be rolled and the lump cannot be formed when drier than the plastic limit
Medium	The thread is easy to roll and not much time is required to reach the plastic limit. The thread cannot be rerolled after reaching the plastic limit. The lump crumbles when drier than the plastic limit.
High	It takes considerable time rolling and kneading to reach the plastic limit. The thread can be rerolled several times after reaching the plastic limit. The lump can be formed without crumbling when drier than the plastic limit.

Laboratory Atterberg Limits tests are usually performed on a few of the plastic soils and results are reported on the test boring log. These laboratory tests are performed in accordance with ASTM D4318 “Standard Test Method for Liquid Limit, Plastic Limit, and Plasticity Index of Soils.”

Gravel Shape – The shape of the gravel particles is described based on this guide:

Angular: Particles have sharp edges and relatively plane sides with unpolished surfaces.
Subangular: Particles are similar to angular but have somewhat rounded edges.
Subrounded: Particles exhibit nearly plane sides but have well-rounded corners and edges.
Rounded: Particles have smoothly curved sides and no edges.

Material Size – The maximum nominal size of gravel and predominate percentage of sand particles are described using the following table:

Description	Gravel	Sand
Coarse	Passes 3" (75 mm) sieve, retained on ¾" (19 mm) sieve)	Passes No. 4 sieve, retained on No. 10 sieve
Medium	N/A	Passes No. 10 sieve, retained on No. 40 sieve
Fine	Passes ¾" (19 mm) sieve, retained on No. 4 sieve	Passes No. 40 sieve, retained on No. 200 sieve

Soil Moisture – The soils moisture is described as:

Dry: Powdery, dusty, no visible moisture
 Moist: Enough moisture to affect the color of the soil; damp
 Moist to Wet: Water in pores but not dripping; capillary zone above water table
 Wet: Dripping wet, contains significant free water, or sampled below water table

Field Density Estimates – The subject estimate of the density of coarse-grained soils is based on the observed drill action and on drive sample data. The guide below is used with the Standard Penetration Test (SPT) for sands with minor amounts of fine gravel; however blow counts can be affected strongly by gravel content, thermal state, drilling procedures, condition of equipment, and performance of the test.

Standard Penetration Resistance N (blows/foot)	Relative Soil Density
0 - 4	Very loose
5 - 10	Loose
11 - 30	Medium dense
31 - 50	Dense
More than 50	Very Dense

An estimate of the consistency of fine-grained soils is based on the observed drill action and on drive sample data. The guide below is used:

Standard Penetration Resistance N (blows/foot)	Relative Soil Density
0 - 2	Very soft
3 - 4	Soft
5 - 8	Firm
9 - 15	Stiff
16 - 30	Very Stiff
More than 30	Hard

Soil Layer Boundaries – Generally, there is a gradual transition from one soil type to another in a natural soil deposit, and it is difficult to determine accurately the boundaries of the soil layers.

- A *solid diagonal line* between soil layers on the graphic boring log indicates the general region of transition from one soil layer to another.
- A *dashed diagonal line* indicates the soil boundary was detected only by a change in the recovered samples and the actual boundary may be anywhere between the indicated sample depths.
- A soil *horizontal line* between soil layers indicates a relatively distinct transition between soil types was observed in the recovered samples and/or by a distinct change in drill action

Sample Interval – The sample interval is shown graphically on the test boring log and generally is accurate to about 0.5-foot.

Frost Depth and Soil Temperatures – If frozen ground is encountered during drilling, the interval of frozen soil is shown graphically on the test boring log. Generally, the temperature of a few soil samples is measured and shown on the boring log. These sample temperatures only give a qualitative indication of in situ soil temperatures. The temperature of samples can be influenced significantly by ambient air temperature and friction during drilling and sampling. Greater confidence is given to temperatures obtained through thermistors installations.

Soil Moisture Content - Generally, laboratory soil moisture content tests are performed on all recovered samples. Only about 30 grams of minus No.4 material is typically used for the moisture content test, so results reported on the log may not reflect accurately the *in situ* moisture content of gravelly soils.

Soil Density/Unit Weight – The soil density shown on the test boring logs generally is determined by measuring the wet weight, moisture content, and physical dimensions of relatively undisturbed specimens.

Groundwater – The depth to groundwater observed during drilling is generally shown on the test boring log. Alternatively, depth to groundwater can be measured in a perforated PVC pipe installed in the boring to monitor groundwater level. Differences can occur between depth to groundwater during drilling and those measured after drilling due to the time needed to equalize the groundwater elevation during and after drilling.

Penetration Resistance, N – Standard Penetration Tests (SPT) are performed in accordance with ASTM Designation D186 “Standard Method for Penetration Test and Split- Barrel Sampling of Soils”. A Modified Penetration Test (MPT) using a 2.5-inch inside-diameter split spoon driven with a 340-pound hammer falling 30 inches is performed to obtain larger samples, particularly in gravelly soils. The boring log key describes the graphic symbols used to differentiate between sample types.

Undisturbed Samples – Undisturbed Shelby tube samples are obtained in accordance with ASTM D1587, “Standard Practice for Thin-Walled Tube Sampling of Soils.” Generally, 3-inch outside-diameter Shelby tubes are used.

Grab Samples – Grab samples are obtained from the auger flights. The sample depth and interval indicated on the test boring log should be considered a rough approximation. The grab samples may not be representative of in situ soils, particularly in layer soil deposits.

CLASSIFICATION OF SOILS FOR ENGINEERING PURPOSES

ASTM DESIGNATION: D2487

Based on the Unified Soil Classification System (USCS)

Based on the Unified Soil Classification System (USCS)				USCS Soil Classification		
Criteria for Assigning Group Symbols and Group Names Using Laboratory Tests ^A				Group Symbol	Group Name ^B	
Coarse-Grained Soils	Gravels	Clean Gravels	$Cu \geq 4$ and $1 \geq Cc \leq 3^E$	GW	Well-graded gravel	
		Less than 5% fines ^C	$Cu < 4$ and/or $1 \leq Cc \leq 3^E$	GP	Poorly graded gravel	
	More than 50% of coarse fraction retained on #4 sieve	Gravel with Fines	Fines classify as ML or MH	GM	Silty gravel ^{F,G,H}	
		More than 12% fines ^C	Fines classify as CL or CH	GC	Clayey gravel ^{F,G,H}	
	More than 50% retained on #200 sieve	Sands	Clean Sands	$Cu \geq 6$ and $1 \geq Cc \leq 3^E$	SW	Well-graded sand ^I
			Less than 5% fines ^D	$Cu \geq 6$ and/or $1 \leq Cc \leq 3^E$	SP	Poorly graded sand ^I
		50% or more of coarse fraction passes #4 sieve	Sands with Fines	Fines classify as ML or MH	SM	Silty sand ^{G,H,I}
			More than 12% fines ^D	Fines classify as CL or CH	SC	Clayey sand ^{G,H,I}
Fine-Grained Soils	Silts and Clays	Inorganic	$PI > 7$ and plots on or above "A" line _J	CL	Lean clay ^{K,L,M}	
			$PI < 4$ and plots on or above "A" line _J	ML	Silt ^{K,L,M}	
	Liquid limit less than 50	Organic	Liquid limit - oven dried < 0.75	OL	Organic clay ^{K,L,M,N}	
			Liquid limit - not dried	OL	Organic silt ^{K,L,M,O}	
	50% or more passes the #200 sieve	Silt and Clays	Inorganic	PI plots on or above "A" line	CH	Fat clay ^{K,L,M}
				PI plots below "A" line	MH	Elastic silt ^{K,L,M}
		Liquid limit 50 or more	Organic	Liquid limit - oven dried > 0.75	OH	Organic clay ^{K,L,M,P}
				Liquid limit - not dried	OH	Organic clay ^{K,L,M,Q}
High Organic Soils		Primarily organic matter	dark in color, and organic odor	PT	Peat	
A	Based on material passing the 3-in sieve		F	If fines classify as CL-ML, use dual symbol GC-GM, SC-SM		
B	If field sample contained cobbles or boulders, or both, add "with cobbles or boulders or both" to group name		G	If soil contains $\geq 15\%$ sand, add "with sand to group name		
C	Gravels with 5 to 12% require dual symbols:		H	If fines are organic, add " with organic fines" to group name		
	GW-GM well-graded gravel with silt		I	If soil contains $\geq 15\%$ gravel, add "with gravel" to group name		
	GW-GC well-graded gravel with clay		J	If Atterberg Limits plot in hatched area, soil is CL-ML, silty clay		
	GP GM poorly-graded gravel with silt		K	If soil contains 15 to 29% plus No. 200, add "with sand" or "with gravel", whichever is predominant.		
D	GP-GC poorly graded gravel with clay		L	If soil contains $\geq 30\%$ plus No. 200, predominantly sand, add "sandy" to group name.		
	Sands with 5 to 12% require dual symbols:		M	If soil contains $\geq 30\%$ plus No. 200, predominantly gravel, add "gravelly" to group name.		
	SW-SM well-graded sand with silt		N	$PI \geq 4$ or plots below "A" line		
	SW-SC well-graded sand with clay		O	$PI < 4$ or plots below "A" line		
E	SP-SM poorly graded sand with silt		P	PI plots on or above "A" line		
	SP-SC poorly graded sand with clay		Q	PI plots below A line		
E	$Cu = D_{60}/D_{10}$ $Cc = [(D_{30})^2/(D_{10} \times D_{60})]$					

DESCRIPTION OF FROZEN SOILS (Visual-Manual Procedure) ASTM Designation: D4083

Part I Description of Soil Phase		Classify Soil Phase by ASTM D2487 or D2488				
Part II Description of Frozen Soil	Segregated ice is not visible by eye	Group Symbol	Subgroup			Field Identification
		N	Description	Symbol		Identify by visual examination to determine presence of excess ice, use procedures under Note 2 and hand magnifying lens as necessary. For soils not fully saturated, estimate degree of ice saturation; medium, low. Note presence of crystals or ice coatings around larger particles. (Note 1)
			Poorly bonded or friable	Nf		
			No excess ice	Nb	Nbn	
	Well-bonded Excess ice	Nbe				
	Segregated ice is visible by eye (ice 1- inc or less in thickness)	V	Individual ice crystal or inclusions	Vx		For ice phase, record the following when applicable: Location, Structure, Orientation, Color, Thickness, Size, Length, Shape, Spacing, Hardness, Pattern of arrangement
			Ice coatings on particles	Vc		
			Random or irregularly oriented ice formations	Vr		
			Stratified or distinctly oriented ice formations	Vs		Estimate volume of visible segregated ice present as percentage of total sample volume. (Note 2)
			Uniformly distributed ice	Vu		
Part III Description of Substantial Ice	Ice (greater than 1-inh in thickness)	ICE	Ice with soil inclusions	ICE+Soil Type		Designate material as ICE (Note 3) and use descriptive terms as follows, usually one item from each group where applicable: <u>HARDNESS</u> : Hard, Soft (of mass, not individual crystals) <u>STRUCTURE</u> (Note 4): Clear, Cloudy, Porous, Canded, Granular, Stratified <u>COLOR</u> : Colorless, Gray, Blue <u>ADMIXTURES</u> : Contains few thin silt inclusions
			Ice without soil inclusions	ICE		

DEFINITIONS

- 1) Ice coatings on particles - discernible layers of ice found on or below larger soils particles in a frozen soil mass.
- 2) Ice Crystal - a very small individual ice particle visible in the face of a soil mass. Crystals may be present alone or in combination with other ice formations.
- 3) Clear Ice - ice that is transparent and contains only a moderate number of air bubbles.
- 4) Cloudy Ice - ice that is translucent or relatively opaque due to the content of air or other reasons, but which is essentially sound and impervious
- 5) Porous Ice - ice that contains numerous voids, usually interconnected and usually resulting from melting at air bubbles or along crystal interfaces from presence of salt or other materials in the water or from the freezing of saturated snow. Though porous, the mass retains its structural unity.
- 6) Canded Ice - ice that has rotted or otherwise formed into long columnar crystals, very loosely bonded together
- 7) Granular Ice - ice that is composed of coarse, more or less equidimensional crystals weakly bonded together
- 8) Ice Lenses - lenticular ice formations in soil occurring essentially parallel to each other, generally normal to the direction of heat loss, and commonly in repeated layers.
- 9) Ice Segregation - the growth of ice within soil in excess of the amount that may be produced by the in-place conversion of the original void moisture to ice. Ice segregation occurs most often as distinct lenses, layers, veins, and masses, commonly, but not always, oriented normal to the direction of heat loss.
- 10) Well-Bonded - a condition in which the soil particles are strongly held together by the ice so that the frozen soil possesses relatively high resistance to chipping or breaking.
- 11) Poorly-Bonded - a condition in which the soil particles are weakly held together by the ice so that the frozen soil has poor resistance to chipping and breaking.
- 12) Thaw Stable - the characteristics of frozen soils that, upon thawing, do not show loss of strength in comparison to normal, long-time thawed values nor produce detrimental settlement.

