



General Manager
334 Front Street
Ketchikan, AK 99901

Phone (907) 228-5603
Fax (907) 225-5075

TRANSMITTAL MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Karl R. Amylon, General Manager

DATE: January 26, 2021

RE: **Approving Contract No. 21-03 – Preparation of Ketchikan's Risk and Resilience Assessments and Emergency Response Plan – Jacobs Engineering Group, Inc.**

In adopting the 2021 Ketchikan Public Utilities Operating and Capital Budget, the City Council appropriated \$150,000 to the Water Division for the preparation of Risk and Resilience Assessments and Emergency Response Plan as required by the 2018 America's Water Infrastructure Act (AWIA).

The motion detailed below was prepared at the request of Water Division Manager John Kleinegger, who asked that it be placed before the City Council for consideration at its meeting of February 4, 2021. If adopted, the motion provides for awarding Contract No. 21-03, Preparation of Ketchikan's Risk and Resilience Assessments and Emergency Response Plan, to Jacobs Engineering Group, Inc. at a cost of \$150,000. The rationale for awarding the contract to the Jacobs Engineering Group, Inc. is detailed in Mr. Kleinegger's transmittal memorandum and requires no elaboration on the part of my office. I concur with the Water Division Manager's recommendation.

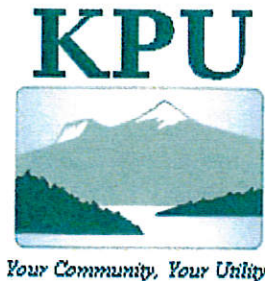
Mr. Kleinegger will attend the City Council meeting of February 4, 2021, in order to address any questions and/or concerns that Councilmembers may have.

A motion has been prepared for City Council consideration.

RECOMMENDATION

It is recommended the City Council adopt the motion approving Contract No. 21-03, Preparation of Ketchikan's Risk and Resilience Assessments and Emergency Response Plan, between the City and the Jacobs Engineering Group, Inc. at a cost not to exceed \$150,000; authorizing funding from the Water Division's 2021 Federal Act – Risk and Resilience Assessment capital account; and directing the General Manager to execute the contract documents on behalf of the City Council.

Recommended Motion: I move the City Council approve Contract No. 21-03, Preparation of Ketchikan's Risk and Resilience Assessments and Emergency Response Plan, between the City and the Jacobs Engineering Group, Inc. at a cost not to exceed \$150,000; authorize funding from the Water Division's 2021 Federal Act – Risk and Resilience Assessment capital account; and direct the General Manager to execute the contract documents on behalf of the City Council.




Water
2930 Tongass Avenue
Ketchikan, AK 99901

Phone (907) 225-1000
Fax (907) 247-3232

Memorandum

TO: Karl R. Amylon, General Manager

FROM: John C. Kleinegger, Water Division Manager/Project Engineer 

DATE: January 25, 2021

SUBJECT: **Contract 21-03 – Preparation of Ketchikan's Risk and Resilience Assessment and Emergency Response Plan**

The Federal Regulations in the America's Water Infrastructure Act (AWIA) require every community water system to complete a new Risk and Resilience Assessment (RRA) and develop an Emergency Response Plan (ERP). Although KPU developed an earlier assessment and plan in the aftermath of 911 and has kept it updated and relevant in subsequent years, this present Federal legislation includes additional specific requirements particularly in the electronic/cyber security and malevolent act detection fields. Due by June 30, 2021, the RRA requires evaluation of the risk to the system from malevolent acts, natural hazards, the resilience and security of our distribution system, monitoring practices, use and storage of chemicals, and financial infrastructure to support management of the system. Similarly, the ERP that is due by December 31, 2021 incorporates the findings of the RRA and includes strategies to improve system resilience, plans & procedures to respond to malevolent acts or natural hazards, as well as procedures or equipment that can be used to aid in the detection of malevolent acts or hazards that threaten the security of the water system.

In 2018, Jacobs Engineering Group, a world-wide engineering firm merged with CH2M Hill Engineers, Inc. Ketchikan has had a long and very successful relationship with CH2M Hill and are fortunate that many of same employees that we have worked with for many years have chosen to remain with the combined firm. Now working as Jacobs, these employees are already intimately familiar with all of Ketchikan's present water disinfection processes, natural hazards and security of our disinfection system, our monitoring practices, and our use and storage of chemicals.

As examples, not only has Jacobs designed and participated in the construction and operational startup of KPU's UV Disinfection Facility, the Two-Point Chlorination Facility, and the Ammonia Addition Facility, they have also provided substantial support to Ketchikan while negotiating a Compliance Order by Consent (COBC) completed with the State of Alaska on December 4, 2014. This COBC included notice of Ketchikan's violation of a section of the Code of Federal Regulations, 40 CFR 141.71 (a)(1) which applies to all unfiltered water systems. It contains the requirement that, on a 6-month rolling average, at least 90% of the raw water samples that are

collected from a sample point located just before the first point of chlorine injection cannot exceed a maximum contaminant level (MCL) of total or fecal coliform forming colonies.

Five years later, the October 2019 computed 6-month rolling average of raw water coliform samples was that just 89% of these raw water samples had met the EPA regulation. As a result, ADEC's November 20, 2019 letter notified Ketchikan that it had failed to meet the criteria for avoiding filtration and that filtration must be installed.

Fortunately, some preparation had already been made in anticipation of this challenging situation occurring. Recognizing that the Ketchikan Lake's raw water quality has significantly changed in recent years and has made continued filtration avoidance considerably more difficult, in 2018 KPU requested Jacobs CH2M to prepare a thorough Water Filtration Facility Plan which provided complete comprehension to both Jacobs and ourselves of what the Ketchikan's future options might become. In this document three filtration alternatives were assessed, three different filter plant construction sites were evaluated, and projected capital and lifecycle costs prepared for each of the alternatives in depth. All three of these conceptual Ketchikan filtration alternatives were presented and discussed with the City Council. Each has an estimated capital cost of approximately \$70-million with annual operating costs of \$2-million for chemicals, electricity, and labor.

Now having a thorough understanding of the immensity and cost of installing filtration, on April 16, 2020, Ketchikan sent a proposal outline to the Alaska Department of Environmental Conservation (ADEC) that meets the Federal criteria for the submission instead of a Limited Alternative to Filtration (LAF) and has asked ADEC for their approval before making the LAF submission. As noted, the LAF must address two elements of the water supply; the disinfection treatment process, and the source raw water quality including the surrounding control of the watershed. In addition, the LAF requires that the disinfection treatment process provide greater removal and/or inactivation of regulated microbial contaminants and organisms including cryptosporidium oocysts, giardia lamblia cysts, and viruses than would be achieved by a combination of filtration with chlorine disinfection alone.

A draft of Contract 21-03 for the preparation of Ketchikan's Risk and Resilience Assessment and Emergency Response Plan which includes Jacobs Scope of Work proposal is appended. The Scope of Work proposal includes individual key activities and their specific due dates for completion. This rigid schedule is necessary to enable KPU to certify to the EPA that the requirements of the AWIA have been met in a timely manner. Certification of the RRA is due no later than June 30, 2021 and the update of the ERP is due no later than December 31, 2021. To accomplish this, each of the three subtasks shown on Table 2 of the proposal will be billed on a lump sum basis with the proposed entire project budget on a not-to-exceed basis of \$150,000.

