

**NORTHWEST ARCTIC BOROUGH
RESOLUTION 23-34**

**A RESOLUTION OF THE NORTHWEST ARCTIC
BOROUGH ASSEMBLY AUTHORIZING A CONTRACT
WITH DEERSTONE CONSULTING, LLC FOR THE WATER
AND SEWER PROJECT IN SELAWIK, AND FOR RELATED
PURPOSES.**

WHEREAS: the Northwest Arctic Borough Assembly is the governing body for the Northwest Arctic Borough; and

WHEREAS: the Northwest Arctic Borough is a home rule regional government and provides essential programs and services to improve the quality of life for all residents and their 11 communities; and

WHEREAS: on August 27, 2018, the Village Improvement Commission ("VIC") passed Commission Resolution 18-02, approving and recommending \$610,500 for a water/sewer system rehabilitation project in Selawik ("Project"), which was subsequently approved by the Borough Assembly through Resolution 18-21; and

WHEREAS: the Project has been largely inactive since the Alaska Native Tribal Health Consortium's withdrawal and the City of Selawik ("City") requires assistance to complete the project; and

WHEREAS: NANA Regional Corporation ("NANA") approved Village Economic Investment ("VEI") Funds in the amount of \$500,000 to support this Project and intends to execute a Memorandum of Agreement with to Borough to pay these Project funds through a contract managed by the Borough and City; and

WHEREAS: the Borough wishes to provide the project management assistance needed to complete the Project by managing the contract to be paid through the remaining Village Improvement Funds ("VIF") and VEI funds in a total amount not to exceed \$750,000; and

WHEREAS: in October 2022 DeerStone Consulting, LLC ("DeerStone") conducted a site visit to evaluate the Project to identify the most effective strategy for completing the Project with the remaining funding and prepared a final report with recommendations for completing the project and detailed inspections from ANTHC of individuals' homes and other sites within Selawik resulting in an amended project scope; and

WHEREAS: the Borough seeks to execute a professional services agreement with Deerstone Consulting LLC, through VIF funds to be paid by the Borough in an amount not to exceed \$250,000, and VEI funds paid by NANA in an amount not to exceed \$500,000, for a total contract amount not to exceed \$750,000; and

WHEREAS: the Borough wishes to execute a Memorandum of Agreement with the City of Selawik and NANA to outline the terms by which NANA will pay its VEI funds in an amount not to exceed \$500,000 against its portion of the Project invoices.

NOW THEREFORE BE IT RESOLVED: the Northwest Arctic Borough Assembly authorizes Mayor Dickie Moto, Sr., to execute a contract in substantially the same form as accompanies this resolution for professional services with the City of Selawik and DeerStone Consulting, LLC for the Selawik Water and Sewer Project, to be paid from VIF funds in an amount not to exceed \$250,000, and VEI Funds in an amount not to exceed \$500,000, for a total contract amount not to exceed \$750,000; and

BE IT FURTHER RESOLVED: that the Northwest Arctic Borough Assembly authorizes Mayor Dickie Moto, Sr., to execute a Memorandum of Agreement with the City of Selawik and NANA Regional Corporation to coordinate payment of the VEI Funds for this Project in a total amount not to exceed \$500,000.

PASSED AND ADOPTED THIS 26th DAY OF JUNE 2023.




Nathan Hadley, Jr., Assembly President

PASSED AND APPROVED THIS 26th DAY OF JUNE 2023.



Dickie Moto, Sr., Mayor

SIGNED AND ATTESTED TO THIS 26th DAY OF JUNE 2023



Stella Atoruk, Borough Clerk

ATTEST:



MEMORANDUM OF AGREEMENT

BETWEEN THE NORTHWEST ARCTIC BOROUGH, CITY OF SELAWIK, AND NANA REGIONAL CORPORATION

Section 1. Purpose. This Memorandum of Agreement (this “Agreement”) is entered into this 1st day of July, 2023 (the “Effective Date”) between the Northwest Arctic Borough (“NAB”), NANA Regional Corporation, Inc. (“NANA”), and the City of Selawik (“Selawik”) (collectively the “Parties”) to set forth the terms for the Parties’ cooperative effort to complete the Selawik Water and Sewer Project (the “Project”).

Section 2. Background.

- A. NAB is the home rule regional government for Northwest Alaska.
- B. NANA is the Alaska Native Regional Corporation for Northwest Alaska and is owned by the more than 14,500 Iñupiat shareholders who live in or have roots in Northwest Alaska.
- C. Selawik is a municipal corporation and second-class city for the community of Selawik, Alaska.
- D. NAB and NANA have historically partnered to address regional needs that affect both NAB residents and NANA shareholders, including those in Selawik.
- E. The parties wish to collaborate to complete the Selawik Water and Sewer Project (the “Project”).
- F. The Project will complete the work approved through the Village Improvement Fund (“VIF”) Resolution 18-02 and NAB Assembly Resolution 18-21, and NANA Board of Directors Resolution 2022-42 for Village Economic Investment (“VEI”) funds. NAB and Selawik will contract with an independent contractor to complete the Project paid through \$250,000 of VIF funds paid by the NAB and \$500,000 of VEI funds paid by NANA. The NAB will serve as project manager to oversee the Project and to review and process invoices for both VIF and VEI funds. This Agreement outlines the procedures through which the NAB will review all Project invoices and submit invoices to NANA for payment through VEI funds.