Note 1: Frozen soils in the N group may, on close examination, indicate presence of ice within the voids of the material by crystalline reflections or by a sheen on fractured or trimmed surfaces. The impression received by the unaided eye, however, is that none of the frozen water occupies space in excess of the original voids in the soils. The opposite is true of frozen soils in the V group

Note 2: When visual methods may be inadequate, a simple field test to aid evaluation of the volume of excess ice can be made by placing some frozen soil in a small jar, allowing it to melt, and observing the quantity of supernatant water as a percentage of total volume

Note 3: Where special forms of ice such as hoarfrost can be distinguished, more explicit description should be given

Note 4: Observer should be careful to avoid being misled by surface scratches or frost coating on the ice.

FROST DESIGN SOIL CLASSIFICATION¹

Frost² Group	Kind of Soil	Percentage Finer than 0.02 mm by Weight	Typical Soil Types Under Unified Soil Classification
NFS ³	(a) Gravels Crushed stone Crushed rock	0 to 1.5	GW and GP
	(b) Sands	0 to 3	SW and SP
PFS ⁴ (MOA NFS) (MOA F2)	(a) Gravels Crushed stone Crushed rock	1.5 to 3	GW and GP
	(b) Sands	3 to 10	SW and SP
S1 (MOA F1)	Gravelly soils	3 to 6	GW, GP, GW-GM, and GP-GM
S2 (MOA F2)	Sandy soils	3 to 6	SW, SP, SW-SM, and SP-SM
F1	Gravelly soils	6 to 10	GM, GW-GM, and GP-GM
F2	(a) Gravelly soils	10 to 20	GM, GW-GM, and GP-GM
	(b) Sands	6 to 15	SM, SW-SM, and SP-SM
F3	(a) Gravelly soils	Over 20	GM and GC
	(b) Sands, except very fine silty sands	Over 15	SM and SC
	(c) Clays, PI>12		CL and CH
F4	(a) All silts	Over 15	ML and MH
	(b) Very fine silty sands		SM
	(c) Clays, PI<12		CL and CL-ML
	(d) Varved clays and other fine- grained, banded sediments		CL and ML CL, ML, and SM CL, CH, and ML CL, CH, ML and SM

¹ Departments of the Army and Air Force Publication TM 5-822-5/AFM 88-7, "Pavement Design for Roads, Streets, Walks, and Open Storage Areas", Table 18-2.

² Corps of Engineers Frost groups directly correspond to the Municipality of Anchorage soil frost classification groups, except as noted.

³ Non Frost-Susceptible.

⁴ Possibly frost-susceptible, but requires laboratory test to determine frost design soil classification.



Client: City of Bethel
Project: Bethel Police Station Tower
Work Order: D50117

Particle Size Distribution

ASTM D422

Location: Test Boring 1
Sample 3
Depth 5'-6.5'

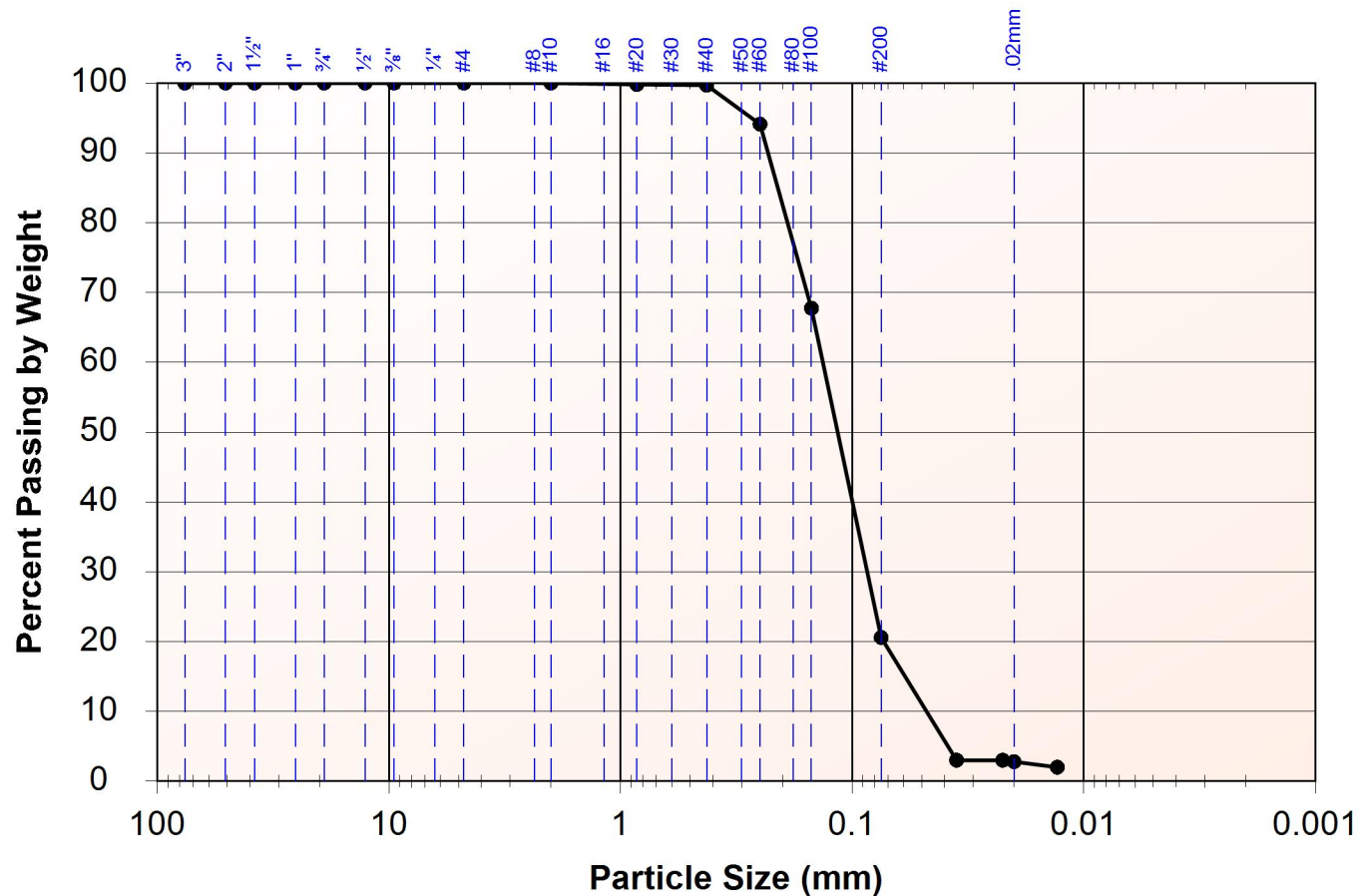
Lab Number 2017-1436

Received 12/7/2017

Reported 12/13/2017

Engineering Classification: Silty Sand, SM

Frost Classification: NFS



Size	Passing	Specification
3"	100%	
2"	100%	
1½"	100%	
1"	100%	
¾"	100%	
½"	100%	
⅜"	100%	
#4	100%	
#10	100%	
Total Weight of Sample 709.3g		
#20	100%	
#40	100%	
#60	94%	
#100	68%	
#200	20.6%	
Total Weight of Fine Fraction 100.12g		
0.02 mm	2.8%	



Client: City of Bethel
Project: Bethel Police Station Tower
Work Order: D50117

Particle Size Distribution

ASTM D422

Location: Test Boring 1
Sample 11
Depth 40'-41.5'

