

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2024-34

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH REGAN ENGINEERING, P.C. FOR THE CONSTRUCTION ENGINEERING AND INSPECTION SERVICES FOR THE CAPTAINS BAY ROAD WATERLINE PROJECT

WHEREAS, the Captains Bay Road Waterline Extension Project is an approved and funded project (WA22D); and

WHEREAS, American Rescue Plan Act funding of \$800,000 and Denali Commission grant funding of \$386,400 have been awarded to the City for design, permitting and construction of the Captains Bay Road Waterline Extension Project; and

WHEREAS, Regan Engineering, P.C. provided design and permitting services for the project and is familiar with the project; and

WHEREAS, on May 30, 2024, the City of Unalaska received one bid for the construction of the Captains Bay Road Waterline Extension Project; and

WHEREAS, the Resolution 2024-31, authorized the City Manager to enter into an agreement with Aleutian General, LLC to construct the Captains Bay Road Waterline Extension Project; and

WHEREAS, the city is in need of construction engineering and inspection services for the Captains Bay Road Waterline Extension Project.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council authorizes the City Manager to enter into an agreement with Regan Engineering, P.C. for the Construction Engineering and Inspection Services for the Captains Bay Road Waterline Extension Project in the amount of \$343,125.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on July 23, 2024.

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Estkarlen P. Magdaong
City Clerk

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Marc Kielmeyer, Project Manager
Through: Scott Brown, Public Works Director
Through: William Homka, City Manager
Date: July 23, 2024
Re: Resolution 2024-34 authorizing the City Manager to enter into an agreement with Regan Engineering, P.C for Construction Engineering and Inspection Services for the Captains Bay Road Waterline Project

SUMMARY: Adoption of Resolution 2024-34 will authorize the City Manager to enter into an agreement with Regan Engineering, P.C for Construction Engineering and Inspection Services for the Captains Bay Road Waterline Project. Staff recommends adoption.

PREVIOUS COUNCIL ACTION: Previous Council action regarding the Captains Bay Road Waterline Project is as follows:

- Ordinance 2022-06 Creating a budget amendment #4 recognizing ARPA grant revenue and increasing the Water Capital Project Budget by \$800,000 for the NPF Waterline Project.
- Ordinance 2022-22 Accepting \$386,000 from the Denali Commission and increasing the Water Fund Transfers to the Capital Projects by \$12,246 for matching funds and increasing the Captains Bay Road Waterline Project by \$398,400
- Resolution 2022-55 Authorizing the City Manager to enter into an Agreement with Regan Engineering, P.C. for the design of the Captains Bay Road Waterline Extension Project in the amount of \$398,646
- Resolution 2023-16 Adopting the FY24-33 Capital and Major Maintenance Plan
- Resolution 2024-06 Identifying the City of Unalaska's State Priorities for FY25, and designating the Captains Bay Road Waterline Extension as the City's #1 priority
- Ordinance 2024-06 Creating budget amendment #6 for FY24 to increase the Water Capital Project Budget by \$4,700,000 from the 1% Special Revenue Fund to construct Phase 1 of the Captains Bay Road Waterline Extension Project
- Ordinance 2024-10 Creating Budget Amendment #8 to the Fiscal Year 2024 Budget, appropriating \$1,192,406 from the 1% Sales Tax Fund for an increase to the Captains Bay Road Waterline Extension Project (WA22D)
- Resolution 2024-31 Authorizing the City Manager to enter into an agreement with Aleutian General, LLC to construct the Captains Bay Road Waterline Extension Project in the amount of \$5,508,439

BACKGROUND: This project was originally part of the Captains Bay Road & Utilities Project. Later, it later became a stand-alone project based on a Cost/Benefit Analysis produced by HDR Alaska, Inc. This waterline extension will provide water to current and future customers along the roadway. This project will also abandon a 1940's era wood stave water line from service that has been leaking significant amounts of treated water.

