



## National Petroleum Reserve-Alaska (NPR-A) Program Grant Agreement

Grant Agreement Number <b>22-NPRA-19</b>	CFDA <b>15.227</b>	Vendor Number <b>CIB84781</b>	Appropriation Unit Number <b>089851063</b>	Amount of Funds <b>\$950,000.00</b>
SLA / HB / Chapter / Section / Page / Line <b>2021/69/1/40(a)/131/10</b>			Project Title <b>Purchase of new auger</b>	
<b>Grantee</b>			<b>Department Contact Person</b>	
Name <b>City of Utqiagvik</b>		DUNS # <b>171147002</b>	Name <b>Judy Haymaker</b>	
Street/PO Box <b>PO Box 629</b>			Title <b>Grants Administrator II</b>	
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### AGREEMENT

The Alaska Department of Commerce, Community, and Economic Development, Division of Community and Regional Affairs (hereinafter 'Department') and **City of Utqiagvik** (hereinafter 'Grantee') agree as set forth herein.

**Section I.** The Department shall pay the Grantee for the performance of the project work under the terms outlined in this agreement. The amount of the payment is based upon project expenditures, which are authorized under this Agreement. In no event shall the payment exceed **\$950,000.00**.

**Section II.** The Grantee shall perform all of the work required by this Agreement.

**Section III.** The work to be performed under this agreement begins **April 15, 2021** and shall be completed no later than **June 30, 2026**.

**Section IV.** The agreement consists of this page and the following:

#### ATTACHMENTS

- Attachment A: Scope of Work
1. Project Description
  2. Project Budget
  3. Project Narrative
  4. Project Management/Reporting
  5. Forms Packet
- Attachment B: Payment Method  
Attachment C: Standard Provisions

#### APPENDICES

- Appendix A: Audit Regulations  
Appendix B: Insurance and Bonding  
Appendix C: State Laws and Regulations  
Appendix D: Special Requirements and Assurances for Federally Funded Projects (if applicable)  
Appendix E: Site Control  
Appendix F: State Fire Marshal Review

AMENDMENTS: Any fully executed amendments to this Agreement.

<b>Grantee</b>	<b>Department</b>
Signature <i>Fannie Suvlu</i>	Signature <i>Pauletta Bourne</i>
Printed Name and Title <b>Fannie Suvlu, Mayor</b>	Printed Name and Title <b>Pauletta Bourne, Grants Administrator III</b>
Date <b>1/31/22</b>	Date <b>1.31.2022</b>

## Attachment A Scope of Work

### 1. Project Description

This project will provide National Petroleum Reserve-Alaska (NPR-A) grant funds to the City of Utqiagvik for the purchase of a new auger; pursuant to the provisions of AS 37.05.530(a) and 42 USC 6506a(l) or former 42 USC 6508 and appropriated per SLA 2021, HB 69, Chapter 1, Section 40(a), Page 131, Line 10. This award is not for Research and Development.

Population increase is a major impact on the city of Utqiagvik. As the population increases, so does the demand for services and equipment to support the community. The auger is vital to the community, it is used to break through the permafrost to dig graves and to create utility lines to connect homes to the sewer system.

For over 20 years, the city and Barrow Utilities Electric Coop Inc. (BUECI) have been sharing the use of an auger. Over the last year, the auger has been down on more than one occasion and the community is having to dig graves by hand, using jack hammers to break through the permafrost. This prolongs the funeral wait time for families and adds stress to an already grief filled and exhaustive situation. Trenches cannot be dug to connect the new construction to the city sewer system. The community is then forced to use honey buckets or have a holding tank for sewers in the interim. BUECI uses the auger to create utility lines to connect homes in the community, and during this time BUECI is on hold and cannot dig trenches to connect the new construction to the city sewer system.

The city will purchase an auger that meets the specifications for drilling in the Arctic. The city will need to follow procurement procedures-and verify prior to signing a purchase/contract agreement for the auger that the company has an active business license and is in good standing to do business. A copy of the executed purchase agreement will be provided to the Department.

Through an updated Memorandum of Agreement (MOA), BUECI will provide housing and maintenance for the auger.

### 2. Project Budget

Cost Category	Authorized Budget
Equipment Purchase/Freight	\$900,000.00
Training/Travel	\$50,000.00
<b>TOTAL</b>	<b>\$950,000.00</b>

### 3. Budget Narrative – The NPR-A budget was computed as follows:

**Equipment purchase/freight:** Grant funds will be used to purchase an auger, heated cab, supplies for the auger, and freight to Utqiagvik.