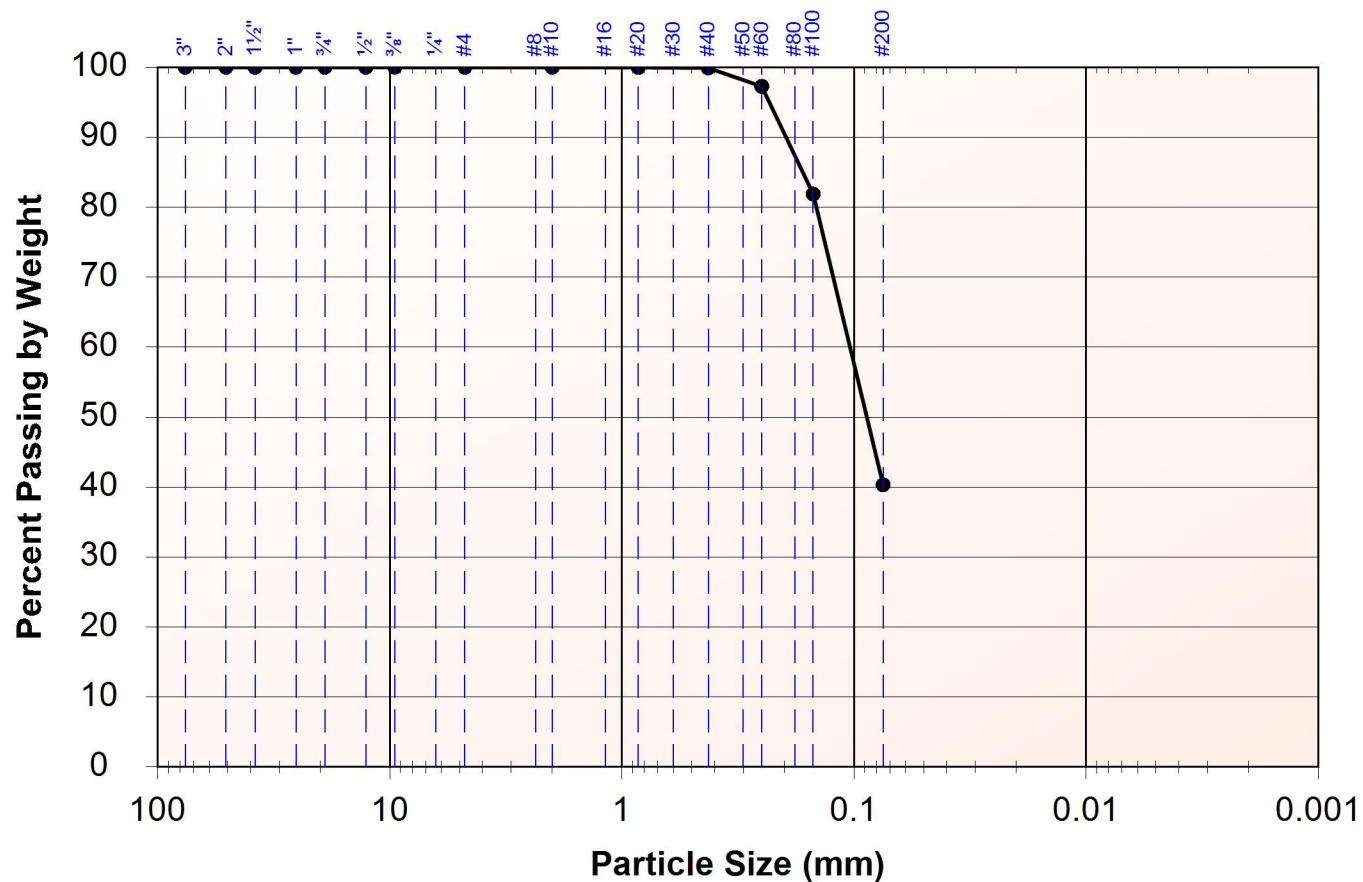
Lab Number 2017-1437

Received 12/7/2017

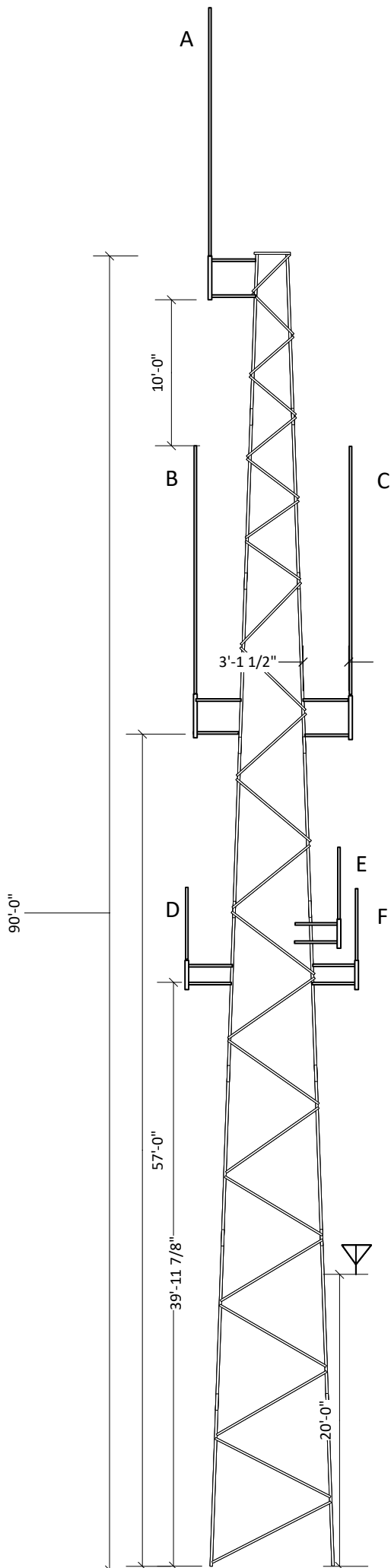
Reported 12/13/2017

Engineering Classification: Silty Sand, SM

Frost Classification: Not Measured



Size	Passing	Specification
3"	100%	
2"	100%	
1½"	100%	
1"	100%	
¾"	100%	
½"	100%	
⅜"	100%	
#4	100%	
Total Weight of Sample 955.3g		
#10	100%	
#20	100%	
#40	100%	
#60	97%	
#100	82%	
#200	40.3%	
Total Weight of Fine Fraction 332.8g		



Bethel PD Tower 3- leg / Antenna Config

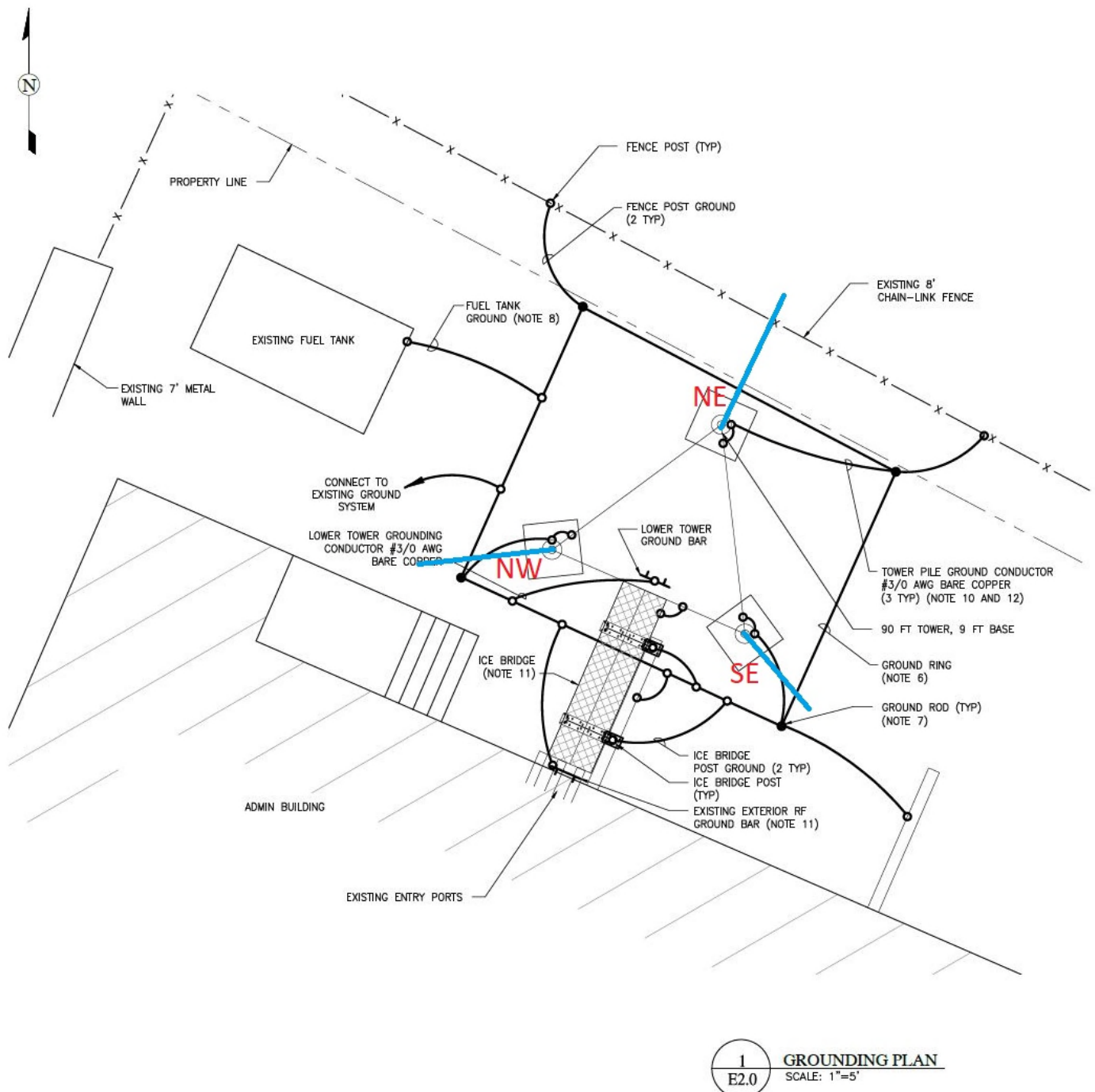
Owner	Antenna	Tower Leg	Ant Base Height	Description	Function
Bethel PD/FD	North A	North Leg	87	Sinclair DS1F06P36UD, Low PIM/Hi_PIP, 5.5 dB gain omni, 90 lbs., 22.0' long, Vert Beam is 16°	Bethel PD / Fire RX Multicoupler
Bethel PD/FD	North B	North Leg	57	Sinclair DS1F06P36UD, Low PIM/Hi_PIP, 5.5 dB gain omni, 90 lbs., 22.0' long, Vert Beam is 16°	Bethel PD / Fire TX Combiner
Bethel PD/FD	East C	East Leg	57	Sinclair DS1F06P36UD, Low PIM/Hi_PIP, 5.5 dB gain omni, 90 lbs., 22.0' long, Vert Beam is 16°	Combiner System (Spare)
Bethel PD/FD	West D	West Leg	40	Telewave 150F2 2.5 dB gain omni, 12 lbs., 5.0' long, lat thrust is 50lbs at 100mph, Vert Beamwidth is 38°	Doomsday OP1
Bethel PD/FD	North E	North Leg	40	Telewave 150F2 2.5 dB gain omni, 12 lbs., 5.0' long, lat thrust is 50lbs at 100mph, Vert Beamwidth is 38°	Doomsday OP2
Bethel PD	East F	East Leg	40	Telewave 150F2 2.5 dB gain omni, 12 lbs., 5.0' long, lat thrust is 50lbs at 100mph, Vert Beamwidth is 38°	Control Station (Encrypted)
Bethel PD/FD	East G	East Leg	20	GNSS antenna for a NetClock	Timing refrence for all systems in BPD

Other requirements:

1. Minimum 1/2" coax transmission lines for radios/antennas and 3/8" LMR400 for GNSS antenna
2. After installation of transmission lines (with antennas connected), System Line Sweep and PIM testing should be performed on ALL lines. Results shall be saved and made available to the City of Bethel.
2. All outdoor connectors: antenna and surge protectors - 7/16 DIN type
3. Stand-off for ALL antennas - 3 feet
4. Motorola R56's Standards shall be followed regarding grounding and cable mangement
5. Top Sway brace shall be used for both TX antennas located at 57 feet height (antennas B and C)

 2100 E. 63rd Avenue Anchorage, AK 99507	DATE	TITLE	REVISED
	9/05/2023	Bethel Tower	
	DESCRIPTION		
	Bethel PD Tower – Proposed antenna location		
SCALE	DRAWN BY	PAGE	
	JAREK GRZEDA	207 of 343	

- RX Antenna (Sinclair DS1F06P36UD) at elevation 87' (on NW leg) –stand-off bracket with heading 265 degrees.
- TX1 Antenna (Sinclair DSF06P36UD) at elevation 57' (on NE leg) –stand-off bracket with heading at 25 degrees.
- TX2 Antenna (Sinclair DSF06P36UD) at elevation 57' (on SE leg) –stand -off bracket with heading at 145 degrees.
- Base Antenna1 (Telewave ANT150F2) at elevation 40' (on NW leg) –stand-off bracket with heading at 265 degrees.
- Base Antenna2 (Telewave ANT150F2) at elevation 40' (on NE leg) – stand off bracket with heading at 25 degrees.
- Base Antenna3 (Telewave ANT150F2) at elevation 40' (on SE leg) – stand off bracket with heading at 145 degrees.
- GNSS antenna at elevation 20' – SE leg with clear view of southern part of the sky



**Topographic Survey
Bethel Police Comm. Tower
Bethel, Alaska**

January 2018

SURVEY REPORT



4041 B Street, Anchorage, AK 99503
Phone (907) 562-2000 Fax (907) 563-3953
www.dowl.com

Project No. 1129.50117.03, Field Book 2274

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SECTION 3	HORIZONTAL CONTROL SUMMARY
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SECTION 5	TOPOGRAPHY CHECKSHOT REPORTS

PROJECT DESCRIPTION

Other associated DOWL work orders

D61833

Bethel Waterline Project

Client Contact Information

City of Bethel

P.O. Box 1388

Bethel, Alaska 99559

PROJECT CONTROL LISTING

**CONTROL POINT LISTING
BETHEL POLICE
BETHEL, ALASKA**

Control Monuments used this Survey

ID	Northing	Easting	Elevation	Description	Survey Point #
RCM MP 2.49	9031.54	14604.11	54.97	Almon	10
RCM MP 2.28	9095.89	15630.77	58.33	Almon	11

Horizontal Control

The Bethel Water Line Coordinate System is a local surface grid coordinate system in US Survey Feet that is constrained to Alaska State Plane Coordinates (ASPC), Zone 7, NAD83(NSRS2007).

BASIS OF COORDINATES:

The Basis of Coordinates for this local coordinate system is the published coordinates for National Geodetic Survey (NGS) Station "BET C"(PID DF3624), a brass disk stamped "BET C 2001".

BASIS OF BEARINGS:

The Basis of Bearings is a local plane bearing between NGS Station BET C and NGS Station BET B. NGS Station BET B bears S 25°43'20.9"W a distance of 2672.852 feet from NGS Station BET C. NGS Station BET B has Bethel coordinates of 6,266.8084 N, 7,694.8219 E. U.S. Survey Feet.

CONVERSION INSTRUCTIONS:

Conversion from Local US Feet to Alaska State Plane, Zone 7, NAD83(NSRS2007) US Feet:

1. Rotate Coordinates COUNTER-CLOCKWISE 0 Degrees 08 Minutes 57.9714 Seconds about point 0, 0.
2. Translate resulting Coordinates using
+2,470,046.94556 N +1,661,076.82938 E.
3. Scale State Plane Coordinates using 0.99992579 (BASE POINT 0,0).

Vertical Control

Elevations are based On NAVD88, Geoid 09.