Section 3. NAB Responsibilities.

- A. Funding. NAB will provide up to \$250,000 of Village Improvement Funds for the Project to pay eligible contractor invoices.
- B. Procurement and Contracting. NAB will negotiate and execute a contract with a qualified firm to complete the Project as outlined by the City of Selawik through the approved VIF and VEI project awards.

- C. Project Management. NAB's VIF Manager, Hiram Walker, will oversee the project work completed by the contractor and serve as the primary point of contact to the contractor and to the City of Selawik and NANA.
- D. Invoicing. NAB's VIF Manager will review all contract invoices for accuracy and approval for payment. This includes monthly invoices for services rendered and for any eligible reimbursable costs incurred, within thirty days of performing the service or incurring the expense. Invoices shall legibly itemize the tasks or deliverables addressed or completed, and accurately state the percentage of total services completed at the time of the invoice. Any invoice containing charges for reimbursable costs shall be supported by true, accurate, and legible copies of contractor's invoice, receipt, or similar proof of payment. For payments made through a fixed fee per task, invoices shall be accurately based on the percentage of the task, phase or deliverable completed and delivered (or made available to) NAB, as of the invoice date.

NAB agrees to pay valid invoices from Contractor for eligible invoices to be paid from VIF funds within thirty (30) days after contractor's invoice is received, provided such invoice fully complies with all contract requirements and this Agreement.

NAB agrees to forward eligible invoices to be paid from VEI funds within thirty (30) days after Contractor's invoice is received for payment by NANA within thirty (30) days, provided such invoice fully complies with the requirements of the contract and this Agreement.

The parties will cooperate in good faith to review and pay all invoices in a timely manner. Any questions or challenges to an invoice will be made and responded to by either party as soon as possible.

Section 4. NANA Responsibilities.

- A. Funding. NANA will provide up to \$500,000 in Village Economic Investment ("VEI") Funds for the Project to pay eligible contractor invoices.
- B. Invoicing and Payment. NANA agrees to immediately review invoices to be paid from VEI funds within thirty (30) days after receipt from the Borough, provided such invoice fully complies with all contract requirements and this Agreement.

The parties will cooperate in good faith to review and pay all invoices in a timely manner. Any questions or challenges to an invoice will be made and responded to by either party as soon as possible.

Section 5. Selawik Responsibilities.


- A. Cooperation and Agreement. Selawik agrees to be an active partner in cooperating with this Project. The Mayor and City Administrator agree to be in regular contact with the NAB VIF Project Manager, Hiram Walker, to advise of the Project generally and to report any issues or concerns in a timely manner. Selawik agrees to the terms of this agreement, including that NAB will serve as project manager to oversee the Project and contract administration.
- B. Invoicing and Payment. Selawik agrees that NAB will review and approve all invoices related to this Project for payment by either NAB for VIF funds or NANA for VEI funds, and that all payments will be made directly to the contractor.

Section 6. Term. This Agreement will commence as of the Effective Date and will remain in effect through June 30, 2024, at which time the parties may renew the Agreement on similar terms and conditions for another term.

Section 7. Miscellaneous. Nothing in this Agreement shall be deemed or construed to create the relationship of principal and agent, or of partnership, or of joint venture, or of any association between NAB, NANA, and Selawik. This Agreement may be executed in any number of counterparts, including by electronically-transmitted signature, and each counterpart shall for all purposes be deemed to be an original; and all such counterparts shall together constitute but one and the same agreement. This Agreement may only be modified in writing by all parties.

NAB, NANA, and Selawik have executed this Agreement as of the Effective Date.

NORTHWEST ARCTIC BOROUGH

By: 
Dickie Moto, Sr., Mayor

NANA REGIONAL CORPORATION

By: _____
John Lincoln, President and CEO

CITY OF SELAWIK

By: _____
Kurt Oviok, Sr., Mayor

PROFESSIONAL SERVICES AGREEMENT
Between Contractor and the NORTHWEST ARCTIC BOROUGH

Contract No.: FY24-05 **Effective Date:** July 1, 2023
NAME OF CONTRACTOR: Deerstone Consulting, LLC
EIN# 47-4201084 **BUSINESS LICENSE #:** 1021997

THIS AGREEMENT is effective on the above-written date between the NORTHWEST ARCTIC BOROUGH, ("NAB"), an Alaska Municipal corporation, whose address is P.O. Box 1110, Kotzebue, Alaska 99752, and Deerstone Consulting, LLC (the "Contractor"), an Alaska limited liability company, whose address is 3200 Brookside Drive, Anchorage, AK, 99517 and the City of Selawik ("Selawik") an Alaska Municipal corporation and second class city, whose address is P.O. Box 99, Selawik, AK 99770.