**Training/Travel:** Grant funds will be used to send two city and two Barrow Utilities Electric Coop Inc. (BUECI) employees out of state for a five-day training on how to operate and maintain the auger. Costs will include training, air fare, lodging, per diem and car rental. After the city receives the auger, a trainer from out of state will come to Utqiagvik to work with the city and BUECI employees on any troubleshooting issues after delivery and further training on operation and maintenance of auger. The training cost will also include one-year online operation and maintenance training as needed.

#### 4. Project Management/Reporting

This project will be managed by the Grantee.

Signatory authority for execution of the grant agreement and subsequent amendments is granted to the mayor. The mayor may delegate signatory authority for executing the grant agreement and amendments to others within the borough government via the Signatory Authority Form. The mayor may also designate financial and progress reporting authority via the Signatory Authority Form. Such delegation is limited to others within the borough government, unless otherwise approved by the Department.

The Grantee must establish and maintain separate accounting for the use of NPR-A grant funds. The use of NPR-A grant funds in any manner contrary to the terms and conditions of this grant agreement may result in the subsequent revocation of the grant and any balance of funds under the grant. It may also result in the Grantee being required to return such amounts to the State.

The Grantee must submit a **NPR-A Grant Financial/Progress Report Form** (see attached example) each month, or quarterly, with the concurrence of the Department, during the life of the grant agreement. NPR-A Grant Financial/Progress Report Form is **due thirty (30) days** after the end of the month or quarter being reported. The report period is the first of the month through the last day of the month. If quarterly reporting is approved, the report period is the first day of the first month through the last day of the third month of the quarter.

The final Financial/Progress Report must be submitted within thirty (30) days following completion of the project. All project activities must be completed with all costs paid and deliverables received prior to the end date referenced in Section III. Under no circumstances will the Department release funds to the Grantee unless all required reporting is current.

The Grantee must submit documentation for all expenditures related to the use of NPR-A grant funds with the monthly/quarterly NPR-A Grant Financial/Progress Reports. Examples of documentation include, but are not limited to, invoices and bills along with proof of payment; copies of payroll records including signed and approved timesheets, payroll checks and fringe benefit costs.

The Grantee must include a narrative on each monthly/quarterly **NPR-A Grant Financial/Progress Report Form** with details on the progress made during the monthly/quarterly report period, anticipated project timeline, explanation of any problems or delays, and justification for any extension needed to the original grant term. For those periods when no activity has occurred, the narrative must specify reason(s) along with details on when the project is expected to commence. **In no case will the Department process reimbursement requests from a NPR-A Grant Financial/Progress Report Form unless the report includes project details as noted above.**

#### 5. NPR-A Grant Forms Packet

The following page is the NPR-A Grant Financial/Progress Report Form to be used by the Grantee for monthly/quarterly reporting. Additional copies of the form are available from the Department, electronically or in hard copy.



## **Attachment B Payment Method**

### **1. Reimbursement Payment**

Upon receiving and approving a Grantee's financial/progress reports, the Department will reimburse the Grantee for costs incurred during the reporting period, in accordance with this Grant Agreement. The Department will not reimburse without approved financial/progress reports, prepared and submitted by the Grantee on the forms provided in Attachment A. Before approving the financial/progress reports for payment, the Department may require the Grantee to submit documentation of the costs reported (e.g., vendor billings, timesheets, payroll tax form), including match contribution expenditures.

### **2. Advance Payment**

In most instances, the Department will make payment to a Grantee on a cost reimbursable basis. If cost reimbursement significantly inhibits the Grantee's ability to implement the project, the Department may consider an advance payment.

The Department may advance to the Grantee an amount not to exceed a projected thirty (30) day cash need, or twenty percent (20%) of the amount in Section I, whichever is less. Before the Department will issue an advance, the Grantee must submit a "Request for Advance Payment" form along with documentation of costs associated with the advance. The "Request for Advance Payment" form can be obtained from the Department electronically or in hard copy.

All advances will be recovered with the Grantee's next Financial/Progress Report form. Should earned payments during the terms of this Grant Agreement be insufficient to recover the full amount of the advance, the Grantee will repay the unrecovered amount to the Department when requested to do so by the Department, or at termination of the Grant Agreement.

