

#### **City of Valdez**

212 Chenega Ave. Valdez, AK 99686

#### **Meeting Agenda**

#### **City Council**

Monday, February 12, 2018 12:00 PM Council Chambers

#### **Special Meeting**

#### **SPECIAL MEETING - 12:00 PM**

- I. CALL TO ORDER
- II. ROLL CALL
- III. NEW BUSINESS

Approval of Contract Award to Wolverine Supply, Inc. for Library Carpet and Paint Walls in the Amount of \$239,000.00

<u>Attachments:</u> <u>Library Carpet and Paint Walls - Bid Summary</u>

<u>Library Carpet and Paint Walls - Drawing Set</u> <u>Library Carpet and Paint Walls - Contract Body</u>

IV. ADJOURNMENT

#### City of Valdez

#### Agenda Statement

**File #**: 18-0061 **Version**: 1

Type: New Business Status: Agenda Ready
File created: 1/25/2018 In control: City Council

On agenda: 2/12/2018 Final action:

Title: Approval of Contract Award to Wolverine Supply, Inc. for Library Carpet and Paint Walls in the Amount

of \$239,000.00

Sponsors:

Indexes:

Code sections:

Attachments: Library Carpet and Paint Walls - Bid Summary

<u>Library Carpet and Paint Walls - Drawing Set</u> Library Carpet and Paint Walls - Contract Body

Date Ver. Action By Action Result

#### **ITEM TITLE:**

Approval of Contract Award to Wolverine Supply, Inc. for Library Carpet and Paint Walls in the Amount of \$239,000.00

#### SUBMITTED BY:

Jessica McKay - Capital Facilities Project Manager

#### **FISCAL NOTES:**

Expenditure Required: \$239,000.00 Unencumbered Balance: \$359,611.92 Funding Source: 350-0310-55000.1604

#### **RECOMMENDATION:**

Approve the contract with Wolverine Supply, Inc. for Library Carpet and Paint Walls in the amount of \$239,000.00.

#### **SUMMARY STATEMENT:**

There were ten (10) bidders who proposed on the Library Carpet and Paint Walls Project. Wolverine Supply Inc. was the lowest bid. The highest bid came in at \$535,000.00, with most bids averaging between \$300,000 and \$400,000.

The Valdez Consortium Library carpets have never been replaced in the basement (early 1980s construction). The carpet on the 1<sup>st</sup> floor is wrinkled and causes a tripping hazard. Wallpaper on all 3 floors is also original. Prior to the roof being replaced (2015) there were substantial leaks in all 3

File #: 18-0061, Version: 1

floors of the library, since roof replacement, no new leaks have been observed. However, there is residual mold in several identified (and potentially unidentified) locations. Mold and asbestos (in cove base adhesive) will need to be remediated with this project. A force account was added to the bid schedule to account for un-anticipated discoveries up to \$25K.

All 3 floors will have the same carpet tile. Entrance way will have walk-off matt to reduce wear on carpet and improve longevity.

Walls on all three floors will be painted. Ceiling on 1st floor will also be painted.

Drawing set for further detail has been provided (Attached).

Library will be closed beginning February 19<sup>th</sup>. All books and media items, IT equipment and office supplies are being removed from construction locations. Construction will begin March 5<sup>th</sup> and will be substantially complete by April 30<sup>th</sup>. The library is anticipated to open again on May 15<sup>th</sup>.

S	ummary of Proposals Rec	eived	1		Project:	Library	Carpet and Pai	nt Walls	3														
	Bid Opening	Bid Opening Contract No. 17-350-1604																					
Date:	January 26, 2018 at 10:00am				Project No.	1316																	
Place:	Capital Facilities Conference Room	- I		Island	Contractors	Cons	Tikigaq truction LLC	Orion	Construction Inc.		Construction agement Inc.	F&W	Construction Inc.	H Con	struction LLC	TBI	Construction Co.		Construction		Corporation	Wolv	erine Supply
Bid Item	Description	Quantity	Unit	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Tota!	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
	Provide all labor, materials, tools, equipment, transportation, supervision and facilities necessary to remediate mold and asbestos, demo carpet, entryway tile, and wallpaper, patch, prep, and paint all walls, GBD ceiling, baseboard heaters/misc metal, HM frames and doors, and railings and lay carpet/walk-off matt/rubber flooring on all floors of the Library as indicated in drawings and project manual.	All Req'd	LS	N/A	\$318,520.00	N/A	283,000.00	, N/A	400,000.00	N/A	235,994.00	N/A	372,691.00	N/A	234,400.00	N/A	269,000.00	N/A	490,958.30	N/A		N/A	187,000.00
2	Field engineering, submittals, shop & record drawings, operating instructions, O&M manuals, and close-out punchlist	1	LS	N/A	\$5,000.00	N/A	8,200.00	N/A	10,000.00	N/A	165,541.77	N/A	10,271.00	N/A	18,000.00	N/A	7,800.00	N/A	7,922.52	N/A		N/A	20,000.00
3	Force Account: Fixed cost item to be included in bid total for unforeseen construction issues.	1	LS	N/A	\$25,000.00	N/A	\$25,000.00	N/A	\$25,000.00	N/A	\$25,000.00	N/A	\$25,000.00	N/A	\$25,000.00	N/A	\$25,000.00	N/A	\$25,000.00	N/A		N/A	\$25,000.00
AA1	Provide and install corner guards and art railing throughout library, as indicated in drawings. Provide and install stainless steel outlet covers	All Req'd	LS	N/A	\$9,900.00	N/A	5,200.00	N/A	100,000.00	N/A	3,551.24	N/A	13,443.00	N/A	6,900.00	N/A	3,700.00	N/A	11,026.20	N/A		N/A	7,000.00
	Addendum(s) Acknowledged				X	ļ	X	ļ	X	-	X	-	X		X		X		X	-	X		X
	Bid Bond				X		X		X		X		X		X		X	-	X	-	X		X
	Alaska Business License				X		X		X		X	-	X	ļ	X		X	-	X	-			X
	Alaska Contractor License				X		X		X		Χ		X		Х	-	X	1	X	-		-	X
	Total Base Bid				\$348,520.00		\$316,200.00		\$435,000.00		\$426,535.77		407,962.00		\$277,400.00		\$301,800.00		\$523,880.82	NON	RESPONSIVE	1 9	232,000.00
	Total Base Bid + AA1				\$358,420.00		\$321,400.00	5	535,000.00		\$430,087.01	5	421,405.00		284,300.00		\$305,500.00		5534,907.02			\$	239,000.00
	Local bidder preference 10%		*																				
1	Total Adjusted Bid																						
	The bid totals are subject to correction after the bids have been completely reviewed.  Totals have been reviewed  Totals have been corrected  Project Manager																						

# VALDEZ CONSORTIUM LIBRARY - FINISHES



### **VICINITY MAP**



# PROJECT TEAM PROJECT MANAGEMENT Jessica McKay City of Valdez Capital Facilities

Jessica McKay City of Valdez Capital Facilities (o) 907.835.4578 Ext.5 (m) 928.864.6940 jmckay@ci.valdez.ak.us

CLIENT

Mollie Good

Mollie Good Head Librarian 907.835.4632 mgood@ci.valdez.ak.us

<u>ARCHITECT</u>

Hacker
733 SW Oak Street
Portland, OR 97205
Phone: 503-227-1254
Contact: Tracey Olson, Project Architect
tolson@hackerarchitects.com

# HEET#

SHEET NAME

GENERAL
G-000 COVER SHEET
ARCHITECTURAL
A-100 LOWER LEVEL FLOOR PLAN
A-101 FIRST FLOOR PLAN
A-102 SECOND FLOOR PLAN

# HACKER

733 SW Oak, Portland, OR 97205



CTAMD

 REVISION NO.
 DATE

 1 ADD 4
 1/17/2018

KEY PLAN - (NTS)

VALDEZ
CONSORTIUM
LIBRARY FINISHES

VALDEZ LIBRARY 212 FAIRBANKS DR, VALDEZ, AK 99686

ISSUANCE
BID SET
PROJECT NUMBER
01715

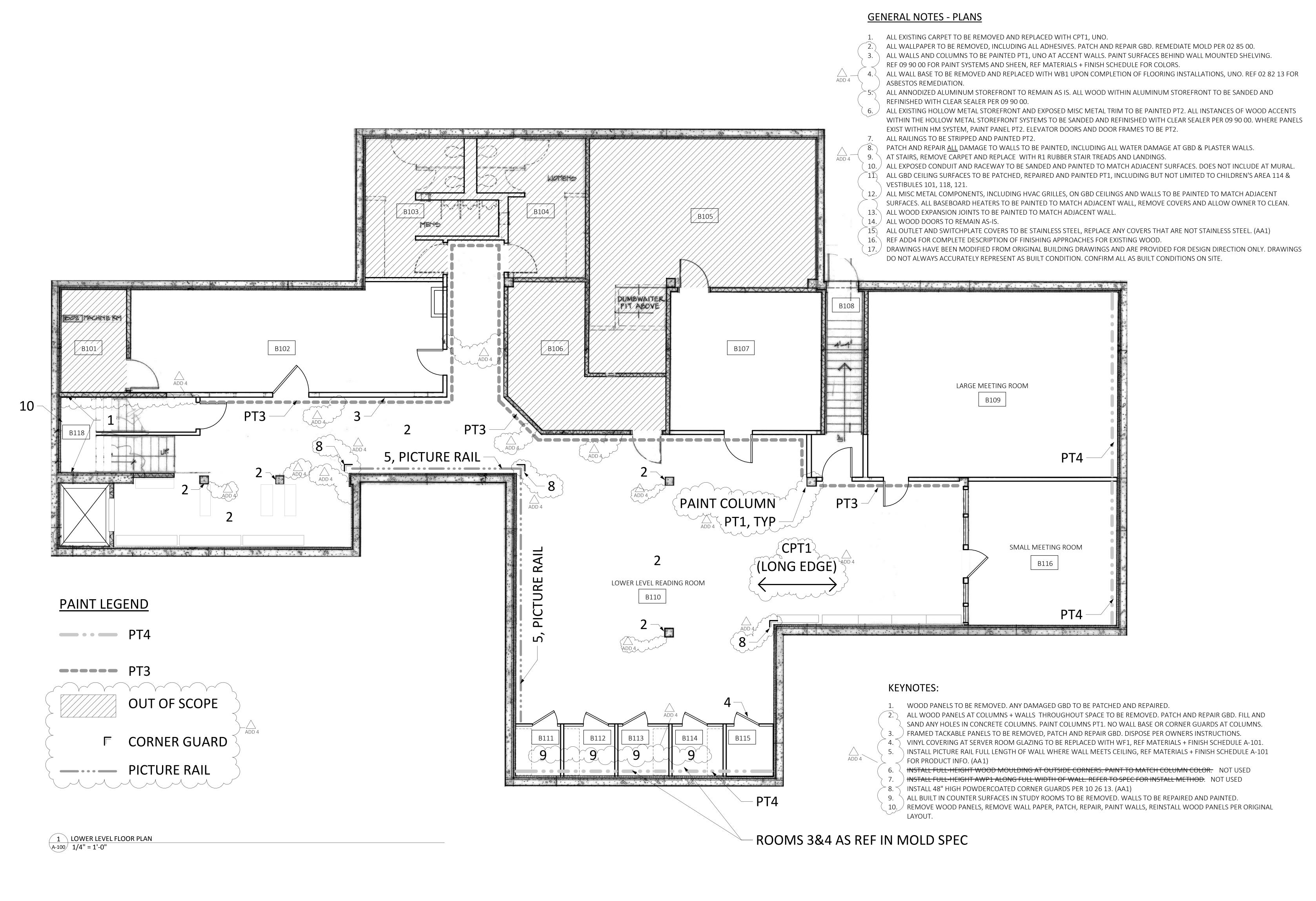
DATE 10/20/17 SCALE

1 1/2" = 1'-0"

DRAWING TITLE

COVER SHEET

G-000



ARCHITECTS

# HACKER

733 SW Oak, Portland, OR 97205

CONSULTANT

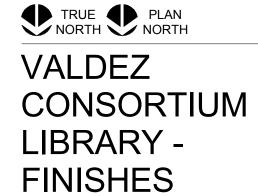


STAMP

 REVISION NO.
 DATE

 1 ADD 4
 1/17/2018

KEY PLAN - (NTS)



VALDEZ LIBRARY 212 FAIRBANKS DR, VALDEZ, AK 99686

ISSUANCE BID SET

PROJECT NUMBER 01715

DATE

DATE 10/20/17

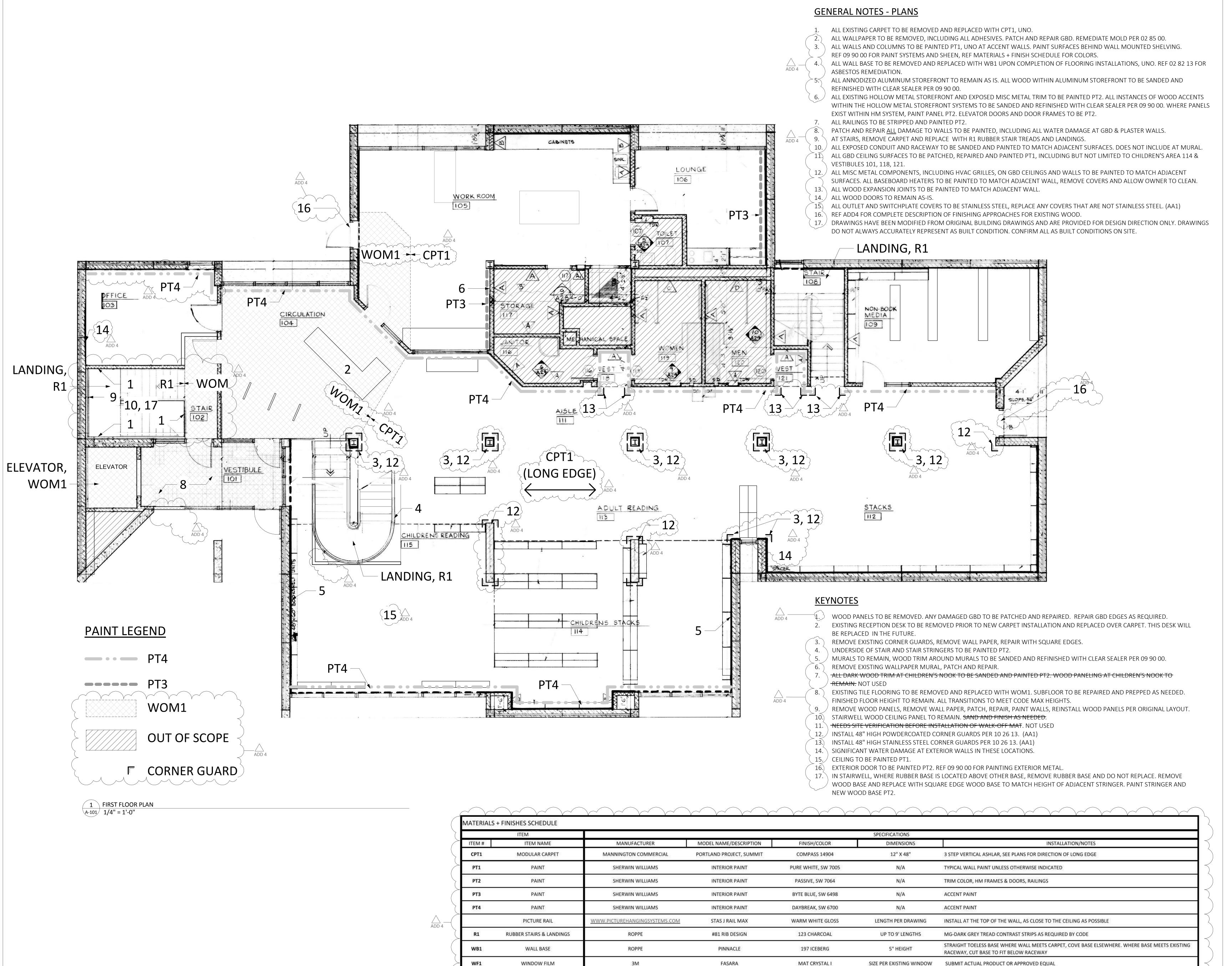
SCALE
As indicated

DRAWING TITLE

LOWER LEVEL FLOOR PLAN

SHEET NUMBER

A-100



WOM1

WALK OFF MAT

MANNINGTON COMMERCIAL

**BROWN BRANCHES 8503** 

24" X 24"

MONOLITHIC INSTALL

RUFFIAN II

ARCHITECTS

# HACKER

733 SW Oak, Portland, OR 97205

CONSULTANT



STAMP

 REVISION NO.
 DATE

 1 ADD 4
 1/17/2018

KEY PLAN - (NTS)

VALDEZ
CONSORTIUM
LIBRARY FINISHES

VALDEZ LIBRARY

212 FAIRBANKS DR, VALDEZ, AK 99686

ISSUANCE BID SET

PROJECT NUMBER

01715

DATE 10/20/17

As indicated

SCALE

DRAWING TITLE
FIRST FLOOR PLAN

SHEET NUMBER

A-101

## 4. ALL WALL BASE TO BE REMOVED AND REPLACED WITH WB1 UPON COMPLETION OF FLOORING INSTALLATIONS, UNO. REF 02 82 13 FOR ASBESTOS REMEDIATION. ALL ANNODIZED ALUMINUM STOREFRONT TO REMAIN AS IS. ALL WOOD WITHIN ALUMINUM STOREFRONT TO BE SANDED AND REFINISHED WITH CLEAR SEALER PER 09 90 00. ALL EXISTING HOLLOW METAL STOREFRONT AND EXPOSED MISC METAL TRIM TO BE PAINTED PT2. ALL INSTANCES OF WOOD ACCENTS WITHIN THE HOLLOW METAL STOREFRONT SYSTEMS TO BE SANDED AND REFINISHED WITH CLEAR SEALER PER 09 90 00. WHERE PANELS EXIST WITHIN HM SYSTEM, PAINT PANEL PT2. ELEVATOR DOORS AND DOOR FRAMES TO BE PT2. ALL RAILINGS TO BE STRIPPED AND PAINTED PT2. PATCH AND REPAIR <u>ALL</u> DAMAGE TO WALLS TO BE PAINTED, INCLUDING ALL WATER DAMAGE AT GBD & PLASTER WALLS. $9. \setminus AT$ STAIRS, REMOVE CARPET AND REPLACE WITH R1 RUBBER STAIR TREADS AND LANDINGS. 10. ALL EXPOSED CONDUIT AND RACEWAY TO BE SANDED AND PAINTED TO MATCH ADJACENT SURFACES. DOES NOT INCLUDE AT MURAL. $\sqrt{11}$ . ALL GBD CEILING SURFACES TO BE PATCHED, REPAIRED AND PAINTED PT1, INCLUDING BUT NOT LIMITED TO CHILDREN'S AREA 114 &VESTIBULES 101, 118, 121. $^{'}$ 12. $^{'}$ ALL MISC METAL COMPONENTS, INCLUDING HVAC GRILLES, ON GBD CEILINGS AND WALLS TO BE PAINTED TO MATCH ADJACENT SURFACES. ALL BASEBOARD HEATERS TO BE PAINTED TO MATCH ADJACENT WALL, REMOVE COVERS AND ALLOW OWNER TO CLEAN. 13.\ ALL WOOD EXPANSION JOINTS TO BE PAINTED TO MATCH ADJACENT WALL. 14. ALL WOOD DOORS TO REMAIN AS-IS. 15. ALL OUTLET AND SWITCHPLATE COVERS TO BE STAINLESS STEEL, REPLACE ANY COVERS THAT ARE NOT STAINLESS STEEL. (AA1) ROOF @ IST FLOOR BELOW 16.\ REF ADD4 FOR COMPLETE DESCRIPTION OF FINISHING APPROACHES FOR EXISTING WOOD. (17.) DRAWINGS HAVE BEEN MODIFIED FROM ORIGINAL BUILDING DRAWINGS AND ARE PROVIDED FOR DESIGN DIRECTION ONLY. DRAWINGS DO NOT ALWAYS ACCURATELY REPRESENT AS BUILT CONDITION. CONFIRM ALL AS BUILT CONDITIONS ON SITE. STACKS (LONG EDGE) NOM S OPEN TO READING AREA BELOW STACKS PT3 PANEL PANEL **KEYNOTES: PAINT LEGEND** REMOVE EXISTING CORNER GUARDS, REMOVE WALL PAPER, REPAIR COLUMN WITH SQUARE EDGE. DO NOT INSTALL ROOF & IST FLOOR BELOW ADDITIONAL CORNER GUARDS ON DOUBLE HEIGHT COLUMNS AT SECOND FLOOR. SIGNIFICANT WATER DAMAGE AT EXTERIOR WALLS IN THESE LOCATIONS. INSTALL 48" HIGH POWDERCOATED CORNER GUARDS PER 10 26 13. (AA1) WOOD TRIM AT RAILING TO BE PAINTED PT2, WALL BASE AT SURFACE MOUNTED RACEWAY TO BE CUT TO FIT BELOW OUT OF SCOPE $^{igseleq}$ HEATER COVERS TO BE REMOVED AND PAINTED, ALLOW TIME FOR OWNER TO CLEAN HEATERS. 6. $\mathcal{I}$ REPLACE EXIST CPT WALL BASE WITH PT2 PAINTED WOOD BASE WITH SQUARE EDGE TO MATCH HEIGHT OF ADJ □ CORNER GUARD

1 SECOND FLOOR PLAN

A-102 1/4" = 1'-0"

**GENERAL NOTES - PLANS** 

. ALL EXISTING CARPET TO BE REMOVED AND REPLACED WITH CPT1, UNO.