1. CONTRACTOR'S SERVICES

1.1 Scope and Schedule of Services. Contractor agrees to provide the scope of professional services (the "Project") more particularly described in **Exhibit A**, incorporated herein by reference, in accordance with the schedule in **Exhibit A**. This Agreement may not extend beyond the NAB fiscal year in which the contract becomes effective except by ordinance adopted by the NAB Assembly. Services provided by Contractor shall comply with all applicable laws, professional or industry standards, and grant requirements.

1.2 Additional Services. NAB may request or authorize additional services from Contractor, in addition to those described in **Exhibit A**, through an authorized Change Order signed by the Contracting Officer. All Change Orders shall be on a form prescribed by NAB, and shall describe the additional services to be performed, the effective date, the schedule for completion, and compensation for the Contractor. Except as otherwise expressly stated in the change order, any additional services shall comply with the terms and provisions of this Agreement, including any limitations on reimbursable costs provided in **Exhibit B**. In the absence of a fully executed change order signed by the Contracting Officer, Contractor is not authorized to perform additional services or to receive compensation for such services.

1.3 Contract Changes. NAB may order a reduction or change in the Project by Change Order signed by the Contracting Officer. The parties shall negotiate the appropriate credit or reduction in fixed compensation or not to exceed cap, as applicable, resulting from the change. If the parties are unable to reach Agreement after good faith negotiations, the Contracting Officer shall determine the appropriate credit or reduction by written decision.

1.4 Authorization. Contractor acknowledges that all changes in the scope of the project, services, and compensation must be formally authorized and approved, in writing, in accordance with NAB contract requirements, procurement procedures, budgeting and funding obligations, in order to be valid and legally enforceable. No person, officer, agent or employee of NAB may bind NAB to pay for additional work in the absence of a written contract addendum, modification, change order, or additional services Agreement, duly executed and signed by the Contracting Officer. Contractor agrees to comply with contracting formalities and acknowledges that any actions or services provided prior to or without such formalities are provided without compensation and exclusively at Contractor's own risk.

1.5 Conflict of Interest, Business Ethics. Contractor represents that the Project will be performed in an ethical and professional manner free from any influence or interest that conflicts with NAB's interests or full performance of this Agreement. Contractor warrants that (a) no kickback, payment, gratuity, gift, contingent fee or other financial benefit has been paid or received by Contractor and (b) Contractor has not been engaged in any collusive or anti-competitive activity or practice, in connection with the procurement or execution of this Agreement. Contractor agrees to comply with all conflict of interest and ethical requirements imposed by NAB upon its contractors.

2. COMPENSATION

NAB shall compensate the Contractor for the services performed in accordance with this Agreement, in the amounts and in the manner set forth in **Exhibit B**.

3. RESOURCES AND RECORD KEEPING

Contractor shall, at Contractor's own expense, maintain and provide business records, progress information, receipts, and cost support evidence in connection with performance of this Agreement. Contractor shall maintain such records for a period not less than three (3) years following the expiration or termination of this Agreement. Access to such records shall be provided to NAB, at Contractor's cost, upon request of NAB during the performance of this Agreement, and for a period of not less than three (3) years thereafter, and for such longer period as Contractor may maintain such records. NAB may request that such records be preserved for additional periods, up to a total of six (6) years at Contractor's expense, in the event of a related controversy or dispute. If NAB requests preservation for a longer period, Contractor shall turn the records over to NAB or arrange for storage at NAB's expense. NAB shall provide Contractor reasonable access to the records, personnel, and other resources necessary for Contractor to perform the Project described in **Exhibit A**.

4. INDEPENDENT CONTRACTOR

The relationship of Contractor to NAB is that of an independent contractor. Contractor is not an employee, partner, agent, or joint venturer of NAB. Nothing contained herein or otherwise shall be construed in such manner as to create the relationship of employer/employee between Contractor and NAB, or between Contractor's associates, agents, or employees and NAB. Contractor has directed NAB not to withhold any federal, state, or local income, social security, unemployment or other taxes or similar payments from the compensation due under this Agreement. Contractor shall furnish a copy of its current Alaska Business License and any locally required licenses or permits, within five (5) days of executing this Agreement, and shall update such information at such other times as NAB may request.

5. ASSIGNMENT

NAB has selected Contractor to perform the Project based on Contractor's personal experience, qualifications, and skills. Contractor may not assign this Agreement or any obligations or rights hereunder, nor delegate any of its duties and responsibilities, without first obtaining the written consent of NAB. Contractor shall not retain sub-contractors in conjunction with the Project without the prior written approval of NAB.

6. INSURANCE

Contractor shall procure and maintain insurance coverage in such amounts, with such deductibles and for such period of time as set forth in **Exhibit B**. Prior to commencing the Project, the Contractor shall provide NAB certificates proving that the required coverages and endorsements are currently in effect. The insurance must be in place and effective as of the Effective Date of this Agreement, and remain in effect through completion of all services.