HORIZONTAL CONTROL SUMMARY

CONTROL POINT LISTING
BETHEL POLICE
BETHEL, ALASKA

GPS, Traverse, and Sideshot Summaries

File Name	Basis of Bearings	Includes Points	Raw Angular Error Per/Set	Raw Error of Closure	Error of Closure After Adj.
-----------	-------------------	-----------------	---------------------------	----------------------	-----------------------------

*No Horizontal Control Set This Survey

Traverse Methods

VERTICAL CONTROL SUMMARY

CONTROL POINT LISTING
BETHEL POLICE
BETHEL, ALASKA

File Name	From	To	Includes Points	Error of Closure
-----------	------	----	-----------------	---------------------

*No Vertical Control Set This Survey

TOPOGRAPHY CHECKSHOT REPORTS

Check Shot Report

JAN 16 2018 11:52:28

C:\Users\KPawlowski\Desktop\Current_Jobs\Temp_move at end of day\65CAD\Survey\MC-VB-PT-50117.dwg

Field book reference: 2274

Units: DMS, US Feet

Point Range: 1-100000

PT#	NORTHING	EASTING	ELEV	DESCRIPTION (ORIGINAL)	BEARING	DIST	ELEV
-----	----------	---------	------	------------------------	---------	------	------

PT#	NORTHING	EASTING	ELEV	DESCRIPTION (CHECK)
-----	----------	---------	------	---------------------

10	9031.5358	14604.1113	49.840	CTRL/FOUN.GPSS.ALMON			
				S 76d7'42" W	0.06	8.49	
5000	9031.5210	14604.0513	58.326	CHK/10			

Referenced point not found

5001	10042.1324	14665.4167	52.379	CHK/2003
------	------------	------------	--------	----------

Referenced point not found

5002	10616.2987	14972.6439	57.955	CHK/2006
------	------------	------------	--------	----------

10	9031.5358	14604.1113	49.840	CTRL/FOUN.GPSS.ALMON			
				S 58d21'47" W	0.06	8.49	
5115	9031.5049	14604.0612	58.325	CHK/10			

City of Bethel Action Memorandum

Action memorandum No.	24-10		
Date action introduced:	May 14, 2024.	Introduced by:	William Arnold, Acting City Manager
Date action taken:	May 14, 2024.	Approved	Denied
Confirmed by:			

Action Title: Confirming James Harris as Chief of Police.

Attachment(s): Resume.

Summary Statement

The City of Bethel, Chief of Police position has been vacant since January of 2024, with recruitment beginning January 2024. Nine applications were received, and four (4) candidates were interviewed by a panel that included Administration, a representative from the local District Attorney's office, a prior Bethel Police Chief, and the Mayor.

Under Alaska Statute AS 29.20.360. *Appointment of officials:*

Unless otherwise provided by ordinance, the municipal clerk, attorney, treasurer, and police chief are appointed by the chief administrator. Unless otherwise provided by ordinance, an official described in this section serves at the pleasure of the appointing authority and, if appointed by the chief administrator, must be confirmed by the governing body.

A candidate that met the qualifications has been selected and issued a conditional employment offer. The appointment is now pending confirmation by the City Council. The most qualified candidate for the position is James Harris, bringing over 20 years' experience in Law Enforcement. He is currently the Chief of Police in Belen, New Mexico, where he has been Chief since 2019. Chief Harris spent five days in Bethel, meeting with City employees, local organization leaders and community stakeholders. He spent numerous hours meeting with Police Department employees from both day and night shifts.

Chief Harris has expressed the desire to work closely with the community, advocating for town hall meetings. Chief Harris works closely with the Mayor and City Council in his current position.

Administration intends to expand Chief Harris' responsibilities to include administrative oversight of both public safety departments – Police and Fire. While the specifics of the restructure are still in development, the shift will address recruitment concerns, provide experienced leadership to both departments, support career growth in the departments, foster teamwork within our public safety missions, and ultimately, impact the City's budget in a positive manner.

This position, per Bethel Municipal Code, is a management position, exempt and serves "at will". The position is non-union-represented, and all provisions of Title 3 apply. The annual total compensation for this full-time position is \$140,000 per year. Funds will be allocated primarily within the General Fund – shared between the Police Department and Fire Department, with a small portion allocated in the E-911 Fund.

Chief Harris' expected start date in Bethel is July 1, 2024. The City of Bethel will provide temporary interim housing and use of a company vehicle from July 1, 2024, for 60 days, with the timeframe re-evaluated based on ability to secure housing and obtain personal transportation.

James C Harris

19516 Hwy 314

Belen, NM 87002

(505) 615-0782

OBJECTIVE

To utilize my training and experience in law enforcement administration, serving a progressive Law Enforcement agency in a full-time Chief of Police position.

PROFESSIONAL EXPERIENCE

Chief of Police

Belen Police Department

11/2019-present

Duties:

- Recommend new city ordinances and supervise equipment maintenance
- Prepare reports and manage department budget
- Plan and coordinate member training
- Cooperate with other law enforcement agencies
- Receive and attend to complaints, promoting positive public relations
- Formulate administrative policies in consultation with the City Manager
- Ensure departmental compliance with laws
- Organize, direct, and control all department resources
- Assign and transfer department personnel
- Investigate alleged misconduct by department personnel
- Supervise evidence safekeeping and personnel records

Lieutenant

Valencia County Sheriff's Office

11/2017-11/2019

Duties:

- Supervise Criminal Investigation, Civil, Court Security, and Evidence Divisions
- Conduct Internal Affairs Investigations
- Schedule and maintain training for the agency

Patrol Services/Criminal Investigations Sergeant

Valencia County Sheriff's Office

09/2013-11/2017

Patrol Sergeant Duties:

- Supervise Patrol Deputies and review/approve reports
- Oversee prosecution of deputies' cases
- Schedule and approve deputies' activities
- Ensure adherence to Sheriff's Office policies

Detective Sergeant Duties:

- Supervise Detectives and assign cases
- Oversee investigations and crime scene procedures
- Prepare and execute warrants

Criminal Investigations Detective

Valencia County Sheriff's Office

09/2011-11/2015

- Conduct and lead criminal investigations
- Prepare and execute warrants
- Arrest offenders

Patrol Services Deputy

Valencia County Sheriff's Office

03/2010-09/2011

- Perform standard patrol duties and conduct investigations
- Testify in court proceedings

Law Enforcement Land Ranger

New Mexico State Parks

11/2007-1/2010

- Patrol campgrounds and land areas of Navajo Lake State Park
- Enforce state laws and park regulations
- Prepare reports and assist boaters
- Conduct routine maintenance on park vehicles and equipment

From: 04/2006 - 8/2007 Belen Police Department, Patrol Sergeant:

- Supervised the graveyard shift Patrol Division
- Reviewed and approved reports
- Ensured officer attendance at hearings and training
- Approved and scheduled officer vacations
- Ensured patrol officers' compliance with department policies
- Performed standard patrol duties
- Submitted case files for prosecution
- Conducted preliminary investigations
- Testified in court proceedings
- Secured and maintained crime scenes

From: 5/2005 - 4/2006 Belen Police Department, Detective Sergeant:

- Supervised the Criminal Investigations Division
- Scheduled and assigned detectives to special investigations
- Assigned and oversaw investigation process
- Ensured detectives' compliance with department policies
- Instructed detectives during crime scene investigations
- Conducted preliminary and follow-up investigations
- Prepared and executed search warrants and arrest warrants

From: 12/2003 - 5/2005 Belen Police Department, CID/Narcotics Detective:

- Conducted special investigations into the narcotic trade
- Conducted preliminary and follow-up investigations
- Prepared and executed search warrants and arrest warrants
- Arrested offenders
- Supervised patrol officers on crime scene investigations

From 10/2001-12/2003 Los Lunas Police Department CID Detective

- Conducted preliminary and follow-up investigations
- Prepared and executed search warrants and arrest warrants
- Arrested offenders
- Supervised patrol officers on crime scene investigations

From: 10/1999 - 10/2001 Los Lunas Police Department, Patrol Officer:

- Performed standard patrol duties
- Conducted preliminary investigations
- Prosecuted offenders

From: 8/1995 - 8/1999 Bossier Parish Sheriff's Department, Deputy Sheriff:

- Performed duties of a deputy sheriff
- Developed and supervised the Alternative to Secure Detention Program
- Supervised a crew overseeing participants in the ASDP Program

From: 1/1995 - 7/1995 Louisiana Department of Corrections, Correctional Officer:

- Supervised inmate work crew outside of secure prison setting

From: 9/1992 - 11/1994 New Mexico Department of Corrections, Correctional Officer:

- Maintained security and supervised inmates within a maximum security prison

From: 9/1988 - 10/1991 United States Air Force, E-3:

- Performed maintenance on aircraft equipment, including compressors, heating and air-conditioning units, and diesel generator sets.

Education:

- 1984-1986: Sandia High School, Albuquerque, New Mexico - General Studies
- 1987: Benton High School Adult Education, Benton, LA - General Education Diploma
- 10/1988: United States Air Force Basic Military Training - Lackland AFB, San Antonio, TX - Certificate of Completion
- 10/1988-3/1989: United States Air Force Technical Training, Aero Space Ground Equipment Technician Course - Chanute AFB, Rantoul, IL - Technician Certification
- 1992: New Mexico Department of Corrections Training Academy - Santa Fe, NM - Correction Officer Certification
- 1994: Louisiana Department of Corrections Training Academy - Angola, LA - Corrections Officer Certification
- 1996: State of Louisiana Police Academy, Bossier Parish Community College - Benton, LA - POST Police Officers Certification
- 2000: New Mexico Department of Public Safety Training Academy - Santa Fe, NM - POPE Police Officer Certification
- 2018: Northwest University School of Police Staff and Command - Evanston, IL - Certificate of Completion

Certifications:

- Defensive Tactics Instructor
- Crime scene investigation and reconstruction
- Blood spatter analysis
- Trajectory analysis
- Special Weapons and Tactics (SWAT)
- Narcotics recognition and investigation
- Clandestine lab recognition investigation and dismantling
- Narcotics K-9 Handler
- Sex crimes investigations
- School Resource Officer training
- Interview and Interrogation techniques
- Death and Homicide investigations
- First Line Supervisor
- MEO Basic
- MEO Advanced
- CDL License
- Active Shooter Incident Management
- Northwest University Police Staff and Command
- Magnus Leadership

Achievements:

- DWI Officer of the year three consecutive years (1999-2001)
- Officer's Choice in the line of duty award for injuries sustained in the line of duty
- Optimist Club Officer of the year 2000

- Letter of commendation from the Los Lunas Police Chief for the investigation and apprehension of a bank robbery suspect
- Letter of commendation from the Los Lunas Police Chief for the completion of SWAT School
- Multiple certificates of appreciation from the Los Lunas Police Department for the investigation and seizure of narcotics, and the investigation of homicide cases as well as other high-profile criminal cases
- Letter of Commendation and appreciation plaque presented by the Valencia County Sheriff for the investigation of property crimes and the apprehension of offenders

Additional:

- Received Intermediate, Advanced, First Line Supervisor, and Command Level Certifications
- Applied for and waiting on the Executive Level Certification from the New Mexico Law Enforcement Academy

Portfolio of Training and letters of commendation available upon request.

MEMORANDUM

Date: May 1, 2024

To: Bill Arnold, Acting City Manager

From: Lee Foley, Planning Director

Subject: Planning Director's Report

April 2024 Events

- The issue where a house was moved without a site permit from Main Street to the vacant lot belonging to Swanson's former furniture store has been resolved. The owner of the house submitted all required documentation, and it has been approved.
- Planning processed seven (7) residential site permits and one (1) commercial site permit.
- Met with City Council and obtained approval for departmental budget for FY2025.
- Proposed for consideration, a revised fee schedule for Planning and Code Enforcement using the municipalities of Homer, Valdez, Seward, and Kenai for rough comparisons.
- Bethel Community Services has expressed some interest in obtaining the land owned by the International Pentecostal Holiness Church – Alaska that is located across from the Bethel Family Clinic. The abandoned buildings on the property

provide a haven for homeless people, drug users, and alcohol abusers, creating a nuisance factor for the neighborhood in general and the Bethel Family Clinic in particular.

- Virtually attended the presentation of Bethel's two (2) projects, Pinky's Park Trail, and the Donut Hole Road, to DOT's scoring committee. Subsequently, received notice of DOT & PF CTP & TAP notification of no-award of funding. In a follow-on debriefing, DOT provided more insight into the scoring criteria and offered some ways in which we might enhance our chances for funding in the next go-around.
- Participated in a management process on how to deal with the illegal honey bucket waste left near the Bethel Landfill site.
- Received and accepted an invitation to attend a Land & Climate Work Session to be held in Bethel April 30 – May 2, 2024.
- Assisted in the process of reviewing the City's current leases with a view toward bringing them up to date.
- Attended the Planning Commission's monthly meeting.