ALL WALLPAPER TO BE REMOVED, INCLUDING ALL ADHESIVES. PATCH AND REPAIR GBD. REMEDIATE MOLD PER 02 85 00.

ALL WALLS AND COLUMNS TO BE PAINTED PT1, UNO AT ACCENT WALLS. PAINT SURFACES BEHIND WALL MOUNTED SHELVING.

REF 09 90 00 FOR PAINT SYSTEMS AND SHEEN, REF MATERIALS + FINISH SCHEDULE FOR COLORS.

4. ALL WALL BASE TO BE REMOVED AND REPLACED WITH WB1 UPON COMPLETION OF FLOORING INSTALLATIONS, UNO. RI

49TH

A9TH

CHARLES MEEKER DORN JR.

No. A-12692

APROFESSION

9

STAMP

ARCHITECTS

CONSULTANT

HACKER

733 SW Oak, Portland, OR 97205

 REVISION NO.
 DATE

 1 ADD 4
 1/17/2018

KEY PLAN - (NTS)

VALDEZ
CONSORTIUM
LIBRARY FINISHES

VALDEZ LIBRARY 212 FAIRBANKS DR, VALDEZ, AK 99686

ISSUANCE BID SET

PROJECT NUMBER
01715

DATE 10/20/17 SCALE

As indicated

DRAWING TITLE

SECOND FLOOR PLAN

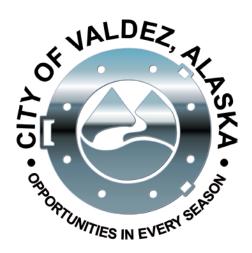
SHEET NUMBER

A-102

#### CITY OF VALDEZ ALASKA

#### CONTRACT DOCUMENTS

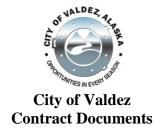
Project: Library Carpet and Paint Walls
Project Number: 17-350-1604
Contract Number: 1316
Cost Code: 350-310-55000.1604
Issued for Construction
Date: December 4, 2017



City of Valdez
Capital Facilities and Engineering
300 Airport Road, Suite 201
P.O. Box 307
Valdez, Alaska 99686

Project Manager: Jessica McKay

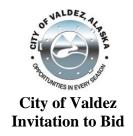
Construction Plan Set Completed By:
Hacker Architects, Inc.
733 S W Oak St.
Portland, OR 97205



#### Project: Library-Carpet and Paint Walls Project Number: 17-350-1604 / Contract Number: 1316

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Contractor Certificate of Substantial Completion	22
Contract Release	23
Special Provisions	25
Modifications and Additions to the Standard Specifications	33
Minimum Prevailing Wage Rates	35
Addendums 1 - 5	Attached
Drawings Titled "Valdez Consortium Library - Finishes"	Attached
Project Manual Titled "Valdez Consortium Library – Bid Package"	Attached



Date: December 4, 2017

Project: Library - Carpet and Paint Walls Project Number: 17-350-1604 / Contract Number: 1316

This project includes, but is not necessarily limited to:

Remove and replace approximately 1,500 SY of carpet and approximately 2500 LF of cove base on all three floors of the Valdez Library. Remediate asbestos behind cove base (see project manual for details on cove base adhesive containing asbestos). Remove tile in entryway and install recessed walk off mat. Contractor will be responsible for moving all existing furniture and putting it back in place. Library will be responsible for books. Contractor is responsible for snow removal within staging area. Project also includes 4 additive alternates.

Construction is to begin mid-February 2018. Engineers Estimate for construction is \$100,000 - \$300,000.

Sealed bids will be accepted until 10:00am local time on Thursday, January 4, 2018, at the office of the Capital Facilities Director, 300 Airport Road, Suite 201, P. O. Box 307, Valdez, Alaska 99686. The bids will be publicly opened and read at that time.

A non-mandatory pre-bid conference will be held at the office of the Capital Facilities Director, 300 Airport Road, Suite 201, Valdez, Alaska on Wednesday, December 13, 2017 at 2:00 PM.

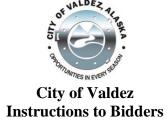
Complete sets of the bid documents may be purchased from Digital Blueprint, 903 West Northern Lights Blvd., Anchorage, AK 99503, (907) 274-4060. Bid documents may also be downloaded from the City of Valdez website at <a href="https://www.ci.valdez.ak.us">www.ci.valdez.ak.us</a>; documents are located under "Bids" on the lower right hand side of the opening page. Bidders are encouraged to download, fill out, and return the Request for Addendum form located at the link listed above to ensure receipt of any addendum issued for this project.

Bid security in the amount of 5% of the total bid is required.

The City reserves the right to waive any irregularities or informalities in a bid and to reject any and all bids without cause.

Current minimum prevailing wage rates as published by the Alaska Department of Labor must be paid if required by law. Requirements of the Alaska Employment Preference (AS 36.10) must be met.

The City of Valdez "Standard Specifications and Standard Details" shall be used. An electronic copy is available from the City of Valdez website at <a href="http://www.ci.valdez.ak.us">http://www.ci.valdez.ak.us</a> under "standards and specifications" located on the "quick links" portion of the Capital Facilities Department page.



Project: Library-Carpet and Paint Walls
Project Number: 17-350-1604 / Contract Number: 1316

#### CAUTION:

Your bid may be rejected if it is not properly executed. Check that the following items have been accomplished to help assure a responsive bid. <u>Please read Sections 6 and 7 carefully.</u>

- 1. Bid Form
  - A. The Bid Form has been executed and signed.
  - B. Addendum Acknowledgement Form has been executed and signed.
- 2. Bid Security or Bid Bond
  - A. An executed Bid Security (Bid Bond) in the amount indicated on the Invitation to Bid.
  - B. Verify that the Certificate showing the Corporate Principal on the form is executed if applicable.
- 3. Alaska Business License, a copy your current license must be included.
- 4. Alaska Contactor Certificate of Registration
  - A. A copy of your current Alaska Contractor License of Registration in the bidder's name must be included with the bid.
  - B. The contractor is required to verify that the appropriate license(s) is in place prior to submitting their bid for the project's scope of work.
- 5. A bid may be rejected if it contains any alterations or erasures that are not initialed by the signer of the bid.

Note: Any certified checks may be held uncollected at the risk of bidders submitting them.

#### 1. General

Bidders are requested to study and follow these instructions about the method and form for submitting bids to avoid having their bid rejected.

Bidders will find all required forms and documents contained within this assembly. Please notice under Section 7, Required Documents for Bid, as to which forms and documents are required for your bid to be considered.

#### 2. Explanation to Bidders

Requests from bidders concerning interpretations or clarifications of the bid documents shall be made in writing to the project manager or project engineer. Such requests shall arrive at least three working days prior to the date for opening bids. There needs to be sufficient time allowed for a reply to reach all bidders before the submission of the bids. Explanations made will be in the form of an addendum to the specifications or drawings and will be furnished to all bidders and receipt of the addendum must be acknowledged on the Addendum Form.



#### 3. Site Conditions

Bidders are encouraged to visit the site to ascertain pertinent local conditions, location, accessibility, terrain, labor conditions, conditions of surrounding areas, and any other aspect that may impact the project.

#### 4. Addenda Requirements

All bids must include the Addendum Acknowledgement Form. If addendums have been issued the bidder must state on the form all the addendums have been acknowledged. If no addendums were issued then the bidder is to write "NONE" on the form. The Addendum Acknowledgement Form shall be reviewed prior to acceptance of the bid.

#### 5. Submissions of Bids

All bids, including any amendment or withdrawal, must be received at the address shown in the Invitation to Bid no later than the scheduled time of bid opening. Any bid, amendment or withdrawal that has not been actually received by the person opening the bid prior to the time of the scheduled bid opening will not be considered, and bid will be returned unopened. Conditioned or qualified bids unless requested will be considered nonresponsive.

Bids must be in a sealed envelope marked as follows:

BIDS FOR CITY OF VALDEZ Library-Carpet and Paint Walls PROJECT NO. 17-350-1604 CONTRACT NO. 1316

DATE OF BID OPENING: January 4, 2018

CAPITAL FACILITIES DIRECTOR CITY OF VALDEZ 300 AIRPORT ROAD, SUITE 201 P.O. BOX 307 VALDEZ, AK 99686

#### 6. Preparation of Bids

Bids shall be submitted on the forms furnished, or copies thereof, and must be manually signed in ink. If erasures or other changes appear on the forms, the person signing the bid must initial each erasure or change.

The Bid Form will provide for quotation or price for all items. Bidders must quote on all items. Failure to do so may result in disqualification. Alternative bids will not be acceptable unless requested.

Modification by facsimile of bids already submitted will be considered if received before the bid opening time noted in the Invitation for Bid or the addenda. Modification by facsimile is at the risk of the bidder. The Owner makes no warranty as to telephone line or equipment availability or condition. All addenda must be acknowledged prior to the bid opening; facsimile acknowledgement is acceptable for all addenda issued as long as an original completed form was provided within your sealed bid. Facsimile modifications shall not reveal the total amount of the original or revised bid.

Facsimile number to use is (907) 835-5574.



#### 7. Required Documents for Bid

The following listed documents are to be completed and submitted at the time of bidding. Deviation from these requirements will be grounds for rejection of the bid.

- A. Addenda Acknowledged Form, fully completed original (see Item 6 above also)
- B. Bid Schedule, fully completed original (see Item 6 above also)
- C. Bid Bond, original
- D. Copy of current and appropriate Alaska Contractor License for this Scope of Work.
- E. Copy of current Alaska Business License

#### 8. Required Documents for Award of the Contract

The following documents must be executed prior to award of the contract and the initiation of work. Contractors are urged to expedite the completion of these documents. This will allow the contract award and notice to proceed to be issued expeditiously. These documents must be submitted within ten (10) working days after the date of notice of intent to award.

- A. Contract Bond (Payment Bond: See Bonding Requirements below)
- B. Contract Bond (Performance Bond: See Bonding Requirements below)
- C. Certificate of Insurance naming City of Valdez as an "Additional Insured"
- D. Certificate of good standing for a Corporation or LLC
- E. Non-collusion Affidavit
- F. Agreement (2 signed copies)
- G. City of Valdez Business Registration
- H. Executed W-9 Form

#### 9. Bonding Requirements

#### A. Bid Security (Bid Bond or Certified Check)

Bid Security is required and shall be in the form of a Certified Check for each bid or a Bid Bond prepared on the attached Bid Bond Form.

The Bid Bond must be executed by the bidder as principal and be executed by a surety company authorized to transact business in the State of Alaska. The Owner must approve the surety company.

The Bid Security shall be issued for five percent (5%) of the bid amount.

Bid Securities will be returned to all except the three lowest bidders. The remaining certified checks or bid bonds will be returned, after the Owner and the accepted bidder have executed the Contract. Failure of the Owner to return the certified checks or bid bonds in a timely manner will create no liability on the part of the Owner. If no award has been made within sixty (60) days after the bid opening, all bidders except the one who has received the notice of intent to award may request the return of their cash, check or bid bonds.



#### B. Contract Payment Bond

A Contract Payment Bond is not required if the total dollar amount of the contract is less than One Hundred Thousand Dollars (\$100,000).

A Contract Payment Bond is required if the total dollar amount of the contract is equal to or greater than One Hundred Thousand Dollars (\$100,000). Contract Payment Bond will be in the amount of One Hundred Percent (100%) of the Bid amount.

Contract Payment Bond shall be prepared on the Payment Bond Form that is attached. The Bond must be executed by the Contractor as principal and executed by a surety company authorized to transact business in the State of Alaska. The Owner must approve the surety company.

#### C. Contract Performance Bond

A Contract Performance Bond is not required if the total dollar amount of the contract is less than One Hundred Thousand Dollars (\$100,000).

A Contract Performance Bond is required if the total dollar amount of the contract is equal to or greater than One Hundred Thousand Dollars (\$100,000). Contract Performance Bond) will be in the amount of One Hundred Percent (100%) of the Bid amount.

Contract Performance Bond shall be prepared on the Performance Bond Form that is attached. The Bond must execute by the Contractor as principal and executed by a surety company authorized to transact business in the State of Alaska. The Owner must approve the surety company.

Section 2.80.080 of Valdez City Code provides for a modified contractor bond. Bidders shall familiarize themselves with exemptions allowed and the requirements for exemptions.

#### 10. Bidder Qualifications

Before a bid is considered for award, the apparent low bidder may be requested to submit a statement of facts or proof in detail as to his previous experience in performing similar or comparable work, technical abilities, equipment, size, manpower and financial resources to complete and perform the work as outlined in the contract documents, plans and specifications.

#### 11. Withdrawal of Bids

Bids may be withdrawn by written request received from the bidder prior to the bid opening time. Errors on the part of the bidder in preparing the bid, confers no right for the withdrawal of the bid after the bid has been opened.



#### 12. Bidders Interested in More than One Bid

If any one party, by or in name of his or their agent, partner or other person, offers more than one bid, all such bids will be rejected. A party who quoted prices to a bidder is not disqualified from quoting prices to other bidders or from a bid directly for the work.

#### 13. Rejection of Bids

The Owner reserves the right to reject any and all bids, when such rejection is in the interest of the Owner; to reject the bid of a bidder who previously failed to perform properly or to complete on time; and to reject the bid of a bidder who is not, in the opinion of the Owner in, in a position to perform the contract; or to waive any irregularities or informalities in a bid.

#### 14. Hiring of Local Labor

The Owner encourages that every Contractor and Subcontractor, employ to the maximum extent practical and allowed by law, qualified people who regularly reside in the project area.

#### 15. Local Bidder Preference

The Valdez City Code provides for a local bidder preference as follows:

Section 2.80.020 Definitions

"Local bidder" means a business who:

- 1. For a period of eighteen consecutive months immediately prior to the opening of a competitive city bid for which the bidder wishes to utilize the local bidder preference:
  - a. Has owned, rented or leased real property within the city limits from which the business operates as verified by appropriate documentation;
  - b. Has advertised a local mailing or street address and local phone number for the business in a manner reasonably accessible to city residents;
  - c. Has current state business licenses and city business registrations;
  - d. Has maintained year-round employment of one or more city resident(s);
- 2. Is not delinquent in the payment of any taxes, fees, assessments, or other charges owing the city.

#### Section 2.80.060D Competitive Procurement Procedure

Except where prohibited by state or federal grant requirements, a local bidder, as defined in Section <u>2.80.020</u>, may be given consideration as low bidder where the offer is the lesser of ten percent or fifty thousand dollars in excess of the lowest offer received from a bidder having its place of business located outside the city. The city may split the award between two or more suppliers in any manner the city deems to be in its best interest.



#### 16. Award of Bid

The bid, if awarded, will be awarded to the lowest responsive responsible bidder as determined by the terms of the City Code and this document.

#### 17. Pre-Bid Conference

A non-mandatory Pre-Bid Conference will be held Wednesday, December 13, 2017, at 2:00 pm at the office of the Capital Facilities Director, Suite 201 300 Airport Road, Valdez, Alaska.

#### 18. Pre-Award Conference

Before the award of the contract a Pre-Award Conference may be held between the Engineer or Project Manager and the apparent low bidder.



#### City of Valdez Addendum Acknowledgement

Project: Library-Carpet and Paint Walls
Project Number: 17-350-1604 / Contract Number: 1316

The bidder acknowledges receipt of the following addenda and certifies that their contents have been considered in the preparation of this Bid. If there are no addendums please state NONE above your name.

Addendum Number	One	Dated 12/13/	/17	Initials <u>M</u> (
Addendum Number	OWP	Dated 12/15	/17	Initials <u>u</u>
Addendum Number	Three	Dated 01/09	/18	Initials WC
Addendum Number	Four	Dated 01/18	/18	Initials
Addendum Number	<u>Five</u>	Dated <u>01/18</u>	/18	Initials W
Addendum Number		Dated		Initials
Addendum Number		Dated		Initials
Addendum Number		Dated		Initials
Addendum Number		Dated		Initials
Addendum Number		Dated		Initials
Wolverine Supply, Company Name	Inc.		Michelle Cl. Authorizing N	
January 24, 2018			Vice Presid	ent
Date			Title	
			Milu	le Ceyp
			Signature	

#### Replace original bid schedule with the following bid schedule, in its entirety:

#### City of Valdez Bid Schedule Page 1 of 2

#### Project: Library-Carpet and Paint Walls Project Number: 17-350-1604 / Contract Number: 1316

Addendum 4

Item No.	Item Description	Quantity	<u>Unit</u>	<u>Unit Price</u>	Total Item Price
1	Provide all labor, materials, tools, equipment, transportation, supervision and facilities necessary to remediate mold and asbestos, demo carpet, entryway tile, and wallpaper, patch, prep, and paint all walls, GBD ceiling, baseboard heaters/misc metal, HM frames and doors, and railings and lay carpet/walk-off matt/rubber flooring on all floors of the Library as indicated in drawings and project manual.	All Req'd	LS	N/A	100,000.00
2	Field engineering, submittals, shop & record drawings, operating instructions, O&M manuals, and close-out punchlist	1	LS	N/A	100,000.00
3	Force Account: Fixed cost item to be included in bid total for unforeseen construction issues.	1	LS	N/A	\$25,000
	TOTAL BASE BID	1	LS	N/A	225,000.00

Total Base Bid Amount:

1	Total Base Dia Miloant.							
	Two Hundred Twenty Five Thousand		Ι	Dollars No	Cents			
(3	(\$ 225,000.00)							
AA1	Provide and install corner guards and art railing throughout library, as indicated in drawings. Provide and install stainless steel outlet covers.	All Req'd	LS	N/A	100,000.00			
	Final Total Bid which includes <u>base bid</u> and <u>all alternates</u>	1	LS	N/A	325,000.00			

#### City of Valdez Bid Schedule Page 2 of 2

# Project: Library-Carpet and Paint Walls Project Number: 17-350-1604 / Contract Number: 1316 Addendum 4

Final Total Bid Amount:	
Three Hundred Twenty Five Thousand	Dollars No Cents
(\$ 325,000.00	
Nolverine Supply, Inc.	, hereinafter called Bidder, ************************************
	, (strike out inapplicable words:) a
	the State of Alaska, a joint wanture, hereby submits
	for forty five (45) days, to accept the provisions of the
	work in accordance with the contract documents, plans,
specifications, for the lump sum and unit	price amounts as set forth in this bid schedule.
Respectfully submitted this 24th day	y of January, 2018
BIDDER:	
Wolverine Supply, Inc.	Michelle Clapo
Company Name	Authorizing Name
5099 E. Blue Lupine Drive	Vice President
Address	Title
	1 Lita VI a Class
Wasilla, Alaska 99654	Monde Co
City, State, Zip Code	Signature
(907) 373–6572	ashlee@wsiak.com
Telephone Number	Email Address
•	
	CORPORATE SEAL
92-0043461	
Federal I.D. or S.S.N.	T
	ATTEST:
	Signature of Coursets See
	Signature of Corporate Sec.
	Marr Van Biskirk Secretary

Print Name

#### WOLVERINE SUPPLY, INC.

5099 E. BLUE LUPINE DR.

WASILLA, ALASKA 99654

PHONE: 907-373-6572 FAX: 907-357-2023

FACSIMILE TRAN	ISMITTAL SHEET					
TO:	FROM:					
Capital Facilities Director	Ashlee Stetson					
FAX NUMBER:	DATE:					
(907) 835-5574	January 26, 2018					
COMPANY	TOTAL NO. OF PAGES INCLUDING COVER:					
City of Valdez	2					
PHONE NUMBE	SENDER'S REFERENCE NUMBER:					
(907) 835-5478						
RE:	PROJECT:					
BID	CILA OE AVEDES					
MODIFICATION	MA 3.8 HAL					
Library Carpet and Paint Walls						
17-350-1604	KECEIAED					
☑ urgent ☐ for review ☐ please com	MENT OPLEASE REPLY PLEASE RECYCLE					
NOTES/COMMENTS:						
Please find attached Wolverine Supply, Inc.'s Bid Modification for the Library Carpet and Paint Walls Project.						
Should you have any questions or need any additional information, please feel free to contact me.						
Thank You,  Ashlee Stetson  Contract Manager						