7. INDEMNITY

To the fullest extent permitted by law, the Contractor shall indemnify, defend, and hold harmless NAB and its employees, officers, assembly members, administrators, agents, and attorneys from and against all claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from the performance of the Project; provided that, any such claim, damage, loss or expense: (1) 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; and, (2) is caused in whole or in part by any negligent act or omission of the Contractor, any subcontractor of Contractor, anyone directly or indirectly employed by any of them or anyone for whose acts they may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of

indemnity that would otherwise exist as to any party or person described herein. In any and all claims against NAB or its employees, officers, assembly members, administrators, agents, and attorneys by any employee of the Contractor, any subcontractor to Contractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation herein shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or any subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts

8. CONDITIONS PRECEDENT TO AGREEMENT

This Agreement shall not be binding upon NAB or the Contractor until one of the following occurs:

☐ *Contract \$75,000 or more or beyond the current fiscal year:* the NAB Assembly adopts a resolution or ordinance approving this Agreement, and the Mayor executes the Agreement, or,

☒ *Contracts under \$75,000 and within the current fiscal year* the Mayor executes this Agreement on behalf of the NAB.

In the event this Agreement is not approved and executed by the proper authority, any costs, preparation, purchases, investment, or services incurred or performed by Contractor shall be solely at Contractor's own risk and without payment therefor by NAB.

9. OWNERSHIP OF DOCUMENTS

All work products prepared by the Contractor in fulfilling its duties under this Agreement shall be and remain the property of NAB and Selawik, and NAB and Selawik shall have the right to use such products for any purpose without any further claim on the part of the Contractor for additional compensation. In the event that NAB and/or Selawik uses the Contractor's work products for other than this project, NAB and/or Selawik hereby agrees to hold the Contractor harmless from any claims arising therefrom. The Contractor may retain a copy of any work product prepared by the Contractor in fulfilling its duties under this Agreement for the Contractor's records; provided that, NAB and/or Selawik shall hold the copyright to any such work.

10. TERMINATION

10.1 Grounds. This Agreement may be terminated by NAB for convenience by providing not less than fourteen (14) days written notice of termination. Unless otherwise specified, Contractor may terminate for convenience by providing the advance, written

notice as specified in **Exhibit A**. Either party may terminate for breach of this Agreement, or for good cause, by written notice.

10.2 Notice. Notice of termination shall state the default or grounds, if applicable, a time provided for curing the default if the default is curable, and the effective date of termination. If the termination is partial, the notice shall specify the performance or services that will not be affected by the notice.

10.3 Payment. In the event NAB terminates the Agreement other than for cause, Contractor shall be paid for approved reimbursable expenses incurred prior to termination and compensation earned as provided in **Exhibit B**.

10.4 Work Product. Following termination either for convenience or for cause, by Contractor or NAB, Contractor shall promptly deliver to NAB all work produced, materials, tools, equipment, correspondence, work product and other data completed or in process by the date specified by NAB, and if no date is specified, no later than the effective date of termination.

11. SUSPENSION OF WORK

NAB may suspend work on the Project in whole or in part, at any time, with or without cause and with or without prior notice. Notice of suspension shall be in writing and shall be effective immediately unless otherwise specified in the notice. A suspension will be deemed to occur when NAB orders Contractor to cease all services specified in the notice referred to in this paragraph. In the event of suspension, the Contractor shall submit its invoice and be paid in the manner specified in **Exhibit B**.

12. TAXES

Contractor shall be solely responsible for paying all local, state, and federal taxes, license fees and any other similar assessments that may arise under this Agreement. Contractor shall secure, upon request by NAB, written verification from any subcontractor to Contractor that such subcontractor has obtained all required insurance, permits, and paid all required taxes.

13. ADDITIONAL PROVISIONS

13.1 Notices. Unless otherwise provided herein, any notices or other communications required or permitted by this Agreement to be delivered to NAB or Contractor shall be in writing and shall be considered delivered when personally delivered to the party to whom it is addressed, or in lieu of such personal delivery, when

deposited in the United States mail, certified mail, postage prepaid, addressed to NAB or Contractor at the address set forth elsewhere in this Agreement.

13.2 Entire Agreement. This Agreement constitutes the entire Agreement between NAB, Selawik, and the Contractor. It supersedes all prior oral and written understandings and Agreements. It may be amended, supplemented, or modified only by a written instrument duly executed by the Contractor, Selawik, and NAB. It shall bind NAB and the Contractor, and their successors, executors, administrators, assigns and legal representatives.

13.3 No Third-Party Beneficiaries. Nothing contained in this Agreement shall be construed to give any rights or benefits hereunder to anyone other than to NAB and the Contractor.

13.4 Nonexclusivity. This contract is non-exclusive and NAB reserves the right to enter into separate Agreements directly with any contractor or supplier for any purpose.

13.5 Language. Whenever reference is made in this Agreement to "NAB," it includes NAB or the Contracting Officer for this contract. The singular includes the plural and the masculine, feminine or neuter genders include each other.