CITY OF BETHEL POLICE DEPARTMENT



April 2024 Monthly Report

Personnel:

Current Staffing			
Position	Allocated	Staffed	Vacant
Safety Patrol (three grant funded)	3	2	1
Community Service Officer	2	2	0
Evidence and Record Custodian	1	0	1
Administrative Assistant/Taxi Inspector	1	1	0
Public Safety Dispatcher (one E911 funded)	5	2	3
Public Safety Dispatch Supervisor	1	1	0
Peace Officers (one grant funded/reimbursed SRO)	20	17	3

Operations:

Operations Tempo				
	April 2024	March 2024	April 2023	2024 Total
Calls Total	1209*	1171	1384	5088
Reports Total	119	104	99	384
Intoxicated Pedestrian Calls	154	152	118	561
Driving Under Influence Calls	15	18	14	48
Domestic Violence Reports	27	42	11	137
Disturbance Calls	107	60	71	296
Subject Removal Calls	89	90	84	294
Animal Calls	46	26	24	132
Animal Bite Reports	1	0	0	2
Sexual Assault Reports	5	6	9	29
Death Investigation Reports	0	2	0	4

PERSONAL:

We have 2 dispatchers resigned and one was terminated.

We continue to recruit officers, dispatchers, CSP, and evidence tech. We have only had applications for officers, and we are currently conducting background checks.

Officers from the Bethel Police Department attended a job fair at YKHC and an online job fair through LKSD. Currently, we have not received any applications from either event.

TRAINING:

One officer attended the Tactical Diffusion Class

Other:

(*) calls for service security checks removed from this number.

Officers conducted 880 security checks.

We had several burglaries at the PC complex, after a short foot chase with the suspect they were able to locate him and made an arrest.

2240 calls came into dispatch to include 911, non-emergency and admin calls.

PORT OF BETHEL

Post Office Box 1388
Bethel, Alaska 99559
Voice: 907-543-2310
Fax: 907-543-2311



To: Bill Arnold, Acting City Manager
From: Edward Flores, Port Director
Subject: April 2024 Managers Report

- **Small Boat Harbor**

The Small Boat Harbor is now shut down for the season. Napaimute is done in the harbor and is not staging in the South Harbor anymore due to the river ice being in poor shape. Unfortunately, a couple of vehicles have found their way to the south side of the SBH. We will gather information on the three vehicles and one snow bucket to start the paperwork process to remove them. We will begin accepting applications for summer hire this last week of April. Hopefully we will have a full staff here this summer.

- **City Dock/Beach 1/Petro Port**

City Dock and Beach 1 are still in winter mode. The majority of the snow has melted from the Dock and Beach 1 and is drying well. We currently have four companies that are working on or have worked on their boats this month. We have issued 2 hot work permits for welding work on Beach 1. I am expecting a couple more crews to show up to work on vessels here in the first few weeks of May.

- **Port Office**

There are no issues to report for the Port Office, and it still operates well. We have received our use permits for the SBH and will start selling them here in the next few weeks.

- **Admin**

Our monthly storage was prepared and will leave the Port office this first week of March. The Port Commission did not have a quorum this last month. Our next meeting will be at City Hall on May 20, 2024, at 7 p.m.

- **Seawall**

The Port personnel have been making checks on the seawall in a limited compacity this last winter to accommodate the cross country ski group. But with that ended, we will be making daily rounds through the seawall.

- **Misc.**

We are maintaining the cleanliness around the waterfront as much as we safely can.

We will do a few lighting upgrades to the warehouse on the Dock and the Small Boat Harbor Attendant post here in the next few weeks as the Port Attendants get hired for the season.



William Arnold, Public Works Director
1155 Ridgecrest Drive
PO Box 649 Bethel, AK 99559
P: (907) 543-3110
F: (907) 543-2046
warnold@cityofbethel.net

MEMORANDUM

DATE: 04.30.2024

TO: City Manager

FROM: Bill Arnold, Public Works Director

**SUBJECT: Manager's Report – Public Works Department
Programs/Divisions**

Hauled Utilities:

We are still having personnel issues. Trying to interview and get people hired. We currently have one utility truck I down for maintenance. I am grateful for the pullouts provided by Road maintenance. We have continued to respond when needed by utility maintenance. Vendors issues finding replacement parts for the plumbing and valves for the sewer trucks.

Utility Maintenance:

- 8 alarms on residential lift stations were responded to. Multiple issues with grinder pumps, and float systems
- Monthly meter reading and service connections were completed.
- Clean up and organization of shops and vehicles.
- 8 residential lift station repairs.
- Tundra Center lift station still in dire need of repairs/ replacement. Currently, lift station is not functioning at full capacity/ has required creativity to modify pump to continue to operate.
- Mixing up main lift station by hand with soap to prevent matt build up
- leveling activities on low-flow and plugged sewer lines
- The few flushing activities that have required longer than 16 hours of work have been handled by rotating men on rest.
- Utility Maintenance has 3 vacant staff workers still short staffed

Property Maintenance:

COURTHOUSE: Shovel snow from entrances. Replaced fuel pump, Primary control module, and RIB low voltage controller on boiler. Replaced air filters. Reset breaker in DA offices due to heaters being plugged in at desks. Replace lamps and ballasts in light fixtures.

PUBLIC WORKS: Shovel snow from entrances. Replace flags around city. Cleaned both

steamers. Replace motor and fuel purge card on boiler 2. Replaced motor on steamer. Change fill pump on steamer. Repair exhaust fan. Repair urinal.

CITY SUB WATER PLANT: Replace gasket on unit heater. Replace fuel pump on boiler 2. Replace air vent on pressure tank. Repair and replace leaking parts on unit heaters.

BETHEL HEIGHTS WATER PLANT: Replace coin vent on boiler. Repair customer dollar machine for water.

POLICE DEPARTMENT: Work on overhead door. Work on water pumps.

LAND FILL: Replace water pump. Install new water filter. Replace expansion tank.

TRANSIT: Work with AVEC locating and repairing loose power connections to building.

Road Maintenance: Typical spring, lots of draining lots of blading.

Vehicles and Equipment: As usual just keeping up on services and repairs of all city vehicles and equipment.

Transit System:

Another busy month with ridership. Had to utilize Bus 439 when the regular Bus 440 was down for maintenance a couple times. Ridership consisted of .791 Seniors, 17 Youth, 143 Adults, 111 Disabled, and 1,240 Pass riders. 143 Day and 17 Month Passes were purchased for the month of which ONC paid for their 12 clients for 3 months (APR-MAY-JUN). Total bus fares-\$3,638.00. Bus 439 logged 1,795 miles and used 200.019 gallons while 440 logged 785 and 116.818 gallons of fuel was used.

Landfill & Hauled Refuse:

Aprils Landfill log shows 78 city dump truck loads and 4 City truck loads. 73 private citizen loads have been delivered to the landfill as well. 1,846 commercial cubic yards have been delivered. 3 refrigerators/freezers were disposed, and 3 vehicles were brought in as well as 3 dump truck cover loads. Our landfill equipment has been repaired and in operation. Clean up green up bags have been delivered to all pick up sites and 3 CSW from the Tundra Center were utilized to help with dumpster site clean ups. The use of CSW's will continue throughout the clean up months.

Staffing Issues/Concerns/Training:



**CITY OF BETHEL
Fire Department**

Daron R. Solesbee, Fire Chief

P.O. Box 3231, Bethel, Alaska 99559

Phone: (907)-543-2131

Fax: (907)-543-2702

dsolesbee@cityofbethel.net

Celebrating 50 Years of Service

DATE: April 29, 2024

TO: Bill Arnold, Acting City Manager

FROM: Daron Solesbee, Fire Chief

SUBJECT: Management Report, April 2024

Current Events

- The department is continually recruiting new volunteer responders and administrative support. If anyone is interested, please fill out a BFD Volunteer Application Packet today!

Community Planning/Preparedness/Prevention

- The department is developing an Active Shooter/Hostile Event Response (ASHER) drill tentatively planned for May 2024. This planned training will assist the department in policy development, training, and effective responses to these incidents.
- It's that season, so please take this opportunity to clean your chimneys. Bethel residents may come by the fire station and borrow a chimney brush and rods free of charge but must return them **within three days**.

Training

- Staff and volunteers are receiving continuous Driver/Operator and Pump Operator training on the use and maintenance of department vehicles, pumps, and specialty equipment.

- Staff have completed several online, classroom, and skill drill training sessions covering various topics including firefighting, hazardous materials, emergency medical treatment, fire inspection, fire investigation, and fire prevention.
- The EMT-1 training course started on April 1st. Classes are held on Monday, Wednesday, and Friday from 6:00-10:00 p.m. There will be some classes held on Saturdays from 8:00 a.m. to 5:00 p.m.
- On 04/09/2024, firefighters conducted hose deployment and hose load drills.
- On 04/22/2024, firefighters conducted ground ladder placement drills at the new fire training facility. The crew also reviewed proper ground ladder cleaning and maintenance procedures.
- On 04/25/2024, firefighters conducted training on fire streams and fire suppression techniques. The crew also reviewed proper fire hose cleaning and maintenance procedures.

Responses

- Between 04/01/2024 and 04/29/2024, the Bethel Fire Department responded to 149 EMS and 14 Fire incidents.
- See attached reports for Fire and EMS response breakdowns.

Budget/Financial

- The department is operating within its FY2024 operational budget.

Grants

- The department will continue to seek grant funding for fire and EMS equipment, additional staffing, replacement fire apparatus and ambulances, and other equipment.
- The department was awarded funding for security cameras and fencing for the Draeger Fire Training Facility through the AKDHS SHSP Grant.

Property Maintenance

- The fire station foundation will be repaired and improved to allow for increased ventilation to preserve the position of the foundation piles.

- The fire station's front office and classroom need to be updated and remodeled, as the original (circa 1980) cabinets, shelving, and counter tops are very worn and in poor condition.

Staffing/Recruitment

- The department is recruiting one Fire Chief (Salaried, DOQ).
- The department is recruiting one Fire Captain (PS6A, Base Pay is \$75,399/yr + DOE).
- The department is recruiting one Firefighter/EMT (PS2A, Base Pay is \$52,373/yr + DOE).
- The department will start the BFD Student Work Program with LKSD in the coming months. This program will allow high school students to gain valuable work experience and skills while volunteering at the fire station during school hours.
- The department has reinstituted the Kelly Shift schedule with three shifts. Each shift currently has one Fire Lieutenant and one Firefighter/EMT. The shifts will gain a second Firefighter/EMT once
- The department is advertising for these positions nationally through multiple job advertisement services, Fire and EMS magazines, firefighter recruitment organizations, and various fire academies throughout Alaska and the lower 48 states. Department leadership will attend career fairs around the state to recruit personnel.
- The department is continually recruiting volunteer members to serve as firefighters, ETT/EMT's, and support personnel. Become a volunteer today!

Vehicles & Equipment

- The department has started the process of developing a specification with Braun Northwest, Inc. for a new Advanced Life Support Type-1 Ambulance to replace Medic-4, the 1999 Ford ALS Type-1 ambulance. The department will utilize a cooperative bid purchasing contract to acquire and purchase this vehicle.
- We have received the parts for the Class-A Foam system for Engine-4. Staff determined that a 1" valve was required, upon finding the ¾" valve shipped was too small for the current foam system plumbing. This project was put on hold to allow for the receipt of Engine-5 this summer to allow this apparatus to be taken out of service for modifications.

FIRE DEPARTMENT VEHICLE STATUS

Vehicle	Type	Year	Status
Medic 4	Ambulance	1999	<i>(Reserve Ambulance) In service. Will be replaced soon (Braun Northwest, Inc.)</i>
Medic 5	Ambulance, Light Rescue	2019	<i>(Frontline Ambulance) In service. Needs new tires.</i>
Medic 6	Ambulance	2017	<i>(Second-Out Ambulance) In service. Needs new tires.</i>
Medic 7	Ambulance	2024	<i>Specification is under review by department.</i>
Engine 5	Pumper	2023	In Service.
Engine 4	Pumper	2013	In service. Pump packing rings need to be tightened and/or replaced. Generator issues. Transmission and engine need service.
Engine 3	Pumper	1986	Out of Service (In storage at Port Storage Yard)
Truck 1	Ladder Truck	2017	In service. Transmission and engine serviced in October.
Com 1	SUV	2021	In service. Vehicle serviced by V&E, battery voltage problem resolved, 3-plug adapter installed for block heater, battery warmer, and battery maintainer/charger.
Com 2	Pickup	2014	In service.
Com 3	Pickup	2004	In service. Fair condition. Seats need to be replaced.
Honda 1	ATV	2004	In service.
Honda 2	ATV	2004	In service.
Fire Boat	Public Safety Boat	2004	In service. Needs new outboard motor (obsolete/frequent breakdowns). Needs a replacement steering system, preferably hydraulic. Intermittent fuel starvation issue (fuel pump) that causes sputtering.