### **3. Withholding of Ten Percent (10%)**

The Department may withhold ten percent (10%) of the amount in Section I until the Department determines that the Grantee has satisfactorily completed the terms of this grant agreement, including all required reporting and submission of photographs of the project.

## **Attachment C Standard Provisions**

### **Article 1. Definition**

“Department” refers to the Department of Commerce, Community, and Economic Development with the State of Alaska.

### **Article 2. Indemnification**

It is understood and agreed that this Grant Agreement is solely for the benefit of the parties to the Grant Agreement and gives no right to any other party. No joint venture or partnership is formed as a result of the Grant Agreement.

The Grantee, its successors and assigns, will protect, save, and hold harmless the Department and the State of Alaska and their authorized agents and employees, from all claims, actions, costs, damages or expenses of any nature whatsoever by reason of the acts or omissions of the Grantee, its subcontractors, assigns, agents, contractors, licenses, invitees, employees or any person whomever arising out of or in connection with any acts or activities authorized by this Grant Agreement. The Grantee further agrees to defend the Department and the State of Alaska and their authorized agents and employees in any litigation, including payment of any costs or attorney’s fees for any claims or actions commenced thereon arising out of or in connection with acts or activities authorized by this Grant Agreement. This obligation shall not include such claims, costs, damages or expenses which may be caused by the sole negligence of the Department of the State of Alaska or their authorized agents or employees, provided, that if the claims or damages are caused by or result from the concurrent negligence of (a) the Department and the State of Alaska and their agents or employees, and (b) the Grantee, its agents or employees, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Grantee, or Grantee’s agents or employees.

### **Article 3. Legal Authority**

The Grantee certifies that it possesses legal authority to accept grant funds under the State of Alaska and to execute the project described in this Grant Agreement by signing the Grant Agreement document. The Grantee’s relation to the Department and the State of Alaska shall be at all times as an independent Grantee.

### **Article 4. Waivers**

No conditions or provisions of this Grant Agreement can be waived unless approved by the Department in writing. The Department’s failure to insist upon strict performance of any provision of the Grant Agreement, or to exercise any right based upon a breach thereof, or the acceptance of any performance during such a breach, shall not constitute a waiver of any right under this Grant Agreement.

### **Article 5. Access to Records**

The Department and duly authorized officials of the State of Alaska shall have full access and the right to examine, excerpt, or transcribe any pertinent documents, papers, records, and books of the Grantee, and of persons or organizations with which the Grantee may contract, involving transactions related to the project and this Grant Agreement.

### **Article 6. Reports**

The Grantee, at such times and in such forms as the Department may require, shall furnish the Department with such periodic reports as it may request pertaining to the activities undertaken pursuant to this Grant Agreement, including the final close-out report, the costs and obligations incurred in connection therewith, and any other matters covered by this Grant Agreement.

### **Article 7. Retention of Records**

The Grantee shall retain financial and other records relating to the performance of this Grant Agreement for a period of six years from the date when the final financial status report is submitted to the Department, or until final resolution of any audit findings, claims, or litigation related to the grant.

### **Article 8. Assignability**

The Grantee shall not assign any interest in this Grant Agreement and shall not transfer any interest in the same (whether by assignment or notation).

#### **Article 9. Financial Management and Accounting**

The Grantee shall establish and maintain a financial management and accounting system that conforms to generally accepted accounting principles.

#### **Article 10. Program Income**

Program income earned during the award period shall be retained by the Grantee and added to the funds committed to the award and used for the purpose and under the conditions applicable to the use of award funds.

#### **Article 11. Amendments and Modifications**

The Grantee or the Department may request an amendment or modification of this Grant Agreement. However, such amendment or modification shall not take effect until approved, in writing, by the Department and the Grantee.

#### **Article 12. Procurement**

The Grantee may utilize their own written procurement procedures, if those processes are consistent with the specific applicable procurement standards identified in 2 CFR 200.318 through 200.326.

#### **Article 13. State or Federal Excluded Parties List Report**

The grantee is responsible for ensuring that all sub-grantees or sub-contractors are not listed on the 'Excluded Parties List Report', either State or Federal, which identifies those parties excluded throughout the U.S. Government (unless otherwise noted) from receiving Federal contracts or certain subcontracts and from certain types of Federal financial and non-financial assistance and benefits.