Recommendation:

That the City Council adopt a motion approving Contract No. 21-03, Risk and Resilience Assessment and Emergency Response Plan, an engineering services contract in a lump-sum amount of \$150,000 between Ketchikan Public Utilities and Jacobs; authorizing \$150,000 funding from the Water Division's Capital Projects Account (520-5400-5400-7001-730.00); and direct the KPU General Manager to execute the contract documents on behalf of the City Council.

| Division: Water | | | Project Priority: 4 | | | Project Number: | | | | |
|--|----------|-------------|----------------------------|----------------|---------|--------------------------------|------|------|------|---------------|
| Project Title: Federal Act - Risk & Resilience Assessment | | | Start Date: 01/21 | | | Estimated Project Cost: | | | | |
| Description: Recently adopted Federal Regulations in the America's Water Infrastructure Act require every community water system to complete a new Risk and Resilience Assessment (RRA) and develop an Emergency Response Plan (ERP). Although KPU developed one in the aftermath of 911 and has kept it updated, this legislation includes additional specific requirements particularly in the electronic/cyber security and malevolent act detection fields. Due by June 30, 2021, the RRA requires evaluation of the risk to the system from malevolent acts, natural hazards, the resilience and security of our distribution system, monitoring practices, use and storage of chemicals, and financial infrastructure to support management of the system. Similarly, the ERP due by December 31, 2021 incorporates the findings of the RRA and includes strategies to improve system resilience, plans & procedures to respond to malevolent acts or natural hazards, as well as procedures or equipment that can be used to aid in the detection of malevolent acts or hazards that threaten the security of the water system. | | | End Date: 12/21 | | | Design 150,000 | | | | |
| | | | | | | Land/Right-of-Way | | | | |
| | | | | | | Construction Management | | | | |
| | | | | | | Construction | | | | |
| | | | | | | Equipment | | | | |
| | | | | | | Other | | | | |
| | | | | | | Project Total 150,000 | | | | |
| Source of Funds | Fund No. | Prior Years | Adopted 2021 | | | Projected Requirements | | | | Total Project |
| | | | Reappro- priated | New Funding | Total | 2022 | 2023 | 2024 | 2025 | |
| Revenue Generating Fund | | | | 150,000 | 150,000 | | | | | 150,000 |
| Total | | | | 150,000 | 150,000 | | | | | 150,000 |

AGREEMENT
FOR PROFESSIONAL SERVICES

CONTRACT 21-03

**PREPARATION OF KETCHIKAN'S RISK AND RESILIENCE ASSESSMENTS AND
EMERGENCY RESPONSE PLAN
JACOBS ENGINEERING GROUP, INC.**

THIS AGREEMENT made and entered into this _____ day of _____, 20____, by and between **CITY OF KETCHIKAN d/b/a KETCHIKAN PUBLIC UTILITIES**, a municipal corporation whose address is: 334 Front Street, Ketchikan, Alaska 99901, hereinafter called "**Owner**" and **Jacobs Engineering Group, Inc., 949 East 36th Avenue, Suite 500, Anchorage, Alaska 99508**, licensed and qualified to do business within the State of Alaska, hereinafter called "**Contractor**."

RECITALS

- (a) The **Owner** desires the performance, provision, and accomplishment of the work, services and materials described and set forth in Section 1.
- (b) **Contractor** represents that it is ready, able and qualified to perform, and will perform, in all respects, all of the work, services, and materials, and to otherwise perform all of the terms, covenants, conditions and provisions of the agreement in the manner, at the times, and for the consideration hereafter provided.

NOW, THEREFORE, for and in consideration of the terms, covenants, conditions, and provisions contained herein, and/or attached and incorporated herein and made a part hereof, the parties hereto agree as follows:

Section 1: Agreement to Perform. The **Owner** hereby agrees to engage the **Contractor**, and the **Contractor** hereby agrees to perform, complete, provide and furnish, in a timely and proper manner, and pursuant to and in accordance with all of the terms, covenants, conditions and provisions of this Agreement, all of the work, services, labor and materials required to accomplish all of the work described in Section 2 [Scope of Work] hereof at the times, in the manner, and for the consideration and payments hereinafter set forth.

Section 2: Scope of Work. The **Contractor** shall perform, supply, and provide all of the work, services and materials [hereinafter collectively referred to as "work"] as follows:

As set forth and described on Exhibit A attached hereto and incorporated herein by this reference.

Section 3: Time for Commencement and for Completion of Work.

(a) **Commencement.** **Contractor** shall commence the work called for in this Agreement upon the giving of a Notice to Proceed by the **Owner**.

(b) **Completion.** Upon giving of Notice to Proceed, the work called for in this Agreement shall be performed and completed as follows: As set forth and described on Exhibit A attached hereto and incorporated herein by this reference.

Section 4: Compensation and Payment. For and in consideration of the timely and proper performance of work authorized as provided herein, the **Owner** shall pay the **Contractor** as follows: As set forth and described on Exhibit A attached hereto and incorporated herein by this reference. The Owner shall make monthly progress payments based upon the percentage of work actually performed.

Section 5: No Additional Work. No claim for additional work, services or materials, not specifically and expressly requested and authorized as provided for in this Agreement, or by a written amendment thereto signed by both parties, done or furnished by the **Contractor**, will be allowed or paid by the **Owner** and **Contractor** expressly waives any claim therefor.

Section 6: Owner's Contracting Officer. For purposes of this Agreement, the **Owner's** contracting officer shall be Karl Amylon, General Manager or such other person as is designated in writing by such person.

Section 7: Compliance with Guidelines and Procedures. The **Contractor** shall provide and perform all work, services and materials in full, strict and complete compliance with all the following procedures and guidelines:

Section 8: Contractor Qualified. The **Contractor** expressly represents and warrants it is now and shall continue to be at all times during the performance of this Agreement, the holder of all required or necessary professional, business or other licenses or permits and is qualified and capable of performing all of the work covered or called for by this Agreement and is presently ready, able and willing to undertake and perform all of such work and services, and to supply all necessary materials and equipment, at the times, and in a non-negligent professional and workmanlike manner, and pursuant to the terms, conditions and provisions, and for the compensation and payments as herein provided.

The standard of care applicable to Contractor's services will be the degree of skill and diligence normally employed by professional engineers or consultants performing the same or similar services at the time said services are performed. Contractor will reperform any services not meeting this standard without additional compensation.

Section 9: Contractor Responsible for Personnel. The Contractor has or will secure, at Contractor's own cost and expense, all personnel required to perform this Agreement in a timely and proper manner. The parties hereto agree and understand that such personnel shall in no event be deemed to be, and are not, employees, agents, or representatives of the Owner and such persons shall have no contractual or other relationship with the Owner, and the Owner shall have no responsibility or liability whatsoever to any of said persons, or for the acts or omissions of any of such persons.

Section 10: Personnel Supervision. Contractor agrees that all work and services required or provided under this Agreement shall be performed personally by the Contractor, unless otherwise authorized in writing by the Owner's contracting officer, and in such event all personnel engaged in any such work shall be fully qualified, and shall be licensed and authorized under applicable state, federal and local laws to perform such services; provided, however, the Owner hereby authorizes the following persons to participate as follows:

_____ N/A _____

Section 11: Independent Contractor. The parties hereto expressly agree that the Contractor shall be and is an independent contractor and is not an employee or agent of the Owner, and is, therefore, entitled to no insurance coverage, whether worker's compensation or otherwise, and no other benefits accorded to Owner's employees. No withholding, FICA, or other taxes (whether income, sales or otherwise) or other amounts will be withheld from the payments due to the Contractor, it being understood that the Contractor is solely responsible therefor, provided Owner shall be entitled to withhold such retainage or other amounts from any progress or other payments as have been provided for elsewhere in this Agreement.

Section 12: Forms To Be Provided To Contractor. The Owner shall provide the Contractor with any special forms required by the Owner for reporting to the Owner and the necessary instruction regarding proper use of the forms.

Section 13: Termination. (a) **Termination for Cause.** This Agreement may be terminated in whole or in part in writing by Owner in the event of failure by Contractor to fulfill any of the terms and conditions of this Agreement upon the giving of not less than five (5) calendar days prior written notice of intent to terminate in the manner provided in

Section 25 hereof. Contractor shall be provided opportunity to remedy or cure such failure within a reasonable timeframe upon such written notice.