The City has received \$800,000 in revenue from the ARPA grant which was placed into the new project (WA22D), to partially fund design and construction. The City also received \$386,400 in grant funding from the Denali Commission to be used for design and permitting. Following the grant award from the Denali Commission, the City entered into an agreement with Regan Engineering, P.C. for the design and permitting of the waterline extension.

In April of this year, the Captains Bay Road Waterline Extension Project was posted for bid. On May 30, 2024, the City received one bid from Aleutian General, LLC for construction of the project. The City is currently working with the contractor to execute a contract for the construction of the project.

On May 20, 2024, Regan Engineering submitted a proposal to provide construction engineering and inspection services for the Captains Bay Road Waterline Extension Project.

DISCUSSION: The general scope of work under this agreement requires Regan Engineering, P.C. to provide construction inspection, construction contract administration and engineering support for the duration of the project. Regan Engineering, P.C. has a long history of providing this expertise on a variety of City CMMP projects in the past. Due to Regan Engineering, P.C. having been the design engineer of record for this project makes them uniquely familiar with all details of this project. Regan Engineering, P.C. also has a long-standing history and good working relationship with the contractor selected to construct this project.

ALTERNATIVES: Council could choose not to award this work and staff could go through the RFQ process to select another firm to perform this work. This alternative would push the project start back a minimum 45-60 days.

FINANCIAL IMPLICATIONS: The Captains Bay Road Waterline Project (WA22D) has funding available to award this work

LEGAL: None needed.

STAFF RECOMMENDATION: Staff recommends approval of the Agreement and the award of the work to Regan Engineering, P.C.

PROPOSED MOTION: I move to adopt Resolution 2024-34.

CITY MANAGER COMMENTS: I recommend approval of Resolution 2024-34 and moving forward with award of this agreement and the Captains Bay Road Waterline Project.

ATTACHMENTS:

- Construction Engineering and Inspection (CEI) Services Proposal dated May 20, 2024
- Proposed Engineering and Related Services Agreement



REGAN ENGINEERING, P.C.

P.O. Box 889 ♦ Camas, WA 98607

Tel. 360-903-5064

E.I.N: 20-3126804; DUNS: 152959305

Email tom@reganengineering.com

City of Unalaska Department of Public Works
Marc Kielmeyer, Acting City Engineer
P.O. Box 610
Unalaska, AK 99685-0610

May 20, 2024

Subject: **Construction Engineering and Inspection (CEI) Services Proposal
Captains Bay Waterline Extension Project, DPW Project No. 22402**

The following proposal is for providing construction engineering and inspection services for the Captains Bay Road Waterline Extension Project. Proposed services include construction inspection, construction contract administration, and engineering support.

- Construction Inspection includes ADEC and UCC required on-site monitoring of construction, preparation of daily reports, verifying materials match approved submittals, verifying installation meets specification requirements and manufacturers recommendations, tracking installed material quantities, witnessing tests, assisting with field adjustments/conflict resolution, and otherwise supporting construction.
- Construction Contract Administration includes tracking correspondence, reviewing/preparing field reports, organizing/chairing progress meetings, reviewing pay applications, defining/negotiating and preparing change orders, and general enforcement of contract provisions. Work includes acting as Project Manager and being authorized representative of the Contracting Officer as defined in the General Conditions.
- Engineering Support includes review of submittals, responding to Requests-for-Information, preparation of as-built record drawings, general support, and submission of final permit closeout documents to the ADEC required for interim and final approvals to operate.