#### **Article 14. Recordkeeping**

The Grantee agrees to keep such records as the Department may require. Such records will include information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income. They will also include information pertaining to project performance and efforts to comply with the provisions of the Grant Agreement.

#### **Article 15. Obligations Regarding Third-Party Relationships**

None of the work specified in this Grant Agreement shall be contracted by the Grantee without prior approval of the Department. No permission for subcontracting shall create, between the Department or the State of Alaska and the subcontractor, any contract or any relationship.

The Grantee shall remain fully obligated under the provisions of this Grant Agreement notwithstanding its designation of any third party or parties of the undertaking of all or any part of the project described herein. Any subcontractor that is not the Grantee shall be required by the Grantee to comply with all the provisions of this Grant Agreement.

The Grantee shall bind all subcontractors to each and every applicable Grant Agreement provision. Each subcontract for work to be performed with funds granted under this Grant Agreement shall specifically include a provision that the Department and the State of Alaska are not liable for damages or claims from damages arising from any subcontractor's performance or activities under the terms of the subcontracts.

#### **Article 16. Conflict of Interest**

No officer or employee of the Department; no member, officer or employee of the Grantee or its designees or agents; no member of the governing body of the jurisdiction in which the project is undertaken or located; and no other official of such locality or localities who exercises any functions or responsibilities with respect to the project during his or her tenure, shall have any personal or pecuniary gain or interest, direct or indirect, in any contract, subcontract, or the proceeds thereof, for work to be performed in connection with the project assisted under this Grant Agreement.

The Grantee shall incorporate, or cause to incorporate, in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purpose of this provision.

#### **Article 17. Political Activity**

No portion of the funds provided hereinunder shall be used for any partisan political activity or to further the election or defeat of any candidate for public office or influence the approval or defeat of any ballot issue.

**Article 18. Notices**

The Grantee shall comply with all public notices or notices to individuals required by applicable state and federal laws and shall maintain a record of this compliance.

**Article 19. Prohibition Against Payment of Bonus or Commission**

The assistance provided under this Grant Agreement shall not be used in payment of any bonus or commission for the purpose of obtaining approval or concurrence under this contract provided, however, that reasonable fees of bona fide technical consultant, managerial, or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as project costs.

**Article 20. Termination by Mutual Agreement**

This Grant Agreement may be terminated, in whole or in part, prior to the completion of contract project activities when both parties agree that continuation is not feasible or would not produce beneficial results commensurate with the further expenditure of funds. The Department will determine whether an environmental review of the cancellation is required under State and/or Federal law. The parties must agree on the termination conditions, including effective date and the portion to be terminated. The Grantee shall not incur new obligations for the terminated portion after the effective date and shall cancel as many outstanding obligations as possible. The Department shall make funds available to the Grantee to pay for allowable expenses incurred before the effective date of termination.

**Article 21. Termination for Cause**

If the Grantee fails to comply with the terms of this Grant Agreement, or fails to use the grant for only those purposes set forth herein, the Department may take the following actions:

- A. Suspension - After notice in writing by certified mail to the Grantee, suspend the grant and withhold any further payment or prohibit the Grantee from incurring additional obligations of grant funds, pending corrective action by the Grantee or a decision to terminate. Response must be received within fifteen (15) days of receipt of the written notice.
- B. Termination - Terminate the grant in whole or in part, at any time before the final grant payment is made. The Department shall promptly notify the Grantee in writing of its determination to terminate, the reason for such termination, and the effective date of the termination. Payments made to the Grantee or recoveries by the Department shall be in accordance with the legal rights and liabilities of the parties.

**Article 22. Withdrawal of Funds**

In the event funding from the state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Grant Agreement and prior to normal completion, the Department may terminate the agreement, reduce funding, or re-negotiate subject to those new funding limitations and conditions. A termination under this article shall be implemented under the same conditions as a termination under Article 19 of this Attachment.

**Article 23. Recovery of Funds**

In the event of a default or violation of the terms of the Grant Agreement by the Grantee, the Department may institute actions to recover all or part of the project funds paid to the Grantee. Repayment by the Grantee of grant funds under this recovery provision shall occur within thirty (30) days of demand.

All remedies conferred on the Department by this agreement or any other instrument or agreement are cumulative, not exclusive, and may be exercised concurrently or consecutively at the Department's option.