(b) **Termination for Convenience of Owner.** This Agreement may be terminated in whole or in part in writing by the **Owner** for **Owner's** convenience provided the **Contractor** is given not less than thirty (30) calendar days prior written notice of intent to terminate in the manner provided in Section 25 hereof.

(c) In the event termination by the **Owner** is effected pursuant to (a) above, the **Contractor** shall not be entitled to receive any further payment until the work is completed, or the **Owner** elects to not proceed further with the project. Upon completion of the work, or termination of the project in the event the **Owner** elects to not proceed with the project, the **Contractor** shall be paid as follows:

(1) In the event the costs and expense of taking over, re-advertising and completing the project or the costs of closing out the project if the **Owner** elects to not proceed with the project (hereinafter referred to as "close out costs"), exceed the remaining unpaid amount of this Agreement, any amount which was otherwise due and unpaid to **Contractor** at the time of termination shall be applied to such increased costs in taking over, re-advertising and completing the project, (or applied to close out costs) and the remaining amount of such costs, if any, shall be paid by the **Contractor** to the **Owner**.

(2) In the event said costs and expense of taking over, re-advertising and completing the project, (or close out costs) are less than the total amount which was otherwise due and unpaid to the **Contractor** at the time of termination, the increased costs of taking over and completing the project (or the close out costs) shall be deducted from the amounts due the **Contractor** and the balance, if any, paid to the **Contractor** without interest.

(d) In the event termination is for the convenience of the **Owner** pursuant to (b) above, the **Contractor** shall be paid for the services or other work that have been actually performed prior to the effective time of such notice of intent to terminate, and for reimbursement of any reimbursable expenses that were actually expended and paid prior to the effective time of such notice of intent to terminate, computed and fixed as provided for on Exhibit A and the **Owner** shall not be liable or responsible for any loss of profits or any other damages, amounts, or payments whatsoever to the **Contractor**.

(e) Upon receipt of a termination notice pursuant to paragraphs (a) or (b) above, the **Contractor** shall promptly discontinue all services (unless the notice directs otherwise), and deliver or otherwise make available to the **Owner** all data, drawings, notes, specifications, reports, estimates, summaries, work in progress, and any and all other information and/or materials as may have been accumulated by the **Contractor** in

performing this Agreement, whether completed or in process, and free and clear of any mechanics or other liens or claims in favor of **Contractor** or any other person.

(f) Upon termination pursuant to paragraphs (a) or (b) above, the **Owner** may, but shall not be required to, take over the work and prosecute the same to completion by agreement with another person or otherwise, may elect to complete the work itself, or to not proceed further with the work and project.

(g) If, after termination by the **Owner** pursuant to (a) above, it is determined that the **Contractor** had not so failed, the termination shall be deemed to have been effected for the convenience of the **Owner**. In such event, adjustment of the amounts to be paid to **Contractor** for termination shall be made as provided in paragraph (d) of this section.

(h) No other damages, whether for lost profits or otherwise, other than the amounts allowed and computed as provided for in this Section 13 shall be due or payable to **Contractor** in the event of termination.

Section 14: Changes or Modifications. Any change in any regulations or requirements applicable to the work called for herein, made, caused or imposed by, or as a result of, the action of any state, federal or other governmental agency that has or will provide all or any portion of any funds for payment for the work or project which is the subject of this Agreement shall automatically become a part of an amendment to this Agreement and the **Contractor** shall comply therewith.

Section 15: Conflict of Interest. The **Contractor** covenants, warrants and represents that the **Contractor** has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner with the subject matter or the performance of this Agreement. The **Contractor** further covenants, warrants and represents that in the performance of this Agreement, no person having any such interest shall be employed.

Section 16: Information Confidential. All information, and work products relating to or generated pursuant to this Agreement shall be kept confidential and shall not be disclosed, discussed or made available to any other person or organization by the **Contractor**, its employees or representatives, without the prior written approval of the **Owner** and the further consent of any other agency as may be required by the **Owner**; provided, however, the **Owner** shall have the right to audit, inspect and otherwise obtain any information as provided in Section 17, or regarding performance of this Agreement by the **Contractor**.

Section 17: Reporting and Records. (a) At any time during normal business hours, and as often as the **Owner** or any agency providing any portion of the funds provided to the **Owner** for this project deems necessary, there shall be made available to the **Owner** or to such other funding agency and/or their representatives, at a location within

the City of Ketchikan, or other location acceptable to the **Owner**, any and all books, records and documents regarding matters covered or related to this Agreement or the performance of, or payment for, the work called for herein, and the **Owner** and/or such agencies shall be entitled to make audits and copies of all books, records, contracts, invoices, receipts, payrolls, records of personnel, and other documents or data relating to any and all matters covered by this Agreement or performance or payment for the work called for herein.

(b) The performance and administration of this program and this Agreement will be monitored by the **Owner** and such other agencies as may be required or authorized pursuant to the terms of any grant to the **Owner**. Necessary reports, in proper form, will be required as a prerequisite to any payment to the **Contractor**.

(c) All project records shall be maintained by the **Contractor** for not less than three (3) years after completion and final acceptance of all work by the **Owner** and shall be subject to inspection and copying by the **Owner** or any funding agency during said period.

Section 18: Hold Harmless and Indemnity. The **Owner**, its officers, employees and agents shall not be held liable for any claims, liabilities, penalties, fines or for damage to any goods, properties or effects of any person whatsoever, nor for any personal injury or death, to the extent caused by or resulting from any negligent act or omission of **Contractor**, or by any of **Contractor's** officers, employees, agents, representatives, contractors, or subcontractors in the performance or nonperformance of this Agreement, and **Contractor** further agrees to appear and defend, and to indemnify and save free and harmless the **Owner** and its officers, employees and agents from and against any of the foregoing claims, liabilities, penalties, fines or damages, and for any cost and expense, including reasonable attorney's fees, incurred by the **Owner**, its officers, employees or agents on account of any claim therefor, including claims by reasons of any negligent defects in any plans, drawings, specifications, computer programs, technical reports, or other work product of **Contractor** prepared for or submitted to the **Owner** pursuant to this Agreement provided said claim is not based upon a use of said plans, drawings, specifications or other work product for other than the purposes for which such data was prepared and submitted to the **Owner**. Notwithstanding any other provision herein contained the parties hereto agree that liability (including costs of defense and attorney's fees) for claims arising from the concurrent negligence of both parties to this agreement shall be apportioned according to the respective percentage or fault attributable to each party as determined by agreement or by the tier of fact.

Section 19: Insurance. (a) **Public Liability Insurance.** **Contractor** agrees to keep and maintain in full force at **Contractor's** own expense during the entire period of the project or work called for herein, broad form comprehensive public liability insurance with limits of not less than One Million Dollars (\$1,000,000) combined single limit insuring **Contractor**, and the **Owner** as an additional named insured, from any and all claims for

bodily injury and death, and for property damage, that may arise out of, or in relation to, this Agreement. Such insurance shall require the insurance company give not less than thirty (30) days prior written notice to **Owner** prior to any cancellation, nonrenewal or reduction in the amount of coverage of such insurance coverage.

(b) **Contractor** shall in addition to (a) above, keep and maintain any additional policies of insurance specified on Exhibit A hereto.

(c) Each policy, or a certificate of the policy, shall be deposited with the **Owner** prior to execution of this Agreement by the **Owner**, and on renewal of the policy not less than twenty (20) days before expiration of the term of the policy.

Section 20: Ownership of Drawings and Contract Documents. All original documents, including but not limited to, tracings, plans, specifications, maps, basic work notes, sketches, charts, computations, photographs and original negatives thereof, and all other data prepared, obtained or received by **Contractor**, its employees, agents, or representatives, under the terms of, or in the performance of this Agreement, shall be and become the sole and exclusive property of the **Owner**, and shall upon request be delivered to the **Owner** at no cost and without restriction or limitation on their use; and provided further, the **Owner** shall be entitled to withhold payment of any amounts otherwise due **Contractor** unless and until all of said documents and writings are delivered to **Owner** free and clear of any liens or claims of **Contractor** or any third parties relating thereto. The **Owner** shall have the sole and exclusive right to copyright, patent, license, or otherwise protect, sell, dispose of, or otherwise use any of the materials or work produced pursuant to this Agreement. Reuse, change, or alteration by the **OWNER** of drawings and contract documents without the written permission of the **CONTRACTOR** will be at the **OWNER's** sole risk.