13.6 Disbursement of Moneys. All disbursement of moneys by NAB hereunder shall be subject to appropriations.

13.7 Special Provisions. Any special provisions applicable to this Agreement are set forth in **Exhibit C**.

13.8 Law and Venue. This Agreement shall be governed by the laws of the State of Alaska. Venue and jurisdiction for any legal proceeding relating to this Agreement shall be the Alaska State Court in Kotzebue, Alaska.


13.9 Dispute Resolution. Disputes shall be resolved using the administrative review procedures provided by NAB ordinances or code. If such review procedures are not available, the parties shall resolve any disputes as follows:

13.9.1 Disputes and claims shall be presented first to the Contracting Officer for written decision. If the Contractor disputes a decision of the Contracting Officer, the Contractor shall request reconsideration, citing this paragraph explicitly, no later than the 15th day after receiving the Contracting Officer's decision, whether the decision is communicated informally or in writing. The Contracting Officer shall issue his decision, or reconsideration decision, within thirty (30) days of receiving the written request for review.

13.9.2 Unless the Mayor is the Contracting Officer, any request for review of the Contracting Officer's decision shall be submitted to the Mayor, not later than the 30th day after receipt of the Contracting Officer's decision. The Mayor may refer the matter to the Assembly or decide the matter without such referral. The Mayor's decision shall be issued within thirty (30) days of receiving the request for review, unless good cause is shown for extension, not to exceed an additional thirty (30) days. In any event, the Mayor's decision shall be final, unless the Mayor has referred the matter to the Assembly, in which case the Assembly's decision shall be final.

13.10 Counterparts. This Agreement may be executed in one or more counterparts, and delivered by facsimile or other electronic transmission, each of which, when executed, will be deemed to be an original and all of which together will be deemed to be one and the same instrument.

NORTHWEST ARCTIC BOROUGH

By: 
Dickie Moto, Sr., Mayor
Date: 6-26-23

CITY OF SELAWIK

By: _____
Kurt Oviok, Jr., Mayor
Date: _____

CONTRACTOR
Deerstone Consulting, LLC

By: _____
Brian Hirsch, Partner and CEO
Its: _____
Date: _____

CONTRACTING OFFICER:
Position/Title: VIF Project Manager
Full Name: Hiram Walker

EXHIBIT A

SCOPE OF SERVICES AND SCHEDULE

(1) BACKGROUND, SCOPE OF WORK & DELIVERABLES.

A. Background

- i. In April 2020, the Alaska Native Tribal Health Consortium (ANTHC) initiated a Cooperative Project Agreement (CPA) with the City of Selawik to execute the Selawik Home Connection Project. This project utilized funding from the Village Improvement Fund (VIF) to perform infrastructure upgrades at the residential level to reduce the frequency and pervasiveness of water and sewer system freeze-ups. Due to challenges associated with COVID-19 and other project setbacks, the project has not yet been completed.
- ii. In October 2022 DeerStone Consulting conducted a site visit to evaluate the current status of the project, inventory the remaining purchased parts, and identify the most effective strategy for completing the project with the remaining funding. A final report with recommendations for completing the project and detailed inspections from ANTHC of individuals' homes and other sites within Selawik was submitted to the Northwest Arctic Borough in December 2022. Based on DeerStone's site visit and review of ANTHC's project documentation, DeerStone recommended that a contractor be hired to complete an amended Scope of Work (SOW).
- iii. In April 2023 DeerStone was invited to submit a fixed fee proposal to complete the recommended SOW that was included in the December 2022 report. This document contains the SOW and fixed fee budget for NAB's consideration.

B. Scope of Work

- i. DeerStone recommends focusing construction efforts on minimizing the number and size of leaks in the vacuum sewer system and installing service line circulating pumps for freeze protection.-Vacuum leaks have compounding negative effects on the system, causing the vacuum pumps to cycle more frequently, accelerating freezing events, increasing the number of vacuum sewer outages, and consuming more electricity, thus increasing operational costs. Minimizing the vacuum leaks will provide the greatest benefit to the system within the limitations of the project funding.

- ii. Most vacuum leaks occur at the connection to the main, inside arctic boxes, and at the home vacuum components. The most common causes of vacuum leaks in these locations are low quality flexible rubber couplings (no-hub couplings), faulty sump valves and controllers, and old vacuum toilet valves. To maximize the impact of available resources, DeerStone recommends focusing construction efforts on minimizing the number and size of leaks in the vacuum system and installing service line circulating pumps.
- iii. The overall project will be divided into phases according to the following table:

Project Phases and Schedule	
Project Phases	Proposed Schedule
Phase 1: Home Inspection	June – July 2023
Phase 2: Pre-Project Site Visit	July 2023
Phase 3: Material Procurement, Planning, and Project Mobilization	July-August 2023
Phase 4: Project Construction & De-mobilization	August – October 2023
Phase 5: Project Closeout	December 2023