Search Parameters

Data Types: Emergency Medical Services

Agencies: Bethel Fire Department

Date Range: Current Month (04/01/2024 to 04/29/2024)

States: Alaska

Counties: Bethel Census Area

Syndromes:
Matches **ANY** of the following: Alcohol, Burns, COVID-19, Cardiac Arrest, Cardiovascular, Chest Pain, Child Abuse and Neglect, Constitutional, Drowning, Fall: From Height, Fall: Ground Level, Firearm Assault, Firearm Injury, Firearm Injury - Intentional, Firearm Injury - Unintentional, Gastrointestinal, Heat-related Illness, Heroin (VA), Heroin Overdose (DOSE) - EMS Pilot, Influenza-like Illness, Intimate Partner Violence, MIS-C, MVC Fatal, MVC Likely Fatal, MVC Non-Severe, MVC Severe, MVC Unknown Severity, Mental Health, Methamphetamine, Mpox, Neurological, Non-Opioid Overdose (VA), Nonfatal Heroin, Nonfatal Opioid Overdose (CSTE), Nonfatal Overdose, Opioid (FL ESOOS), Opioid (MI), Opioid (MT), Opioid (NY), Opioid (RI), Opioid (VA), Overdose (DOSE) - EMS Pilot, Overdose (FL ESOOS), Overdose (MI), Respiratory, STEMI, Self-Harm, Sepsis, Sexual Violence, Stimulant Overdose (DOSE) - EMS Pilot, Stroke, Substance Use Disorder, Suicide Attempt, Suicide Ideation, Trauma

biospatial Symptoms (match at least 1):
Abdominal pain, Abuse or Neglect, Agitation, Alcohol, Altered consciousness, Anorexia, Anosmia, Apnea, Assault, Benzodiazepine, Blisters, Blurred vision, Body aches, Bronchiolitis, Bronchitis, Chills, Cocaine, Conjunctivitis, COPD, Cough, COVID-19, Crack, Dehydration, Diaphoresis, Diarrhea, Domestic Violence, Drooling, Drug, Drunk, Dyspnea, Earache, Epiglottitis, Fentanyl, Eye pain, Faintness, Fever, Food poisoning, Gastroenteritis, Gastrointestinal, Generalized weakness, Heat-related Illness, Hemoptysis, Hoarseness, Hypertension, Hypoglycemia, Hypoxia, Influenza, Injure, Intentional, Intoxication, Irritable, Lacrimation, Lethargy, Local paralysis, Lower respiratory infection, LSD, Lymphadenopathy, Malaise, Marijuana, MDMA, Melena, Methadone, Methamphetamine, Miosis, Mpox, Narcan, Nausea, Opioid treatment, Oral mucosal changes, Overdose, Oxycodone, Painkiller, Pale, PCP, Pinpoint, Pleural effusion, Pleuritic pain, Pneumonia, Poison, Pregnant, Psilocybin, Psych, Psychiatric, Pulmonary edema, Rash, Respiratory distress, Rhinitis, Seizure, Sinusitis, Slur, Sore throat, Stridor, Suboxone, Suicide, Suicide attempt, Suicide ideation, Tachypnea, Travel/Contact - Asia, Travel/Contact - China, Travel/Contact - Europe, Travel/Contact - Iran, Travel/Contact - Italy, Twitching, Unconscious, Unresponsive, Upper respiratory congestion, Upper respiratory infection, Violence, Viral symptoms, Vomiting, Wheezing, Xylazine

Types of Service Requested:
Emergency Response (Primary Response Area); Emergency Response (Intercept); Emergency Response (Mutual Aid); Hospital to Hospital Transfer; Hospital to Non-Hospital Transfer; Non-Hospital to Hospital Transfer; Non-Hospital to Non-Hospital Transfer; Administrative Operations; Crew Transport Only; Mobile Integrated Health Care Encounter; Mortuary Services; Non-Patient Care Rescue/Extrication; Other Routine Medical Transport; Public Assistance; Transport of Organs or Body Parts; Evaluation for Special Referral/Intake Programs; Standby; Support Services

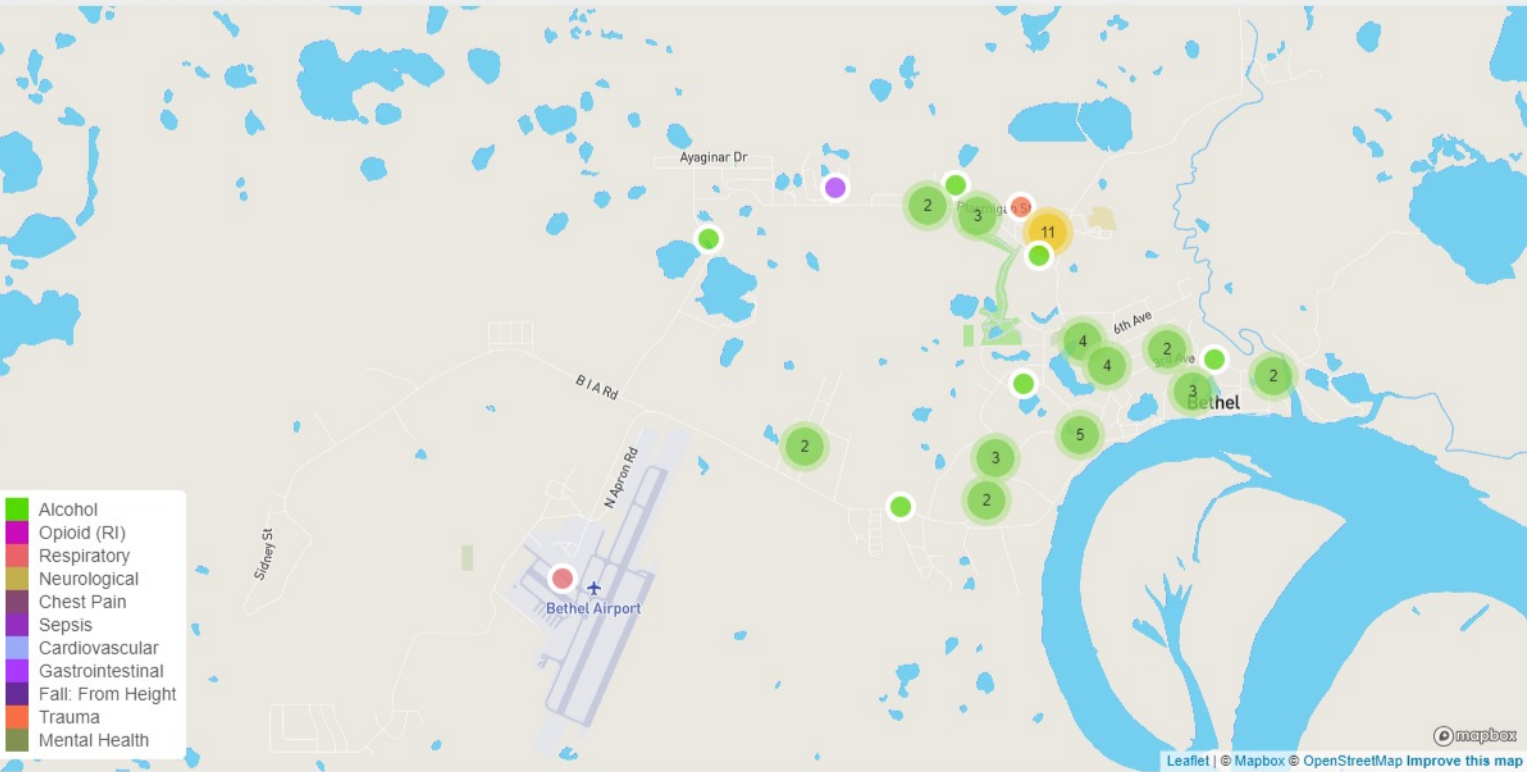
Minimum Alert Threshold: ● Moderate

Source Versions: NEMSIS v2.2.1; NEMSIS v3.3.4; NEMSIS v3.4.0; NEMSIS v3.5.0

Date Bin: Day

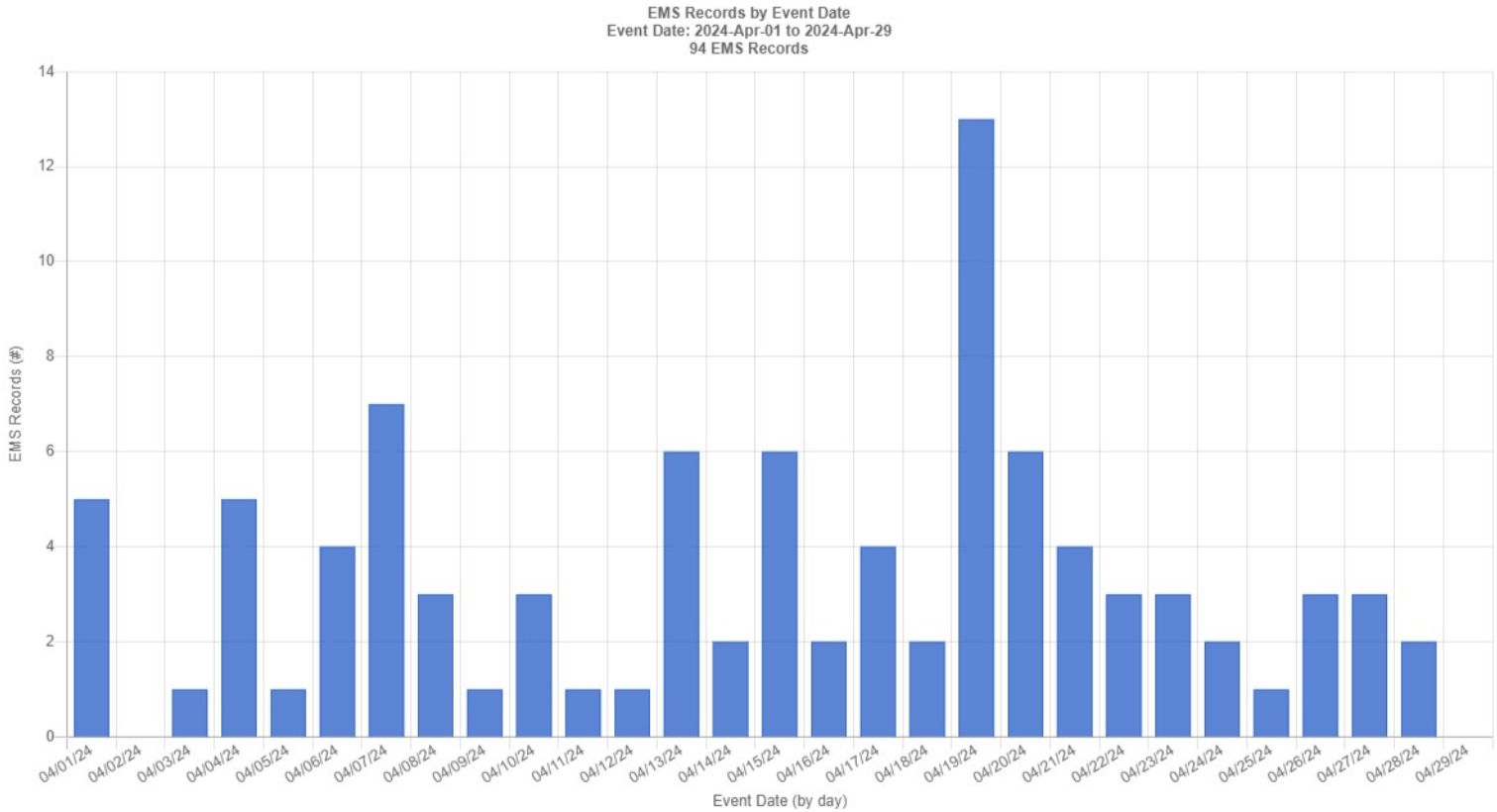
Map

Y Data filtered based on Access Levels: Event = Location.