**Article 24. Disputes**

Except as otherwise provided in this agreement, any dispute concerning a question of fact arising under this agreement that is not disposed of by mutual agreement shall be decided by the Department, which shall reduce its decision to writing and mail, or otherwise furnish a copy thereof, to the Grantee. The decision of the Department shall be final and conclusive.



This "Disputes" clause does not preclude the consideration of questions of law in connection with the decision provided for in the preceding paragraph provided that nothing in the Grant Agreement shall be construed as making final the decisions of any administrative official, representative, or board on a question of law.

**Article 25. Jurisdiction**

This Grant Agreement shall be governed by the laws and statutes of the State of Alaska. The venue of any suit hereunder may be in the Superior Court for the First Judicial District, Juneau, Alaska.

**Article 26. Ownership of Project/Capital Facilities**

The Department makes no claim to any capital facilities or real property improved or constructed with funds under this Grant Agreement and, by this grant of funds, does not and will not acquire any ownership interest or title to such property of the Grantee. The Grantee shall assume all liabilities arising from the ownership and operation of the project and agrees to hold the Department and the State of Alaska harmless from any and all causes of action arising from the ownership and operation of the project.

**Article 27. Site Control**

If the grant project involves the occupancy and use of real property, the Grantee assures that it has the legal right to occupy and use such real property for the purposes of the grant, and further that there is legal access to such property.

**Article 28. Insurance**

The Grantee is responsible for obtaining any necessary liability insurance. In addition, the Grantee shall provide and maintain Workers' Compensation Insurance as required by AS 23.30 for all employees engaged in work under this Grant Agreement. The Grantee shall require any contractor to provide and maintain Workers' Compensation Insurance for its employees as required by AS 23.30. The Grantee shall require any contractor hired to work on the project be licensed, bonded and insured for at least the amount of the project and if appropriate provide and maintain Professional Liability Insurance.

**Article 29. Subcontracts for Engineering Services**

In the event that the Grantee subcontracts for engineering services, the Grantee will require that the engineering firm certify that it is authorized to do business in the State of Alaska. In the event that the engineering firm is also the project administrator, the Grantee shall require that the bond or insurance shall be for not less than the amount of the entire project.

**Article 30. Governing law**

This Grant Agreement is governed by the laws of the State of Alaska. The Grantee shall perform all aspects of this project in compliance with the appropriate laws and regulations. It is the responsibility of the Grantee to ensure that all permits required for the construction and operation of this project by the Federal, State or Local governments have been obtained.

**Article 31. Budget Flexibility**

Notwithstanding the provisions of Article 11, Attachment C, the Grantee may revise the project budget in Attachment A without a formal amendment to this agreement. Such revisions are limited within each line item to a maximum of ten percent (10%) of the line item or \$10,000, whichever is less, over the entire term of this agreement. Such budget revisions shall be limited to changes to existing budget line items. Budget revisions may not be used to increase any budget item for project administrative expenses. Changes to the budget beyond the limits authorized by this provision may only be made by a formal amendment to this agreement.

**Article 32. Equal Employment Opportunity (EEO)**

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

The Grantee shall state, in all solicitations or advertisements for employees to work on state funded projects, that it is an equal opportunity employer (EEO) and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy or parenthood.

The Grantee shall include the provisions of this EEO article in every contract relating to this Grant Agreement and shall require the inclusion of these provisions in every agreement entered into by any of its contractors, so that those provisions will be binding upon each contractor or subcontractor.

**Article 33. Americans with Disabilities Act**

The Americans with Disabilities Act (ADA) prohibits discrimination against persons with disabilities. Title I of the ADA prohibits discrimination against persons with disabilities in employment and provides that a reasonable accommodation be provided for applicants and employees. Title II of the Act prohibits public agencies from discriminating against individuals with disabilities in the provision of services, programs, or activities. Reasonable accommodation must be made to ensure or allow access to all services, programs, or activities. This section of the Act includes physical access to public facilities and requires that public entities must, if necessary, make modifications to their facilities to remove physical barriers to ensure access by persons with disabilities. All new construction must also be accessible to persons with disabilities. A public entity's subgrantees or contractors must also comply with the ADA provisions. Grantees are responsible for assuring their compliance with the ADA.

**Article 34. Public Purposes**

The Grantee agrees that the project to which this Grant Agreement relates shall be dedicated to public purposes for its useful life. The benefits of the project shall be made available without regard to race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy or parenthood.