- iv. The activities below specify the quantities of each home vacuum sewer component recommended to be replaced based on the site visit conducted in October 2022. At that time there was material in Selawik that was purchased for this project and it is assumed that material is still available for installation. The scope of work listed below includes utilizing the available owner furnished materials from the available inventory as well as purchasing additional components.
- v. Required Activities:
 - Install 67 sump valves and HP controllers
 - Install 67 vacuum toilet valve kits and push buttons
 - Install 27 water circulating pumps
 - Remove and replace 120 no-hub couplings with Metraflex 201 (or equivalent) couplings

Inventory of Vacuum Components	
Inventory of Vacuum Components by DeerStone – Oct 2022	
Toilet Valve Kit	43
Toilet Push Buttons	22
2" Vacuum Valve for Sump	32

HP Controller	3
Inventory of Vacuum Components by ANTHC – Jan 2022	
Toilet Valve Kit	110
Toilet Push Buttons	10
2" Vacuum Valve for Sump	81
HP Controller	101

Recommended Vacuum Sewer Component Replacements			
Component	On-Site	Additional Required	Total Scope of Work
Sump Valves	32	35	67
HP Controllers	3	64	67
Vacuum Toilet Kits	43	24	67
Vacuum Toilet Push Buttons	22	45	67
Water Circulating Pumps	2	25	27
Metraflex 201 Couplings	0	120	120

- vi. During the DeerStone site visit in October 2022, DeerStone conducted a home survey of 45 residential homes and 2 commercial buildings located on the island portion of Selawik. DeerStone did not inspect all homes in Selawik due to time and budgetary constraints. This project scope will complete the survey for the remaining homes as part of Phase 1 (Home Inspection). DeerStone will utilize this home survey to prioritize which homes shall receive improvements. The prioritized list shall be approved by the City of Selawik, Native Village of Selawik, and NAB before construction activities are initiated. In the event that the home inspection survey recommends additional improvements to the scope of work stated above, this contract may be amended with a change order agreed upon by Selawik and NAB.

C. Project Team

The DeerStone team will be led by Max Goggin-Kehm PE and include Leah Olsen EIT, Tana Smith Mechanical Engineer, and others as needed. More information about our team can be found at www.deerstoneconsulting.com

D. Timeline

Activities can begin as soon as a contract is signed and this Scope of Work is approved. Construction work will require one full summer-fall cycle.

E. Budget

- a. Project will be completed on a firm fixed fee basis of \$750,000 according to the following Milestone/Deliverable table.

Milestone/Deliverable	Amount
1. Mutually sign Contract	\$100,000
2. Home Inspection and Home Priority List	\$100,000
3. Pre-Project Site Visit & Trip Report Complete	\$50,000
4. Material Procurement Complete	\$150,000
5. Mobilization of materials on-site, hiring of local personnel & Superintendant	\$150,000
6. Project Construction Complete; de-mobilization	\$100,000
7. NAB Site Inspection & Acceptance	\$100,000
Total	\$750,000

- b. DeerStone would be responsible for hiring and paying an on-site Project Superintendent and local labor. It is expected that four part-time jobs for local Selawik residents or others in nearby villages would be created during mobilization and construction over a summer-fall cycle. DeerStone will also be responsible for arranging local housing and transportation for the on-site Superintendent.
- c. Project funding will be paid from the from the Northwest Arctic Borough Village Improvement fund, paid by the Borough, in an amount not to exceed \$250,000 and from the NANA Regional Corporation ("NANA") Village Economic Investment ("VEI") Fund, paid by NANA, in an amount not to exceed \$500,000.

4. Hold Harmless

A "Hold Harmless" clause that is signed by each homeowner will be necessary prior to construction activities on the individual home. This clause will serve as legal protection for DeerStone as well as NAB.

Commented [MG1]: I don't know if we need this in the proposal but I am thinking there will need to be 3 homeowner signatures....1. Enter home and conduct home survey. 2. Allow Deerstone to conduct the improvements. 3. Accept the improvements as-is.

This will probably be 2 separate documents. One for the home survey (which should need much liability coverage), and the 2nd for the proposed improvements and acceptance of work (this will have to have more robust legal protection).

(2) SCHEDULE.

The work to be performed under this Agreement shall be commenced on July 1, 2023 and shall be completed no later than June 30, 2024.

Time extensions or variations from this schedule must be requested from the Contracting Officer designated in this Agreement. No extension or material variance from the schedule shall be authorized unless it is documented in writing, and signed by the Borough Contracting Officer.

(3) CONTRACTOR'S NOTICE OF CONVENIENCE TERMINATION.

SELECT ONE:

☒ Contractor is not authorized to terminate for convenience.

☐ Contractor may terminate this Agreement on _____ (*seven [7] unless otherwise indicated*) days written notice of convenience.

<<<< END OF EXHIBIT A – GO TO EXHIBIT B >>>>

EXHIBIT B

COMPENSATION, PAYMENT, AND INSURANCE

Instructions: (1) Select ONE Compensation Option (1A, 1B, 1C); (2) Determine if reimbursable costs apply, and if so, the types that are eligible and any restrictions; (3) Document the hourly rate(s) for Additional Services if applicable; (4) Identify the "Not to Exceed" figure and any breakdown within costs and services; (5) Verify insurance requirements; (6) Check appropriate options; (7) Initial each page.