Section 21: Independent Contractor; No Authority to Bind Owner. The parties hereto agree that **Contractor** is an independent **Contractor** and is not, and shall not be construed to be a partner, joint venturer, employee or agent of the **Owner** and shall not, and is not authorized to, enter into or make any contracts, agreements, or enter into any other understanding with any other person, corporation, partnership, joint venturer, or other entity, in the name of or for the benefit of the **Owner**.

Section 22: No Third Party Beneficiaries. Nothing in this Agreement shall be construed to give any person other than the **Owner** and the **Contractor** any legal or equitable right, remedy or claim under this Agreement, but it shall be held to be for the sole and exclusive benefit of the **Owner** and the **Contractor**.

Section 23: Payment of Taxes. The **Contractor** shall timely pay all federal, state, and local sales, excise or other taxes or assessments incurred by the **Contractor**.

Section 24: Assignment and Subletting Prohibited. The **Contractor** shall not assign, transfer, convey, pledge, hypothecate, sublet, subcontract, or otherwise dispose of or encumber this Agreement, or the rights thereunder, nor shall the **Contractor** delegate any of his/her/its duties hereunder without the prior written consent of the **Owner**. Any such attempted assignment, transfer, conveyance, pledge, hypothecation, subletting, or other disposition, or the attempted assignment, disposition or delegation of duties or rights shall be null and void and of no force or effect and shall be grounds and cause for immediate termination of this Agreement without liability by and at the option of the **Owner**.

Section 25: Notice. Any notice, demand, request, consent, approval, or other communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail at the address set forth below. Either party may change its address by notifying the other party of its change of address in writing. Notice shall be deemed to have been duly made and given when delivered if served personally, or upon the expiration of twenty-four (24) hours after the time of mailing if mailed as provided in this section.

Owner: Karl R. Amylon, General Manager
Ketchikan Public Utilities
334 Front Street
Ketchikan, Alaska 99901

Contractor: Floyd Damron, P.E.
Vice President and Senior Project Manager
Jacobs Engineering Group, Inc.
949 East 36th Avenue, Suite 500
Anchorage, Alaska 99508

Section 26: Equal Employment Opportunity. (a) The **Contractor** shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, age, or sex. The **Contractor** will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, national origin, ancestry, age or sex. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The **Contractor** agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

(b) The **Contractor** shall state in all solicitations or advertisements for employees to work on contract jobs to be let in the performance of this Agreement, that all qualified

applicants will receive consideration for employment without regard to race, color, religion, national origin, ancestry, age, or sex.

(c) The **Contractor** agrees to fully cooperate with the office or agency of the State of Alaska which seeks to deal with the problem of unlawful or invidious discrimination, and with all other state efforts to guarantee fair employment practices under this Agreement, and said **Contractor** will comply promptly with all requests and directions from the State Commission of Human Rights or any of its officers or against relating to prevention of discriminatory employment practice.

(d) Full cooperation as expressed in the foregoing clause (c) shall include, but not be limited to, being a witness in any proceeding involving questions of unlawful or invidious discrimination if such is deemed necessary by any official or agency of the State of Alaska, permitting employees of said **Contractor** to be witnesses or complainants in any proceeding involving questions of unlawful or invidious discrimination, if such is deemed necessary by any official or agency of the State of Alaska, or the **Owner**, participating in meetings, submitting periodic reports on the equal employment aspects of present and future employment, assisting in inspection of relevant facilities, and promptly complying with all state directives deemed essential by any office or agency of the State of Alaska, or the **Owner**, to insure compliance with all federal and state laws, regulations, and policies pertaining to the prevention of discriminatory employment practices.

(e) Failure to perform any of the above agreements pertaining to equal employment opportunities shall be deemed a material breach of the contract and sufficient grounds for termination of this Agreement for cause without liability.

Section 27: Worker's Compensation Coverage. The **Contractor**, if subject to the provisions of the Alaska Worker's Compensation Act (AS 23.30), shall, upon request, provide the **Owner** and the State of Alaska with proof, furnished by the insurance carrier, of current coverage by worker's compensation with an insurance company or association authorized to transact such business in the State of Alaska, or an approved current certificate of self-insurance by the Alaska Worker's Compensation Board. The **Contractor** further acknowledges and agrees that in the event it fails to maintain proper Worker's Compensation coverage, the State will implement the provisions of AS 23.30.045(c) and the **Owner**, at its option, may terminate this Agreement for cause without liability.

Section 28: Pay Requests, Statement Concerning Claims and Final Release.

(a) All pay requests, whether for a progress payment or final payment, shall be made upon the form attached hereto as Exhibit B and shall be accompanied by an executed statement concerning claims on the form attached hereto as Exhibit C.

(b) Upon satisfactory completion of all of the work to be performed hereunder, and prior to final payment under this Agreement for such work, or prior to payment of any

amounts upon termination of the agreement, and as a condition precedent thereto, the **Contractor** shall execute and deliver to the **Owner** a release of all claims against the **Owner** arising under or by virtue of this Agreement on the form attached hereto as Exhibit D.

Section 29: Miscellaneous. (a) **Relationship of the Parties.** Nothing herein contained shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that neither method of computation of payment nor any other provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of **Owner** and an independent contractor.

(b) **Terminology.** Whenever herein the singular number is used, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders.

(c) **Nonwaiver.** No delay or omission of the right to exercise any power by either party shall impair any such right or power, or be construed as a waiver of any default or as acquiescence therein. One or more waivers of any covenant, term or condition of this Agreement by either party shall not be construed by the other party as a waiver of a subsequent breach of the same covenant, term or condition. The consent or approval by either party to any act by the other party of a nature requiring consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

(d) **Law Applicable.** The laws of the State of Alaska shall govern the construction, validity, performance and enforcement of this Agreement. Venue as to any action, claim, or proceeding arising out of, or based upon this Agreement, including, but not limited to, any action for declaratory or injunctive relief, shall be the appropriate court sitting in the City of Ketchikan, First Judicial District, Alaska.

(e) **Paragraph Headings.** The headings of the several sections and subsections contained herein are for convenience only and do not define, limit or construe the contents of such sections and subsections.

(f) **Successors and Assigns.** Except as otherwise provided herein, the covenants, agreements and obligations herein contained shall extend to bind and inure to the benefit not only of the parties hereto but their respective personal representatives, heirs, successors and assigns.

(g) **Compliance with Laws and Regulations.** **Contractor** shall, at **Contractor's** sole cost and expense, comply with all of the requirements of all local, state, or federal

laws, ordinances, or regulations now in force, or which may hereafter be in force, pertaining to this Agreement, or the project or work to be performed, and shall faithfully observe in the performance of this Agreement, all local, state, and federal laws, ordinances and regulations now in force or which may hereafter be in force.

(h) **Terms Construed as Covenants and Conditions.** Every term and each provision of this Agreement performable by **Contractor** shall be construed to be both a covenant and a condition.

(i) **Time of the Essence.** Time is of the essence of each term, condition, covenant and provision of this Agreement.

(j) **Entire Agreement.** This Agreement and any schedules, appendices or exhibits attached hereto sets forth all the covenants, promises, agreements, conditions and understandings between the parties hereto, and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them other than as herein set forth. Except as herein otherwise expressly provided, no contemporaneous or subsequent agreement, understanding, alteration, amendment, change or addition to this Agreement, or any schedule, appendix, exhibit or attachment thereto shall be binding upon the parties hereto unless reduced to writing and signed by both parties. This Agreement constitutes a final, complete, and exclusive statement of the agreement between the parties.