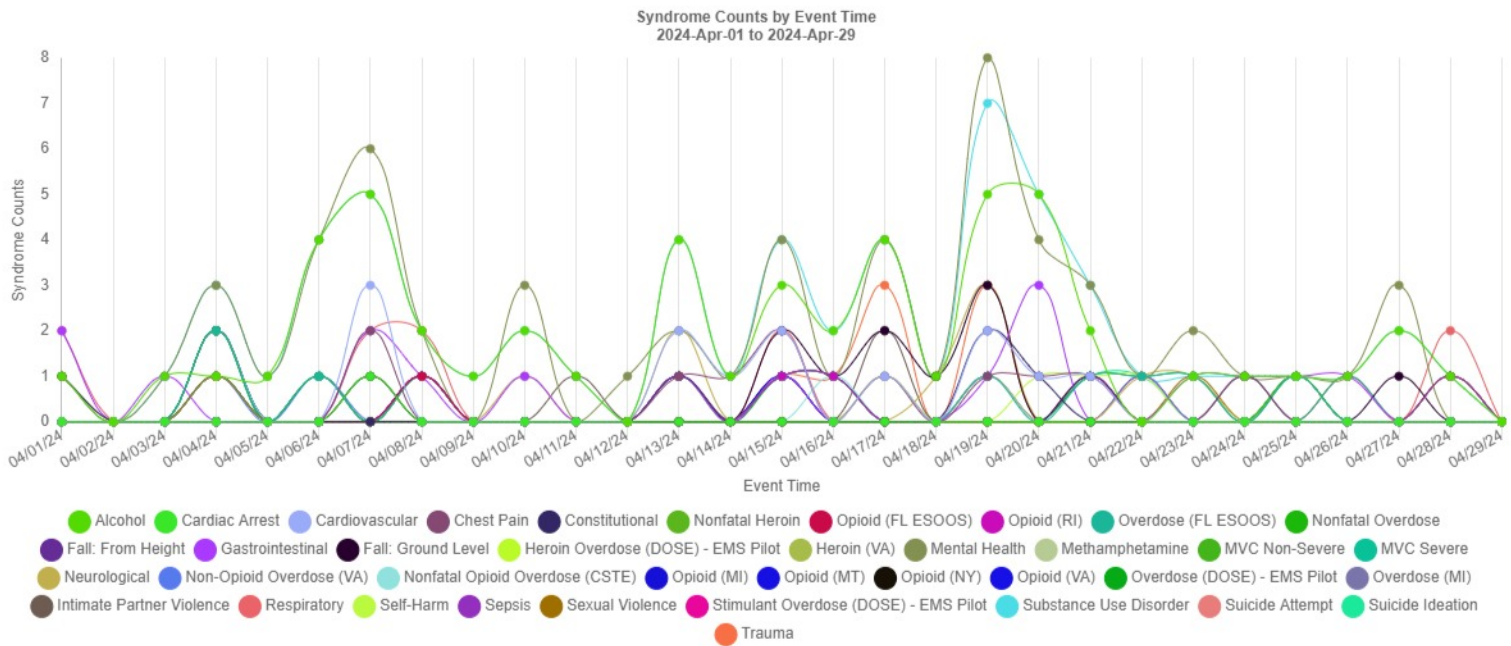


Data Explorer: EMS Records by Event Date

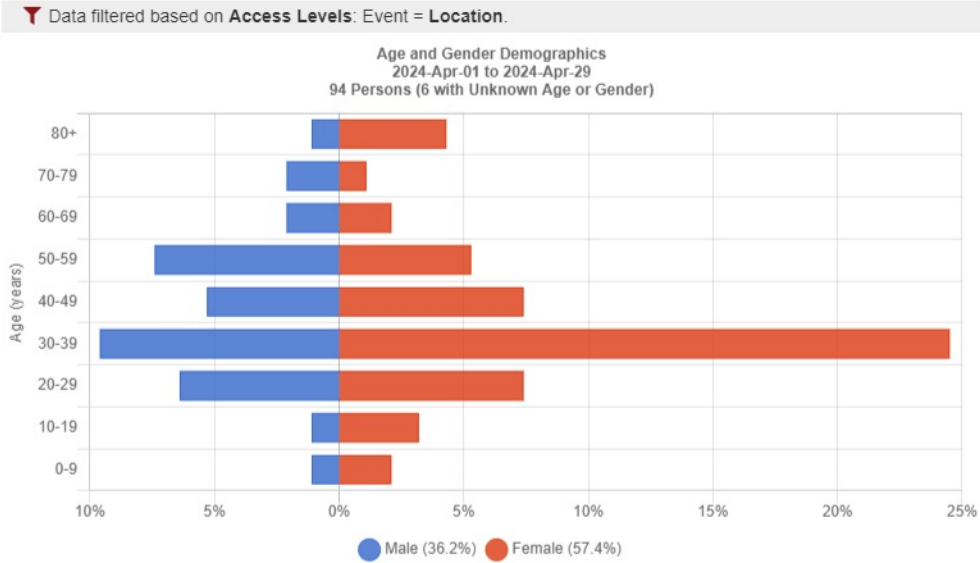
Data filtered based on **Access Levels:** Event = **Location**. Operational = **Full**.



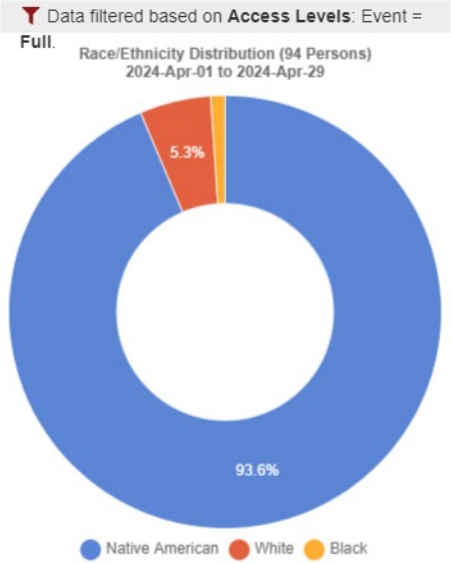
Syndrome Counts by Time



Age and Gender Distribution



Race/Ethnicity



Bethel Fire Department

Bethel, AK

This report was generated on 4/29/2024 2:46:58 PM



Incident Type per Zone for Incident Status for Date Range

Incident Status(s): All Incident Statuses | Start Date: 04/01/2024 | End Date: 04/30/2024

INCIDENT TYPE	INCIDENT STATUS	# INCIDENTS
Zone: 5 - City Subdivision		
511 - Lock-out	Reviewed	1
511 - Lock-out	Completed	1
652 - Steam, vapor, fog or dust thought to be smoke	Reviewed	1
733 - Smoke detector activation due to malfunction	Reviewed	1
735 - Alarm system sounded due to malfunction	Reviewed	1
743 - Smoke detector activation, no fire - unintentional	Reviewed	1
Zone: 6 - ASHA Housing (Bethel Heights)		
511 - Lock-out	Reviewed	1
531 - Smoke or odor removal	Completed	1
611 - Dispatched & cancelled en route	Reviewed	1
622 - No incident found on arrival at dispatch address	Reviewed	2
745 - Alarm system activation, no fire - unintentional	Reviewed	2
Zone: 7 - Airport Road to Blueberry Subdivision		
111 - Building fire	Reviewed	1

This report gives a count of each incident type for the Incident Status or Statuses selected.



emergencyreporting.com
Doc Id: 384
Page # 1 of 1



CITY OF BETHEL

Post Office Box 1388

Bethel, Alaska 99559

Phone: 907-543-2047

TO: City Manager
FROM: Human Resources
SUBJECT: Monthly Manager Report

DATE: April 30, 2024

The following identifies significant projects that were in addition to general personnel action-based activities (hiring, terminations, benefits review, employee support, etc):

HR Compliance

- I-9 forms are now being completed timely; in addition, nearly all currently employees have I-9s on file.
- All applications for City employment are now being processed and logged initially through the HR office and then forwarded on to Department Heads for review.
- All new hires are now being background screened prior to hire by an outside agency through HR. Results are confidential and maintained by HR alone. This process ensures we are protecting our employees' personal information as required by federal law and not allowing disclosure to co-workers, supervisors, or other individuals.
- All CDL-holders have now been entered into the random drug and alcohol testing pool, as required by federal law. All new hires into CDL positions are being pre-screened to this program prior to being authorized to drive, or perform maintenance on, a covered vehicle.
- Temporary (non-seasonal) employees are still being used to augment our hauled utility services. Research is still ongoing with respect to their benefit status and the City's possible need to offer benefits under ACA.

Benefits

The renewal process for FY25 benefit package is ongoing, with open enrollment scheduled for June 2024. The City is still awaiting quotes from our life/disability insurance provider..

Recruiting

Current vacancies at the Management Team level include City Manager, Finance Director, Police Chief, Fire Chief and IT Director. Administration has been actively interviewing prospects for Finance Director. A candidate for the Police Chief position has been invited to Bethel. In addition, with the resignation of the City's IT Technician, the City will be interviewing IT Director applicants over the next couple weeks.

HR is tracking position vacancies based on the approved number of personnel currently budgeted into each position. The below charts reflect the number of FY24 budgeted positions and vacancies for each department and specific details for the vacant positions.

Department	Number of Budgeted Positions	Vacancies
Administration	3	1
City Clerk	2	0
Finance	9	6
Planning	2	0
IT	2	2
Attorney	1	0
Fire	12	3
Police	33	9
Public Works	54	21
Port and Harbor	3	0
Total	121	42

A total of 18 new applications were received by HR during April for advertised positions. In many cases, applicants do not meet the minimum requirements for the positions to which they are applying.

Dept/Position	Number of Budgeted Positions	Number of Vacancies	Applications Received Since Jan 2024	Qualified Applications Under Review	Number Hired During Month	Departures During Month
Finance Director	1	1	5	3		
Accounting Spec I/Clerk	5	5	7	4		3
IT Director	1	1	5	3		1
IT Technician	1	1				1
Fire Chief	1	1	1	1		
Fire Captain	1	1				
Firefighter/EMT	6	1	4	2	2	
Chief of Police	1	1	8	3		
Police Sergeant	3	3				
Community Service Patrol	3	1	1	1		
Evidence Custodian	1	1				
Dispatcher	5	3	1	1		
Landfill Manager	1	1	1	1		
Utility Maintenance Foreman	1	1				
Util. Maint. Worker	4	2	2	2		
Hauled Utility Driver	17	13	12	3	2	1
Water Treatment Operator	3	1	9	5	1	1
Mechanic	5	3				

NeoGOV Transition

HR continues to train with NeoGov on a weekly basis, dedicating 3-5 hours per week to setting up the platform. The next steps involve uploading all current employees into the system and assigning responsibilities for each form to the appropriate supervisors and payroll. The first component should be completed by the end of June and all new hires processed in FY25, will be managed through the online portal.

Online Timekeeping

HR is continuing to work with Caselle to activate the online timekeeping. Work is focusing on transitioning pay codes from payroll into hourly categories for the employee side..

Work Injuries and OSHA Notifications

There was one workplace injury during the month, reported to APEI via their online portal. No OSHA reporting was required.

Ongoing and Future Projects

- Benefit Open Enrollment in June
- Coordinating recruitment efforts with the Alaska Job Center and local training sites.
- Continuing to work on creative strategies for filling vacant managerial positions.
- Presentation and acknowledgment of City Drug and Alcohol Policies.
- Developing a digital policy manual
- Updating the Employee Handbook, last adopted by City Council in 2015.

Memorandum

Date: May 1, 2024

To: Bill Arnold, Acting City Manager

From: Marcus Smith, IT Technician

Subject: IT Director's Report



April 2024 Current Events

- **FD Cameras**

While the majority of the new surveillance cameras are installed at the Fire Department, there are still two more that need to be mounted. These need to be mounted outside, under a metal awning, at the front of the building. I am waiting for the availability of Building Maintenance to install the mounting equipment. Once that is done, it's a simple process to get them up and running.

- **PW Cameras**

Public Works is the last stop on finishing my refurbishment of the City's decaying surveillance system. I was able to bring all the cameras online and am awaiting an indication from leadership on who at Public Works should have access to the system. Additionally, I am also waiting for Building Maintenance to install the cameras at the required locations throughout the building.

- **PW UPS**

I installed UPS units for all the workstations in the Public Works building. This will allow employees to continue working in the event of a temporary power outage.