#### Replace original bid schedule with the following bid schedule, in its entirety:

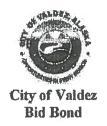
City of Valdez **Bid Schedule** Page 1 of 2

Project: Library-Carpet and Paint Walls

Project Number: 17-350-1604 / Contract Number: 1316

	Adde	endum 4			
Item No.	Item Description	Quantity	<u>Unit</u>	Unit Price	Total Item Price
1	Provide all labor, materials, tools, equipment, transportation, supervision and facilities necessary to remediate mold and asbestos, demo carpet, entryway tile, and wallpaper, patch, prep, and paint all walls, GBD ceiling, baseboard heaters/misc metal, HM frames and doors, and railings and lay carpet/walk-off matt/rubber flooring on all floors of the Library as indicated in drawings and project manual	All Req'd	LS	N/A	97,000.00
2	Field engineering, submittals, shop & record drawings, operating instructions, O&M manuals, and close-out punchlist	1	LS	N/A	Deposit 80,000.00
3	Force Account: Fixed cost item to be included in bid total for unforeseen construction issues.	1	LS	N/A	\$25,000
55 /	TOTAL BASE BID	1	LS	N/A	7,000.00

Total Base Bid Amount: Add Seven Thousand Cents 7,000.00 000000 Provide and install corner guards and art railing throughout library, as indicated in LS N/A All Req'd AA1 93,000.00 drawings. Provide and install stainless steel outlet covers. peduct Final Total Bid which includes base bid N/A 1 LS 00.000,28 and all alternates



KNOW ALL MEN BY THERE PRESENTS, the Wolverine Supply, Inc. 5099 E. Blue Lupine Dr. Wasilla AK 99654-8419 as Principal, hereinafter called the Principal, and The Ohio Casualty Insurance Company 175 Berkeley St. Boston MA 02116 a corporation duly organized under the laws of the	(Insert full name and address or legal title of Contractor)  (Insert full name and address or legal title of Suroty)  New Hampshire					
the Surety, are held and firmly bound unto						
City of Valdez P.O. Box 307 Valdez, Alaska 99686						
as Obligee, hereinafter called the Obligee, in the su	m of Five Percent of The Total Amount Bid					
	Dollars (\$ ),					
For the payment of which sum well and truly to be made, the said Principal and the Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severely, firmly by these presents.						
Whereas, the Principal has submitted a bid for						
Project: Library-Carpo Project Number: 17-350-1604						
NOW, THEREFORE, if the Obligee shall accept the bid of the Principal and the Principal shall enter into a Contract with Obligee in accordance with terms of such bid, and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligee may in good faith contract with another party to perform the Work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.						
Signot and scaled this 4th day or January 2018	Wolverine Supply, Inc.					
Witpress	(Principal)  (Seal)  (Title) Michelle Clapp, Vice President					
(Witness) Morgan Williams	The Ohio Casualty Insurance Company (Surty)					

(Title) Charla M. Boadle, Attorney-In-Fact

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Certificate No. 7842689

Liberty Mutual Insurance Company

The Ohio Casualty Insurance Company

West American Insurance Company

#### POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That The Ohio Casualty Insurance Company is a corporation duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Charla M. Boadle; James Dinneen; John L. Green; Penny J. Silvey

all of the city of SPOKANE \_, state of WA each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons,

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 21st \_\_ day of \_\_July 2017

1991

STATE OF PENNSYLVANIA COUNTY OF MONTGOMERY

interest rate or residual value guarantees.

note, loan, letter

Not valid for mortgage,

currency

of credit,

Liberty Mutual Insurance Company West American Insurance Company

The Ohio Casualty Insurance Company

David M. Carey, Assistant Secretary

On this 21st day of July 2017, before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of Liberty Mutual Insurance Company, The Ohio Casualty Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at King of Prussia, Pennsylvania, on the day and year first above written,



COMMONWEALTH OF PENNSYLVANIA

Notarial Seal Toresa Pastella, Notary Public Upper Merion Two , Montgomery County My Commission Expires March 28, 2021

Member, Pennsylvania Association of Notaries

Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV - OFFICERS - Section 12. Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII - Execution of Contracts - SECTION 5. Surety Bonds and Undertakings, Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation - The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-infact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization - By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Renee C. Llewellyn, the undersigned, Assistant Secretary, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 4th

Renee C. Lleweityn, Assistant Secretary

Alaska Department of Commerce, Community, and Economic Development Division of Corporations, Business and Professional Licensing P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

# WOLVERINE SUPPLY, INC.

5099 E BLUE LUPINE DRIVE SUITE 201 WASILLA AK

WOLVERINE SUPPLY, INC.

owned by

99654

is licensed by the department to conduct business for the period

November 28, 2016 through December 31, 2018 for the following line of business:

23 - Construction



having complied with the other requirements of the laws of the State or of the United States. This license shall not be taken as permission to do business in the state without

It is not transferable or assignable. This license must be posted in a conspicuous place at the business location.

Chris Hladick

Expires 12/31/2018

Assignee

warran wa majiawana

Department of Commerce, Community, and Economic Development Division of Corporations, Business, and Professional Licensing

#### Regulation of Construction Contractors and Home Inspectors

Licensee: WOLVERINE SUPPLY, INC.

License Type: General Contractor With Residential Contractor Endorsement

Status: Active

Doing Business As: WOLVERINE SUPPLY INC

Commissioner: Chris Hladick

Relationships					Designations			
RelationType	License #	LicenseType	Owners/Entities	Names/DBA	Туре	Graup		
Electrical	EADE t478	Electrical Administrator	H. J. SHOEMAKER		No designali	ons found.		
Administrator								
Assignee								
Residential	RESR2515	Residential Contractor	BRUCE S VAN BUSKIRK					
Endorsement		Endorsament						
Assignae								
Residential	RESR 1175	Residential Contractor	BILL J VAN BUSKIRK					
Endorsement		Endorsement						

Wallet Card

#### State of Alaska

Department of Commerce, Community, and Economic Development Division of Corporations, Business, and Professional Licensing Regulation of Construction Contractors and Home Inspectors WOLVERINE SUPPLY, INC.

DBA: WOLVERINE SUPPLY INC

As

General Contractor With Residential Contractor Endorsement

Llcense	Effective	Explres
CO7.C310	11/21/2016	12/31/2018

WOLVERINE SUPPLY INC 5099 E BLUE LUPINE DR WASILLA, AK 99654-8419



Project: Library-Carpet and Paint Walls
Project Number: 17-350-1604/ Contract Number: 1316

This agreement is made 6th day of February, 2018, by and between the City of Valdez, Alaska, hereinafter called the Owner, acting through its Mayor, and Wolverine Supply, Inc. doing business as an individual, partnership, a corporation (strike out inapplicable words) located in Wasilla, Alaska, hereinafter called the Contractor.

The Contractor agrees to this Contract known as:

Project: Library-Carpet and Paint Walls
Project Number: 17-350-1604/ Contract Number: 1316

Furthermore the Contractor agrees to accept as full and complete payment for all work to be done in this Contract for the lump sum and per unit prices as set forth in the Bid Form and Addendums in the Contract Documents for this project. The total amount of this Contract shall be: **two hundred thirty-nine thousand dollars and zero cents** (\$239,000).

The Contractor hereby agrees to commence work on this project within ten (10) working days after the date of the written Notice to Proceed and to complete all work in accordance with the contract documents and addendums within **ninety** (90) calendar days of the Notice to Proceed. Said contract documents are listed in the Table of Contents herein. All documents listed therein are by this reference made a part hereof.

The Contractor further agrees to pay, as liquidated damages, the sum of seven hundred and fifty dollars (\$750) for each calendar day in excess of the completion date specified in the written Notice to Proceed in which this project remains incomplete.

The Owner agrees to pay the Contractor for the performance of the Contract, subject to additions and deductions, as provided in the City of Valdez Standard Specifications Section 10 Standard General Provisions of this Contract, and to make payments on account thereof as provided in the City of Valdez Standard Specifications Section 10 Standard General Provisions and City of Valdez City Code.



#### Project: Library-Carpet and Paint Walls Project Number: 17-350-1604/ Contract Number: 1316

IN WITNESS WHEREOF, the parties to this presence have executed this Contract in two (2) counterparts, each of which shall be deemed as original, in the year and day first mentioned above.

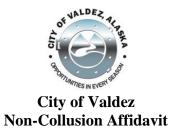
Wolverine Supply, Inc.	City of Valdez, Alaska, Authorized
Signature	Ruth E. Knight, Mayor
Name	Date
Title	Attested:
	Sheri L. Pierce, MMC, City Clerk
Date	Date
Mailing Address	Recommended:
City, State, Zip Code	Elke Doom, City Manager
Federal I.D. or S.S.N.	
	Date
Corporate Secretary	Nathan Duval, Capital Facilities Director
	Date
	Approved as to Form: Brena, Bell & Clarkson, P.C.
Attest: Corporate Secretary	Attorney for the City of Valdez



#### City of Valdez Corporate Acknowledgement

Project: Library-Carpet and Paint Walls Project Number: 17-350-1604 / Contract Number: 1316

(To be filled in when Contract is exe	ecuted in behalf of Corporation)
UNITED STATES OF AMERICA	) )SS.
STATE OF ALASKA	)
The foregoing instrument was acknown	owledged before me this day of, 20
(Name of Officer)	(Title of Officer)
(Name of Officer)	(Title of Officer)
(Name of Corporation)	
	poration, on behalf of said Corporation.
(State of Incorporation)	
Notary Public	
My Commission Expires:	



Project: Library-Carpet and Paint Walls Project Number: 17-350-1604 / Contract Number: 1316

(to be executed prior to award)			
UNITED STATES OF AMERICA	)		
STATE OF ALASKA	)SS. )		
I,sworn, do depose and state:	, of		_, being duly
•	ka, for the construibrary-Carpet a	ection of that certain constr	
Located at Valdez, in the State of Ala agreement, participated in any collust competitive bidding in connection wi	nska, have not, eith	ner directly or indirectly, e	
Signature			
Subscribed and sworn to this	day of	, 20	
Notary Public			
•			
My Commission Expires:			



#### City of Valdez Labor and Material Payment Bond

Project: Library-Carpet and Paint Walls Project Number: 17-350-1604/ Contract Number: 1316

Know all men by these presents that:
(Insert full name and address or legal title of Contractor
as Principal, hereinafter called Principal, and,
(Here insert full name and address or legal title of Sure
as Surety, hereinafter called Surety, are held and firmly bound unto
City of Valdez P.O. Box 307 Valdez, Alaska 99686
as Obligee, hereinafter called Owner, for the use and benefit of claimants as herein below defined, in the amount of
Dollars (\$
for the payment whereof Principal and Surety bind themselves, their heirs, executors, administrators, successors ar assigns, jointly and severally, firmly by these presents.
WHEREAS,
Principal has by written agreement dated, 20, entered into a contract with Owner for
Project: Library-Carpet and Paint Walls Project Number: 17-350-1604/ Contract Number: 1316
in accordance with Drawings and Specifications prepared by
Hacker Architects, Inc. 733 S W Oak St. Portland, OR 97205
which contract is be reference made a part hereof, and is hereinafter referred to as the Contract.



#### City of Valdez Labor and Material Payment Bond

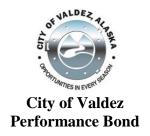
Project: Library-Carpet and Paint Walls
Project Number: 17-350-1604/ Contract Number: 1316

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if Principal shall promptly make payment to all claimants as hereinafter defined, for all labor and material used or reasonably required for use in the performance of the Contract, then this obligation shall be void; otherwise it shall remain in full force and effect, subject, however, to the following conditions:

- 1. A claimant is defined as one having a direct contract with the Principal or with a Subcontractor of the Principal for labor, material, or both, used or reasonably required for use in the performance of the Contract, labor and material being construed to include that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental of equipment directly applicable to the Contract.
- 2. The above named Principal and Surety hereby jointly and severally agree with the Owner that every claimant as herein defined, who has not been paid in full before the expirations of a period of ninety (90) days after the date on which the last of such claimant's work or labor was done or performed or materials were furnished by such claimant, may sue on this bond for the use of such claimant, prosecute the suit to final judgment for such sum or sums as may be justly due claimant, and have execution thereon. The Owner shall not be liable for the payment of any costs or expenses of any such suit.
- 3. No suit or action shall be commenced hereunder by any claimant:
- a) Unless claimant, other than one having a direct contract with the Principal, shall have given written notice to any two of the following: the Principal, the Owner, or the Surety above named, within ninety (90) days after such claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials are

- furnished, or for whom the work or labor was done or performed. Such notice shall be served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the Principal, Owner or Surety, at any place where an office is regularly maintained for the transaction of business. Or served in any manner in which legal process may be served in the state in which aforesaid project is located, save that such service need not be made by a public officer.
- b) After the expiration of one (1) year following the date on which Principal ceased Work on said Contract, it being understood, however, that if any limitation embodied in this bond is prohibited by any law controlling the construction hereof such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.
- c) Other than in a state court of competent jurisdiction in and for the county of other political subdivision of the state in which the Project, or any part thereof is situated, or in the United States District Court for the district in which the Project, or any part thereof, is situated, and not elsewhere.
- 4. The amount of this bond shall be reduced by and to the extent of any payment of payments made in good faith hereunder, inclusive of the payment by Surety or mechanic's liens which may be filed of record against said improvement, whether or not claim for the amount of such lien be presented under and against the bond

Signed and Sealed this, o	day of, 201	1
(Witness)	(Principal)	(Seal)
	(Title)	
(Witness)	(Surety)	(Seal)
	(Title)	

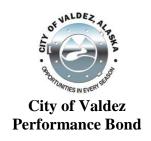


#### Project: Library-Carpet and Paint Walls Project Number: 17-350-1604 / Contract Number: 1316

#### KNOW ALL MEN BY THESE PRESENTS: that

KNOW ALL MEN DI THESE I RESENTS. mat
(Here insert full name and address or legal title of contractor)
as Principal, hereinafter called Contractor, and,
(Here insert full name and address or legal title Surety)
as Surety, hereinafter called Surety, are held and firmly bound unto
City of Valdez
P.O. Box 307 Valdez, AK 99686
as Obligee, hereinafter called Owner, in the amount of
Dollars (\$
for the payment whereof Contractor and Surety bind themselves, their heirs, executor, administrators, successors and assigns, jointly and severally, firmly by these presents.
WHEREAS,
Contractor has by written agreement dated, 20, entered into a contract with Owner for
Project: Library-Carpet and Paint Walls Project Number: 17-350-1604/ Contract Number: 1316
in accordance with Drawings and Specifications prepared by:
Hacker Architects, Inc. 733 S W Oak St. Portland, OR 97205

which contract is by reference made a part hereof, and is hereinafter referred to as the Contract.



#### Project: Library-Carpet and Paint Walls Project Number: 17-350-1604/ Contract Number: 1316

Now, therefore the condition of this obligation is such that, if Contractor shall promptly and faithfully perform said Contract, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

The Surety hereby waives notice of any alteration or extension of time made by the Owner.

Whenever Contractor shall be, and declared by Owner to be in default under the Contract, the Owner having performed Owner's obligations thereunder, the Surety may promptly remedy the default, or shall promptly comply with one of the following:

- 1. Complete the Contract in accordance with its terms and conditions, or
- 2. Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by Surety of the lowest responsible bidder, or, if the Owner elects, upon determination by the bidder, arrange for contract between such bidder and Owner, and make available as Work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price; but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the contract price," as used in this paragraph, shall mean the total amount payable by Owner to contractor under the Contract and any amendments thereto, less the amount properly paid by Owner to Contractor.

Any suit under this bond must be instituted before the expiration of two (2) years from the date on which final payment under the Contract falls due.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the Owner named herein or the heirs, executors, administrators or successors of the Owner.

Signed and Sealed this day of	, 20	
(Witness)	(Principal)	(Seal)
	(Title)	
(Witness)	(Surety)	(Seal)
	(Title)	



#### City of Valdez Contractor Certificate of Substantial Completion

Project: Library-Carpet and Paint Walls Project Number: 17-350-1604/ Contract Number: 1316

CC	ONTRACTOR:				
Th	nis is to certify that I,	, am a duly authorized official of the			
sai	id CONTRACTOR working in the capacity of	, and in my			
off	ficial capacity representing said CONTRACTOR do	hereby certify as follows:			
1.	. The work of the subject Contract above has been performed, and materials used and installed in accordance with and in conformity to, the Contract Drawings, Contract Specifications City of Valdez Standard Specifications and Details.				
2.	. The Contract work is now substantially complete in all parts and requirements.				
3.	I understand that neither the determination by to substantially complete nor the acceptance thereof claim against the Contractor under the terms of Documents.	f by the Owner shall operate as a bar to			
4.	The work to which this Certificate applies has be hereby declared to be substantially complete in accomplete in ac				
5.	The date of Substantial Completion is the date ubegin.	ipon which all guarantees and warranties			
6.	The Owner accepts the Project or specified area Project as substantially complete and will assume area of the Project at(time) on	full possession of the Project or specified			
CC	ONTRACTOR CI	TY OF VALDEZ, OWNER			
(Si	ignature) Ca	apital Facilities Director			
(Ti	Title) Da	nte			
Da	ate				
RE	EMARKS:				



#### City of Valdez Contract Release Page 1 of 2

Project: Library-Carpet and Paint Walls Project Number: 17-350-1604/ Contract Number: 1316

The undersigned,
for itself, its successors in interest, assigns trustees, administrators, subcontractors, suppliers, and laborers do hereby release and forever discharge the CITY OF VALDEZ, ALASKA a municipal comparation from all actions causes of actions suits contraversics claims democrated
corporation, from all actions, causes of actions, suits, controversies, claims, damages and demands of every kind and nature, mature or to mature in the future, for and by reason of any matter, thing or claim arising out of the following Contract:
Project: Library-Carpet and Paint Walls Project Number: 17-350-1604/ Contract Number: 1316
The undersigned also intends hereby to discharge the City of Valdez from all liability for any and all damages or injuries presently undiscovered or unanticipated. The undersigned's intention hereby is to waive any right it may subsequently have to set aside this release under the doctrine of Witt v. Watkins, 579 P.2d 1065 (Alaska 1978).
The undersigned further agrees to defend, indemnify and hold harmless the City of Valdez against any claims, liens, or causes of action arising under or by virtue of this Contract, including, but not limited to, any claim that the undersigned, any successor in interest, assignee, trustee, administrator, subcontractor, supplier or laborer of the undersigned or any other person might make or claim that he could possibly make against the City of Valdez.
The undersigned certifies that he has not assigned any amounts payable under this Contract to anyone.
The undersigned hereby acknowledges receipt of the amount of \$

The undersigned hereby declares that the terms of this RELEASE have been completely read and are fully understood, and said terms are voluntarily accepted for the purpose of making a full and final release of any and all claims, disputed or otherwise, arising under or by virtue of this Contract.

as full of final payment in consideration for all services, materials and labors rendered in

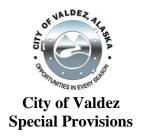
connection with this Contract.



#### City of Valdez Contract Release Page 2 of 2

Project: Library-Carpet and Paint Walls Project Number: 17-350-1604/ Contract Number: 1316

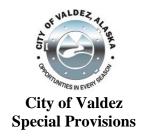
IN WITNESS WHEREOF, I h , 20 .	we hereunto set my hand and seal thisday of
, 20	
	COMPANY
	SIGNATURE
	TITLE
STATE OF ALASKA )	
THIRD JUDICIAL DISTRICT )ss.	
THIS IS TO CERTIFY that on thisin and for the State of Alaska, personally	day of, 20, before me, Notary Public appearedof
	, known to me to be
foregoing RELEASE and knew contents knowledge and belief, and that he signed	and acknowledged to me that he has read this hereof to be true and correct to the best of his the same freely and voluntarily for the uses and vas duly authorized to execute the foregoing document is of said corporation.
WITNESS my hand and notari	al seal this, 20
	Notary Public in and for Alaska
	My Commission expires:



#### Project: Library-Carpet and Paint Walls Project Number: 17-350-1604/ Contract Number: 1316

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Project: Library-Carpet and Paint Walls
Project Number: 17-350-1604/ Contract Number: 1316

#### SP 01 General Statement

The Special Provisions set forth conditions and requirements unique to this Project and are supplemental to, and supersede, the City of Valdez "Standard Specifications and Standard Details."