(k) **Severability.** In the event any provision of this Agreement is adjudicated or held to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

(l) **Corporate Authority.** If **Contractor** is a corporation **Contractor** shall deliver to the **Owner** at the time of execution of this Agreement a certified copy of a resolution of its board of directors authorizing the execution of this Agreement and naming the officers that are authorized to execute this Agreement on behalf of the corporation.

Section 30: Additional Terms and Conditions. This Agreement is subject to each of the additional terms, covenants, conditions and provisions attached hereto as Exhibit(s) A through D which are hereby expressly referred to and incorporated herein as though set forth in full.

Section 31: Maximum Amount of Contract. **Contractor** acknowledges and agrees **Owner's** funding is of a limited nature and source and **Owner** shall in no event be liable for payment of any amounts under this Agreement, or otherwise, in excess of the total amount of One Hundred Fifty Thousand Dollars (\$150,000), and at such times as the total amount paid or due, or claimed by **Contractor**, reaches a total of One Hundred Fifty Thousand Dollars (\$150,000), **Contractor** shall forthwith notify **Owner** thereof. It shall be the **Contractor's** obligation to notify **Owner** and to assure no work in excess of said total

sum of One Hundred Fifty Thousand Dollars (\$150,000) is done and any work done in excess thereof shall not entitle **Contractor** to any payment and **Contractor** expressly waives any claim therefor, unless such additional work was separately authorized in writing as a written change order or amendment to this Agreement prior to commencement and performance of any such additional work.

WHEREFORE the parties have entered into this Agreement the date and year first above written at the City of Ketchikan, Alaska.

Owner:

CITY OF KETCHIKAN, ALASKA

By: _____
Karl R. Amylon
KPU General Manager

ATTEST:

Kim Stanker, MMC
City Clerk

Reviewed and Approved as
to Content

By: _____

Certified Funds Available

By: _____

Contractor: Jacobs Engineering Group, Inc.

(type in name)

By: _____
(signature of authorized officer)

(title of person signing)

(Corporate Seal)

CITY ACKNOWLEDGMENT

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this ____ day of _____, 20 __, before me, the undersigned, a notary public in and for the State of Alaska, duly commissioned and sworn, personally appeared **KARL R. AMYLON** and **KIM STANKER**, to me known to be the **KPU GENERAL MANAGER** and the **CITY CLERK** of the **CITY OF KETCHIKAN**, a municipal corporation, the corporation which executed the above and foregoing instrument; who on oath stated that they were duly authorized to execute said instrument and affix the corporate seal thereto on behalf of said corporation; who acknowledged to me that they signed and sealed the same freely and voluntarily on behalf of said corporation for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in the certificate first above written.

NOTARY PUBLIC FOR ALASKA

My Commission Expires: _____

CORPORATE CERTIFICATE

I, _____, certify that I am the Secretary of the Corporation named as Contractor in the foregoing instrument; that _____, who signed said instrument on behalf of the Contractor, was then _____ of said Corporation; that said instrument was duly signed for and in behalf of said Corporation by authority of its governing body and is within the scope of its corporate powers.

_____ (Corporate Seal)

CORPORATE ACKNOWLEDGMENT

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this ____ day of _____, 20__, before me, the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____ known to be the Secretary of _____, the corporation which executed the above and foregoing instrument, and who on oath stated he/she was duly authorized to execute said instrument and affix the corporate seal thereto on behalf of said corporation, and that the seal affixed thereto is the corporate seal thereof, and acknowledged that he/she signed the same freely and voluntarily on behalf of said corporation for the purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate above written.

NOTARY PUBLIC FOR _____
My Commission Expires: _____

Exhibit A

Jacobs Engineering Group, Inc.

Scope of Services entitled "Proposal for Risk, Resilience,
and Emergency Response Assessments and Planning":
dated January 11, 2021 10 pages)



January 11, 2021

Attention: Mr. John Kleinegger
Ketchikan Public Utilities
2930 Tongass Avenue
Ketchikan, AK 99901

Subject: Scope of Services Proposal for Risk, Resilience, and Emergency Response Assessments and Planning

Dear Mr. Kleinegger,

As requested by Ketchikan Public Utilities (KPU), we are proposing a scope of services to support KPU in complying with the requirements of the 2018 American Water Infrastructure Act (AWIA) relative to public water system and supply functions.

On October 23, 2018, the America's Water Infrastructure Act (AWIA) was enacted, requiring community water systems (including wholesale water providers) serving a population of over 3,300 to conduct a Risk and Resilience Assessment (RRA) and develop or update an Emergency Response Plan (ERP) in accordance with requirements in Section 2013, Community Water System Risk and Resilience. The AWIA replaces the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (Public Law

107-188, Title IV – Drinking Water Security and Safety) that required water systems to conduct a vulnerability assessment (VA) and develop an ERP.

This scope of services includes development of an RRA and an ERP for KPU's water utility to meet AWIA requirements and enable KPU to certify compliance by applicable due dates. Because the customer population served by KPU is greater than 3,301 and less than 49,999, KPU must certify completion of the RRA to the U.S. Environmental Protection Agency (EPA) by June 30, 2021. Certification for completion or update of the ERP must be submitted by December 31, 2021.

Jacobs has completed over 50 of these AWIA compliant RRA and ERP projects for utilities across the United States and we are looking forward to lending our expertise to help improve the resiliency of the KPU water system.

Summary of Key Assumptions

In development of this scope, Jacobs assumes that:

- Remote working conditions continue due to the pandemic. In-person meetings shall be conducted either by phone with a teleconference call-in number or via other web-based conferencing platform, such as Microsoft Teams. On-site activities such as site visits will be socially distant and comply with all aspects of applicable orders and company policies (Jacobs

staff will not be
allowed to carpool).

- Jacobs shall prepare and submit to KPU via email or other file-sharing software all deliverables as electronic PDF or Word documents. No hardcopies of deliverables shall be prepared or distributed by Jacobs. It is understood that KPU shall print any hardcopies that it deems necessary for its internal review or other use.
- KPU shall furnish hardcopies or PDF copies of any and all applicable and relevant existing documentation to development of the RRA and ERP, as requested by Jacobs.
- The Emergency Response Plan shall include Emergency Action Plans to address the top risks identified in the Risk and Resilience Assessment as opposed to all risks.
- The quantitative and numeric level of detail to be developed as part of the RRA and other project analyses will be consistent with other past products completed by Jacobs detailing high-level regional water utility risk assessments. System hydraulic modeling, seismic modeling, numeric modeling, and other highly quantitative approaches will not be developed or performed as part of project evaluations and analyses. Instead, qualitative spreadsheet assessments and analyses will be used based on available published data, engineering or professional judgement, and subject matter expert (SME) evaluations and opinion on relative risk factors and profiles.
- The level of work and effort associated with project tasks to be completed by Jacobs under this Scope of Services shall be limited to that which is commensurate with and can be completed within associated project contractual budget allowances and limits. To the extent additional Jacobs services are required beyond those which can be accommodated under established project contractual budgets, additional scope and budget may be negotiated, added, and contracted subject to mutual agreement and authorizations between Jacobs and KPU.
- KPU shall provide one consolidated, internally consistent, clear, and non-conflicting set of review comments for all draft deliverables.

Scope of Services

The following details the tasks that will be completed as a part of this scope of services.