All services will be performed in accordance with the terms and conditions of the City of Unalaska Standard Form of Agreement for Engineering Services. Rates and terms will be as follows:

- Construction Manager (Tom Regan): Compensation will be hourly at a rate of \$160* per hour.
- Construction Inspector: Compensation will be hourly at a rate of \$115* per hour.
*Hourly rates will be paid for all hours worked, without escalation for overtime work.
- Per Diem or a food allowance will be paid at a rate of \$75 per person per day for all days traveling or in Unalaska.
- Vehicles, including fuel and other costs related to ground transportation, will be provided by the Consultant at a rate of \$75 per day per vehicle for days used or for actual rental costs plus markup.
- Reimbursable expenses will include direct costs for air transportation, lodging, support services, sub-consultants, testing services, and other costs directly related to execution of the work.
- Reimbursable expenses will be reimbursed at their actual costs plus a ten percent (10%) mark-up.

It is anticipated that actual construction will have a duration of four months. There will be additional time required for preparation, submittal review and for closeout services. The field inspector will likely rotate out

for R&R on a 6-week interval. The Project Manager will perform inspection services whenever the inspector is gone so there is full-time oversight during the construction period.

Proposed Cost Breakdown:

Inspection:	270 hrs/month @ \$115/hr x 4.5-months	\$139,725.
Engineering/Administration/Inspection:	150 hrs/month @ \$160/hr x 5-months	\$120,000.
Airfare:	9@\$2,600/ea	\$23,400.
Lodging:	160-days @ \$150/day	\$22,500.
Vehicles	160-days @ \$75/day	\$12,000.
Per Diem	160-days @ \$75/day	\$12,000.
<u>Misc., Markups</u>		<u>\$13,500.</u>
TOTAL		\$343,125.

At this time, it is unknown if the work will all be performed this year, if the work will be split between 2024 and 2025, or if the Work will primarily be conducted in 2025. Construction duration and manpower are only estimates and actual costs will vary. Construction contract engineering and inspection services are proposed on a Time-and-Materials basis in the amount of **\$343,125.00**. The project amount will not be exceeded without written permission from the City.

We hope the aforementioned information is suitable to meet your needs. Please contact me if you have questions or require additional information.

Sincerely,
REGAN ENGINEERING, P.C.



Thomas Regan, P.E.
Principal Engineer



CITY OF UNALASKA

Engineering & Related Services Agreement

Captains Bay Road Waterline Project

Project No. 22402

Prepared By:

City of Unalaska

P.O. Box 610

Unalaska, Alaska 99685

907.581.1260

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AGREEMENT FOR ENGINEERING AND RELATED SERVICES

THIS AGREEMENT is entered into this _____ day of _____, 2024, by and between Regan Engineering, P.C. (hereinafter called "Engineer"), and the CITY OF UNALASKA (hereinafter called "City").

WITNESSETH THAT:

WHEREAS City desires to engage Engineer to render consulting and related services for the performance of Construction Engineering and Inspection (CEI) Services for the **Captains Bay Road Waterline Project** and

WHEREAS Engineer represents that it has the experience and ability to perform such services; and

WHEREAS the parties hereto desire to enter into a basic agreement setting forth the terms under which Engineer will, as requested, perform such work;

NOW THEREFORE the parties hereto do mutually agree as follows:

1. Engagement of Engineer

Engineer agrees to provide professional services in accordance with the provisions of this Agreement. A written description of the work to be performed, schedule and compensation is set out in Exhibits A-C of this Agreement.

2. Performance

Engineer agrees to perform the work described in Exhibit A - Scope of Services; however, the Engineer is not authorized to perform any work or incur any expense which would cause the amount for which it is entitled to be paid under this Agreement to exceed the amount set forth in Exhibit C - Fee Proposal without the prior written approval of the City. All services shall be rendered in accordance with the schedule set forth in Exhibit B - Contract Schedule.

The work shall include but not be limited to the following: furnishing all equipment, transportation, per diem, travel, and supplies to perform all scopes of work that are authorized under their State of Alaska's Professional License, in connection with Construction Engineering and Inspection (CEI) Services for the City of Unalaska's **Captain Bay Road Waterline Project**.

3. Fees & Costs

After receipt of a periodic billing for said services, the City agrees to pay Engineer as compensation for the services under this Agreement on a time and costs basis in accordance with Exhibit B of this Agreement. The amount payable to the Engineer shall not exceed \$343,125.