#### SP 02 Scope of Work

#### **Base Bid**

The Scope of Work of the Base Bid of this Contract shall include providing all labor, materials, tools, equipment, transportation, supervision and facilities necessary to:

Remove and replace approximately 1,500 SY of carpet throughout the three floors of the Valdez Library. Remove approximately 50 SY of carpet from 3 staircases and replace with rubber tread. Remove and replace approximately 2500 LF of cove base. The contractor is responsible for verifying all material quantities. The contractor is responsible for asbestos remediation in cove base. The contractor is responsible for moving furniture, book shelves, filing cabinets and office equipment in and out of the designated locations. Library employees will handle all book removal.

The carpet to be installed is Compass 14904 in 12 x 48 inch carpet planks or pre-approved equivalent. Color will be selected by the owner via a submittal after award.

All floor prep, carpet, and cove base installation will be done in accordance with the manufacture's specifications.

Additionally, to improve longevity, a section of tile in the entry way will be removed to allow for a recessed walk off matt. Contractor will be required to provide walk off mat. Walk off mat will be selected by the owner via a submittal after award.

Contractor will be responsible for snow removal from staging area into parking lot. City will move snow from parking lot into designated snow lot.

The Contractor will be responsible for the disposal of all refuse and debris generated by the project. The City has, on a limited 'first come first served' basis, dumpsters for use free of charge on City projects if available.



The City of Valdez will waive any dump fees at its Bailer Facility, which is located approximately 5 miles out of town. Carpet will be installed in offices, hallways and common areas, on all 3 levels of the library. The substrate in the main section of the Library is concrete and the substrate in the Library basement is a raised access floor with concrete access tiles currently overlaid with carpet tiles. The Contractor is required to provide a seaming diagram with their bidding documents.

#### Alternate Bid(s)

The Scope of Work of the Additive Alternates Bid of this Contract shall include providing all labor, materials, tools, equipment, transportation, supervision and facilities necessary to:

Additive Alternate No. 1: Patch, prep, and paint all walls without wallpaper to include handrails, window and door trim, and under the main floor staircase to include approximately 1500 SY of wall. Four colors will be selected, see attached drawings for details on which colors go where. Colors will be selected by the owner via a submittal after award.

Additive Alternate No. 2: Demo existing wallpaper and chair rail. Patch, prep, and paint all walls denoted as previously having wallpaper to include approximately 1000 SY of wall. Colors will be selected by the owner via a submittal after award. Chair rail is to be salvaged and turned over to the City for alternative use.

Additive Alternate No. 3: Remediate mold, to include demo of select walls and hanging of sheet rock on north wall of rooms 3 and 4 in the basement (approximately 100 sq ft.). Mold remediation will be required by a contractor with IICRC. Site conditions and material quantities will be field-verified by contractor.

Additive Alternate No. 4: Paint and install corner guards throughout the library, around corners that do not have trim. Install art rail as indicated on drawings. See drawing for further detail.

#### SP 03 Time of Completion

All work shall be completed in accordance with the Contract Documents within 90 calendar days of the date of the written Notice to Proceed.

Liquidated damages will be assessed in the sum of seven hundred and fifty dollars (\$750.00) for each calendar day after the completion date during which the Project remains incomplete.

Substantial Completion: Substantial Completion shall be defined as the stage in the progress of the work when the work is sufficiently complete in accordance with the Contract Documents so the Owner (City) can occupy or use the structure or that which is the subject of the contract, for its intended use.

#### **SP 04 Special Site Conditions**



Dump fees will be waived. The contractor will be responsible for hauling demolished materials and construction waste out to the City Baler facility on South Sawmill Drive. The Baler is located approximately 5 miles out of town. Please contact the Baler ahead of time to make arrangements for the disposal of such materials. The Baler's number is 907-835-2356.

Local building permit fees are waived. The contractor will be responsible for obtaining local building permits before the NTP is issued. The contractor will need to call the City Building Department at 907-834-3401.

Staging area will be located in the back corner of Library Parking Lot.

The contractor will be responsible for moving furniture and other items necessary to complete the work.

Contractor is responsible for setting up detours or barricades if their work is in a public area and will interfere with normal traffic flow.

The anticipated time for facility closure is 3-4 weeks.

#### SP 05 Hazardous Waste Generation

Every effort to minimize or eliminate the generations of hazardous waste shall be used by the Contractor in the performance of the work of this Contract. Unless there is no substitute, no hazardous material shall be used in the performance of the work of this Contract.

#### SP 06 Coordination and Schedule

The Contractor shall, within ten (10) working days of the date of the Notice to Proceed, submit to the Engineer a schedule as required in Section 10.5, Control of Work, Article 5.3. The schedule shall be updated every week. An updated schedule shall be submitted with each of the Contractor's Periodic Payment Requests. Failure to provide an updated schedule will be cause to withhold partial payment.

#### SP 07 Site Preservation, Restoration, Cleanup and Environmental Reporting

Contractor shall be solely responsible for damage to public or private property caused by construction operations. The contractor shall take all precautions necessary to control dust. Contractor shall notify the City of any claims of damage, and shall clean and restore any property so damaged at the sole expense of the Contractor. All spills or releases of any hazardous substance shall be reported to the appropriate governmental agency as well as notice to the City. Contractors shall be responsible for all associated clean up costs and fines.



At all times during the work, keep the premises clean and orderly. Upon completion of the work, repair all damage caused by equipment and leave the Project free of rubbish and excess materials of any kind.

#### SP 08 Permits

The Contractor shall obtain all licenses and permits that are required to do the work. A Building Permit will be required but there will be no charge.

#### SP 09 Order of Award of Alternative Bids

Additive Alternate and/or Deductive Alternative Bids will be awarded, if any are awarded, in any order determined to be the most advantageous combination by the owner.

#### SP 10 Payment

Payments shall be in accordance with Section 10.07, Measurement and Payment of the CVSS. All invoices for payment must be submitted on a City of Valdez *Periodic Payment Request Form*. An electronic copy of this form (Excel Spreadsheet) will be made available for the contractor's use.

Disbursement of money to a person, firm or corporation will be made only after all the various receivable accounts of the general government and any municipal utility or enterprise have been reviewed for outstanding balances owed, and the disbursement will be reduced by setting off the amount of any delinquent indebtedness due the city from such person, firm or corporation.

All contracts to which the city is a party which will or may involve the disbursement of city funds shall contain the following clause, or its substantial equivalent: "Disbursement of money by the City of Valdez hereunder shall subject to set-off pursuant to the provisions of the Valdez City Code." Such contracts include, but are not limited to, oral contracts, employment contracts, construction contracts, purchasing contracts and contracts of any municipal utility or enterprise, including customer's deposits.

#### SP 11 References to City of Valdez Standard Specifications (CVSS)

The City of Valdez Standard Specifications & Standard Details, Streets-Drainage-Utilities-Parks, dated April 2003, hereafter referred to as CVSS, are incorporated in and become a part of the Contract Documents for the work, The Standard Specifications are available for purchase from the Engineer's Office of the City of Valdez, P.O. Box 307, Valdez, Alaska 99686. All work under this Contract shall comply with the latest edition and addenda to all applicable codes, ordinances, and standards.



It shall be the responsibility of the Bidder to prepare his bid so all materials and/or different arrangements of connections or fittings shall harmoniously conform with the intent of the Contract Drawings, CVSS, and the Special Provisions.

#### **SP 12 Construction Specifications**

The Specifications for construction of the work of this Project are incorporated into the following pages and on the attached drawing and project manual titled "Valdez Consortium Library – Finishes". These drawings are by reference included herein.



#### City of Valdez Modifications and Additions to the Standard Specifications

Project: Library-Carpet and Paint Walls Project Number: 17-350-1604/ Contract Number: 1316

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#### City of Valdez Modifications and Additions to the Standard Specifications

Project: Library-Carpet and Paint Walls
Project Number: 17-350-1604/ Contract Number: 1316

Division 10 Standard General Provisions

Article 7.5 Progress Payments

Add the following:

Any request for payments for work accomplished within the calendar fiscal year (January 1<sup>st</sup> to December 31<sup>st</sup>) must be received by the city no later than January 31<sup>st</sup> of the following year. Failure to provide a request for payment by Jan. 31<sup>st</sup> for work accomplished the previous year will delay payment. Failure to provide a request for payment by January 31<sup>st</sup> for work accomplished the previous year will be subject to a penalty. Penalty may be assessed at a minimum of \$1000 and up to 5% of the invoice not to exceed \$10,000.

Article 7.7 Final Payments

Add the following:

Any request for final payment for work accomplished within the calendar fiscal year (January 1<sup>st</sup> to December 31<sup>st</sup>) must be received by the city no later than January 31<sup>st</sup> of the following year. Failure to provide a request for final payment by January 31<sup>st</sup> for work accomplished the previous year will delay payment. Failure to provide a request for payment by January 31<sup>st</sup> for work accomplished the previous year will be subject to a penalty. Penalty may be assessed at a minimum of \$1000 and up to 5% of the invoice not to exceed \$10,000.

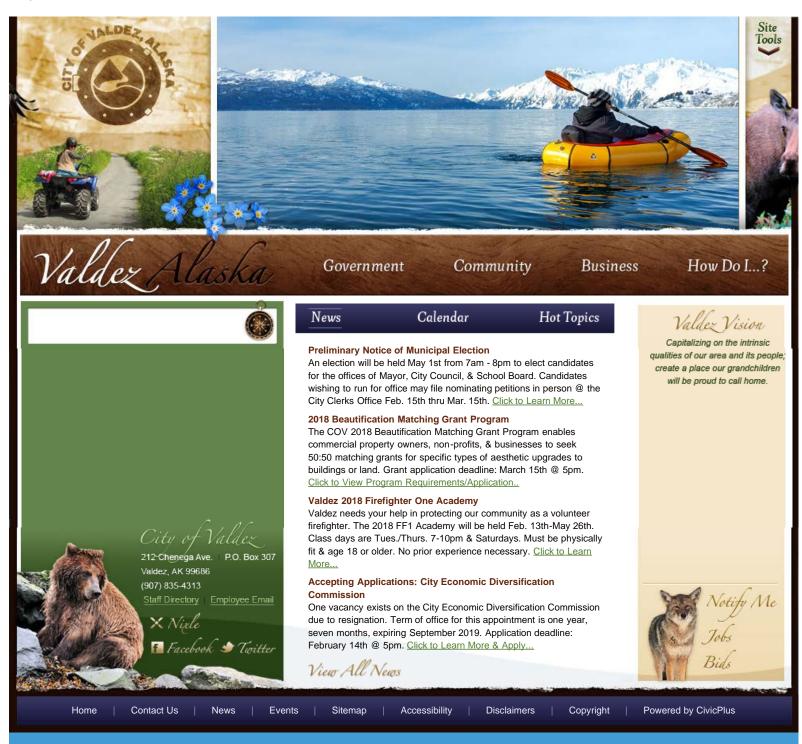


#### City of Valdez Minimum Prevailing Wage Rates

Project: Library-Carpet and Paint Walls
Project Number: 17-350-1604/ Contract Number: 1316

Minimum Prevailing Wage Rates and Title 36 Public Contracts Follows See attached Links:

http://labor.state.ak.us/lss/pamp600.htm http://labor.alaska.gov/lss/forms/Pam400.pdf



## Division of Labor Standards and Safety

State of Alaska > DOLWD > Labor Standards & Safety > Pamphlet 600

#### Laborers' & Mechanics' Minimum Rates of Pay (Pamphlet 600)

In determining which prevailing rates apply to a given project it is necessary to know the final bid date of the project. Final bid dates can be obtained from the prime contractor or the contracting agency. Once the final bid date is known the proper rate schedule can be selected from the choices below.

The following documents are posted in Adobe PDF format. Please make sure you have the latest version (which is currently 6.0) of the Free Acrobat Reader before downloading.

Pamphlet 600 - Issue 35, Effective September 1, 2017

Ø. Pamphlet 600 - Issue 34, Effective April 1, 2017

Ø. Pamphlet 600 - Issue 33, Effective September 1, 2016

Ø, Pamphlet 600 - Issue 32, Effective April 1, 2016

#### **View Archived Pamphlet 600 documents**

Return to Forms and Publications



### Ouick Links

- Alaska Administrative Code (Regulations)
- Alaska Statutes

#### **State Specific Standards:**

- Logging
- Petroleum Refining
- Petroleum Drilling & Production
- Child Labor
- **▶** Contacts
- Fatalgrams
- ▶ FAQs
- Forms and Publications
- Laborer's & Mechanic's Minimum Rates of Pay
- Posters
- Work Permit
- Federal Needlestick Final Rule
- ▶ Safe Needles

Job Seekers Workers Employers Researchers Department Shortcuts Webmaster

Page Updated August 31, 2017

# Title 36 Public Contracts



# Wage and Hour Administration Pamphlet 400

## Statutes Regulations

November 2011

Alaska Department of Labor and Workforce Development Labor Standards and Safety Division





#### **Anchorage**

Alaska Department of Labor and Workforce Development Wage and Hour Administration 1251 Muldoon Road, Suite 113 Anchorage, AK 99504

Phone: (907) 269-4900 Fax: (907) 269-4915

Email: Anchorage.LSS-WH@alaska.gov

#### **Fairbanks**

Alaska Department of Labor and Workforce Development Wage and Hour Administration 675 Seventh Avenue, Station J-1 Fairbanks, AK 99701

Phone: (907) 451-2886 Fax: (907) 451-2885

Email: Fairbanks.LSS@alaska.gov

#### Juneau

Alaska Department of Labor and Workforce Development Wage and Hour Administration P.O. Box 111149 1111 W Eighth Street, Suite 302 Juneau, AK 99811-1149 Phone: (907) 465-4842 Fax: (907) 465-3584

Email: Juneau.LSS-WH@alaska.gov

Visit the Labor Standards and Safety Division Internet site:

labor.alaska.gov/lss/home.htm

The Alaska Department of Labor and Workforce Development is focused on putting Alaskans to work. An important part of that mission is to ensure that working conditions and wage payment practices are legal. This publication, *Pamphlet 400, Title 36, Public Contracts*, is designed to assist employers and employees by providing the applicable laws and regulations.

This pamphlet is set out in two sections. The first section contains the Alaska Statutes (pages 1-16), and the second section contains the Alaska Administrative Code or regulations (pages 17-40). The index of topics on page 41 should provide assistance in locating all of the places a particular topic is referenced.

When reviewing the subjects contained in this pamphlet, keep in mind that the statutes carry the greater weight. The regulations have been established to further clarify and interpret language used in the statutes.

Many wage and hour issues are complex. Please take advantage of the Wage and Hour Administration's cost-free counseling services to answer your questions regarding this pamphlet and Alaska's labor laws. You may call or come in to the nearest Wage and Hour Administration office, Monday through Friday, during regular business hours and a Wage and Hour Investigator will be happy to assist you. Addresses and phone numbers for these offices are listed on the first page of this pamphlet.

For additional copies of this pamphlet, contact the nearest Wage and Hour Administration office in Anchorage, Juneau, or Fairbanks, or you may download and print this pamphlet from our internet site at: labor.alaska.gov/lss/forms/Pam400.pdf

## **TITLE 36. Public Contracts**

## Wage and Hour Administration

## Pamphlet 400 - Statutes and Regulations

#### November 2011

#### State of Alaska

Alaska Department of Labor and Workforce Development

#### Labor Standards and Safety Division

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#### Disclaimer:

Note to Readers: The statutes and administrative regulations listed in this publication were taken from the official codes, as of the effective date of the publication. However, there may be errors or omissions that have not been identified and changes that occurred after the publication was printed. This publication is intended as an informational guide only and is not intended to serve as a precise statement of the statutes and regulations of the State of Alaska. To be certain of the current laws and regulations, please refer to the official codes.

Sec. 36.05.005 Sec. 36.05.040

## ALASKA STATUTES TITLE 36. PUBLIC CONTRACTS

#### CHAPTER 05. WAGES AND HOURS OF LABOR.

#### Section:

- 05. Applicability
- 10. Wage rates on public construction
- 20. Basis for determining wage
- 30. Authority
- 35. Notification of contract awards
- 40. Filing schedule of employees, wages paid, and other information
- 45. Notice of work and completion; withholding of payment
- 60. Penalty for violation of this chapter
- 70. Wage rates in specifications and contacts for public works
- 80. Failure to pay agreed wages
- 90. Payment of wages from withheld payments and listing contractors who violate contracts
- 100. Effect of AS 36.05.070-36.05.110 on other laws
- 110. Contracts entered into without advertising

This chapter was modeled after the federal Davis-Bacon Act. 40 U.S.C. § 276a et seq. Fowler v. City of Anchorage, Sup. Ct.. Op. No.. 1699 (File No. 3586), 583 p.2d 817 (1978).

#### Sec. 36.05.005. Applicability.

This chapter applies only to a public construction contract that exceeds \$25,000.

(§ 1 ch 28 SLA 2011)

#### Sec. 36.05.010. Wage rates on public construction.

A contractor or subcontractor who performs work on a public construction contract in the state shall pay not less than the current prevailing rate of wages for work of a similar nature in the region in which the work is done. The current prevailing rate of wages is that contained in the latest determination of prevailing rate of wages issued by the Department of Labor and Workforce Development at least 10 days before the final date for submission of bids for the contract. The rate shall remain in effect for the life of the contract or for 24 calendar months, whichever is shorter. At the end of the initial 24-month period, if new wage determinations have been issued by the department, the latest wage determination shall become effective for the next 24-month period or until the contract is completed whichever occurs first. This process shall be repeated until the contract is completed.

(§ 14-2-1 ACLA 1949; am § 1 ch 142 SLA 1972; am § 1 ch 89 SLA 1976; am § 1 ch 69 SLA 1993; am § 1 ch 28 SLA 2011)

#### Sec. 36.05.020. Basis for determining wage.

A subcontract which is performed on public construction may be reduced to a basis of day labor for the purpose of determining whether or not the subcontractor or contractors have paid at not less than the prevailing scale of wage.

(§ 14-2-2 ACLA 1949)

#### Sec. 36.05.030. Authority.

- (a) The Department of Labor and Workforce Development has the authority to determine the prevailing wage, and whether or not this chapter is being violated. The department may when necessary for the enforcement of this chapter
- (1) conduct investigations and hold hearings concerning wages;
- (2) compel the attendance of witnesses and the production of books, papers and documents;
  - (3) adopt regulations.
- (b) If a person violates this chapter the attorney general shall, when requested by the Department of Labor and Workforce Development, enforce these provisions.
- (§ 14-2-3 ACLA 1949; am § 2 ch 142 SLA 1972)

#### Sec. 36.05.035. Notification of contract awards.

Upon awarding a public construction contract, the state or a political subdivision of the state shall

- (1) immediately notify the commissioner of labor of the amount of the contract, the effective date of the contract, the identity of the contractor and all subcontractors, the site or sites of construction and provide a project description; and
- (2) verify that the bonding requirements of AS 36.25 have been met and that the requirements of AS 08.18 have been met.

(§ 3 ch 142 SLA 1972)

## Sec. 36.05.040. Filing schedule of employees, wages paid, and other information.

All contractors or subcontractors who perform work on a public construction contract for the state or for a political subdivision of the state shall, before the Friday of every second week, file with the Department of Labor and Workforce Development a sworn affidavit for the previous reporting period, setting out in detail the number of persons employed, wages paid, job classification of each employee, hours worked each day and week, and other information on a form provided by the Department of Labor and Workforce Development.

