# Financial Assistance Award

**DENALI COMMISSION**
**510 "L" Street, Suite 410**
**Anchorage, Alaska 99501**
**(907) 271-1414 (phone)**
**(907) 271-1415 (fax)**
**www.denali.gov**

| | |
|---|---|
| **Award Number** | 233-06 |
| **Award Title** | Port Alexander Boardwalk Repairs |
| **Performance Period** | May 23, 2006 to December 31, 2008 |
| **Authorizing Resolution** | 06-17 |

**Recipient Organization & Address**
Alaska Department of Transportation and Public Facilities
Division of Program Development
3132 Channel Drive
Juneau, AK 99801
Phone: (907) 465-6971
Fax: (907) 465-6984

**Recipient DUNS # 617616495 TIN # 92-6001185**

| **Authority** | **CFDA Number** |
|---|---|
| 112 Stat 1854 | 90.100 |

**Denali Commission Finance Officer Certification** CEE

**Cost Share Distribution Table**

| Accounting Code | Denali Commission | Other Contributors | Total |
|---|---|---|---|
| FY06 FHWA Sec. 1960 Road Funding | $181,940 | | **$181,940** |
| DOT&PF State Match | | $18,060 | **$18,060** |
| | | | |
| **Total** | **$181,940** | **$18,060** | **$200,000** |

This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission is issued in triplicate and constitutes an obligation of federal funding. By signing the three documents, the Recipient agrees to comply with the Award provisions indicated below and attached. Upon acceptance by the Recipient, two signed Award documents shall be returned to the Federal Co-Chair of the Denali Commission and the Recipient shall retain the third document. If not signed and returned without modification by the Recipient within 30 days of receipt, the Federal Co-Chair may unilaterally terminate this Award.

- ☒ Special Award Conditions and Attachments
- ☐ Line Item Budget
- ☒ OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations (http://www.whitehouse.gov/omb/circulars/a133/a133.html)
- ☒ Denali Commission and Department of Transportation and Public Facilities Memorandum of Agreement 2006
- ☒ Denali Commission and Federal Highway Administration Memorandum of Agreement 2006
- ☒ SAFETEA-LU Section 1960 or Section 1934, or Section 3011 as applicable

**Administrative Requirements (check one)**

- ☒ OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments (http://www.whitehouse.gov/omb/circulars/a102/a102.html)
- ☐ 2 CFR Part 215, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations (OMB Circular A-110) (http://www.access.gpo.gov/nara/cfr/waisidx_05/2cfr215_05.html)

**Cost Principles (check one)**

- ☒ OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments (www.whitehouse.gov/omb/circulars/a087/a087-all.html)
- ☐ OMB Circular A-122, Cost Principles for Nonprofit Organizations (www.whitehouse.gov/omb/circulars/a122/a122.html)
- ☐ OMB Circular A-21, Cost Principles for Educational Institutions (http://www.whitehouse.gov/omb/circulars/a021/a021.html)
- ☐ 48 CFR 31.2, Contracts with Commercial Organizations

| **Signature of Authorized Official - Denali Commission** | **Typed Name and Title** | **Date** |
|---|---|---|
| Gerry Cannelos | **George J. Cannelos, Federal Co-Chair** | 9/9/06 |
| **Signature of Authorized Official – Alaska Department of Transportation and Public Facilities** | **Typed Name and Title** | **Date** |
| Mike Barton | **Mike Barton, Commissioner** | 9/21/6 |

Rev: 12/2005

# ASSURANCES - CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.

2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

3. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal interest in the title of real property in accordance with awarding agency directives and will include a covenant in the title of real property aquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.

4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.

5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or State.

6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.

7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).

9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee - 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327- 333) regarding labor standards for federally-assisted construction subagreements.

14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is $10,000 or more.

15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).

16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).

18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

| SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL | TITLE |
|---|---|
| Mike Barton *Mike Barton* | Commissioner |
| **APPLICANT ORGANIZATION** | **DATE SUBMITTED** |
| Alaska Department of Transportation & Public Facilities Award 233-06 | 9/21/6 |

***Award Conditions to the Financial Assistance Award***
***Between the Denali Commission and***
***Department of Transportation and Public Facilities***
***For Port Alexander Boardwalk Repairs***
***Award No. 233-06***
***August 2006***

## *1. Scope of Work*

Denali Commission is providing $181,940 in Section 1960 SAFETEA-LU funds to the Department of Transportation and Public Facilities (DOT&PF) for the subject project. DOT&PF is providing $18,060 in State General Funds as the required match funds to meet the $200,000 project budget. The Denali Commission and State General Fund match will be managed by DOT&PF.