Task 1: Risk and Resilience Assessment

Section 2013 of the America's Water Infrastructure Act (AWIA) of 2018 includes requirements for conducting a Risk and Resiliency Assessment (RRA). Specifically, the RRA shall address:

- Risk to the system from malevolent acts and natural hazards
- The resilience of the pipes/conveyances, physical barriers, source water, water collection/intake, pretreatment, treatment, storage/distribution facilities, and electronic/computer (including their security) systems
- Monitoring practices
- Financial infrastructure
- Use, storage, or handling of chemicals

- Operation and maintenance of the system

Jacobs shall conduct the RRA using the currently accepted industry standard for risk analysis: the American Water Works Association (AWWA) Risk and Resilience Management of Water and Wastewater Systems J100-10 standard (2010). The J100-10 standard provides a method for community water systems to assess risk and resilience associated with threats from malevolent acts, natural hazards, dependency hazards, and proximity hazards to critical infrastructure assets. The J100-10 methodology consists of seven successive steps that identify mission-critical assets, the vulnerability of those assets, the likelihood of threats to those assets, and the consequences with regard to the failure of those assets. These seven successive J100-10 standard steps include:

- 1) **Asset Characterization.** What assets does the water system have and which are critical?
- 2) **Threat Characterization.** What threats and hazards must be considered?
- 3) **Consequence Analysis.** What happens to the assets if a threat or hazard happens? How much money lost, how many lives, how many injuries?
- 4) **Vulnerability Analysis.** What are the system vulnerabilities that would allow a threat or hazard to cause these consequences?
- 5) **Threat Analysis.** What is the likelihood that a terrorist, natural hazard, or dependency/proximity hazard will strike the water system facilities?
- 6) **Risk/Resilience Analysis.** What is the risk and resilience of the system?
 - ✓ Risk = Consequence x Vulnerability x Threat Likelihood
 - ✓ Resilience = Service Outage x Vulnerability x Threat Likelihood
- 7) **Risk/Resilience/Management.** What options does KPU have to reduce risks and increase resilience? How much will each option benefit in reduced risks and increased resilience? How much will these options cost? What is the benefit-cost ratio of each option?

Jacobs shall complete each of these J100-10 steps in successive fashion as described in the subtasks below.

1.1 Kickoff and Data Collection

This subtask will include the following effort and services:

- Task Kickoff and Meeting – Internal task kickoff for Jacobs task staff. Kickoff teleconference between Jacobs and KPU staff to overview task efforts, sequencing, approaches, assumptions, data needs and collection, and expectations.
- Data Collection and Review – Task information and data request list, data collection and transfer, and information review, to include KPU water system plan, emergency response plan, prior vulnerability assessments, security programs and procedures, and related documents. The meeting shall be conducted either by phone with a teleconference call-in number or via other web-based conferencing platform, such as Microsoft Teams.

1.2 Facility Site Visits and Interviews

To complete the RRA, it is necessary for Jacobs to conduct extensive activities at and with KPU.

- ❖ **Critical Facilities/Assets Site Visits and Interviews (2 days).** Up to two Jacobs project staff will visit critical facilities. Not all facility sites and assets will warrant visitation. KPU staff with specific knowledge and understanding of each of the facility sites and assets shall participate in the site visits with Jacobs to answer questions and address issues and concerns related to the facilities and assets. Jacobs shall conduct interviews with key KPU staff to discuss water system risks, resiliency, system operations, challenges, vulnerabilities, and future vision. Interview sessions are anticipated to include some or all of the following: natural hazards, supply chain impacts, water quality, pressure and flow monitoring, financial resilience, chemical use, storage, and handling, and operations and maintenance.
- ❖ **J100-10 Steps 1 through 3 Workshops (3 hrs).** Workshops will be completed virtually. These workshops are necessary to review initial findings and assumption to guide subsequent development of the RRA and solicit input from KPU.
 - ✓ Asset prioritization, threat assumptions, and threat-asset list review (2 hrs)
 - ✓ Consequence criteria assumptions review (1 hr)
- ❖ **Cybersecurity Workshop (2 hrs).** In conjunction with J100-10 methodology, Jacobs shall use the *"Department of Homeland Security/Industrial Control System - Computer Emergency Response Team (DHS/ICS-CERT) Cyber Security Evaluation Tool (CSET v8.1)"* to evaluate the risk to Information Technology (IT) networks and to ICS/SCADA networks (cyber security monitoring practices). The CSET utilizes network diagram assessment combined with a series of security standards-based questions to provide understanding and context, which enables the assessor in identifying security shortfalls and identifying best practices for programs and processes. Jacobs shall employ this tool for real-time CSET analysis with KPU's key IT staff. The CSET produces a Cyber Risk Score, which Jacobs shall align to Department of Energy (DoE) Cybersecurity Capability Maturity Model (C2M2) to provide a relative understanding of the assessed level of operational and infrastructure cyber risk. This enables a pathway forward for mitigation of the identified risk. This approach does not include penetration testing or active network probing.

Jacobs shall prepare and submit to KPU an agenda/schedule for the on-site activities approximately one week after the Task 1.1. KPU shall review and comment on the agenda/schedule and schedule its staff and meeting locations, in conformance with the agenda/schedule. Jacobs shall finalize the agenda per KPU comments.

Deliverables:

- Draft agenda/schedule for on-site RRA activities
- Final agenda/schedule for on-site RRA activities

1.3 Report Development

Upon completion of the on-site activities and interviews, Jacobs shall complete Steps 4 through 6 of the J100-10 methodology. Jacobs shall facilitate a teleconference workshop of up to two hours in length with KPU to review Steps 4-6, as well as discuss potential mitigation options to be evaluated in Step 7. It is important to solicit KPU review at this point prior to undertaking Step 7 of the J100-10 method to avoid costly re-work of Step 7 efforts.

Jacobs shall prepare an RRA report that summarizes all of the work completed in Steps 1 through 7. The report shall comply with all applicable requirements, as described above.

Jacobs shall complete a final draft of the of the RRA Report and submit to KPU for review and comment. The draft final RRA Report shall be a single, bookmarked PDF file. A Word file of the main body of the report shall be submitted if desired by KPU to facilitate tracked-changes-review. KPU shall internally adjudicate review comments from KPU staff and compile to a single file the final review comments for submission to Jacobs. Jacobs shall revise and finalize the RRA Report based on KPU's review comments. KPU to certify the RRA on the EPA website.

Deliverables:

- Draft Risk Calculation Worksheets and Rankings (PDF format)
- Draft (final draft) RRA Report (Microsoft Word and/or PDF format)
- Final RRA Report (Microsoft Word and/or PDF format)

Task 2: Emergency Response Plan

Jacobs shall develop an Emergency Response Plan (ERP) for KPU's water utility. This ERP shall comply with all applicable requirements included in Section 2013 of the AWIA. In addition to the AWIA guidance, the ERP shall be developed in accordance with National Incident Management System (NIMS) standards, the National Response Framework (NRF), the National Infrastructure Protection Plan (NIPP), EPA, Federal Emergency Management Agency (FEMA), and DHS. KPU's existing ERP shall be reviewed and considered in the development of the new, replacement ERP.

2.1 Kickoff and Data Collection

This subtask will include the following effort and services:

Task Kickoff and Meeting –After an internal task kickoff for Jacobs task staff, conduct a kickoff between Jacobs and KPU staff to overview task efforts, sequencing, approaches, assumptions, data needs and collection, and expectations.

Data Collection and Review – Task information and data request list, data collection and transfer, and information review, to include prior KPU emergency response plans and related documents not collected or reviewed in sufficient detail as part of water system RRA efforts.

Jacobs shall review information furnished by KPU in anticipation of developing the ERP. The information anticipated to be furnished by KPU includes, as applicable and if available: the 2005 Emergency Management Plan for Public Works, Disaster Recovery plan, emergency planning/response policies, training and exercise plans, equipment lists, alternative water source information, community emergency plans, and mutual aid agreements.

2.2 Interviews

Jacobs shall prepare and submit to the KPU an agenda/schedule for interviews and discussions with KPU staff, emergency management and response resources, and other entities as applicable. One day of interviews are budgeted for this activity, which is planned to be the second day of the site visits. KPU shall review and comment on the agenda/schedule and schedule its staff and meeting locations, in conformance with the agenda/schedule. Jacobs shall finalize the agenda per KPU comments.