(§ 14-2-4 ACLA 1949; am § 4 ch 142 SLA 1972; am § 1 ch 111 SLA 2003)

Sec. 36.05.045 Sec. 36.05.070

## Sec. 36.05.045. Notice of work and completion; withholding of payment.

- (a) Before commencing work on a public construction contract, the person entering into the contract with a contracting agency shall designate a primary contractor for purposes of this section. Before work commences, the primary contractor shall file a notice of work with the Department of Labor and Workforce Development. The notice of work must list work to be performed under the public construction contract by each contractor who will perform any portion of work on the contract and the contract price being paid to each contractor. The primary contractor shall pay all filing fees for each contractor performing work on the contract, including a filing fee based on the contract price being paid for work performed by the primary contractor's employees. The filing fee payable shall be the sum of all fees calculated for each contractor. The filing fee shall be one percent of each contractor's contract price. The total filing fee payable by the primary contractor under this subsection may not exceed \$5,000. In this subsection, "contractor" means an employer who is using employees to perform work on the public construction contract under the contract or a subcontract.
- (b) Upon completion of all work on the public construction contract, the primary contractor shall file with the Department of Labor and Workforce Development a notice of completion together with payment of any additional filing fees owed due to increased contract amounts. Within 30 days after the department's receipt of the primary contractor's notice of completion, the department shall inform the contracting agency of the amount, if any, to be withheld from the final payment.
  - (c) A contracting agency
- (1) may release final payment on a public construction contract to the extent that the agency has received verification from the Department of Labor and Workforce Development that
- (A) the primary contractor has complied with (a) and (b) of this section;
- (B) the Department of Labor and Workforce Development is not conducting an investigation under this title; and
- (C) the Department of Labor and Workforce Development has not issued a notice of a violation of this chapter to the primary contractor or any other contractors working on the public construction contract; and
- (2) shall withhold from the final payment an amount sufficient to pay the department's estimate of what may be needed to compensate the employees of any contractors under investigation on this construction contract, and any unpaid filing fees.
- (d) The notice and filing fee required under (a) of this section may be filed after work has begun if
- (1) the public construction contract is for work undertaken in immediate response to an emergency; and
- (2) the notice and fees are filed not later than 14 days after the work has begun.

(e) A false statement made on a notice required by this section is punishable under AS 11.56.210.

(§ 2 ch 111 SLA 2003; am § 1 ch 28 SLA 2011)

Sec. 36.05.050. Hours to constitute day's work. [Repealed by § 1 ch 3 SLA 1973.]

#### Sec. 36.05.060. Penalty for violation of this chapter.

A contractor who violates this chapter is guilty of a misdemeanor, and upon conviction is punishable by a fine of not less than \$100 nor more than \$1,000, or by imprisonment for not less than 10 days nor more than 90 days, or by both. Each day a violation exists constitutes a separate offense.

(§ 14-2-6 ACLA 1949; am § 6 ch 142 SLA 1972)

## Sec. 36.05.070. Wage rates in specifications and contracts for public works.

- (a) The advertised specifications for a public construction contract that requires or involves the employment of mechanics, laborers, or field surveyors must contain a provision stating the minimum wages to be paid various classes of laborers, mechanics, or field surveyors and that the rate of wages shall be adjusted to the wage rate under AS 36.05.010.
  - (b) Repealed by § 17 ch 142 SLA 1972.
- (c) A public construction contract under (a) of this section must contain provisions that
- (1) the contractor or subcontractors of the contractor shall pay all employees unconditionally and not less than once a week:
- (2) wages may not be less than those stated in the advertised specifications, regardless of the contractual relationship between the contractor or subcontractors and laborers, mechanics, or field surveyors:
- (3) the scale of wages to be paid shall be posted by the contractor in a prominent and easily accessible place at the site of the work;
- (4) the state or a political subdivision shall withhold so much of the accrued payments as is necessary to pay to laborers, mechanics, or field surveyors employed by the contractor or subcontractors the difference between
- (A) the rates of wages required by the contract to be paid laborers, mechanics, or field surveyors on the work; and
- (B) the rates of wages in fact received by laborers, mechanics or field surveyors. (§ 1 ch 52 SLA 1959; am §§ 7, 8, 17 ch 142 SLA 1972;

am § 2 ch 89 SLA 1976; am § 1 ch 28 SLA 2011)

Sec. 36.05.080 Sec. 36.05.900

#### Sec. 36.05.080. Failure to pay agreed wages.

Every contract within the scope of AS 36.05.070 shall contain a provision that if it is found that a laborer, mechanic, or field surveyor employed by the contractor or subcontractor has been or is being paid a rate of wages less than the rate of wages required by the contract to be paid, the state or its political subdivision may, by written notice to the contractor, terminate the contractor's right to proceed with the work or the part of the work for which there is a failure to pay the required wages and to prosecute the work to completion by contract or otherwise, and the contractor and the contractor's sureties are liable to the state or its political subdivision for excess costs for completing the work. (§2 Ch 52 SLA 1959)

# Sec. 36.05.090. Payment of wages from withheld payments and listing contractors who violate contracts.

- (a) The state disbursing officer in the case of a state public construction contract and the local fiscal officer in the case of a political subdivision public construction contract shall pay directly to laborers, mechanics, or field surveyors from accrued payments withheld under the terms of the contract the wages due laborers, mechanics, or field surveyors under AS 36.05.070.
- (b) The state disbursing officer or the local fiscal officer shall distribute to all departments of the state government and to all political subdivisions of the state a list giving the names of persons who have disregarded their obligations to employees. A person appearing on this list and a firm, corporation, partnership or association in which the person has an interest may not work as a contractor or subcontractor on a public construction contract for the state or a political subdivision of the state until three years after the date of publication of the list. If the accrued payments withheld under the contract are insufficient to reimburse all the laborers, mechanics, or field surveyors with respect to whom there has been a failure to pay the wages required under AS 36.05.070, the laborers, the mechanics or field surveyors have the right of action or intervention or both against the contractor and the contractor's sureties conferred by law upon persons furnishing labor or materials, and in the proceedings it is not a defense that the laborers, mechanics or field surveyors accepted or agreed to accept less than the required rate of wages or voluntarily made refunds. (§ 3 ch 52 SLA 1959; am § 9 ch 142 SLA 1972; am § 1 ch

## Sec. 36.05.100. Effect of AS 36.05.070 - 36.05.110 on other laws.

AS 36.05.070 - 36.05.110 do not supersede or impair authority granted by state law to provide for the establishment of specific wage rates.

(§ 4 ch 52 SLA 1959; am § 10 ch 142 SLA 1972)

28 SLA 2011)

## Sec. 36.05.110. Contracts entered into without advertising.

The fact that a public construction contract authorized by law is entered into upon a cost-plus-a-fixed-fee basis or otherwise, without advertising for proposals, does not make AS 36.05.070 - 36.05.110 inapplicable if those sections are otherwise applicable to the contract. (§ 5 ch 52 SLA 1959; am § 1 ch 28 SLA 2011)

#### APPLICABILITY.

This Act applies to public construction if the public construction is subject to AS 36.05 and if the contract for the public construction is entered into on or after the effective date of this Act. In this section, "public construction" has the meaning given in AS 36.95.010. (§ 1 ch 28 SLA 2011)

Sec. 36.05.120. Regulations governing contractors. [Repealed by § 17 ch 142 SLA 1972.]

#### **ARTICLE 2. GENERAL PROVISIONS**

#### Section:

900. Definition

#### Sec. 36.05.900. Definition.

In this chapter, "contracting agency" means the state or a political subdivision of the state that has entered into a public construction contract with a contractor. (§ 3 ch 111 SLA 2003)

#### **CHAPTER 10. EMPLOYMENT PREFERENCE**

#### Section:

- 05. Legislative Findings
- 06. Statement of purpose
- 07. State policy
- 20. Apprentices
- 30. Reduction of work force
- 40. Application to contracts involving federal funds
- 70. Unavailability of preferred workers
- 75. Duties of commissioner of Labor and Workforce Development
- 76. Duties of state or political subdivision
- 80. Chapter incorporated in contracts
- 90. Publication of list of violators
- 100. Penalty
- Investigations and hearings 900. Effect of judicial decisions
- 125. Enforcement
- 130. Resident hire report
- 140. Eligibility for preference
- 150. Determination of zone of underemployment
- 160. Preference for residents of economically distressed zones (Deleted)
- 170. Preference for economically disadvantaged minority residents (Deleted)

Sec. 36.10.005 Sec. 36.10.006

- 175. Preference for economically disadvantaged female (Deleted)
- 180. Projects subject to preference
- 190. Reporting provisions
- 200. Criminal penalties
- 210. Civil penalties
- 900. Effect of judicial decisions
- 990. Definitions

#### Sec. 36.10.005. Legislative findings.

- (a) The legislature finds that
- (1) because of its unique climate and its distance from the contiguous states, the state has historically suffered from unique social, seasonal, geographic, and economic conditions that result in an unstable economy;
- (2) the unstable economy is a hardship on the residents of the state and is aggravated by the large numbers of seasonal and transient nonresident workers;
- (3) the rate of unemployment among residents of the state is one of the highest in the nation;
- (4) the state has one of the highest ratios of nonresident to resident workers in the nation;
- (5) the state has a compelling interest in reducing the level of unemployment among its residents;
- (6) the construction industry in the state accounts for a substantial percentage of the available employment:
- (7) construction workers receive a greater percentage of all unemployment benefits paid by the state than is typical of other states;
- (8) historically, the rate of unemployment in the construction industry in the state is higher than the rate of unemployment in other industries in the state;
- (9) it is appropriate for the state to consider the welfare of its residents when it funds construction activity;
- (10) it is in the public interest for the state to allocate public funds for capital projects in order to reduce unemployment among its resident construction workers;
- (11) the influx of nonresident construction workers contributes to or causes the high unemployment rate among resident construction workers because nonresident workers compete with residents for the limited number of available construction jobs;
- (12) non-resident workers displace a substantial number of qualified, available, and unemployed Alaska workers on jobs on state funded public works projects;
- (13) the state has a special interest in seeing that the benefits of state construction spending accrue to its residents:
- (14) the natural resources of land owned by the state belong to the citizens of the state;
- (15) Alaskans have chosen to use the majority of the royalties derived from the state's natural resources to fund state government;
- (16) the vast majority of the state's revenue is derived from natural resource income rather than from other forms of taxation;
- (17) because the state has no personal income tax or sales tax, nonresident workers use services

provided by the state but do not contribute fairly to the costs of those services: and

- (18) Alaskans, more than the residents of other states, suffer economically when nonresidents displace qualified residents since resident workers contribute local taxes as well as their share of the royalties from natural resources.
  - (b) The legislature further finds that
- (1) the state and its political subdivisions, when acting as a market participant in funding public works projects, should give Alaska residents an employment preference to promote a more stable economy;
- (2) the state and its political subdivisions have a duty of loyalty to their citizens and should fulfill this duty by giving residents preference for employment on public works projects they fund;
- (3) there is a legitimate and compelling governmental interest and that the public health and welfare will suffer if state residents are not afforded employment preference in state funded construction related work.
- (c) The legislature finds that the following factors are reasonable but not exclusive indicators of the ratio of nonresident to resident employees in the state:
- (1) the ratio of applicants for unemployment insurance who list out-of-state residences to applicants who list residences in the state:
- (2) the ratio of employees who are subject to unemployment insurance coverage and who did not apply for or were denied a permanent fund dividend to employees who were found eligible for a dividend.
  - (d) The legislature finds that
- (1) the number of state residents who are unable to find work is considerably higher than is reflected by unemployment rates based on nationally accepted measures;
- (2) many rural state residents who wish to work do not seek employment as frequently as necessary to meet federal definitions of unemployment because of continuing lack of employment opportunities in rural areas of the state.
- (§ 1 ch 69 SLA 1985; am § 2 ch 33 SLA 1986)

#### Sec. 36.10.006. Statement of purpose.

The legislature adopted AS 36.10.010 in response to problems and concerns identified by the findings of facts in AS 36.10.005 to

(1) ensure that qualified resident workers do not remain unemployed while nonresident workers are employed on construction projects funded by the state or a political subdivision of the state if the purpose of the project includes reducing the unemployment of residents;

Sec. 36.10.006 Sec. 36.10.090

- (2) ensure that qualified resident workers do not remain unemployed while nonresident workers are employed on construction projects funded by the state or a political subdivision of the state;
- (3) reduce the level of unemployment among residents of the state.

(§ 1 ch 69 SLA 1985)

#### Sec. 36.10.007. State policy.

It is the policy of this state that, to fulfill the duty of loyalty owed to its citizens and to remedy social or economic problems, the state will grant an employment preference to residents when the state is acting as a market participant.

(§ 1 ch 69 SLA 1985)

Sec. 36.10.010. Employment preference. [Repealed by § 11 ch 33 SLA 1986.]

#### Sec. 36.10.020. Apprentices.

Apprentices must be properly registered apprentices in their particular craft.

(§ 1c ch 177 SLA 1960)

#### Sec. 36.10.030. Reduction of work force.

When a work force is reduced, resident workers, except supervisory personnel, shall be terminated last. (§ 1d ch 177 SLA 1960)

## Sec. 36.10.040. Application to contracts involving federal funds.

In a contract involving expenditure of federal aid funds, this chapter may not be enforced in a manner that conflicts with federal statutes giving preference to veterans or prohibiting other preferences or discriminations among United States citizens.

(§ 2 ch 177 SLA 1960)

Sec. 36.10.050. Employment of aliens. [Repealed by § 17 ch 142 SLA 1972.]

Sec. 36.10.060. Employment of prisoners. [Repealed by § 6 ch 53 SLA 1982.]

#### Sec. 36.10.070. Unavailability of preferred workers.

- (a) An employer subject to hiring requirements under this chapter may request the Department of Labor and Workforce Development to assist in locating qualified, eligible employees. After receiving a request for assistance, the department shall refer qualified, eligible, available residents to the employer to fill the employer's hiring needs. The employer shall cooperate with the department.
- (b) If the department is unable to refer a sufficient number of qualified, eligible, available residents able to perform the work, the commissioner of labor may approve the hiring of residents who are not eligible for preference and nonresidents for the balance of the request.

(§ 5 ch 177 SLA 1960; am § 2 ch 208 SLA 1972; am § 3 ch 33 SLA 1986)

Sec. 36.10.075. Duties of commissioner of labor and

#### workforce development.

- (a) The commissioner of labor shall adopt regulations necessary to carry out the provisions of this chapter including but not limited to the method, time and content of reporting by employers covered by this chapter and reporting provisions permitting on-going supervision by the Department of Labor and Workforce Development on all public works projects covered by this chapter.
- (b) The commissioner of labor and workforce development shall adopt regulations to encourage and require the hiring of residents to the maximum extent permitted by law.

(§ 3 ch 208 SLA 1972; am § 4 ch 33 SLA 1986)

### Sec. 36.10.076. Duties of state or political subdivision.

An agency or political subdivision of the state covered by the provisions of this chapter shall notify the Department of Labor and Workforce Development periodically regarding planned public works. Notification shall be in the form and manner prescribed by the Department of Labor and Workforce Development.

(§ 3 ch 208 SLA 1972)

#### Sec. 36.10.080. Chapter incorporated in contracts.

The provisions of this chapter are considered to be a part of every public works contract let after April 24, 1960. (§ 6 ch 177 SLA 1960)

#### Sec. 36.10.090. Publication of list of violators.

- (a) The commissioner of labor shall distribute to all departments and agencies of the state government and to all political subdivisions of the state a list of the names of persons or firms convicted of a violation of this chapter. A person appearing on the list or a firm, corporation, partnership or association in which the person has an interest may not work as a contractor or subcontractor on a public construction contract for the state or a political subdivision until after three years from the date of publication of the list.
- (b) A local government or school district covered by the provisions of this chapter which is found to be in violation of these provisions may be required to forfeit all or part of the state aid made available for the project in which the violation occurs and in addition may be denied up to 12 months of state revenue sharing or public school foundation money. A state department or agency head found to be in violation of this chapter may be required to forfeit the position of the department or agency head.
- (c) A person or governmental entity covered by the provisions of (b) of this section who is not satisfied by a decision of the Department of Labor and Workforce Development may, as the final administrative process, appeal the decision to a committee consisting of the commissioners of transportation and public facilities, labor and administration.

Sec. 36.10.090 Sec. 36.10.140

The commissioner of transportation and public facilities is the chairman of the committee. A quorum for conducting business is three members and any decision made must be supported by a majority of the committee members. The committee may, upon a showing of hardship, waive all or any part of the penalty provisions of this chapter. (§ 7 ch 177 SLA 1960; am § 12 ch 142 SLA 1972; am § 4 ch 208 SLA 1972; am Executive Order No. 39, § 11 (1977))

#### Sec. 36.10.100. Penalty.

- (a) A contractor who violates a provision of this chapter shall have deducted from amounts due to the contractor under the contract the prevailing wages which should have been paid to a displaced resident, and these amounts shall be retained by the contracting agency.
- (b) A contractor or the agent of a contractor who violates a provision of this chapter is guilty of a misdemeanor, and upon conviction is punishable by a fine of not more than \$500, or by imprisonment for not more than 90 days, or by both. (§ 8 ch 177 SLA 1960)

Sec. 36.10.110. Definitions. [Repealed by § 17 ch 142 SLA 1972.]

#### Sec. 36.10.120. Investigations and hearings.

The Department of Labor and Workforce Development may when necessary to enforce this chapter

- (1) conduct investigations and hold hearings relating to employment preference;
- (2) compel the attendance of witnesses and the production of books, papers and documents;
- (3) [Repealed by § 46 ch 53 SLA 1973.] (§ 13 ch 142 SLA 1972; am § 46 ch 53 SLA 1973)

#### Sec. 36.10.125. Enforcement.

- (a) The attorney general shall, when requested by the Department of Labor and Workforce Development, enforce the provisions of this chapter. The attorney general may obtain a court order prohibiting a contractor or subcontractor violating this chapter from continuing to work on existing public construction contracts of the state or a political subdivision of the state. The state or political subdivision of the state may prosecute the work to completion by contract or otherwise, and the contractor or subcontractor and the sureties of the contractor or subcontractor are liable for excess costs for completing the work.
- (b) A private person is entitled to bring an action in the superior court to enforce the provisions of this chapter if that private person first gives at least 20 days' notice to the commissioner of labor. The notice must set out
- (1) the intent of the private person to bring an action under this subsection:
  - (2) the specific violation complained of; and
- (3) the name of the person accused of the violation.
- (c) In an action brought under (b) of this section the court may, in its discretion, order denial of state revenue sharing or public school foundation money, forfeiture of office or position, or injunctive or other relief. If the court

finds for the plaintiff in an action brought under (b) of this section, it may award the plaintiff an amount equal to the actual costs and attorney fees incurred by the plaintiff. (§ 13 ch 142 SLA 1972; am § 1 ch 183 SLA 1976)

#### Sec. 36.10.130. Resident hire report.

The attorney general and the commissioner of labor shall report annually to the legislature and the governor on the status of employment in the state, the effect of nonresident employment on the employment of residents in the state, and methods to increase resident hire. The report shall be submitted by January 31 of each year. (§ 5 ch 33 SLA 1986)

#### Sec. 36.10.140. Eligibility for preference.

- (a) A person is eligible for an employment preference under this chapter if the person certifies eligibility as required by the Department of Labor and Workforce Development, is a resident, and
- (1) is receiving unemployment benefits under AS 23.20 or would be eligible to receive benefits but has exhausted them;
- (2) is not working and has registered to find work with a public or private employment agency or a local hiring hall;
- (3) is underemployed or marginally employed as defined by the department; or
- (4) has completed a job-training program approved by the department and is either not employed or is engaged in employment that does not use the skills acquired in the job-training program.
- (b) In approving job-training programs under (a) of this section, the department shall use information and findings from other state and federal agencies as much as possible.
- (c) An employer subject to a resident hiring requirement under this chapter shall certify that persons employed as residents under the preference were eligible for the preference at the time of hiring.
- (d) A labor organization that dispatches members for work on a public works project under a collective bargaining agreement shall certify that persons dispatched as residents to meet a preference were eligible for the preference at the time of dispatch.
- (e) An employer or labor organization may request assistance from the Department of Labor and Workforce Development in verifying the eligibility of an applicant for a hiring preference under this chapter. (§ 5 ch 33 SLA 1986)

Sec. 36.10.150 Sec. 36.10.210

#### Sec. 36.10.150. Determination of zone of underemployment.

- (a) Immediately following a determination by the commissioner of labor that a zone of underemployment exists, and for the next two fiscal years after the determination, qualified residents of the zone who are eligible under AS 36.10.140 shall be given preference in hiring for work on each project under AS 36.10.180 that is wholly or partially sited within the zone. The preference applies on a craft-by-craft or occupational basis.
- (b) The commissioner of labor shall determine the amount of work that must be performed under this section by qualified residents who are eligible for an employment preference under AS 36.10.140. In making this determination, the commissioner shall consider the nature of the work, the classification of workers, availability of eligible residents, and the willingness of eligible residents to perform the work.
- (c) The commissioner shall determine that a zone of underemployment exists if the commissioner finds that
- (1) the rate of unemployment within the zone is substantially higher than the national rate of unemployment;
- (2) a substantial number of residents in the zone have experience or training in occupations that would be employed on a public works project;
- (3) the lack of employment opportunities in the zone has substantially contributed to serious social or economic problems in the zone; and
- (4) employment of workers who are not residents is a peculiar source of the unemployment of residents of the zone. (§ 5 ch 33 SLA 1986)

#### Sec. 36.10.180. Projects subject to preference.

- (a) The preferences established in AS 36.10.150 36.10.175 apply to work performed
- (1) under a contract for construction, repair, preliminary surveys, engineering studies, consulting, maintenance work, or any other retention of services necessary to complete a given project that is let by the state or any agency of the state, a department, office, state board, commission, public corporation, or other organizational unit of or created under the executive, legislative or judicial branch of state government, including the University of Alaska and the Alaska Railroad Corporation, or by a political subdivision of the state including a regional school board with respect to an educational facility under AS 14.11.020;
- (2) on a public works project under a grant to a municipality under AS 37.05.315;
- (3) on a public works project under a grant to a named recipient under AS 37.05.316;
- (4) on a public works project under a grant to an unincorporated community under AS 37.05.317; and
- (5) on any other public works project or construction project that is funded in whole or in part by state money.
- (b) If the governor has declared an area to be an area impacted by an economic disaster under AS 44.33.285,

then the preference for residents of the area established under AS 44.33.285 - 44.33.310 supersedes the preference under AS 36.10.150 - 36.10.175 for contracts awarded by the state.