The project consists of design and construction of spot repairs to the most urgently needed areas of the community boardwalk system in Port Alexander. The project includes improvements the boardwalk that leads from the boat harbor to the community and improvements to sections of the boardwalk that runs along the waterfront where community buildings are situated. The project will improve the boardwalks through removal of dilapidated sections and installation of treated lumber boards.

Construction will occur in accordance with the project's NEPA Environmental Assessment and design plans. DOT&PF will prepare and Denali Commission will certify documents that determine Right of Way is adequate for construction by DOT&PF. The approved environmental and Right of Way documents will be retained in the project's file at Denali Commission.

This project will provide improved safety and quality of life for residents of Port Alexander, and will enhance the economic well-being of the commercial and charter fishing operations based in the community. DOT&PF is owner of the boardwalks in the project and will be responsible for ongoing maintenance after construction is complete.

All Denali Commission funding is intended for use within the scope of work identified in the Award document only. Any balance of funds remaining after the full scope of work has been completed will be returned to the Denali Commission. Denali Commission has post-dated the project milestones to allow DOT&PF to use its General Fund match funds for expenditures incurred after the project was approved on May 23, 2006 and in advance of the Financial Assistance Award signature. The intent of this action is to advance design efforts to meet the region's limited construction season timeframe.

## 2. *Milestones*

The following milestones are identified as the major steps to be completed as part of the project. "Planned" dates for the first milestone are included here. As part of each progress report, DOT&PF reporting systems will update the progress toward meeting these milestones (see section 7, Reporting).

| Milestone | Planned | | Actual | | Units | Total Cost At Completion |
|---|---|---|---|---|---|---|
| | Start Date | End Date | Start Date | End Date | | |
| **Preliminary design including Environmental Documents** | 05/23/2006 | 09/15/2006 | | | 0 | $0.00 |
| **Final Design including Right of Way Documents** | 09/16/2006 | 10/15/2006 | | | 0 | $0.00 |
| **Construction Phase** | 10/16/2006 | 06/30/2008 | | | 0 | $0.00 |
| **Project Close-out** | 07/01/2008 | 12/31/2008 | | | 0 | $0.00 |

## 3. *Award Performance Period*

The Award performance period is May 23, 2006 through December 31, 2008. This is the period during which Award recipients can incur obligations or costs against this Award.

## 4. *Direct and Indirect Costs*

Direct costs associated with Port Alexander Boardwalk Repairs Project are allowed under the Memorandum of Agreement (MOA) between Denali Commission and DOT&PF. Indirect costs, established through the DOT&PF Indirect Cost Allocation Plan (ICAP), are 3.78% for this project and are allowed as established by DOT&PF and approved by FHWA for Title 23 funds.

## 5. *Budget and Program Revisions*

The Uniform Administrative Requirements, OMB A-102, apply to this Award. Please refer to this circular for specific details on revisions to this Award. The circular requires DOT&PF to inform the Denali Commission in writing at the earliest possible date of any unanticipated project cost overrun, project schedule delays, or changes in the project scope or changed site conditions. Under the MOA between the Denali Commission and DOT&PF, DOT&PF is responsible for cost overruns on this project.

## 6. *Payments*

Payments under this Award will be made by electronic transfer in response to a "Request for Advance or Reimbursement", Standard Form 270 (SF-270) submitted by DOT&PF. Requests for advances or reimbursements may be made at the end of each quarter and should be submitted no later than 30 days after the federal quarter. The SF-270 must be

submitted to the Denali Commission via fax, e-mail (finance@denali.gov) or mail in order for payment to be processed. The form is available on the OMB website: http://www.whitehouse.gov/OMB/grants/grants_forms.html. Payments shall be made in accordance with OMB A-102. Please contact the Denali Commission's Finance Manager at (907)-271-1414 for further information about submitting this form. **No interest will be accrued on these funds.**

## 7. *Reporting*

Three forms of project reporting are required under this Award, listed below. DOT&PF shall submit reports using the Denali Commission's on-line Project Database System, available at www.denali.gov. If there are technical limitations which may prevent the recipient from meeting this requirement, please contact the Program Manager listed in this agreement.

a. **Progress Reports** shall be submitted on a quarterly basis. The first reporting period is July 1, 2006 through September 30, 2006 and quarterly thereafter. Reports are due within 30 days of the end of the reporting period. Progress reports shall include the following:

   i. Total project funding, including both Denali Commission funding and other project funding sources.
   ii. The total project expenditures for the project as of the end of the reporting period, including both Denali Commission and other funding sources.
   iii. Updated schedule and milestone information as identified in the Scope of Work
   iv. Narrative summary of the project status and accomplishments to date, and address the following questions: is the project on schedule, is the project on budget, and what actions are planned to address any project problems.
   v. Photographic documentation of project progress shall be provided with the progress reports for active construction projects. The photo documentation shall include a minimum of three, dated photos per reporting period such that a complete record of the construction is maintained over time, from "before," showing the situation before the start of construction, to "during" showing work proceeding on the project, and "after" to show the finished project. Photos shall be provided in a digital format as part of the on-line report. A short description of the activity and names of those in the photos shall also be provided.