If the Grantee is a non-municipal entity and if monies appropriated under this grant constitute the sole or principal funding source for the acquisition of equipment or facilities, the Grantee agrees that in the event a municipal corporation is formed which possesses the power and jurisdiction to provide for such equipment or facilities, the Grantee shall offer, without compensation, to transfer ownership of such equipment or facilities to the municipal corporation.

If the Grantee is a non-profit corporation that dissolves, the assets and liabilities from the grant project are to be distributed according to statutory law, AS 10.20.290-10.20.452.

**Article 35. Operation and Maintenance**

Throughout the life of the project, the Grantee shall be responsible for the operation and maintenance of any facility, equipment, or other items acquired under this grant.

**Article 36. Assurance**

The Grantee shall spend monies awarded under this grant only for the purposes specified in this Grant Agreement.

**Article 37. Current Prevailing Rates of Wage**

Certain grant projects are constrained by the provisions of AS 36. PUBLIC CONTRACTS. To the extent that such provisions apply to the project, which is the subject of this Grant Agreement, the Grantee shall pay the current prevailing rates of wage to employees as required by AS 36.05.010. The Grantee also shall require any contractor to pay the current prevailing rates of wage as required by AS 36.05.010.

**Article 38. Severability**

If any provision under this Grant Agreement or its application to any person or circumstance is held invalid by any court of rightful jurisdiction, this invalidity does not affect other provisions of the contract agreement which can be given effect without the invalid provision.

**Article 39. Performance**

The Department's failure to insist upon the strict performance of any provision of the Grant Agreement or to exercise any right based upon breach thereof or the acceptance of any performance during such breach, shall not constitute a waiver of any rights under this Grant Agreement.

**Article 40. Sovereign Immunity**

If the Grantee is an entity which possesses sovereign immunity, it is a requirement of this grant that the Grantee irrevocably waive its sovereign immunity with respect to state enforcement of this Grant Agreement. The waiver of sovereign immunity, effected by resolution of the entity's governing body, is herein incorporated into this Grant Agreement.

**Article 41. Audit Requirements**

The Grantee shall comply with the audit requirements established in 02 AAC 45.010 and U.S. Office of Management and Budget 2 CFR Part 200 Subpart F – Audit Requirements as set forth in Appendix A of this grant agreement.

**Article 42. Close-Out**

The Department will advise the Grantee to initiate close-out procedures when the Department determines, in consultation with the Grantee, that there are no impediments to close-out and that the following criteria have been met or soon will be met:

- A. All costs to be paid with grant funds have been incurred with the exception of close-out costs and any unsettled third-party claims against the Grantee. Costs are incurred when goods and services are received, or contract work is performed.
- B. The last required performance report has been submitted. The Grantee's failure to submit a report will not preclude the Department from effecting close-out if it is deemed to be in the State's interest. Any excess grant amount that may be in the Grantee's possession shall be returned by the Grantee in the event of the Grantee's failure to finish or update the report.
- C. Other responsibilities of the Grantee under this Grant Agreement and any close-out agreement and applicable laws and regulations appear to have been carried out satisfactorily or there is no further State interest in keeping the grant open for the purpose of securing performance.

## **Appendix A Audit Regulations**

CFDA Number 15.227, Distribution of Receipts to State and Local Governments, Department of the Interior, Bureau of Land Management.

These funds are subject to U.S. Office of Management and Budget 2 CFR Part 200 Subpart F – Audit Requirements.

## Appendix B Insurance and Bonding

Grantee agrees it will comply with the following insurance and bonding requirements for itself and contractors.

### I. Insurance

Without limiting Grantee's and Grantee's contractor's indemnification, it is agreed that the Grantee and Grantee's contractors shall purchase at their own expense and maintain in force at all times during the performance of services under this Grant Agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the policy contains higher limits, the Department shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the Contracting Officer prior to beginning work and must provide for a thirty (30) day prior notice of cancellation, non-renewal or material change. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach and grounds for termination of the Grant Agreement and/or contractor's services.

#### 1.1 Worker's Compensation Insurance

The Grantee and its contractors shall provide and maintain, for all employees of the Grantee and its contractors engaged in work under this contract, Worker's Compensation Insurance as required by AS 23.30.045. The Grantee's contractor shall be responsible for Worker's Compensation Insurance for any subcontractor who directly or indirectly provides services under this Grant Agreement. This coverage must include statutory coverage for states in which employees are engaging in work and employer's liability protection is not less than \$100,000.00 per occurrence. Where applicable, coverage for all federal acts (i.e., USL &H and Jones Acts) must also be included.