(c) The commissioner shall define the boundaries of a zone within which a preference applies. (§ 5 ch 33 SLA 1986)

#### Sec. 36.10.190. Reporting provisions.

An employer obligated to meet resident hire requirements under this chapter shall comply with the reporting provisions that the commissioner of labor determines are reasonably necessary to carry out this chapter. Except for statistical data, all information regarding specific employees is confidential and may not be released by the Department of Labor. However, confidential employee information may be shared between departments for purposes of this chapter.

(§ 5 ch 33 SLA 1986)

#### Sec. 36.10.200. Criminal penalties.

- (a) A person who makes a false sworn statement in connection with a certification of eligibility for an employment preference under this chapter is subject to criminal prosecution for perjury as provided in AS 11.56.200.
- (b) A person who makes an unsworn falsification, with the intent to mislead a public servant in the performance of a duty, in connection with a certification of eligibility for an employment preference under this chapter, is subject to criminal prosecution as provided in AS 11.56.210.

(§ 5 ch 33 SLA 1986)

#### Sec. 36.10.210. Civil penalties.

- (a) In addition to any criminal penalties imposed, after a hearing the department may impose a civil penalty on a person who, in connection with certification of eligibility for an employment preference under this chapter,
  - (1) made a false sworn statement; or
- (2) made an unsworn falsification with intent to mislead a public servant in the performance of a duty.
- (b) The amount of the civil penalty under (a) of this section for a person who falsely certifies that the person is eligible for an employment preference under this chapter is not more than \$400 for each false certification.
- (c) The amount of the civil penalty under (a) of this section for an employer who falsely certifies that employees are residents eligible for a preference under this chapter is not more than \$2,000 for each of the first five false certifications. The penalty for the sixth false certification made by an employer and for each false certification thereafter is at least \$2,000 and not more than \$4,000.

(§ 5 ch 33 SLA 1986)

Sec. 36.10.900 Sec. 36.25.020

#### Sec. 36.10.900. Effect of judicial decisions.

If a provision of this chapter, or the application of a provision to a person or circumstance, is held invalid, the remainder of this chapter and the application to other persons or circumstances shall not be affected by the holding. The remainder shall be enforced to the greatest extent constitutionally permissible under the constitutions of the United States and the State of Alaska. (§ 5 ch 33 SLA 1986)

#### Sec. 36.10.990. Definitions.

In this chapter

- (1) "qualified" means possesses the requisite education, training, skills, or experience to perform the work:
- (2) "zone" includes a census area in the state, an economic region of the state, and the state as a whole. (§ 5 ch 33 SLA 1986)

#### CHAPTER 15. ALASKA PRODUCT PREFERENCES.

#### **ARTICLE 1. FOREST PRODUCTS PREFERENCE**

#### Section:

- 10. Use of local forest products required in projects financed by public money
- 20. Insertion of clause in calls for bids and in contracts

## Sec. 36.15.010. Use of local forest products required in projects financed by public money.

In a project financed by state money in which the use of timber, lumber, and manufactured lumber products is required, only timber, lumber and manufactured lumber projects originating in this state from local forests shall be used wherever practicable. (§ 14-3-1 ACLA 1949)

## Sec. 36.15.020. Insertion of clause in calls for bids and in contracts.

A clause containing the substance of AS 36.15.010 shall be inserted in all calls for bids and in all contracts awarded. (§ 14-3-2 ACLA 1949)

#### CHAPTER 25. CONTRACTORS' BONDS.

#### Section:

- 10. Bonds of contractors for public buildings or works
- 20. Rights of persons furnishing labor or material
- 25. Optional municipal exemption

## Sec. 36.25.010. Bonds of contractors for public buildings or works.

(a) Except as provided in AS 44.33.300, before a contract exceeding \$100,000 for the construction, alteration, or repair of a public building or public work of the state or a political subdivision of the state is awarded to a general or specialty contractor, the contractor shall furnish to the state or a political subdivision of the state the following bonds, which become binding upon the award of the contract to that contractor:

- (1) a performance bond with a corporate surety qualified to do business in the state, or at least two individual sureties who shall each justify in a sum equal to the amount of the bond; the amount of the performance bond shall be equivalent to the amount of the payment bond:
- (2) a payment bond with a corporate surety qualified to do business in the state, or at least two individual sureties who shall each justify in a sum equal to the amount of the bond for the protection of all persons who supply labor and material in the prosecution of the work provided for in the contract; when the total amount payable by the terms of the contract is not more than \$1,000,000, the payment bond shall be in a sum of one-half the total amount payable by the terms of the contract; when the total amount payable by the terms of the contract is more than \$1,000,000 and not more than \$5,000,000, the payment bond shall be in a sum of 40 percent of the total amount payable by the terms of the contract; when the total amount payable by the terms of the contract is more than \$5,000,000, the payment bond shall be in sum of \$2.500.000.
- (b) This section does not limit the authority of the contracting officer to require a performance bond or other security in addition to those, or in cases other than the cases specified in (a) of this section.
- (c) When no payment bond has been furnished, the contracting department may not approve final payments to the contractor until the contractor files a written certification that all persons who supplied labor or material in the prosecution of the work provided for in the contract have been paid.
- (§ 1 ch 49 SLA 1953; am § 1 ch 77 SLA 1964; am § 14 ch 142 SLA 1972; am §§ 1, 2 ch 180 SLA 1976; am § 8 ch 277 SLA 1976; am 34 ch 108 SLA 1982)

## Sec. 36.25.020. Rights of persons furnishing labor or material.

- (a) A person who furnishes labor or material in the prosecution of the work provided for in the contract for which a payment bond is furnished under AS 36.25.010 and who is not paid in full before the expiration of 90 days after the last day on which the labor is performed or material is furnished for which the claim is made, may sue on the payment bond for the amount unpaid at the time of the suit.
- (b) However, a person having direct contractual relationships with a subcontractor but no contractual relationship express or implied with the contractor furnishing the payment bond has a right of action on the payment bond upon giving written notice to the contractor within 90 days from the last date on which the person performed labor or furnished material for which the claim is made.

Sec. 36.25.020 Sec. 36.95.010

The notice must state with substantial accuracy the amount claimed and the name of the person to whom the material was furnished or for whom the labor was performed. The notice shall be served by mailing it by registered mail, postage prepaid, in an envelope addressed to the contractor at any place where the contractor maintains an office or conducts business, or the contractor's residence, or in any manner in which a peace officer is authorized to serve summons.

(c) A suit brought under this section shall be brought in the name of the state or the political subdivision of the state for the use of the person suing in the court with jurisdiction. A suit under this section is subject to AS 08.18.151. A suit may not be started after the expiration of one year after the date of final settlement of the contract. The state or political subdivision of the state is not liable for costs or expenses of the suit.

(§ 2 ch 49 SLA 1953; am § 15 ch 142 SLA 1972 am §58 ch 14 SLA 1987)

#### Sec. 36.25.025. Optional municipal exemption.

A municipality, by ordinance adopted by its governing body, may exempt contractors from compliance with the provisions as AS 36.25.010(a) if the estimated cost of the project does not exceed \$400,000, and

- (1) the contractor is, and for two years immediately preceding the award of the contract has been, a licensed contractor having its principal office in the state;
- (2) the contractor certifies that it has not defaulted on a contract awarded to the contractor during the period of three years preceding the award of a contract for which a bid is submitted;
- (3) the contractor submits a financial statement, prepared within a period of nine months preceding the submission of a bid for the contract and certified by a public accountant or a certified public accountant licensed under AS 08.04, demonstrating that the contractor has a net worth of not less than 20 percent of the amount of the contract for which a bid is submitted; and
- (4) the total amount of all contracts that the contractor anticipates performing during the term of performance of the contract for which a bid is submitted does not exceed the net worth of the contractor reported in the certified financial statement prepared and submitted under (3) of this section by more than seven times. (§ 1 ch 81 SLA 1978)

#### **CHAPTER 95. GENERAL PROVISIONS**

#### Section:

10. Definitions

#### Sec. 36.95.010. Definitions.

In this title unless the context requires otherwise

- (1) "contractor" means the contractor including subcontractors performing work necessary to facilitate public construction;
- (2) "laborer, mechanic, or field surveyor" means a person who engages in work which is basically physical or unskilled in nature; or who engages in work, requiring the use of tools or machines, which basically consists of the shaping and working of materials into some type of structure, machine or other object; or who engages in outdoor tasks related to the operation of findings and delineating contour, dimensions, position, topography, as of any part of the earth's surface, by preparation of measured plan or description of any area or other portion of country or of road or line through any area or other portion of country;
- (3) "public construction" or "public works" means the on-site field surveying, erection, rehabilitation, alteration, extension or repair, including painting or redecorating of buildings, highways or other improvements to real property under contract for the state, a political subdivision of the state, or a regional school board;
- (4) "resident" means a person who establishes residency under AS 01.10.055;
- (5) "retainage" means money withheld from a contractor until completion of a contract or satisfaction of other contingency as evidenced by approval of the applicable pay estimate:
- (6) "state or a political subdivision of the state" means any state department, state agency, state university, borough, city, village, school district or other state subdivision;
- (7) "wages" includes fringe benefits. (§ 16 ch 142 SLA 1972; am § 3 ch 89 SLA 1976; am § 16 ch 147 SLA 1978; am § 2 ch 85 SLA 1982; am § 92 ch 6 SLA 1984; am §§ 6, 11 ch 33 SLA 1986)

8 AAC 30.010 8 AAC 30.020

#### ALASKA ADMINISTRATIVE CODE TITLE 8. LABOR

#### PART 2. RESIDENT EMPLOYMENT

#### **CHAPTER 30. PUBLIC CONTRACTS.**

#### Article:

- 1. Wages and Hours (8 AAC 30.010 8 AAC 30.040)
- 2. Wage Scale (8 AAC 30.050)
- 3. Employment Preference (8 AAC 30.060 8 AAC 30.088)
- 4. Investigations and Hearings (8 AAC 30.090 8 AAC 30.110)
- Debarment (8 AAC 30.200 – 8 AAC 30.240)
- General Provisions
   (8 AAC 30.900 8 AAC 30.920)

#### ARTICLE 1. WAGES AND HOURS.

#### Section:

- 10. Notification of contract awards
- 20. Certified payroll
- 25. Fringe benefit contributions
- 27. Notice of violation requiring withholding
- 30. Notification of withholding accrued payments
- 40. Notification of termination of contract

#### 8 AAC 30.010. Notification of Contract Awards.

- (a) Within 20 days of awarding a public contract, the state or political subdivision of the state shall notify the commissioner in writing that the contract has been awarded. The writing shall conform to the requirements of AS 36.05.035.
- (b) Verification of contractors bonding requirements shall be by certified statement furnished to the commissioner by the state or political subdivision of the state which awarded the contract.

(Eff. 7/8/73, Register 47)

Authority: AS 36.05.030 AS 36.05.035

#### 8 AAC 30.020. Certified Payroll.

- (a) Before Friday of every second week, each contractor, subcontractor, or owner/operator who performs work on a public construction contract for the state or political subdivision of the state shall file with the department a certified payroll (Form 07-6058) that covers the preceding reporting period.
- (b) The certified payroll shall be submitted to the department's regional office in the judicial district in which the work is performed:

1st Judicial District - Department of Labor and Workforce Development, Juneau

3rd Judicial District - Department of Labor and Workforce Development, Anchorage 2nd and 4th Judicial Districts - Department of Labor and Workforce Development, Fairbanks

- (c) Instead of submitting Form 07-6058, a contractor may submit the contractor's payroll form. However, the payroll form must contain the same information and statement of compliance required by Form 07-6058.
- (d) Owner/operators who perform duties as laborers, mechanics, or field surveyors while working as contractors or subcontractors on a public work project shall be included on their certified payrolls in the same manner as any other laborer, mechanic or field surveyor. However, an owner/operator who performs duties as a laborer, mechanic, field surveyor is not required to pay themselves each reporting period, but shall report hours worked and actual payments received under the terms of the contract and the period covered by each payment. After deducting operating expenses, the actual payment received by an owner/operator performing duties as a laborer, mechanic, or field surveyor must meet or exceed the minimum prevailing rate of pay in the applicable classification for each hour worked on a public construction project.
- (e) If a contractor is under contract to provide trucks on a public construction project and leases a truck to an individual truck driver or dispatches an owner/operator working on that same project, the contractor shall pay no less than the prevailing wage for each hour worked each certified payroll reporting period to that driver.

(Eff. 7/8/73, Register 47; am 7/30/82, Register 83; am 8/9/01; Register 159; am 3/2/2008, Register 185) Authority: AS 36.05.030 AS 36.05.040

AS 36.10.075

#### **Editor's Note:**

As of Register 151 (October 1999), the regulations attorney made technical revisions under AS 44.62.125 (b)(6) to reflect the name change of the Department of Labor to the Department of Labor and Workforce Development made by ch. 58, SLA 1999 and the corresponding title change of the commissioner of labor.

Form 07-6058 (payroll form) required in 8 AAC 30.020 may be obtained from the Department of Labor and Workforce Development, Wage and Hour Administration, 1251 Muldoon Road, Suite 113, Anchorage, AK 99504; telephone: (907) 269-4900. The form is also available on the department's website at:

http://labor.state.ak.us/lss/lssforms.htm

8 AAC 30.025 8 AAC 30.030

#### 8 AAC 30.025. Fringe Benefit Contributions.

- (a) Employers must remit contributions to union trusts, approved private pension plans, or other approved fringe benefit plans by the 15th of the month following the accrual of the contribution. If the plan itself has a more stringent remittance deadline, the plan deadline shall prevail. A copy of the actual deposit or other satisfactory proof shall be provided the department upon request.
- (b) A private pension plan or other fringe benefit plan as referenced in (a) of this section must meet the following conditions in order to be approved as an offset against the prevailing wage rate requirement for fringe benefits:
  - (1) plan contributions must be
    - (A) irrevocable;
- (B) deposited on a regular basis, not less than monthly, to a trustee or third-party administrator;
- (C) free of administrative expense charges to employees, except reasonable and customary administrative fees charged to the plan as a whole, subject to approval of the plan trustee;
  - (D) non-discretionary;
- (E) factored across all work performed by an employee in public construction and non-public construction with the exception of an automatic vesting 401(k) plan;
- (2) plan contributions may not be made on behalf of employees who are not eligible to participate in the plan;
- (3) except for an automatic vesting 401(k) plan, plan contributions must not be funded solely through hours worked on public construction projects.
- (c) Except for an automatic vesting 401(k) plan which allows the actual hourly amount contributed to the plan during the public construction project to be directly credited against fringe benefit payment requirements, to establish an hourly rate for credit against prevailing wage requirements, the amount paid by the employer for the benefit shall be divided by the hours worked by the employee under the plan during the interval under which payments are due to the plan administrator. To allow for seasonal variations, the plan costs may be calculated on an annual basis.
- (d) If the hourly rate established under (c) of this section does not meet the prevailing fringe benefit rate, the remainder must be paid to the employee.
- (e) If a pension plan meets the requirements under 29 U.S.C. 1001 1461 (Employee Retirement Income Security Act of 1974) and includes a minimum vesting requirement, any forfeited amounts must remain in the trust, subject to the authority of the trustee and may not revert to the employer.
- (f) The department may disallow an employer from taking credit for fringe benefit contributions as an offset to prevailing wage requirements if the provisions of this section are not met. Upon request, the employer shall provide the following to the department:
  - (1) a copy of the plan;
  - (2) a copy of the plan adoption agreement;

- (3) the name, address, and telephone number of the plan broker:
- (4) the name, address, and telephone number of the plan administrator;
- (5) the United States Internal Revenue Service approval letter;
- (6) the calculations of the hourly cost equivalent for the plan.
- (g) An apprentice shall receive 100 percent of the prevailing fringe benefit rate established in the applicable *Laborers' and Mechanics' Minimum Rates of Pay*, unless another rate is specified in the apprentice training agreement approved by the United States Department of Labor, Bureau of Apprenticeship and Training.
- (h) In this section, "automatic vesting 401(k) plan," means a 401(k) plan maintained in compliance with 29 U.S.C. 1001 1461 (Employee Retirement Income Security Act of 1974) that allows for immediate vesting in the plan to ensure that the employee will not be subject to any forfeiture of amounts contributed to the plan since it has no vesting requirements.

(Eff. 1/2/91, Register 116; am 3/2/2008, Register 185)

Authority: AS 23.05.060 AS 36.05.030

AS 36.05.070

## 8 AAC 30.027. Notice of Violation Requiring Withholding.

When the department determines, under the authority of AS 36.05.030, that a violation has occurred, it shall notify the contracting agency as to the nature and estimated amount of the violation so that the contracting agency can fulfill its obligation to withhold funds under AS 36.05.070 (4). (Eff. 1/2/91, Register 116)

Authority: AS 23.05.060 AS 36.05.030 AS 36.05.070

## 8 AAC 30.030. Notification of Withholding Accrued Payments.

- (a) If the state or a political subdivision of the state withholds accrued payments under those provisions of its contracts required by AS 36.05.070(c)(4), the state or political subdivision shall notify the commissioner within three working days.
- (b) Notification shall be in writing and contain the following information:
- (1) name of state agency or political subdivision of the state that awarded the contract;
- (2) name of state agency or political subdivision of the state that is withholding accrued payments;
  - (3) contractor's name and address;
  - (4) address of construction site:
  - (5) job classification being underpaid;
  - (6) wage rate required by contract; and
  - (7) wage rate actually being paid.

(Eff. 7/8/73, Register 47)

Authority: AS 36.05.030 AS 36.05.070

8 AAC 30.040 8 AAC 30.050

#### 8 AAC 30.040. Notification of Termination of Contract.

- (a) If the state or a political subdivision of the state terminates a contract under those provisions of its contract required under AS 36.05.080, the state or political subdivision of the state shall notify the department within three working days.
- (b) Notification shall be in writing and contain the following information:
- (1) name of state agency or political subdivision of the state that awarded the contract;
- (2) name of state agency or political subdivision of the state that is terminating the contract;
  - (3) contractor's name and address:
  - (4) address of construction site;
  - (5) job classification being underpaid;
  - (6) wage rate required by contract;
  - (7) wage rate actually being paid; and
- (8) proposed action to be taken to complete construction.

(Eff. 7/8/73, Register 47)

Authority AS 36.05.030 AS 36.05.080

#### ARTICLE 2. WAGE SCALE.

#### Section:

50. Wage Scale

#### 8 AAC 30.050. Wage Scale.

- (a) The department will determine the prevailing wage rate to be paid laborers, mechanics, and field surveyors. This determination will be published by the department in the pamphlet *Laborers'* and *Mechanics' Minimum Rates of Pay*. Prevailing wage rates will be periodically revised by the department, on a regional basis, to correspond with the prevailing wage rate for similar work.
- (b) The prevailing wage will be determined on a regional basis for two geographic regions of the state, north of North 63 degrees latitude and south of North 63 degrees latitude. A region may be subdivided into zones if the commissioner determines that the prevailing wage rate has local variations within the region. In determining the prevailing wage rate for a region or zone, the department will consider the prevailing wage that represents majority penetration for each work classification. If there is no majority penetration the department may set the prevailing wage rate in the following manner:
- (1) If less than a majority of the persons employed at a particular skill level in a particular job class receive the same wage, the prevailing wage rate will be determined by taking the arithmetic mean (average) of the wages in the survey for the job class being considered.
- (2) Prior to calculating the arithmetic mean, the survey will be adjusted by eliminating five percent of the extreme wage rates.
- (3) For example, in a survey consisting of 75 different pay rates the rates will be arrayed in order of

size. Five percent at both ends of the scale, the four highest and four lowest, will be eliminated. The remaining 67 rates will be the final survey from which the arithmetic mean will be determined to be the prevailing rate of pay.