4. Payments

City agrees to make periodic payments to Engineer as services are performed and costs are incurred, provided Engineer submits a proper invoice for each payment, in such form accompanied by such evidence in support thereof as may be reasonably required by the City. Engineer shall invoice for services rendered based on Exhibit B, Compensation Schedule. City may, at its option, withhold ten percent (10%) from each payment pending satisfactory completion of the work by Engineer. All invoices are otherwise due and payable within thirty (30) days of receipt by City. The total compensation paid to Engineer for

completion of the Scope of Work City shall **Not Exceed** Three Hundred Forty-Three Thousand One Hundred Twenty-Five Dollars (\$343,125).

5. Personnel

Engineer agrees to furnish all personnel necessary for expeditious and satisfactory performance of this Agreement, each to be competent, experienced, and well qualified for the work assigned. No person objected to by the City shall be employed by Engineer for work hereunder.

6. Independent Contractor Status

In performing under this Agreement, Engineer acts as an independent contractor and shall have responsibility for and control over the details and means for performing the consulting services required hereunder.

7. Indemnification

Engineer shall defend and save harmless City or any employee, officer, insurer, or elected official thereof from and against losses, damages, liabilities, expenses, claims, and demands but only to the extent arising out of any negligent act or negligent omission of Engineer while performing under the terms of this contract.

8. Assignment

Engineer shall not assign this Agreement or any of the monies due or to become due hereunder without the prior written consent of City.

9. Subcontracting

Engineer may not subcontract its performance under this Agreement without prior written consent of City. Any subconsultants must agree to be bound by terms of this Agreement.

10. Designation of Representatives

The Parties agree, for the purposes of this Agreement, the City shall be represented by and may act only through the **Director of Public Works, Scott Brown**, or such other person as he may designate in writing. Engineer shall advise City in writing of the name of its representative in charge of the administration of this Agreement, who shall have authority to act for and bind Engineer in connection with this Agreement.

11. Termination

Either party shall have the right to terminate this Agreement in whole or in part at any time and for reasonable cause, by delivery of thirty (30) days written notice, specifying the extent and effective date thereof. After receipt of such notice, Engineer shall stop work hereunder to the extent and on the date specified in such notice, terminate all subcontracts and other commitments to the extent they relate to the work terminated, and deliver to City all designs, computations, drawings, specifications and other material and information prepared or developed hereunder in connection with the work terminated.

In the event of any termination pursuant to this clause, Engineer shall be entitled to be paid as provided herein for direct labor hours expended and reimbursable costs incurred prior to the termination pursuant

to Section 3 hereof, and for such direct labor hours and reimbursable costs as may be expended or incurred thereafter with City's approval in concluding the work terminated, it being understood that Engineer shall not be entitled to any anticipated profit on services not performed. Except as provided in this clause, any such termination shall not alter or affect the rights or obligations of the parties under this Agreement.

12. Ownership and Use of Documents

Engineer agrees that all original design reproducible drawings, all pertinent calculations, specifications, reports, data, and other documents prepared for the City hereunder are the property of the City and the City shall have the right, without payment of additional compensation, to disclose, reproduce, and use such documents for this project

13. Insurance

See Exhibit "C"

14. Claims Recovery

Claims by City resulting from Engineer's failure to comply with the terms of and specifications of this contract and/or default hereunder may be recovered by City by withholding the amount of such claims from compensation otherwise due Engineer for work performed or to be performed. City shall notify Engineer of any such failure, default or damage therefrom as soon as practicable and no later than 10 days after discovery of such event by written notice. Nothing provided herein shall be deemed as constituting an exclusive remedy on behalf of City, nor a waiver of any other rights hereunder at law or in equity. Design changes required as a result of failure to comply with the applicable standard of care shall be performed by the Engineer without additional compensation.