1. COMPENSATION METHOD. NAB shall pay to Contractor as compensation for services actually rendered the following fee(s) (*select option 1A, 1B, or 1C*).

☒ **A. FIXED FEE PER TASK**

<u>Deliverable, Task Or Phase</u>	<u>Fixed Fee</u>
Mutually sign Contract	\$100,000
Home Inspection and Home Priority List	\$100,000
Pre-Project Site Visit & Trip Report Complete	\$ 50,000
Material Procurement Complete	\$150,000
Mobilization of materials on-site, hiring of local personnel & Superintendent	\$150,000
Project Construction Complete; de-mobilization	\$100,000
NAB Site Inspection & Acceptance	\$100,000
<i>Total</i>	<i>\$750,000</i>

Contract Total: \$750,000

A.1 Monthly progress payments shall be determined by percentage of completion of designated deliverables, tasks, or phases.

A.2 The Additional Services clause provided below, applies to additional services provided under and authorized in accordance with this Agreement, unless the parties negotiate a fixed fee for such services. The Additional Services rates may also be used to evaluate the fair and equitable credit due NAB, in the event of termination for convenience, suspension of work, work reduction or change order.

☐ **B. HOURLY RATE(S) WITH CAP**

Type of Service Hourly Billing Rate Est. # Hours

NOT TO EXCEED AMOUNT FOR SERVICES:\$

~~B.1 All chargeable hours must be reasonable in light of the Contractor's qualifications and experience, the nature and character of the work provided, applicable professional standards of performance, and any licensing, professional, or ethical requirements. Services must actually be rendered to be compensable, and partial hours of service shall be billed in increments no greater than 1/4 hour.~~

~~B.2 Estimated hours are provided for general planning and for developing the not-to-exceed figure. These estimates are not intended to authorize Contractor to incur unreasonable hours or to perform work not requested or authorized by the Contracting Officer.~~

~~B.3 The hourly rate includes overhead and profit of Contractor. Additional Services are charged at the same hourly rates. Authority to provide additional services shall not change the not to exceed figure unless specifically authorized by the change order.~~

☐ **C. MONTHLY FEE**

Monthly Rate _____ # of periods to which rate applies _____

\$ _____

Est. Contract Amount: \$ _____

NOT TO EXCEED AMOUNT FOR SERVICES: \$ _____

~~C.1 The estimated number of periods is provided for general planning and for developing the not-to-exceed figure. These estimates are not intended to authorize Contractor to extend the work periods beyond what is necessary, or to perform work not requested or authorized by the Contracting Officer.~~

~~C.2 The monthly rate includes all overhead and profit of Contractor.~~

2. REIMBURSABLE COSTS Check if NOT Applicable: ☒

The fees provided for in Section 1 are inclusive of all overhead and profit. Contractor shall be reimbursed for eligible expenses, actually and reasonably incurred as part of Contractor's services performed hereunder, if this Section 2 is designated as applicable, as follows:

Only the categories of expenses that are specifically authorized below, shall be eligible for reimbursement.

~~All reimbursements must be pre-approved in each Task Order and invoicing must be itemized and supported by receipts and proper proof to be payable.~~

2.1 Category: ~~Travel~~

✓ If Authorized	TYPE OF COST	RESTRICTIONS
NONE	NONE	N/A

2.2 Category: ~~Miscellaneous support and supplies~~

✓ If Authorized	TYPE OF COST	RESTRICTIONS
NONE	NONE	N/A

~~NOT TO EXCEED AMOUNT FOR REIMBURSABLES: \$ NONE~~

3. ~~ADDITIONAL SERVICES.~~ Any additional services authorized under this Agreement shall be payable, unless otherwise agreed, at the following hourly rates:

Hourly Rate	Position	Individual
Not Applicable	Not Applicable	Not Applicable

4. NOT TO EXCEED AMOUNT. Unless and until Change Order is signed by Contractor and the Contracting Officer, in compliance with all applicable codes and procedures, payments for services rendered in accordance with the terms of this Agreement and reimbursable expenses shall not exceed VIF funds in an amount not to exceed \$250,000 and VEI funds in an amount not to exceed \$500,000, and in total shall not exceed : **\$ 750,000.00.**

5. MANNER OF PAYMENT. NAB shall make payments of Contractor's compensation as follows:

5.1. Invoice. Contractor shall submit monthly invoices for services rendered and for any eligible reimbursable costs incurred, within thirty days of performing the service or incurring the expense. The invoice shall legibly itemize the tasks or deliverables addressed or completed, and accurately state the percentage of total services completed at the time of the invoice. If Compensation is provided under an Additional Services order, Compensation Method B (Hourly Rates) or C (Monthly), the invoice shall also identify the number of hours worked, name of the person providing the service, hourly rate, and the nature of the task addressed by each person. Any invoice containing charges for reimbursable costs shall be supported by true, accurate, and legible copies of

Contractor's invoice, receipt, or similar proof of payment. For payments made under Compensation Method A (fixed fee per task), invoices shall be accurately based on the percentage of the task, phase or deliverable completed and delivered (or made available to) NAB, as of the invoice date.