- (4) In determining the prevailing wage rate for a region or zone, the department will consider the prevailing union wage, local practice, and any other standard considered by the department to be appropriate.
- (c) Special prevailing wage rate determinations may be requested for special projects or special worker classifications, if the work to be performed does not conform to traditional public construction for which a prevailing wage rate has been established under (a) of this section. Requests for special wage rate determinations must be in writing and filed with the commissioner at least 30 days before the award of the contract. An applicant for a special wage rate determination shall have the responsibility to support the necessity for the special rate. An application for a special wage rate determination filed under this section must contain
- (1) a specification of the contract or project on which the special rates will apply and a description of the work to be performed;
- (2) a brief narrative explaining why special wage rates are necessary;
  - (3) the job class or classes involved;
- (4) the special wage rates the applicant is requesting, including survey or other relevant wage data to support the requested rates:
- (5) the approximate number of employees who will be affected; and
- (6) any other information which might be helpful in determining if special wage rates are appropriate.
- (d) The prevailing wage rate established in (a) of this section shall be considered the minimum wage rate that shall be paid to various classes of laborers, mechanics, and field surveyors.
- (e) This section shall be made part of every contract that falls within the scope of AS 36.05.010 and 36.05.070(a).

(Eff. 7/8/73, Register 47; am 7/30/82, Register 83; am 8/9/2001, Register 159; am 3/2/2008, Register 185)

Authority: AS 36.05.010 AS 36.05.030

AS 36.05.070

#### Editor's note:

The pamphlet titled *Laborers' and Mechanics' Minimum Rates of Pay* may be obtained from the Department of Labor and Workforce Development, Wage and Hour Administration, Suite 113, Anchorage, AK 99504; telephone: (907) 269-4900. The pamphlet is also available on the department's website at:

http://labor.state.ak.us/lss/lssforms.htm.

8 AAC 30.060 8 AAC 30.065

#### **ARTICLE 3. Employment Preference.**

#### Section:

- 60. (Repealed)
- 61. Contracting agency report requirements
- 62. Employer reporting requirements
- 64. Hiring preference for residents of zone of underemployment
- 65. (Repealed)
- 66. (Repealed)
- 67. (Repealed)
- 68. Determination that lack of employment opportunities has substantially contributed to serious social or economic problems
- 70. (Repealed)
- 71. (Repealed)
- 72. Determining residency
- 73. Determination of resident hiring preferences
- 78. Resident hiring preferences in overlapping or multiple zones
- 80. (Repealed)
- 81. Compliance with preference requirements
- 82. Department determination of eligibility for preference
- 84. Appeals of eligibility determinations
- 86. Approval of job training programs

8 AAC 30.060. Resident Hiring. [Repealed 9/27/87.]

## 8 AAC 30.061. CONTRACTING AGENCY REPORTING REQUIREMENTS.

- (a) Within 20 days after awarding a contract or grant covered by AS 36.10.180, a state agency or political subdivision of the state shall file with the department a notice containing
- (1) the name and address of the state agency or political subdivision awarding the contract or grant;
- (2) the name of the head of the state agency or political subdivision awarding the contract or grant;
  - (3) the date of the contract or grant award;
  - (4) the total amount of the contract or grant;
  - (5) the location of the project; and
- (6) the name and address of each contractor and subcontractor performing work on the project.
- (b) A state agency or political subdivision of the state shall report immediately to the department any changes or additions regarding the notice required in (a) of this section which involve either
- (1) a change in the identity of a contractor or subcontractor performing work on the project; or
- (2) a change in the total amount of the contract if the change exceeds \$10,000.

(Eff. 9/27/87, Register 103)

Authority: AS 36.10.075 AS 36.10.076

#### 8 AAC 30.062. Employer Reporting Requirements.

(a) Upon request by the department, an employer required to file a quarterly report of employment and wages under AS 23.20.105 - 23.20.535 shall include in its

quarterly report the following information for each employee:

- (1) either the occupational title or the four-digit standard occupational classification code for the last position held by the employee; and
- (2) the two-digit geographic area code of the employee's primary work location.
- (b) The department will provide each employer required to submit information under (a) of this section with a list of occupational codes and titles applicable to its industry and a map showing the boundaries and code for each geographic area of the state.

(Eff. 9/27/87, Register 103)

Authority: AS 36.10.075 AS 36.10.190

## 8 AAC 30.064. Hiring Preference for Residents of Zone Of Underemployment.

- (a) For purposes of AS 36.10.150, the commissioner will determine that an area is a zone of underemployment if
- (1) the rate of unemployment within the area is at least 10 percent greater than the average national unemployment rate for the most recent 12-month period for which unemployment insurance figures are available, or a longer period determined appropriate by the commissioner to take into account unemployment trends exceeding a one-year period; for example, if the national unemployment rate is seven percent, the rate of unemployment in the area must be at least 7.7 percent for the area to be a zone of underemployment;
- (2) at least 10 percent of the jobs in a particular craft or occupation that would be used on a particular public-funded project could be filled by residents of the area who are trained or experienced in that craft or occupation; a determination under this paragraph will be based on data for the quarter of highest employment for the most recent calendar year for which data is available:
- (3) the lack of employment opportunities has substantially contributed to serious social or economic problems in the area, as determined under 8 AAC 30.068; and
- (4) the employment of nonresidents is a peculiar source of unemployment for residents of the area, as determined under 8 AAC 30.069.
- (b) For a public-funded project, the percentage of positions which must be reserved under AS 36.10.150 for eligible residents, in a craft or occupation subject to a hiring preference, is the percentage that would result in a determination under (a) of this section that the area was not a zone of underemployment. The department will compute the percentage for an occupation or craft and announce it after the determination under (a) of this section is made.

(Eff. 9/27/87, Register 103; am 6/8/11, Register 198) Authority AS 36.10.075 AS 36.10.150

8 AAC 30.065. Hiring Preference for Residents of Economically Distressed Zone.

[Repealed.]

(Eff. 9/27/87, Register 103; repealed 08/9/01, Register 159)

8 AAC 30.066 8 AAC 30.078

8 AAC 30.066. Hiring Preference for Economically Disadvantaged Minority Residents.

[Repealed.]

(Eff. 9/27/87, Register 103; repealed 08/9/01; Register 159)

8 AAC 30.067. Hiring Preference for Economically Disadvantaged Female Residents. [Repealed.]

(Eff. 9/27/87, Register 103; repealed 08/9/01; Register 159)

8 AAC 30.068. Determination That Lack of Employment Opportunities Has Substantially Contributed to Serious Social or Economic Problems.

For purposes of AS 36.10.150 - 36.10.175 and this chapter, the lack of employment opportunities has substantially contributed to serious social or economic problems if changes in indicators of social and economic problems are linked to changes in the number of people who want to work and are unable to obtain work. The commissioner will use correlation analysis, testimony, professional studies, or other evidence to establish the relationship between unemployment and social or economic problems.

(Eff. 9/27/87, Register 103)

Authority: AS 36.10.075 AS 36.10.160 AS 36.10.175 AS 36.10.150

AS 36.10.170

## 8 AAC 30.069. Determination of Peculiar Source of Unemployment.

For purposes of AS 36.10.150 - 36.10.175, and 8 AAC 30.064, the commissioner will determine that employment of nonresidents is a peculiar source of unemployment if more than 10 percent of the residents of an area who are trained or experienced in a craft or occupation are unemployed and more than 10 percent of the total number of workers employed in that area in that craft or occupation are not residents of the area.

(Eff. 9/27/87, Register 103; am 08/9/01; Register 159)

Authority: AS 36.10.075 AS 36.10.160 AS 36.10.175 AS 36.10.150 AS 36.10.170

8 AAC 30.070. Annual Report by Agency or Political Subdivision of the State.

[Repealed 9/27/87.]

8 AAC 30.071. Determination of Past Economic Discrimination.

[Repealed.]

(Eff. 9/27/87, Register 103; repealed 08/9/01; Register 159)

#### 8 AAC 30.072. Determining Residency.

The department will consider the following information in determining whether a person is a resident:

(1) where the person, the person's spouse, and the person's dependent children maintain their principal place of abode;

- (2) where the person's dependent children are enrolled in school:
  - (3) the person's address on driver's licenses;
- (4) the person's address on motor vehicle registrations;
- (5) where the person's bank, credit union, or other financial accounts are maintained;
- (6) the person's address on hunting, fishing, trapping, or other licenses;
  - (7) where the person is registered to vote;
- (8) the person's address as shown on Department of Revenue permanent fund dividend records; and
  - (9) any other relevant facts.

(Eff. 9/27/87, Register 103)

Authority: AS 36.10.075 AS 36.10.14

AS 36.95.010(4)

## 8 AAC 30.073. Determination of Resident Hiring Preferences.

- (a) The commissioner will, at least biennially, determine whether an area is a zone of preference under AS 36.10 and this chapter if enough data is available to make that determination.
- (b) The commissioner will include, in the annual resident hire report required under AS 36.10.130, all resident preference determinations made during the previous calendar year.
- (c) When an area has been determined to be a resident hiring zone of preference, the department will notify all contractors of record who are or will be performing work on public-funded projects in the zone, and will notify all state agencies and political subdivisions that have public-funded projects in the zone.
- (d) Upon notification under (c) of this section, the resident hiring preference requirements are effective immediately and apply to all public-funded projects in the zone

(Eff. 9/27/87, Register 103; am 3/2/2008, Register 185) Authority: AS 36.10.075

#### 8 AAC 30.078. Resident Hiring Preferences in Overlapping or Multiple Zones.

- (a) If two areas are determined to be zones of preference under AS 36.10 and this chapter for the same resident hiring preference, and one of the zones is located entirely within the other, the preference requirements will apply to the larger zone.
- (b) As provided in AS 36.10.150 36.10.175, if a public-funded project is located in more than one zone, the entire project is subject to the resident hiring preferences in effect in those zones.

(Eff. 9/27/87, Register 103)

Authority: AS 36.10.075

8 AAC 30.080 8 AAC 30.081

8 AAC 30.080. [Repealed 12/4/76.]

## 8 AAC 30.081. Compliance with Preference Requirements.

- (a) To comply with AS 36.10.150 36.10.175, an employer subject to a resident hiring reference shall meet the relevant resident hire percentage, prescribed under this chapter, for each separate workweek. If an area has been determined to be a zone of preference for more than one type of resident hiring preference, the requirements of each preference apply. An employer may count the hire of an eligible resident toward satisfaction of each preference for which the resident qualifies.
- (b) An employer subject to a resident hiring preference shall certify that each person hired as a resident under the preference was eligible for the preference at the time of hiring. The employer's certification must be provided on the weekly certified payroll form filed with the department (Form 07-6058); must include the name and residence address of each employee on the project, including supervisory employees; and must include a statement of compliance with all resident hiring preferences in effect.
- (c) A labor organization that dispatches members for work on a public-funded project subject to a resident hiring preference shall certify to the employer at the time of dispatch that each person dispatched as a resident to meet a preference was eligible for the preference at the time of dispatch. The labor organization's certification must be in writing and must include the name and residence address of each person dispatched to the project.
- (d) An employer subject to a resident hiring preference who is unable to find enough eligible residents may request from the department a waiver to hire an ineligible person for a specific job. The waiver request must be submitted to the department at least seven calendar days before the waiver is required to be considered for approval. Within three working days, the department shall determine whether the contractor's proposed minimum qualifications for the position covered by the waiver request are acceptable. The employer must place an advertisement using at least one public form of statewide advertising, such as a newspaper with statewide circulation, and must request that the Alaska Employment Service post a statewide facilitated recruitment job order through the Alaska Job Center Network. The advertisement and the job order must run for at least three calendar days, and both must
- (1) state that the purpose of the request is to satisfy employment preference requirements of this state under AS 36.10 and that applicants must be residents of this state:
- (2) list the job title and minimum qualifications as accepted by the department;
- (3) identify the rate of pay including fringe benefits and other compensation, such as travel or room and board:

- (4) identify the job location, expected duration of the job, and the number of expected daily and weekly work hours; and
- (5) specify that all job seekers apply through the Alaska Job Center Network.
- (e) An employer subject to a resident hiring preference who is unable to find enough eligible residents from either private sources or from the applicants referred by the state employment center under (d) of this section may request from the department a waiver to hire an ineligible person for a specific job. A request for a waiver under this subsection must contain
- (1) a description of the job for which a waiver is requested, to include the wages, benefits, expected start date, work schedule, and job duration;
- (2) the required qualifications for the job for which a waiver is requested;
- (3) the qualifications of the person for whom the waiver is requested;
- (4) the name and residence address of the person for whom the waiver is requested;
- (5) a description of the employer's efforts to obtain an eligible resident from private sources for the job for which a waiver is requested;
- (6) a copy of the recruitment report from the Alaska Job Center Network containing the following information and documentation:
- (A) a copy of the job order, a listing of all applicants from the job order and other private recruitment efforts, and the listing of the applicants referred to the employer;
- (B) the recruitment result report to show the number of individuals interviewed, hired or not hired; and,
- (C) a statement from the Alaska Job Center Network that the employer did or did not comply with the recruitment requirements:
- (7) the name and location of the project for which the waiver is requested; and
- (8) an explanation of why each applicant referred was not hired.
- (f) The department will grant a waiver to employ an ineligible person if the employer establishes, to the department's satisfaction, that there are no qualified eligible residents for a specific job. A waiver granted by the department expires six months from the approval date, at the completion of the specific job for which the ineligible person was hired, or at the time the ineligible person terminates, whichever occurs first. The department will either grant or deny the waiver within 20 working days after receiving the request for a waiver and the supporting evidence required under (e) of this section.

8 AAC 30.081 8 AAC 30.088

(g) A waiver granted under this section will be determined invalid unless the same benefits provided to the ineligible nonresident, such as housing and transportation to the work site, are also offered and provided to eligible resident applicants.

(Eff. 9/27/87, Register 103; am 3/2/2008, Register 185)

Authority: AS 36.10.070 AS 36.10.140 AS 36.10.190 AS 36.10.075

AS 36.10.180

## 8 AAC 30.082. Department Determination of Eligibility for Preference.

- (a) Following a determination under this chapter that an area is a zone of preference, the department's assistance may be requested in determining a person's eligibility for a resident hiring preference in a craft or occupation on a public-funded project. Application for an eligibility determination must be made on a form available from the division or from any state employment center. An applicant may mail or deliver the completed application to the division or to any state employment center.
- (b) A person will be determined to be eligible for a resident hiring preference if the person establishes, to the department's satisfaction, that he or she meets the eligibility criteria in AS 36.10.140 and 36.10.150 36.10.175. An applicant will be notified of the department's determination.
- (c) The department will, in its discretion, request that an applicant provide additional information to the department. The additional information will be made a part of the application, and will, in the department's discretion, be used in determining the applicant's eligibility.
- (d) If a person is determined under this section to be ineligible, a new application may be submitted if there are new or previously undisclosed facts bearing upon eligibility. The applicant shall note that the application is not an initial application and shall set out the new or previously undisclosed facts.
- (e) An employer may rely on the department's determination of eligibility under this section in meeting the requirements of AS 36.10.140 (c) and 36.10.150 36.10.175.

(Eff. 9/27/87, Register 103)

Authority: AS 36.10.070 AS 36.10.075

AS 36.10.140

#### 8 AAC 30.084. Appeals of Eligibility Determinations.

- (a) A determination by the department under 8 AAC 30.082 that a person is not eligible for a resident hiring preference is final unless the applicant, or the applicant's representative, files a written appeal with the department within 20 days after receipt of the determination.
- (b) An appeal must contain the name and mailing address of the applicant, the reasons for the appeal, and any arguments or information in support of the appeal.
- (c) The department will, in its discretion, consider any relevant evidence in deciding an appeal even if the

evidence is not admissible under Alaska rules of evidence. The department will, in its discretion, request additional information from the applicant. The applicant must respond in writing to a request for additional information within 10 days after receipt of the request. The department will, in its discretion, grant an extension of time to an applicant for good cause shown.

- (d) Any notices or other documents in connection with an appeal will be mailed to the last address furnished by the applicant.
- (e) The department will issue a written decision on the appeal within 30 days after receipt of the appeal or within 30 days after the submission of additional information requested under (c) of this section. The decision will include findings of fact and conclusions of law, and will be served on all parties to the appeal. The decision under this subsection is the final decision of the department. (Eff. 9/27/87, Register 103)

Authority: AS 36.10.075 AS 36.10.140

#### 8 AAC 30.086. Approval of Job Training Programs.

- (a) For the purposes of AS 36.10.140 (a)(4), the following types of job training programs are approved:
- (1) a program approved by the Alaska Commission on Postsecondary Education, or by an equivalent agency in another state if the program is located in another state; or
- (2) a program approved by the federal bureau of apprenticeship and training.
- (b) For the purposes of AS 36.10.140 (a)(4), the following types of training programs will, in the department's discretion, be approved:
- (1) a program sponsored or conducted by an employer or union; or
- (2) a program approved under 29 U.S.C. 1501 1781 (Job Training Partnership Act).

(Eff. 9/27/87, Register 103)

Authority: AS 36.10.140

## 8 AAC 30.088. Computations Regarding Hiring Preference Requirements.

Computing the number of workers or positions for resident employment preference under AS 36.10 and this chapter might result in a number that contains a fraction. In such cases, the fraction is to be dropped. For example, a result of 4.8 workers should be shown as 4 workers.

(Eff. 9/27/87, Register 103)

Authority: AS 36.10.075

8 AAC 30.090 8 AAC 30.110

#### ARTICLE 4. INVESTIGATIONS AND HEARINGS.

#### Section:

90. Investigations, Conference, and Persuasion

100. Hearings

110. Decisions

## 8 AAC 30.090. Investigations, Conference, and Persuasion.

- (a) The division will investigate potential violations of AS 36 (Public Contracts), on its own motion or on the complaint of any person.
- (b) If the division finds after investigation that probable cause exists for believing that a violation of AS 36.05 or AS 36.10 has occurred, it will attempt to eliminate the unlawful practice by conference and persuasion as follows:
- (1) the division will provide the respondent believed to have violated AS 36.05 or AS 36.10 with a copy of the complaint or a description of the alleged violation and inform the respondent of the results of the division's investigation; and
- (2) the division will provide an opportunity for an informal conference with the respondent to discuss the matter and attempt to eliminate the alleged violations.
  - (c) [Repealed 1/2/91.]
- (d) If an alleged violation is not rectified by the informal conference or if the respondent fails to attend the conference without good cause, the division will refer the matter to the attorney general for enforcement under AS 36.05.030(b) or schedule a hearing.
- (Eff. 12/4/76, Register 60; am 7/30/82, Register 83; am 1/2/91, Register 116; am 8/9/01, Register 159; am 3/2/2008, Register 185)

Authority: AS 23.05.060 AS 36.10.075 AS 36.10.120 AS 36.05.030

#### 8 AAC 30.100. Hearings.

- (a) Both respondent and complainant may be represented by counsel. If counsel for a party notifies the division, in writing, that counsel is appearing in the matter on behalf of the party, service of notices, memoranda, recommendations, or other papers will be considered sufficient if made on counsel.
- (b) The division will give notice to the respondent and to the complainant, if any, of the time and place of the hearing on an alleged violation of AS 36.05 or AS 36.10 by certified mail, or by personal service at least 15 days before the hearing. Mailing to the last known address or the address listed with the division of occupational licensing for construction contractors shall be considered valid service. The notice will contain a copy of the complaint and a description of the alleged violation which will be considered at the hearing.
- (c) The location of the hearing will be designated by the division with due regard for the convenience of all persons involved. All hearings are public.
- (d) The director will appoint a wage and hour investigator or contract with an attorney licensed in this state to serve as hearing officer, to preside over the

hearing, and to make findings of fact and conclusions of law to be used as a basis for the director's decision. An investigator who has investigated the alleged violations or taken part in the informal conference under 8 AAC 30.090 will not be appointed hearing officer.

- (e) The hearing officer has full authority to control the procedure of the hearing and to rule on all motions and objections.
- (f) The hearing officer may admit any relevant evidence, regardless of the existence of any common law or statutory or court rule which might make improper the admission of such evidence over objection in civil actions, if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs. Hearsay evidence may be used for the purpose of supplementing or explaining any direct evidence but will not be sufficient in itself to support a finding unless it would be admissible over objection in civil actions.
- (g) Oral evidence must be given under oath or affirmation. A record of the proceedings will be kept.
- (h) The hearing officer, respondent, and complainant may
  - (1) call and examine witnesses;
- (2) cross-examine opposing witnesses on any matter relevant to the issue at hand even though that matter was not covered in direct examination; and
  - (3) introduce exhibits.
- (i) If the respondent or complainant does not testify in that person's own behalf, that person may be called and examined as if under cross-examination.
- (j) The hearing officer may, for good cause shown, continue a hearing from day to day or recess it to a later date or to a different place by announcement at the hearing or by notice.