#### 1.2 Comprehensive (Commercial) General Liability Insurance

With coverage limits not less than \$1,000,000.00 combined single limit per occurrence and annual aggregates where generally applicable and shall include premises-operations, independent contractors, products/completed operations, broad form property damage, blanket contractual and personal injury endorsements.

#### 1.3 Comprehensive Automobile Liability Insurance

Covering all owned, hired, and non-owned vehicles with coverage limits not less than \$500,000.00 per person/\$1,000,000.00 per occurrence bodily injury and \$50,000.00 property damage.

#### 1.4 Professional Liability Insurance

Covering all errors, omissions or negligent acts of the contractor, subcontractor or anyone directly or indirectly employed by them, made in the performance of this contract which result in financial loss to the State. Limits required are per the following schedule:

<b>Contract Amount</b>	<b>Minimum Required Limits</b>
Under \$100,000	\$100,000 per occurrence/\$300,000 annual aggregate
\$100,000-\$499,999	\$500,000 per occurrence/\$1,000,000 annual aggregate
\$500,000-\$999,999	\$1,000,000 per occurrence/\$2,000,000 annual aggregate
\$1,000,000 or over	\$2,000,000 per occurrence/\$5,000,000 annual aggregate

## **II. Bonding**

The minimum Bonding and Insurance requirements under State law are applicable to public works contracts valued over \$100,000 and require:

1. A performance bond from contractors executed in connection with each contract.
2. A payment bond on the part of the contractor for 100% of the contract price.

In addition, for construction contracts over \$100,000, the minimum federal requirements are as follows:

- a. A bid guarantee from each bidder equal to 5% of the bid price. The bid guarantee may consist of a bid bond, certified check, or other negotiable instrument accompanying the bid.
- b. A performance bond from contractors for 100% of the contract shall be executed in connection with each contract.
- c. A payment bond on the part of the contractor for 100% of the contract price.

All bonds shall be obtained from companies holding certificates of authority as acceptable sureties under Alaska and Federal law.

## Appendix C State Laws and Regulations

### Environmental Conservation—AS 46.03

This chapter of the Alaska Statutes applies to municipalities and could subject them to enforcement actions instituted by the Alaska Department of Environmental Conservation for air, land and water nuisances, and water and air pollution in a municipality of 1,000 or more and may establish a local air pollution control program.

### Permits and Environmental Procedures

The Alaska Department of Environmental Conservation (ADEC) regulates all activities in Alaska that might pollute the air, water or soil. There are dozens of ADEC permits related to constructing and operating public buildings. The law requires the following permits, including others designated by the commissioner. The following list is not intended to be all-inclusive.

- Air Emissions Permit
- Anadromous Fish Protection Permit
- Authorization for Tidelands Transportation
- Brine or Other Salt Water Waste Disposal Permit
- Burning Permit during Fire Season
- Coal Development Permit
- Critical Habitat Area Permit
- Dam Construction Permit
- Driveway Permit
- Encroachment Permit
- Miscellaneous State Land Use Permit
- Mineral and Geothermal Prospecting Permits
- Occupied Tide and Submerged Land
- Open Burning Permit
- Permit for Use of Timber or Materials
- Permit to Appropriate Water
- Pesticides Permit
- Preferred Use Permit
- Right-of-Way and Easement Permits
- Solid Waste Disposal
- Special Land Use Permit
- State Game Refuge Land Permit
- State Park Incompatible Use Permit
- Surface Oiling Permit
- Surface Use Permit
- Tide and Submerged Lands Prospecting Permit
- Tidelands Permit
- Tidelands Right-of-Way or Easement Permit
- Utility Permit
- Waste Water Disposal Permit
- Water Well Permit

### Fire Protection—AS 18.70

This chapter of the Alaska Statutes requires the Department of Public Safety (the State Fire Marshal) to adopt regulations (currently in the form of Uniform Fire Code, as amended) establishing minimum standards for:

1. Fire detection and suppression equipment;
2. Fire and life safety criteria in commercial, industrial, business, institutional, or other public buildings used for residential purposes containing four or more dwelling units;
3. Any activity in which combustible or explosive materials are stored or handled in commercial quantities;
4. Conditions or activities carried on outside a building described in (2) or (3) likely to cause injury to persons or property.