5.2 Payment due date. NAB agrees to pay valid invoices from Contractor for eligible invoices to be paid from VIF funds within *thirty (30) days* after Contractor's invoice is received by the Contracting Officer or designee, provided such invoice fully complies with all requirements of this Agreement. NAB agrees to forward eligible invoices to be paid from VEI funds, pursuant to its Memorandum of Agreement with NANA, within *thirty (30) days* after Contractor's invoice is received by the Contracting Officer or designee, provided such invoice fully complies with all requirements of this Agreement. NANA shall make payment within *thirty (30) days* after Contractor's invoice is received by the Contracting Officer or designee, provided such invoice fully complies with all requirements of this Agreement.

5.3 Contractor's delay. Any claim for payment for services or expenses submitted more than forty-five (45) days after such cost has been incurred or service has been provided may be rejected by NAB, without payment. NAB may accept late invoices or submissions provided Contractor shows, to NAB's satisfaction, valid cause for the delay.

5.4 Disputed invoices. If NAB disputes any portion of the invoice or requires additional submissions from Contractor, NAB agrees to timely pay the undisputed portion of the invoice in accordance with this paragraph.

5.5 Retainage. In the event of performance issues NAB may, at its option, implement a retainage requirement as a condition of progress payments on the Project. In determining whether retainage shall be initiated, retained, or reinstated, the Contracting Officer shall consider the overall quality of Contractor's performance, and Contractor's timeliness, along with any material issues or problems arising out of Contractor's work. Retainage shall not exceed ten (10) percent of the amount of progress payments otherwise due and payable under this Agreement. Retainage shall be permitted until completion and acceptance of all work under the Agreement, except that if upon completion of fifty (50) percent of the work, the Contracting Officer determines that the Contractor's performance and progress are satisfactory, NAB may make remaining payments in full for the work subsequently completed. If the Contracting Officer subsequently determines that the Contractor's performance and progress are unsatisfactory, NAB may reinstate the retainage, up to ten (10) percent, until completion.

5.6 Final Invoice. Contractor shall designate its final invoice as "*Final*," and supply such signed certificates of completion that NAB may require. In the event of termination for cause or convenience by either party, Contractor shall issue a Final

invoice stating all amounts Contractor believes are owed, if any, by NAB, no later than the 30th day following the effective date of termination. NAB shall respond by payment or written objection within thirty (30) days, absent due cause for delay or dispute.

6. INSURANCE. The Contractor shall procure and maintain the following insurance in accordance with the Agreement (Section 6):

	Insurance	Limit	Deductible Limit
6.1	Professional Liability	N/A	\$
6.2	Comprehensive General Liability (Bodily Injury and Property Damage)	\$500,000	\$1,000
6.3	Statutory Workers' Compensation Protection	As required by law	N/A
6.4	Auto Liability	N/A	N/A

7. TERMINATION AND SUSPENSION PAYMENTS

7.1 Suspension or Termination for Convenience. In the event of suspension or NAB termination for convenience, NAB shall be obligated to pay Contractor for all services performed and eligible expenses incurred by the Contractor under this Agreement as of the effective date of suspension or termination. NAB shall have no further obligation to Contractor. For suspensions that exceed 10 days, Contractor shall promptly issue a current invoice documenting the amounts due and owing as of the effective date of the suspension.

<<<< END OF EXHIBIT B – GO TO EXHIBIT C >>>>

EXHIBIT C

SPECIAL CONDITIONS

This Agreement is subject to the following special provisions:

1. The Contractor may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy, or parenthood. The Contractor shall post in a conspicuous place, available to employees and applicants for employment, a notice setting out the provisions of this paragraph.

2. While working at any NAB worksite, Contractor agrees to comply with NAB policies, including the obligation not to discriminate against, harass, or abuse any NAB employee or any NAB client, and observance of all drug-free, alcohol-free workplace requirements. NAB worksites are non-smoking facilities.

3. Project funding will be paid from the from the Northwest Arctic Borough Village Improvement fund through NAB Assembly Resolution 18-21, paid by the Borough, in an amount not to exceed \$250,000 and from the NANA Regional Corporation Village Economic Investment Fund through NANA Board of Directors Resolution 2022-42, paid by NANA, in an amount not to exceed \$500,000.

4. NAB shall serve as the Project Manager for this contract for all work, regardless of funding source. This includes the processing of invoices that are to be paid directly by the Borough through the \$250,000 in Village Improve Funds and invoices that are to be paid by NANA Regional Corporation through the \$500,000 in Village Economic Investment funds. The Borough shall coordinate the timely review and transmittal of invoices to be paid by NANA directly to the Contractor, pursuant to the terms of this agreement and its Memorandum of Agreement with NANA for this project.