(Eff. 12/4/76, Register 60; am 1/2/91, Register 116; am 8/9/01; Register 159)

Authority: AS 23.05.060 AS 36.10.075 AS 36.10.120 AS 36.05.030

#### 8 AAC 30.110. Decisions.

- (a) The hearing officer will prepare a written recommendation to the director containing findings of fact and conclusions of law. A copy of the recommendations will be mailed or otherwise delivered to the respondent and to the complainant, if any. The director will act upon the hearing officer's recommendation and render a final decision within 30 days.
- (b) Upon making a decision, the director will serve it upon the respondent and complainant, if any, by personal service or certified mail, return receipt requested. If the director determines that the respondent has violated AS 36.05 or AS 36.10, the decision may contain such cease and desist orders and other orders and relief, including a recommendation that the respondent be placed on a list of violators who are barred from performing public contracts as provided under AS 36.05.090 and AS 36.10.090, as the director considers appropriate to correct the unlawful conduct.

8 AAC 30.200 8 AAC 30.210

(c) If, after the director's decision finding the respondent in violation of AS 36.05 or AS 36.10 is served on the respondent, the director determines that the respondent has not ceased or has failed to correct the unlawful conduct, the director will refer the matter to the attorney general for enforcement.

(Eff. 12/4/76, Register 60; am 8/9/01, Register 159)

Authority: AS 23.05.060 AS 36.10.075 AS 36.10.125 AS 36.05.030

AS 36.10.120

#### ARTICLE 5. DEBARMENT.

#### Section:

200. Review and Recommendations

210. Hearings

220. Decisions

230. Appeals

240. Request for Removal

#### 8 AAC 30.200. Review and Recommendations.

- (a) Contractors or subcontractors who have disregarded their obligations to employees as defined in 8 AAC 30.900 may be subject to debarment for three years.
- (b) Debarment will be considered in those cases in which a contractor or subcontractor has committed willful, aggravated or repeated violations of the provisions of AS 36.05.
- (c) The standards to be considered in determining if the contractor's or subcontractor's violations merit recommendation for debarment are
  - (1) falsification or concealment of records;
  - (2) refusal to pay prevailing wages;
  - (3) failure to pay prevailing wages;
  - (4) extent and seriousness of the violations; or
- (5) three or more violations on the same or separate contracts within a five-year period.
- (d) A prime contractor may be considered for debarment in cases where the violations are committed by its subcontractors. Criteria considered in determining whether a prime should be debarred are:
- (1) a history of subcontractors violating under that prime;
- (2) failure of the prime contractor to notify its subcontractors of the requirements of AS 36.05; and
- (3) informing subcontractors how not to comply, or assisting a subcontractor in not complying with AS 36.05.
- (e) At the completion of an enforcement action against a contractor or subcontractor for a violation of AS 36.05, the investigator will review the file to determine if a recommendation for debarment is warranted in accordance with (c) or (d) of this section. If it is determined that a recommendation for debarment is proper, the investigator will forward the recommendation citing specific statutes through his or her supervisor to the director. The director will review the recommendation of

the investigator and determine if the case will be referred for hearing.

- (f) When, as a result of an investigation conducted by the department, the director finds reasonable cause to believe that a contractor or subcontractor has committed willful or aggravated violations of AS 36.05 which constitute a disregard of its obligations to employees under that chapter, the director shall notify by personal service or certified mail to the last known address, the contractor or subcontractor and its responsible officers, of the finding. The director shall afford the contractor or subcontractor and any other parties notified an opportunity for a hearing as to whether debarment action should be taken under AS 36.05.090. The director will furnish to those notified a summary of the investigative findings. If the contractor or subcontractor or any other parties notified request a hearing, the request must be made by letter postmarked within 30 days of the date of the letter from the director. The request must set forth any findings which are in dispute and the reasons therefore, including any affirmative defenses to be raised. Upon receipt of a request for a hearing, the director shall refer the case for hearing to determine the facts in dispute.
- (g) Hearings under this section shall be conducted in accordance with 8 AAC 30.210. If no hearing is requested within 30 days of the date of the director's letter, the director's findings shall be final.

(Eff. 1/2/91, Register 116)

Authority: AS 23.05.060 AS 36.05.030

AS 36.05.090

#### 8 AAC 30.210. Hearings.

- (a) The respondent may be represented by counsel. If counsel for a party notifies the division, in writing, that counsel is appearing in the matter on behalf of the party, service of notices, memoranda, recommendations, or other papers will be considered sufficient if made on counsel.
- (b) The division will give notice to the respondent of the time and place of the hearing on an alleged violation of AS 36.05 by certified mail or by personal service at least 15 days before the hearing. The notice will contain a summary of investigative findings that will be considered at the hearing. Service on the address a contractor or subcontractor has provided to the division of occupational licensing for the purpose of obtaining a contractor's license, or the last known address furnished by the contractor or subcontractor, shall be considered valid service.
- (c) The location of the hearing will be designated by the division with due regard for the convenience of all persons involved. All hearings are public.

8 AAC 30.210 8 AAC 30.240

- (d) The director will appoint a wage and hour investigator or contract with an attorney licensed in this state to serve as hearing officer to preside over the hearing and to make findings of fact and conclusions of law to be used as a basis for the director's decision. An investigator who has investigated the alleged violations or taken part in the informal conference under 8 AAC 30.090 will not be appointed hearing officer.
- (e) The hearing officer has full authority to control the procedure of the hearing and to rule on all motions and objections.
- (f) The hearing officer may admit any relevant evidence, regardless of the existence of any common law or statutory or court rule that might make improper the admission of such evidence over objection in civil actions, if the evidence is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs. Hearsay evidence may be used for the purpose of supplementing or explaining any direct evidence but is not sufficient in itself to support a finding unless the hearsay evidence would be admissible over objection in civil actions. The hearing officer may issue subpoenas at the request of either party or on the hearing officer's own motion.
- (g) Oral evidence must be given under oath or affirmation. A record of the proceedings will be kept.
- (h) The hearing officer, respondent, and complainant may
  - (1) call and examine witnesses;
- (2) cross-examine opposing witnesses on any matter relevant to the issue at hand even though that matter was not covered in direct examination; and
  - (3) introduce exhibits.
- (i) If the respondent does not testify in the respondent's own behalf, that person may be called and examined as if under cross-examination.
- (j) The hearing officer may, for good cause shown, continue a hearing from day to day or recess it to a later date or to a different place by announcement at the hearing or by notice.
- (k) The department has the burden of proving that the alleged violations have occurred. The standard of proof required is by a preponderance of the evidence.

(Eff. 1/2/91, Register 116; am 8/9/01, Register 159)

Authority: AS 23.05.060 AS 36.05.030 AS 36.05.090

#### 8 AAC 30.220. Decisions.

(a) Within 90 days of concluding a hearing, the hearing officer will prepare a written recommendation to the director containing findings of fact and conclusions of law. A copy of the recommendations will be mailed or otherwise delivered to the respondent and to the complainant, if any. The director may accept the recommendations, in part or in whole, or may remand the matter for further hearing. The director must act upon the hearing officer's recommendation and render a decision within 30 days.

- (b) Upon making a decision, the director will serve it upon the respondent by personal service or certified mail. If the director determines that the respondent has disregarded its obligations to employees under AS 36.05, the decision will order that the respondent be placed on a list of violators who are barred from performing public contracts as provided under AS 36.05.090.
- (c) In the absence of or in addition to action of a state disbursing officer or local fiscal officer, the department will distribute a list reflecting the names of debarred contractors and the effective period of the debarment.

(Eff. 1/2/91, Register 116; am 3/2/2008, Register 185)

Authority: AS 23.05.060 AS 36.05.030

AS 36.05.090

#### 8 AAC 30.230. Appeals.

The director's decision is final. Appeals must be filed in superior court in accordance with Alaska court Rules of Appellate Procedure.

(Eff. 1/2/91, Register 116; am 3/2/2008, Register 185)

Authority: AS 23.05.060 AS 36.05.030

AS 36.05.090

#### 8 AAC 30.240. Request for Removal.

Any person or firm debarred under AS 36.05.090 and 8 AAC 30.220 may, in writing, request removal from the debarment list after six months from the date the debarment took effect. All requests should be directed to the director of labor standards and safety and must contain a full explanation of the reasons why such person or firm should be removed from the debarred list. In cases where the contractor or subcontractor failed to make full restitution of wages and fringe benefit contributions to all underpaid employees, a request for removal will not be considered until all underpayments, including appropriate interest, are made. In other cases, the director will examine the facts and circumstances surrounding the violative practices which caused the debarment and issue a decision as to whether or not the person or firm has demonstrated a current responsibility to comply with AS 36.05 and therefore should be removed from the ineligible

(Eff. 1/2/91, Register 116)

Authority: AS 23.05.060 AS 36.05.030

AS 36.05.090

8 AAC 30.900 8 AAC 30.900

#### ARTICLE 6. GENERAL PROVISIONS.

#### Section:

900. General Definitions

910. Definition of "On-Site."

920. Definition of "Economic Region."

#### 8 AAC 30.900. General Definitions.

In this chapter and in AS 36

- (1) "commissioner" means the commissioner of labor and workforce development;
- (2) "crafts" and "occupations" mean the occupations identified in the Standard Occupational Classification Manual (1980 edition);
- (3) "debar" or "debarment" means being placed on a list of persons who are barred from performing public contracts under AS 36.05.090;
- (4) "department" means the Alaska Department of Labor and Workforce Development;
- (5) "director" means the director of the labor standards and safety division of the department;
- (6) "disregarded their obligations to employees" (or a grammatical variant) as used in AS 36.05.090 and this chapter includes any of the following:
- (A) failure or refusal to pay basic prevailing wages;
- (B) failure or refusal to pay fringe benefits into the appropriate union trust, approved private pension plan, or other approved fringe benefit plan within applicable time limits;
  - (C) failure to pay at least once a week;
  - (D) failure to pay unconditionally; or
- (E) failure to report wage payments to employees accurately and timely as required by AS 36.05.040;
- (7) "division" means the labor standards and safety division of the department:
- (8) "eligible resident" means a person who meets the requirements of AS 36.10.140(a) and AS 01.10.055 and who, under 8 AAC 30.072, would be determined to be a resident of an area that has been determined by the department under this chapter to be a resident hiring zone of preference;
- (9) "hire" and its derivatives mean engaging an individual to work on a public-funded project, and includes the transfer of an existing employee from one location to another or from one craft or occupation to another;
- (10) "interest" as used in AS 36.05.090 means more than five percent investment in a partnership or association, more than ten percent share in stock in a corporation, or holding any elected or appointed office in the business entity;
- (11) "majority penetration" means that the majority of qualified laborers, mechanics, and field surveyors working at a particular skill level in a particular job class, as indicated by response to a department survey, receive a particular wage;

- (12) "marginally employed" means that a person is employed for fewer than 30 hours a week and the person wishes to work 30 hours or more a week;
- (13) "owner/operator" as used in 8 AAC 30.020 (d) means those independent contractors who by virtue of the duties they perform, or the manner in which they perform them, cannot be considered employees of the person or entity who has contracted for their services. In making this determination, the department will use the criteria established by the Alaska Supreme Court in Jeffcoat v. State, Dept. of Labor, Sup. Ct. Op. No. 3162 (File No. S-1444), 732 P.2d 1073 (1987). These criteria include
- (A) the degree of the alleged employer's right to control the manner in which the work is to be performed:
- (B) the alleged employee's opportunity for profit or loss depending upon their managerial skill;
- (C) the alleged employee's investment in equipment or materials required for their task, or their employment of helpers;
- (D) whether the service rendered requires a special skill;
- (E) the degree of permanence of the working relationship; and
- (F) whether the service rendered is an integral part of the alleged employer's business.
  - (14) [repealed 8/9/01;]
- (15) "person" and "persons" as used in AS 36.05.090 means a person as that term is defined in AS 01.10.060 (8);
- (16) "prevailing wage rate" means the total of the basic hourly rate, health and welfare, pension, legal service, apprentice training payments and other fringe benefits which inure to the benefit of the worker, as published by the department;
- (17) "public-funded project" means a project described in AS 36.10.180 and AS 36.95.010 (3);
- (18) "qualified" means having the education, training and experience necessary to perform the duties and satisfy the terms and conditions which are usual for the industry or profession or having the status specified in AS 36.95.010 (4);
- (19) "state agency" means a state agency described in AS 36.10.180 (a)(1);
- (20) "state employment centers" means those offices maintained by the department whose functions are to aid the unemployed in finding employment;
- (21) "underemployed" means employed in a job that requires less skill or training than a job for which the employee is trained and qualified.

(Eff. 7/8/73, Register 47; am 12/4/76, Register 60; am 7/30/82, Register 83; am 9/27/87, Register 103; am 1/2/91, Register 116; am 8/9/01, Register 159)

Authority: AS 23.05.060 AS 36.10.075

AS 36.95.010 AS 36.05.030

AS 36.10.140

8 AAC 30.910 8 AAC 30.910

#### Editor's note:

Copies of the Standard Occupational Classification Manual adopted by reference in 8 AAC 30.900(2) are available for review at the Anchorage, Fairbanks, and Juneau offices of the department.

As of Register 151 (October 1999), the regulations attorney made technical revisions under AS 44.62.125 (b)(6) to reflect the name change of the Department of Labor to the Department of Labor and Workforce Development made by ch. 58, SLA 1999 and the corresponding title change of the commissioner of labor.

#### 8 AAC 30.910. Definition of "On-Site."

- (a) In AS 36.95.010(3), "on-site" means at the physical place where the construction called for in a contract will remain when work on it has been completed and at other property used by the contractor or subcontractor in the construction which can reasonably be said to be included in the site because of proximity. The scope of "on-site"
  - (1) has the following exceptions:
- (A) for a truck driver employee or truck driver owner/operator working for a contractor or subcontractor on the project, "on-site" encompasses all round-trip truck driving activity associated with delivering or hauling away materials, equipment, or supplies for the purposes of completing a public construction contract;
- (B) for a truck driver employee or truck driver owner/operator who is working for a contractor or subcontractor on the project, and who, for the purposes of completing a public construction contract, hauls materials, equipment, or supplies away from a public construction project footprint, but does not return to the public construction project, "on-site" encompasses the haul-away activities until the truck is offloaded;
- (C) a truck driver performing delivery as an employee of a bona fide material supplier or common carrier is not "on-site" when delivering materials from a location that is not "on-site," including that material supplier's home yard or warehouse, if that location is not dedicated exclusively or nearly so to performance of one or more public construction projects;
- (2) is extensive for larger projects, including airports, dams and roads, and includes the whole area in which the contract construction activity will take place; work areas separate from the physical footprint of the construction activity, including fabrication plants, mobile factories, batch plants, borrow pits, rock quarries, job headquarters, tool yards, and similar work areas, are "onsite" if they are in close proximity and are dedicated exclusively or nearly so to performance of one or more public construction projects during the period of contract construction activity;
- (3) for smaller projects, normally includes no more than the building itself and its grounds and other land or structures that are "down the block" or "across the street" that the contractor or subcontractor uses in performance of a particular public construction project.

- (b) Laborers, mechanics, or field surveyors who perform duties within the limits of "on-site" are subject to the department's wage decision for all hours spent working "on-site." Workers who, under this subsection, are subject to the department's wage decision include
  - (1) flaggers;
- (2) barricade suppliers who set up or move barricades or other traffic control devices;
- (3) employees of bona fide material suppliers or common carriers who perform work "on-site," other than mere delivery, including drivers or delivery workers assisting in specific placement of asphalt or concrete during construction operations, stocking materials in rooms or on floors, or otherwise performing work in construction;
- (4) workers who perform mobilization or demobilization activities;
- (5) workers contracted or employed by material or equipment suppliers who erect, clean, repair, construct, or perform operational checks, other than contractually obligated warranty work, on equipment or material located "on-site"; and
- (6) laborers, mechanics, or field surveyors who are engaged by a person or business that is hired or contracted by a prime construction contractor or subcontractor to provide services that are integral and necessary to the construction project; workers who are subject to this paragraph
- (A) shall be considered to be "on-site" in the performance of those duties that the contractor or subcontractor was required to perform;
- (B) include a trucking firm other than a common carrier whose services are engaged by a construction contractor or subcontractor on a public works job to pick up materials from a supplier's delivery point and transport them to the job site.
- (c) Not included in "on-site" are permanent home offices, branch plants, fabrication plants, tool yards, and other establishments of a contractor or subcontractor whose locations and continuance are governed by its general business operations. This is so even though mechanics, laborers, and field surveyors working at these establishments may repair or maintain machinery used in contract performance or make doors, windows, frames, or forms called for by the contract while continuing normal commercial work. Regardless of the activities performed at these establishments, the department's wage decision does not apply, because they are not "on-site." However, if mechanics, laborers, or field surveyors are required to go to a place that is "on-site" to perform activities on the contract, the department's wage decision is applicable for the actual time so spent, not including travel.

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- (d) For purposes of this section, a location or work area, or the existence or continuing operation of an enterprise, is dedicated exclusively or nearly so to one or more public construction projects if
- (1) the location, work area, or enterprise is established in conjunction with one or more public construction projects; and
- (2) during the year before a public construction project and during the life of a public construction project, less than 10 percent of documented sales or other uses are attributed to non-public construction projects.
- (e) For purposes of this section, a site is in proximity to a public construction project if it is nearby the public construction project footprint and used on a regular and recurring basis to complete the public construction contract. The department will determine whether a site is in proximity to a public construction project on a project-by-project basis, taking into account
  - (1) the type of project;
- (2) whether the use of a nearby site is required for completion of the project;
- (3) whether the area of contract operations is developed or undeveloped; and
  - (4) the geographical lay of the land.
  - (f) In this section,
    - (1) "bona fide material supplier"
- (A) means a commercial enterprise that holds itself out to the public as offering to supply sand, gravel, ready-mixed concrete, hot asphalt, or other construction materials to multiple clients for both public and private jobs;
- (B) does not include a commercial enterprise whose existence or continuing operation is dedicated exclusively or nearly so to one or more public construction projects;
  - (2) "common carrier"
- (A) means a commercial enterprise that holds itself out to the public as offering to transport freight or passengers and delivers multiple types of materials to multiple clients for both public and private jobs on a recurrent basis over established routes; in this subparagraph, "freight"
- (i) means materials, supplies, and equipment, other than materials described in (ii) of this subparagraph;
- (ii) does not include dirt, sand, gravel, rock, or other naturally occurring earth materials:
- (B) does not include a commercial enterprise whose existence or continuing operation is dedicated exclusively or nearly so to one or more public construction projects.

(Eff. 7/30/82, Register 83; am 1/2/91, Register 116; am 8/9/01, Register 159; am 3/24/11, Register 197) Authority: AS 23.05.060 AS 36.05.030 AS 36.10.075 In AS 36.10, "economic region" means a geographic area of the state sharing similar economic or demographic characteristics.

(Eff. 9/27/87, Register 103)

Authority: AS 36.10.075 AS 36.10.990

#### **Editor's note:**

Forms and any other assistance needed for compliance with 8 AAC 30 may be obtained by contacting any state employment center or the Department of Labor and Workforce Development, Wage and Hour Administration, Anchorage, Alaska 99504.

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## LABOR STANDARDS REGULATIONS NOTICE REQUEST

If you would like to receive Wage and Hour or Mechanical Inspection publications or regulations information, please indicate below which programs you would like, print your name and mailing address in the space provided, and mail this page to:

Alaska Department of Labor and Workforce Development Wage and Hour Administration 1251 Muldoon Road, Suite 113 Anchorage, Alaska 99504

For REGULATIONS Information relating to a	any of the following:
☐ Wage and Hour Title 23 Employment Pract	ices
☐ Wage and Hour Title 36 Public Works	
☐ Current Prevailing Wage Rates	
☐ Employment Agencies	
☐ Child Labor	
☐ Employment Preference (Local Hire)	
☐ Plumbing Code	
☐ Electrical Code	
☐ Boiler/Pressure Vessel Construction Code	
☐ Elevator Code	
☐ Certificates of Fitness	
☐ Recreational Devices	
Request any of the following PUBLICATION	IS by checking below:
☐ Wage and Hour Title 23 Employment Practi	ices
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