2.3 Draft Emergency Response Plan Development

Jacobs shall develop the ERP report to include the following:

- Incorporate the findings of the RRA completed as part of Task 1. Incorporate strategies and resources to improve response and resilience to anticipated threats.
- Address strategies and resources to improve the resilience of the water system, including the physical security and cybersecurity of the system.
- Include plans and procedures that can be implemented, and identify equipment that can be utilized, in the event a malevolent act or natural hazard that threatens the ability of the water system to deliver safe drinking water.
- Include actions, procedures, and equipment that can obviate or significantly lessen the adverse impact of a malevolent act or natural hazard on water system.
- Include strategies that can be used to aid in the detection of malevolent acts or natural hazards that threaten the security or resilience of the system.

Jacobs shall complete a final draft of the of the ERP Report and submit to KPU for review and comment. The draft final ERP Report shall be a single, bookmarked PDF file. A Word file of the main body of the report shall be submitted if desired by KPU to facilitate tracked-changes-review. KPU shall internally adjudicate review comments from KPU staff and compile to a single file the final review comments for submission to Jacobs. Jacobs shall revise and finalize the ERP Report based on KPU's review comments. KPU to certify the ERP on the EPA website.

Deliverables:

- Draft ERP Report (Microsoft Word and/or PDF format)
- Final ERP Report (Microsoft Word and/or PDF format)

Task 3: Project Management

Jacobs project manager shall manage the Jacobs project team, task leads, overall execution of the project, and accurate accounting of the project budget. Jacobs project manager shall work with Jacobs project accountant to prepare and submit invoices on a monthly basis along with a monthly project status memo addressing and describing work covered by the invoice. Any significant project budget or accounting issues shall be addressed in the monthly status memo for KPU's review and consideration. Jacobs shall prepare all of Jacobs internal, standard, required work-execution, quality control, health and safety, and budget control work products necessary to effectively execute the work.

Deliverables:

- Monthly invoice and budget summary spreadsheet
- Monthly status memo accompanying the invoice

Schedule

The project is anticipated to run from February through December 2021, which is 11 months, to complete the project. Key dates of workshops, site visits, and submittal of draft and final reports are shown in Table 1. Please refer to attachment A for a detailed schedule.

**Table 1. Proposed Schedule Key
Activities**

| Activity | Date |
|----------------------------------|-----------------|
| RRA Kickoff Teleconference | 2/8/21 |
| RRA On-Site Activities | 2/10/21-2/11/21 |
| RRA Asset/Threat Review Workshop | 2/17/21 |

| | |
|---------------------------------|-------------------|
| RRA Cybersecurity Workshop | 3/4/21 |
| RRA Steps 4-6 Review Workshop | 4/15/21 |
| RRA Step 7 Review Workshop | 5/13/21 |
| Submit RRA Draft for KPU Review | 5/28/21 |
| KPU to Review RRA | 5/31/21-6/11/21 |
| Submit Final RRA for KPU Review | 6/23/21 |
| KPU to Review Final RRA | 6/24/21-6/29/21 |
| KPU to Certify RRA Final Draft | 6/30/21 |
| ERP Kickoff Teleconference | 7/8/21 |
| ERP Interviews | 8/16/21-8/20/21 |
| Submit ERP Draft for KPU Review | 11/3/21 |
| KPU to Review ERP Final Draft | 11/4/21-12/1/21 |
| Submit Final ERP for KPU Review | 12/22/21 |
| KPU to Review Final ERP | 12/21/21-12/30/21 |
| KPU to Certify ERP | 12/31/21 |

Budget

The total proposed budget is \$150,000 Lump Sum Amount for the identified 3 subtasks and scope. The budget is broken out by subtasks as follows:

Table 2. Proposed Lump Sum Task Budget

| Task | Budget |
|--|------------------|
| Task 1: Risk and Resilience Assessment | \$88,000 |
| Task 2: Emergency Response Plan | \$49,000 |
| Task 3: Project Management | \$13,000 |
| Total | \$150,000 |

Team

Key team members will include Floyd Damron as Project Manager, Enoch Nicholson as lead water systems engineer, Jared Tatro as cyber security lead, Esther Chang as RRA lead, and Stacey Black as ERP lead and overall senior technical advisor.

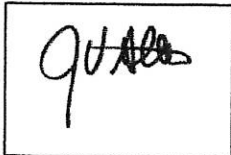
Please contact me if you would like to discuss our proposal. We are ready to begin work immediately.

JOHN K. FINEGGER

PAGE 25

JANUARY 12, 2021

Sincerely,

A handwritten signature in black ink, appearing to read "Jalmer", enclosed within a rectangular box.

Jalmer (Bud) Alto

Manager of Projects

c: Floyd Damron/Jacobs
Kim Ervin, Jacobs

Attachment A

Jacobs 2021 Project Schedule

KPU AWIA Section 2013 (RRA/ERP) Compliance Project Schedule

| ID | Task Name | Duration | Start | Finish |
|----|---|----------|--------------|--------------|
| 1 | Notice to Proceed | 1 day | Mon 2/1/21 | Mon 2/1/21 |
| 2 | Task 1. Risk and Resiliency Assessment | 108 days | Mon 2/1/21 | Wed 6/30/21 |
| 3 | 1.1 Kickoff and Data Collection | 6 days | Mon 2/1/21 | Mon 2/8/21 |
| 4 | Prepare for Teleconference | 5 days | Mon 2/1/21 | Fri 2/5/21 |
| 5 | Teleconference | 0 days | Mon 2/8/21 | Mon 2/8/21 |
| 6 | 1.2 Facility Site Visits and Interviews | 25 days | Wed 2/10/21 | Tue 3/16/21 |
| 7 | On-Site Activities | 2 days | Wed 2/10/21 | Thu 2/11/21 |
| 8 | Develop Steps 1-3 | 23 days | Fri 2/12/21 | Tue 3/16/21 |
| 9 | Asset/Threat Review Workshop | 0 days | Wed 2/17/21 | Wed 2/17/21 |
| 10 | Cybersecurity Workshop | 0 days | Thu 3/4/21 | Thu 3/4/21 |
| 11 | 1.3 Report Development | 76 days | Wed 3/17/21 | Wed 6/30/21 |
| 12 | Develop Steps 4-6 | 18 days | Wed 3/17/21 | Fri 4/9/21 |
| 13 | Steps 4-6 Review Workshop | 0 days | Thu 4/15/21 | Thu 4/15/21 |
| 14 | Develop Step 7 | 19 days | Fri 4/16/21 | Wed 5/12/21 |
| 15 | Step 7 of J100-10 Review Workshop | 0 days | Thu 5/13/21 | Thu 5/13/21 |
| 16 | Develop Final Draft | 11 days | Fri 5/14/21 | Fri 5/28/21 |
| 17 | Submit Final RRA Draft to KPU | 0 days | Fri 5/28/21 | Fri 5/28/21 |
| 18 | KPU Review | 10 days | Mon 5/31/21 | Fri 6/11/21 |
| 19 | Revise and Finalize RRA Report | 8 days | Mon 6/14/21 | Wed 6/23/21 |
| 20 | Submit Final RRA to KPU | 0 days | Wed 6/23/21 | Wed 6/23/21 |
| 21 | KPU to certify RRA | 0 days | Wed 6/30/21 | Wed 6/30/21 |
| 22 | Task 2. Emergency Response Plan | 132 days | Thu 7/1/21 | Fri 12/31/21 |
| 23 | 2.1 Kickoff and Data Collection | 32 days | Thu 7/1/21 | Fri 8/13/21 |
| 24 | Teleconference | 1 day | Thu 7/8/21 | Thu 7/8/21 |
| 25 | 2.2 Interviews | 5 days | Mon 8/16/21 | Fri 8/20/21 |
| 26 | 2.3 Report Development | 95 days | Mon 8/23/21 | Fri 12/31/21 |
| 27 | Develop Final ERP Draft | 52 days | Mon 8/23/21 | Tue 11/2/21 |
| 28 | Submit Final ERP Draft to KPU | 0 days | Wed 11/3/21 | Wed 11/3/21 |
| 29 | KPU Review | 20 days | Thu 11/4/21 | Wed 12/1/21 |
| 30 | Revise and Finalize ERP | 15 days | Thu 12/2/21 | Wed 12/22/21 |
| 31 | Submit Final ERP to KPU | 0 days | Wed 12/22/21 | Wed 12/22/21 |
| 32 | KPU to certify ERP | 0 days | Fri 12/31/21 | Fri 12/31/21 |
| 33 | Task 3. Project Management | 240 days | Mon 2/1/21 | Fri 12/31/21 |

JOHN KLEINEGGER
PAGE 28
JANUARY 12, 2021

KETCHIKAN PUBLIC UTILITIES

2930 Tongass Avenue
Ketchikan, Alaska 99901
JANUARY 12, 2021

Project: KTN Risk & Resilience Assessment

Emergency Response Plan

Contract No.: 21-03

Date:

Purchase Order: 2019-00XXX

PROGRESS PAYMENT SUMMARY

Contractor: Jacobs Engineering Group, Inc.