### Hiring Preferences—AS 36.10

This chapter of the Alaska Statutes applies to grants for public works projects and requires compliance with the hiring preferences under AS 36.10.150 – 36.10.175 for employment generated by the grant.

### Historic Preservation Act—AS 41.35

This chapter of the Alaska Statutes applies to public construction of any nature undertaken by the State, or by a governmental agency of the State, or by a private person under contract with or licensed by the State or a governmental agency of the State. The Department of Natural Resources must be notified if the construction is planned for an archaeological site. The department may stop the construction to determine the extent of the historic, prehistoric, or archaeological values.

## **Appendix D**

### **Special Requirements and Assurances for Federally Funded Projects**

#### **Grantee Certifications**

By executing this Grant Agreement, the Grantee agrees to comply with all laws and regulations provisions as applicable with Federal Statutes (42 USC Chapter 78 Section 6506a, formerly 42 USC 6508); Alaska Statutes (AS 37.05.530); and Alaska Regulation (03 AAC 150).



## Appendix E Site Control

### 1. Site Control

The Grantee must provide evidence of site control for a project that involves any use of land, including but not limited to, construction, renovation, utility projects, fuel storage, roads and trails.

As a minimum requirement, the Grantee should obtain a “sufficient interest” that allows the Grantee the right to use and occupy the site for the expected useful life of the building, structure or other improvement. Generally, the interest obtained should be for at least 20 years. A sufficient interest depends upon the nature of the project and the land status of the site. Site control options are identified in Section 2.

For a project planned on land that is controlled by a public agency, the Grantee must obtain whatever authorization for use that is required by the public agency.

### 2. Site Control Options

Below are some examples of documents that may be used to satisfy site control requirements for various community facilities/projects. The terms and conditions contained in each document must be examined to determine adequacy for a specific project.

	Deed	Lease	Easement	Use Permit	License
Community Hall	✓	✓			
Clinic	✓	✓			
Fire Station	✓	✓			
Bulk Fuel Storage	✓	✓			
Dump	✓	✓			
Shop/Storage Building	✓	✓			
Cemetery	✓	✓			
Dock	✓	✓			
Campground	✓	✓			
Generator Building	✓	✓			
Multi-purpose building	✓	✓			
Laundromat	✓	✓			
Water well/Septic	✓	✓		✓	
Village Relocation	✓	✓	✓	✓	
Agriculture Project	✓	✓			
Sewage Lagoon	✓	✓			
Communication Site	✓	✓			
Road			✓	✓	
Trail			✓	✓	
Boardwalk			✓	✓	✓
Powerline			✓	✓	✓
Water/Sewer Line			✓	✓	✓
Pipeline			✓	✓	✓

## **Appendix F State Fire Marshal Review**

### **The Plan Review Process**

Construction, repair, remodel, addition, or change of occupancy of any building/structure, or installation or change of fuel tanks must be approved by the State Fire Marshal's Office before ANY work is started.

Residential housing that is three-plex or smaller is exempt from this requirement.

Exception: The following jurisdictions have accepted a deferral for total code enforcement and plans should be submitted directly to the city: Anchorage, Juneau, Fairbanks, Kenai, Seward, Kodiak, Sitka and Soldotna

Plans and specifications regarding the location of the building or structure on the property, area, height, number of stories, occupancy, type of construction, interior finish, exit facilities, electrical systems, mechanical systems, fuel storage tanks and their appurtenances, automatic fire-extinguishing systems, and fire alarm systems must be submitted by the owner or owner's representative to the State Fire Marshal for examination and approval. This review does not address structural considerations or accessibility requirements. Mechanical and electrical review is limited to that which is necessary to confirm compliance with fire and life safety requirements.

A copy of the plan review approval certificate must be posted as required in 13 AAC 55.100(b). It is prohibited to occupy a building for which plans have not been examined and approved.

If any work for which a plan review and approval is required has been started without first obtaining plan review and approval, an additional special processing plan review fee of **\$100** is charged for the first violation. The special processing plan review fee for a subsequent violation by the same person is an additional charge **equal to the amount of the standard plan review fee** for the project.

**Authority: AS 18.70.080**

**Alaska Administrative Code: 13 AAC 50.027**