15. Performance Standard

Services performed under this Agreement will be performed with reasonable care or the ordinary skill of the profession practicing in the same or similar location and under similar circumstances and shall comply with all applicable codes and standards.

16. Compliance with Applicable Laws

Engineer shall in the performance of this Agreement comply with all applicable federal, state, and local laws, ordinances, orders, rules, and regulations applicable to its performance hereunder, including without limitation, all such legal provisions pertaining to social security, income tax withholding, medical aid, industrial insurance, workers' compensation, and other employee benefit laws. Engineer also agrees to comply with all contract provisions pertaining to grant or other funding assistance which City may choose to utilize to perform work under this Agreement. The Engineer and all subcontractors must comply with state laws related to local hire and prevailing wages.

17. Records and Audit

Engineer agrees to maintain sufficient and accurate records and books of account, including detailed time records, showing all direct labor hours expended and all reimbursable costs incurred and the same shall be subject to inspection and audit by City at all reasonable times. All such records and books of account

pertaining to any work performed hereunder shall be retained for a period of not less than six (6) years from the date of completion of the improvements to which the Engineering services of this Agreement relate.

18. Reporting of Progress and Inspection

Engineer agrees to keep City informed as to progress of the work under this Agreement by providing monthly written progress reports, and shall permit City to have reasonable access to the work performed or being performed, for the purpose of any inspection City may desire to undertake.

19. Form of City Approval

Except as otherwise provided in this Agreement, City's requests and approvals, and Engineer's cost estimates and descriptions of work to be performed, may be made orally where necessary, provided that the oral communication is confirmed immediately thereafter in writing.

20. Duration of Agreement

This Agreement is effective for the duration of the project until the scope of work is completed. The Agreement may be extended by the mutual written agreement of City and Engineer.

21. Inspections by City

The City has the right, but not the duty, to inspect, in the manner and at reasonable times it considers appropriate during the period of this Agreement, all facilities and activities of the Engineer as may be engaged in the performance of this Agreement.

22. Endorsements on Documents

Endorsements and professional seals, if applicable, must be included on all final plans, specifications, estimates, and reports prepared by the Engineer. Preliminary copies of such documents submitted for review must have seals affixed without endorsement (signature).

23. Notices

Any official notice that either party hereto desires to give the other shall be delivered through the United States mail by certified mail, return receipt requested, with postage thereon fully prepaid and addressed as follows:

To City:
Scott Brown, Director of Public Works
City of Unalaska
PO Box 610
Unalaska, AK 99685

To Engineer:
Thomas Regan, P.E.
Regan Engineering, P.C.
PO Box 889
Camas, WA 98607

The addresses hereinabove specified may be changed by either party by giving written notice thereof to the other party pursuant to this paragraph.

24. Venue/Applicable Law

The venue of any legal action between the parties arising as a result of this Agreement shall be laid in the Third Judicial District of the Superior Court of the State of Alaska and this contract shall be interpreted in accordance with the laws of the State of Alaska.

25. Attorney's Fees

In the event either party institutes any suit or action to enforce its right hereunder, the prevailing party shall be entitled to recover from the other party its reasonable attorney's fees and costs in such suit or action and on any appeal therefrom.

26. Waiver

No failure on the part of City to enforce any covenant or provisions herein contained, nor any waiver of any right hereunder by City, unless in writing and signed by the parties sought to be bound, shall discharge or invalidate such covenants or provisions or affect the right of City to enforce the same or any other provision in the event of any subsequent breach or default.

27. Binding Effect

The terms, conditions and covenants contained in this Agreement shall apply to, inure to the benefit of, and bind the parties and their respective successors.

28. Entire Agreement/Modification

This agreement, including Exhibits A-C, and the Engineer's proposal dated May 20, 2024 constitutes the entire Agreement between the parties with respect to the subject matter hereof, and all prior negotiations and understandings are superseded and replaced by this Agreement and shall be of no further force and effect. No modification of this Agreement shall be of any force or effect unless reduced to writing, signed by both parties and expressly made a part of this Agreement.