949 E. 36th Avenue, Suite 500, Anchorage, Alaska 99508

Invoice Number(s):

For Period Of: Ending

In accordance with the attached schedule, the Contractor is entitled to payment of the amount set forth below. The present status of the account for this Contract is as follows:

FOR OWNER USE ONLY

| | | |
|------------------------|------------|--------|
| Reg. PO# 2018-00XXX | Vendor # | |
| Petty PO# | | Amount |
| Rec'd By | Dept. Head | |

| | |
|---|------------|
| Original Contract Amount | 150,000.00 |
| Change Orders: | |
| Additions | |
| Deductions | |
| Total Change Orders | 0.00 |
| Revised Contract Amount | 150,000.00 |
| Less: | |
| Total Contract Completed to Date | |
| Balance To Complete | |
| Total Billed To Date, Including This Request | 0.00 |
| Less: | |
| Previous Payments | |
| Subtotal | 0.00 |
| Adjustments | |
| Due This Pay Request | 0.00 |
| Final Payment: Yes <input type="checkbox"/> No <input type="checkbox"/> | |
| Shaded Area To Be Completed By The Owner | |

Comments:

By:

Date:

CONTRACTOR'S Certification: The undersigned CONTRACTOR certifies that (1) all previous progress payments received from OWNER on account of Work done under the Contract referred to above have been applied to discharge in full all obligations of CONTRACTOR incurred in connection with Work covered by prior Requests for Payment numbered 1 through inclusive; and (2) title to all materials and equipment incorporated in said Work or otherwise listed in or covered by this Request for Payment will pass to OWNER at time of payment free and clear of all liens, claims, security interests and encumbrances. The undersigned CONTRACTOR further certifies, represents and agrees that there are no claims for additional work or other claims not put in writing prior to this date.

Subscribed and Sworn to before me this _____ day
of _____, 20____

Contractor: _____

Notary Public for the State of _____

My Commission Expires: _____

By: _____

Must be signed by Principal of Firm

Dated: _____

Payment of the above amount due this Request is recommended.

07/01/2011
Ketchikan Public Utilities
Contract Administrator
06/25/2018 CH2M Hill/ KA Markups

Date _____

EXHIBIT C

CONTRACTOR'S STATEMENT CONCERNING CLAIMS

The CONTRACTOR under that certain Agreement dated _____, 20____, by and between the City of Ketchikan d/b/a Ketchikan Public Utilities (OWNER), and Jacobs Engineering Group, Inc., for professional consulting services, represents and warrants that CONTRACTOR has fully completed all services included in the agreement and all amendments thereto, and has fully paid for all materials, services, taxes and all other costs and expenses of the work and that there are no disputes, claims, or liens against the City of Ketchikan d/b/a Ketchikan Public Utilities, the CONTRACTOR or any sub-CONTRACTOR, and that the CONTRACTOR will have no claims against the City of Ketchikan or Ketchikan Public Utilities of any kind whatsoever arising from or growing out of such Agreement except as follows:

Claimant: _____

Description of Claim: _____

Amount: _____

Jacobs Engineering Group, Inc.

By: _____

Title: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF _____)
_____))
_____))

ss:

_____, being first duly sworn, on oath deposes and states, that s/he is a _____ in the aforesaid firm, that s/he makes this affidavit for and on its behalf and is authorized so to do, that s/he has read the foregoing Statement Concerning Claims and has personal knowledge of the facts contained therein and acknowledges said Statement Concerning Claims to be the free and voluntary act and deed of the CONTRACTOR for the purpose of obtaining final payment under the agreement described herein, that he was authorized to execute the same for and on behalf of the CONTRACTOR and that said Statement Concerning Claims is true and correct.

SUBSCRIBED AND SWORN to before me this _____ day of _____, 20____.

NOTARY PUBLIC IN AND FOR THE

STATE OF _____
Residing at _____
Commission Expires: _____

EXHIBIT D

RELEASE, WAIVER AND DISCHARGE OF ALL CLAIMS AND LIENS

This Certificate and Affidavit is made this _____ day of _____, 20____, by _____ ("Releasor"), the CONTRACTOR under that certain Agreement for the performing and/or furnishing of work, labor, services, materials and/or equipment in connection with an Agreement and Project known as **Ketchikan's Risk and Resilience Reassessment and Emergency Response Plan**

For and in consideration of the total sum of _____ Dollars (\$_____), and other good and valuable consideration, which sum is acknowledged as being the FINAL AND TOTAL AMOUNT due or alleged to be due or owing from the City of Ketchikan d/b/a Ketchikan Public Utilities (hereinafter referred to as "Releasee"), the receipt and payment of which sum is hereby acknowledged, the Releasor for and on behalf of itself and all parties claiming any interest in or through it, and for its successors and assigns, does hereby waive, release and discharge the Releasee from any and all causes of action, suits, debts, accounts, bonds, contracts, promises, damages, liens, encumbrances, judgment, claims and demands whatsoever, in law or equity, which against the Releasee, jointly or separately, Releasor ever had, now has, or might hereinafter have, relating directly or indirectly to the aforesaid Agreement and/or Project, except as set forth on the attached Statement Concerning Claims.

The Releasor further hereby agrees to appear and defend and to indemnify and hold the Releasee harmless from any and all damages, costs, expenses, demands, suits, liens and legal fees, directly or indirectly relating to any claim for compensation by any other party for work, labor, services, materials and/or equipment which directly or indirectly relates to that which was performed or should have been performed by the Releasor, and from and against any claim relating to any work, labor, services, materials and/or equipment allegedly performed, supplied or provided by the Releasor.

The Releasor further hereby represents, certifies and warrants that it has fully paid for any and all work, labor, services, materials and/or equipment provided to it in connection with the Agreement and/or the Project. The Releasor hereby grants to the Releasee and its authorized representatives the right to review and audit any and all books and records of the Releasor at any time for verification of such payments.

IN WITNESS WHEREOF, this Release, Waiver and Discharge of Claims and Liens has been executed this _____ day of _____, 20____, at _____.

Releasor

By: _____

Title: _____

CORPORATE ACKNOWLEDGEMENT

STATE OF _____)
)
) ss.
_____)

THIS IS TO CERTIFY that on this ____ day of _____, 20__, before me, the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____ (Name) and _____ known to be the Vice President and Senior Project Manager, Jacobs Engineering Group, Inc. , a corporation formed under the laws of the State of _____, the corporation which executed the above and foregoing instrument, and who on oath stated he (she)(they) were duly authorized to execute said instrument and affix the corporate seal thereto on behalf of said corporation, and that the seal affixed thereto is the corporate seal thereof, and acknowledged that he (she)(they) signed the same freely and voluntarily on behalf of said corporation for the purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate above written.

(Seal)

NOTARY PUBLIC FOR _____
My Commission Expires: _____