- **Emails For All Employees**

Working with the HR Director, I am attempting to provide an email address to every city employee to comply with the new HR system she is implementing in June. This is requiring the purchase of new licenses to cover all employees. The process had entered a stall as there was some turnover both with our contracted company ACS and within the IT department with the loss of our IT director. I'm happy to say that progress has resumed and I may finish providing the emails within the next week.

- **Oneweb Failure**

Last month we suffered some catastrophic damage to the dish that provides internet connectivity to most of the City. It has undergone multiple repairs, but it seems each time something else goes wrong. It has been a great source of anxiety because it is our primary source of Internet and without it, we are down to our backup Starlinks. They function well, but if something happens to them, that's it. For the same reasons as the Email License Project, progress on this repair had stalled until this week. We now have the approval to go ahead with the final repair, which will hopefully bring us back to our fully redundant network.

Memorandum

Date: May 1, 2024

To: Bill Arnold, Acting City Manager

From: Marcus Smith, IT Technician

Subject: IT Director's Report



- **Xpress Bill Pay**

Over the past month, Xpress Bill Pay has been suffering periodic slowdowns. Usually, this would require restarting a service on one of our servers and then things would return to normal. In the past, this would occur once a month, but now the problem is occurring daily. I reached out to Alaska Communications Services for some input and together we reached out to Xpress Bill Pay themselves, however, we have been unable to reach them. Furthermore, Xpress Bill Pay seemed to have a systemwide crash yesterday, which leads me to believe this is a problem occurring on their end. We still have an open ticket on the matter and hope to have some answers soon.

- **Caselle Updates**

We had two Caselle updates this month, the initial one, and then the hotfix to fix it. Both required updating about thirty workstations after hours.

- **LogMeIn Updates**

I was prompted to update one of our teleworking applications, LogMeIn over the course of a week. This is a little more extensive than updating Caselle, which must be done to virtually every machine that we have. Hopefully, it doesn't have to be done again anytime soon.

- **DLI Server Connectivity and Remapping of Remote Power Controllers**

I was messaged by the technician who works on our Digital Logger software at the police department. This is a system that records incoming/outgoing phone information. He had lost remote connection to the server that hosts the software. After restoring the connection multiple times, we determined that the issue seemed to be from a corrupted application. So we reinstalled it and it seems to have solved the problem. Additionally, I set up a backup remote application that can be used if the primary goes down. In addition to that, he had me remap the power controllers that power all of the DLI equipment. The controllers allow someone to control the power to the devices remotely and he hadn't had an accurate map in years. Now he has proper remote control of the system.

- **PC setup**

I am about one-third of the way through setting up the new PCs for the new equipment rollout that should occur next winter. It is a slow process for a small department of one, but the rollout is not until the end of the year. So, there's still plenty of time

Memorandum

Date: May 1, 2024

To: Bill Arnold, Acting City Manager

From: Marcus Smith, IT Technician

Subject: IT Director's Report



- **Check Requests**

I have started doing check requests and managing the budget for my department. This was a task that Bo used to do so it took some getting used to, but I think I have the hang of it now.

- **Wells Fargo**

Similarly, I am also learning to approve payroll and purchases and do administrative duties as Bo used to do as well. It's a lot of work, but I am managing.

- **Finance Copier Repaired:**

The copier in the Finance Department did its best banshee impression, making an awful wailing sound anytime someone tried to make a copy three weeks ago. After an initial diagnosis, I determined it was going to need a Xerox repair technician. Two weeks ago, they arrived and repaired one of the shafts that feed paper through the machine. It has been working well ever since.

- **Normal Business**

There are always general problems with forgotten passwords, file access, and learning all the things Bo used to do because they still need to be done.

MEMORANDUM

DATE: May 7, 2024
TO: William Arnold, Acting City Manager
FROM: John Sargent, Grant Manager



SUBJECT: Grant Manager's Report for May 14, 2024 Bethel City Council Meeting

Grant Applications Approved

Coronavirus Capital Projects Fund (CCP)

The City of Bethel was notified in April 2024 that it will be awarded \$9 million for the design and construction of the Bethel Multipurpose Community Center. The new center will contain a gymnasium and rooms where patrons will be able use computers and high-speed internet to assist with employment, education endeavors, and health monitoring. The new facility will be attached to the YK Fitness Center.

Grant Applications in Preparation

Energy Efficiency and Conservation Block Grant Program

The City of Bethel has a chance to secure \$75,220 in formula grant funding from Energy Efficiency Conservation Block Grant Program. City Administration is planning to purchase of a solar power project for use at the YK Fitness Center.

Grant Applications Submitted

Community Service Patrol Grant

I prepared and submitted the City's application to request \$323,081 in funding to support the City's Community Service Patrol Program. The City will again use the services provided by the Police Dispatch Center to serve as in-kind match valued at \$32,081. The grant funds salaries and benefits of three Community Service Patrol Officers who help individuals in need by transporting them to a safe place.

Cybersecurity Grant

I prepared and submitted a cybersecurity grant application that requested \$75,000 to cover costs associated with a cybersecurity assessment. The assessment must identify equipment and services needed before the City is eligible to request grant funding to purchase the equipment and services.

Current Grants

#	Grant	Amount	Expiration
1	Coronavirus Capital Projects Fund	\$9,000,000	12/31/2026
	The City of Bethel will start the facility's design by using its Designated Legislative grant of \$500,000 and then tap this grant. The City continues to look for additional grant funds to be able to build the best facility possible.		
2	CSP - DHSS FY 2024	\$323,081	6/30/2024
	Police Department will be responsible for overseeing the hiring of three CSPs to help people who are unable to care for themselves. Most people picked up are taken to the Sobering Center, funded by the same grantor as the city's CSP grant.		
3	22SHSP-GY22 - Police Radios	39,000	9/30/2024
	Police Department ordered 9 portable radios. The City is currently completing the Final Report.		
4	23SHSP-GY23 – Virtual Simulator & Fencing	\$268,000	9/30/2025
	Request for Proposals being prepared to hire a company to purchase and install fencing on the perimeter of the new Streets and Roads Shop property. The security fence will help protect the City's heavy equipment stored therein.		
5	COPS Hiring Program - School Resource Officer (SRO)	125,000	6/30/2023
	The City received a one-year extension on the grant. The Finance Manager submitted a report to claim the entire \$125,000 in grant funds.		
	The City must request LKSD to pay for SRO salary not covered by grant.		
6	Yukon-Kuskokwim Health Corporation Diabetes Prevention & Control Program	\$4,738	None
	To do: Complete Final Report and close grant.		
7	Coronavirus Local Fiscal Recovery Fund (ARPA)	\$3,361,604	12/31/2024
	I completed the ARPA report due on April 30, 2024. The City spent \$2,001,041 thus far and has \$1,360,563 to spend, some of which is obligated or soon to be obligated in construction contracts. The City is using ARPA funds to pay for its new chemical storage facility and to make Q2 lift station upgrades.		
8	Designated Legislative Grant YK Fitness Center Gym/Track Design	\$500,000	6/30/2026
	The claimed \$953.93 in administrative costs against this grant thus far. There is a \$499,046.07 balance. The City plans to spend this money first as it designs the new multipurpose community center funded by a new federal grant.		

9	Designated Legislative Grant Public Safety Communication Tower	\$500,000	6/30/2028
	DOWL designed the tower foundation and prepared bid documents. The City went out to bid and recieved a viable bid. The City is about to sign a contract with a company to purchase and install the communication tower.		
10	Justice Assistance Grant (JAG)	\$14,108	9/30/2023
	The Police Department purchased a drug dog and sent an officer to training with the dog. All grant funds have been spent. Grant reports are being completed to close the grant.		
11	Healthy & Equitable Funding	\$242,057	TBD
	The City is in possession of playground equipment that will be installed in summer 2024. The City was able to order three pieces of exercise equipment for the fitness center as part of this grant.		
12	VSW Capital Improvement Project Grant	\$13,860,000	TBD
	DOWL completed the design needed in the Bethel Heights Water Treatment Plant to accommodate the planned piped water system infrastructure, including being able to provide piped water to the new school.		
13	State Revolving Fund Loan – Drinking Water	\$86,893	6/29/2027
	All invoices have been uploaded. The City should be receiving this money and returning \$11,893 to close out the loan.		
14	State Revolving Fund Loan – Clean Water	\$86,893	6/29/2027
	All invoices have been uploaded. The City should be receiving this money and returning \$11,893 to close out the loan.		

City of Bethel, Alaska

City Clerk's Office

Council Meetings

May 7, 2024 Special City Council Meeting
May 14, 2024 Regular City Council Meeting
May 28, 2024 Regular City Council Meeting

City Clerk's Office

- Requested a list of properties that are not signed up for water and sewer services from the Finance Department-that list doesn't exist so a cross reference of all city properties will need to be conducted. Reached out to Planning to obtain a list of property addresses in the city to use as a cross reference, that list also does not exist. In the absence of a complete list, began to work through the 2,109 accounts to see if there are duplexes or triplexes that are missing accounts. Also identified what appear to be rental properties which will be cross referenced with the City's business licenses to help ensure renters all have business licenses. A few things were discovered through this project kickoff:
 - There are a number of properties on piped that have duplexes or multiplexes that seem to only have one account servicing the multiple units.
 - There are a number of properties on the hauled system that seem to have one account covering multiple units.

This means the City's water/sewer/garbage enterprise funds are not collecting the revenue they should be. The next step will be to send notices out to the utility customers with multiple units to get them in compliance. We will also do an evaluation of the business license holders in the coming weeks to help ensure those properties with rental units are in compliance with our business licensing and sales tax requirements.
- In an effort to provide customers struggling with their utility payment some relief, reached out to AVCP and ONC to see if they have any financial assistance that residents can use to help cover water/sewer/garbage utility expenses. ONC has support, we are waiting to hear back from AVCP
- Requested the list of non-compliant businesses from the Finance Department to get enforcement action discussions started again. Legal and Finance initiated the first wave of notices.
- Met with CIVIC Optimize contractor to go oversteps with the forms and workflow management. Requested records managers from each department to provide their availability to attend a training.
- Ran the Alaska Association of Municipal Clerk's Conference Planning Committee Meeting.
- Reviewed the City's fees and rates following confirmation on how much a local organization spent on a site plan permit. Requested Planning evaluate what other communities charge for site plans and present a recommendation to Administration to update our rates. Planning drafted changes to the rates and presented them to City Manager for review and approval before bringing them to council.

- Updated the personnel wage spreadsheet provided by HR, to identify expected increases the operating budget as a result of the recently negotiated agreement with the City's union employees. Between 2023 and 2025 the personnel costs for the currently 78 employees that fall under the union terms result in an increase from \$5,223,400 to \$5,977,85,7. This results in an increase of about \$250,000 annually for wages if benefits are included that number increases to about \$337,500 annually.
- Worked with the Bethel Friends of Canines and the Police Department to identify a credit card payment option for the Dog Pound.
- Received 87 entries for the Sign Design Contest, provided them to the Community Parks and Recreation Committee to narrow down for the Kids Vote.
- Organized travel of YKFC contractors to put together the equipment at the YKFC.
- Watched snips from the City Manager candidate interviews provided by GovHR.
- Worked through the City's SAM.gov account to make sure the appropriate access rights were provided to appropriate staff members.
- Reviewed prior appraisals for land to determine 2024 value of land for land lease extension.

AHFC Grants

Finalized the draft for the affordable housing Request for Proposal (RFP) and sent it to Grant Manger, Legal, Administration, and AHFC. On the 8th, received a response from AHFC which will be reviewed, and the draft completed for public distribution.

Began the draft RFP for the construction of the professional housing development. Waiting for administration to identify the lot that will hold the units to ensure the RFP contains all of the information necessary for the bidders. Once that is provided, the RFP will be completed and ready for public distribution.

Task	Period Total	Year to Date Total
Passport Appointments	3	31
Burial Permits/Reservations	1	15
Notary Services	2	13
Meeting Minutes Drafted	2	9
Resolutions Drafted	2	6
Ordinances Drafted	-	2
AM/IM Drafted	1	2

Community Parks and Recreation Committee	full	full
Planning Commission	full	2
Port Commission	2	2
Public Safety and Transportation Commission	full	2
Community Action Grant Technical Review Board	full	full
Public Works Committee	3	2
Finance Committee	1	2
Ethics Board	full	1