In witness whereof, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement in duplicate on the respective date indicated below.

ENGINEER

CITY OF UNALASKA, ALASKA

By: _____
Tom Regan, Principal Engineer

By: _____
Marjorie Veeder, Acting City Manager

State of Alaska)
) ss.
Third Judicial District)

State of Alaska)
) ss.
Third Judicial District)

The foregoing instrument was acknowledged before me on the ____ day of _____, 2024, by _____, the _____ of _____, **an Alaska Corporation**, on behalf of the corporation.

The foregoing instrument was acknowledged before me on the ____ day of _____, 2024, by Marjorie Veeder, Acting City Manager for the City of Unalaska, a First-Class Alaska Municipal Corporation, on behalf of the City of Unalaska.

Notary Public, State of Alaska
My Commission Expires _____

Notary Public, State of Alaska
My Commission Expires _____

CITY OF UNALASKA

EXHIBIT "A"

SCOPE OF SERVICES

The Engineer will work with the City to complete Alaska Professional Engineer sealed drawings and specifications for the design of the Captains Bay Road Waterline Project. Each of the deliverables outlined below will be provided electronically as an Adobe Acrobat (PDF) file.

The Scope of Services for this Contract includes the following general tasks. For detailed Scope of Services, see attached proposal Construction and Engineering and Inspection (CEI) Services Proposal dated May 20, 2024.

- Construction Inspection
- Construction Contract Administration
- Engineering Support

CITY OF UNALASKA

EXHIBIT "B"

COMPENSATION SCHEDULE

Fee Schedule shall be as outlined on Construction Engineering and Inspection (CEI) Services Proposal dated May 20, 2024.

- Construction Manager - \$160*/HR
 - Construction Inspector - \$115*/HR
- *Hourly rates will be paid for all hours worked without escalation for overtime work
- Per Diem or Food Allowance - \$75/Per Person/Per Day for all days travelling or in Unalaska
 - Vehicles, including fuel and other costs related to ground, will be provided by the Consultant at a rate of \$75/Per Day/Per Vehicle or for actual rental costs plus markup.
 - Reimbursable expenses will include direct costs for air transportation, lodging, support services, sub-consultants, testing services, and other costs directly related to execution of the work. Reimbursable expenses will be reimbursed at their actual costs plus a ten percent (10%) mark-up

CITY OF UNALASKA

EXHIBIT "C"

INSURANCE REQUIREMENTS

Engineer shall procure and maintain for the duration of the contract, at its own expense, insurance against claims which may arise from or in connection with contracted services provided by Engineer, its employees, agents or representatives. Engineer shall place coverage with insurance companies rated A: VIII by A.M. Best Company, or companies specifically approved by the City. These policies providing coverage shall contain provisions and endorsements stating that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days' prior written notice to the City of Unalaska.

A. Minimum Scope and Limit of Insurance: coverage shall be at least as broad as:

1. Commercial General Liability shall have limits not less than \$1,000,000 per occurrence and \$2,000,000 Aggregate, including coverage for Bodily Injury and Property Damage, Premises and Operations Liability, Products and Completed Operations Liability, Contractual Liability, and Personal Injury Liability.

2. Commercial Automobile Liability on all owned, hired, non-hired and rented vehicles of not less than \$1,000,000 combined single limit per accident/occurrence for bodily injury and property damage.

3. Umbrella/Excess Liability insurance coverage of not less than \$1,000,000 per occurrence and annual aggregate providing coverage in excess of General Liability, Auto Liability, and Employers Liability.

4. Professional Liability insurance with limits of not less than \$1,000,000 per claim and \$1,000,000 aggregate, subject to a maximum deductible \$10,000 per claim. The City of Unalaska has the right to negotiate increase of deductibles subject to acceptable financial information of the policyholder.

5. Workers' Compensation insurance in accordance with the statutory coverages required by the State of Alaska, and Employers Liability insurance with limits not less than the following:

Bodily Injury by accident: \$1,000,000 per accident

Bodily Injury by disease \$1,000,000 policy limit

Bodily injury by disease \$1,000,000 each employee

The State of Alaska does not have reciprocal agreements with any other State or country for Workers' Compensation coverage. Out of State employers who are required to carry Workers Compensation/Employer's liability coverage per State statute must obtain Alaska Coverage.

6. Coverage may need to be adjusted depending upon the scope of work and activity.

All insurance policies as described above are required to be written on an “occurrence” basis. In the event occurrence coverage is not available, Engineer agrees to maintain “claims made” coverage for a minimum of two years after project completion.

If Engineer maintains broader coverage and/or higher limits than the minimums shown above, the City of Unalaska, its officials, employees, volunteers or agents (collectively, “the City”), shall be entitled to the broader coverage and/or the higher limits maintained by Engineer. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

B. Additional Insurance Provisions

2. Additional insureds: The City shall be covered as additional insured as respects liability arising out of contracted services performed by Engineer. The coverage shall contain no special limitations on the scope of protection afforded to the City and this additional insured status must be endorsed upon the Commercial General Liability policy, Umbrella/ Excess Liability policy and Commercial Auto Liability Policy and where so allowed. This provision applies regardless of whether or not the City has received an additional insured endorsement from the insurer.

3. Primary Coverage: For any claims related to contracted services performed by Engineer, Engineer’s insurance coverage shall be primary coverage as respects the City. Any issuance of self-insurance maintained by the City shall be excess of Engineer’s insurance and shall not contribute with it.

4. Waiver of Subrogation: There shall be no right of subrogation against the City for losses arising out of contracted services provided by Engineer or by any insurer of Engineer and this waiver of subrogation shall be endorsed upon the Commercial General Liability, Umbrella Excess Liability, Umbrella/Excess Liability, Professional Liability, Commercial Auto, and Workers’ Compensation policies and where so allowed. This provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

5. Deductibles and Self-Insured Retentions: Any deductibles or self-insured retentions shall be declared to and approved by the City. At the option of the City, either Engineer’s insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, or Engineer shall be required to procure a bond or some other form of financial guarantee satisfactory to the City guaranteeing payment guaranteeing payment of losses and related investigations, claim administration and defense expense.

6. Verification of Coverage: Before work begins, Engineer shall furnish the City with certificates of Insurance on standard Accord forms evidencing required insurance coverage, including all required amendatory endorsements. Failure to submit the required certificates and endorsements prior to beginning work shall not waive Engineer’s obligation to provide them and shall not affect the coverage provided to the City. Acceptance of Certificates of Insurance with deficient or erroneous coverage does not absolve Engineer from carrying and maintaining the required coverage.

Certificates of Insurance shall be prepared as follows below:

Certificate Holder: City of Unalaska, Dept. of Public Works

PO Box 610, Unalaska

Unalaska, AK 99685

Email to: sbrown@ci.unalaska.ak.us and risk@ci.unalaska.ak.us

The City reserves the right to request complete, certified copies of full insurance policies, including endorsements.

7. Subcontractor Coverage: If Engineer employs subcontractors to perform any work hereunder, Engineer agrees to require such subcontractors to obtain, carry, maintain, and keep in force during the time in which they are engaged in performing any work or service hereunder, policies of insurance which comply with all requirements. This requirement is applicable to subcontractors of any tier. It is further agreed, that upon request by the City, Engineer will provide copies of any and all subcontractors certificates of insurance and endorsements for review of compliance.

8. Maintenance of Coverage: Failure by Engineer to maintain the required insurance coverage or to comply with the above, may, at the option of the City, be deemed defective work and remedied in accordance with the service contract.

9. Notification of Change in Requirements: The City reserves the right to modify these insurance requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other circumstances, after 30 days prior written notification to Engineer.