b. **Wage and Residency Reports** shall be submitted on an annual basis using the Denali Commission On-line Project Database. The reporting period is January 1st – December 31st of each year. Reports are due within 30 days of the end of the reporting period. The Wage and Residency Report shall include the following information for each construction project

i. Total number of Local Residents employed during the year, and their total payroll earnings.
ii. Total number of Non-Local Alaska Residents employed during the year, and their total payroll earnings.
iii. Total number of Non-Alaska Residents employed during the year, and their total payroll earnings.

c. **Federal Single Audits** shall be submitted annually, when required. In accordance with OMB Circular A-133, which requires [subpart 200] "Non-Federal entities that expend $500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of this part [subpart 205]. The determination of when an award is expended should be based on when the activity related to the award occurs."

Recipients shall also submit single audits to the Federal Clearinghouse as designated by OMB. Information can be found on the following web-site: http://harvester.census.gov/sac/

## 8. *Project/Award Close-Out*

The project close-out report shall be completed within 90 days of the end of the Award performance period or within 90 days of the completion of the project, whichever is earlier. Recipients must also draw down any remaining funds for expenditures incurred under this award during this 90-day period.

The project close-out report shall be submitted on-line through the Denali Commission on-line Project Database System, available at www.denali.gov. The project close out will require the recipient to submit the following information:

a. Final data for each item listed in paragraph 7(a) "Progress Reports"
b. Final project expenditures itemized by the following categories: planning & design; materials & equipment; freight; labor; project administration/overhead and other expenses.
c. Acknowledgement of support: For all construction projects, the Award recipient shall display a sign that acknowledges the Government's support for the project(s) developed under this Award. The Commission will provide an appropriate sign. The Award recipient must request an indoor and/or an outdoor sign from Denali Commission. Pickup or delivery of the sign can be arranged at that time.

## 9. *Public Policy Laws and Assurances*

Award Recipients are required to comply with the public policy laws and assurances on Standard Forms SF 424d (construction projects). This form must also be signed by a certifying official of the organization. Some of the laws are highlighted below for your reference.

To the maximum extent practicable, considering applicable laws, Funding Recipients shall accomplish the project contemplated by the Award using local Alaska firms and labor.

No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

Project level environmental reviews in accordance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) will be prepared as part of project design for Denali Commission approval.

## *10. Non-Compliance with Award Conditions*

Recipients not in compliance with the terms and conditions of this Financial Assistance Award will be notified by the Denali Commission. The Denali Commission will work with the recipient to identify the steps necessary to bring them back into compliance, and will establish an appropriate time frame for the corrections to be made. If the corrections have not been made by the deadline, the Denali Commission reserves the right to either suspend or unilaterally terminate the Financial Assistance Award for non-performance.

## *11. Program Manager, Financial Manager & Other Contact Information*

| **Denali Commission** | **DOT&PF** |
|---|---|
| Ms. Tessa Rinner<br>Director of Programs<br>510 "L" Street, Suite 410<br>Anchorage, AK 99501<br>Phone: 907-271-1414<br>Fax: 907-271-1415<br>E-mail: trinner@denali.gov | Mr. Jeff Ottesen<br>Director, Program Development<br>3132 Channel Drive, Suite 220<br>Juneau, AK 99801-1933<br>Phone: 907-465-6971<br>Fax: 907- 465-6984<br>Email: jeff_ottesen@dot.state.ak.us |
| Ms. Joey Ausel<br>Grants Manager & Analyst<br>510 L Street, Suite 410<br>Anchorage, AK 99501<br>Phone: 907-271-3415<br>Fax: 907-271-1415<br>E-mail: jausel@denali.gov | Mr. Andy Hughes<br>Planning Chief, Southeast Region<br>6860 Glacier Highway<br>Juneau, AK 99801<br>Phone: 907-465-1776<br>Fax: 907-465-6984<br>Email: andy_hughes@dot.state.ak.us |
| | Mr. Tom Stewart<br>CIP Finance Manager<br>3132 Channel Drive, Suite 220<br>Juneau, AK 99801-1933<br>Phone: 907-465-8980<br>Fax: 907- 465-3124<br>Email: tom_stewart@dot.state.ak.us |

## *12.Attachment*

Memorandum of Agreement between the Denali Commission and Alaska Department of Transportation and Public Facilities, 2006.

**MEMORANDUM OF AGREEMENT**
**BETWEEN THE**
**DENALI COMMISSION**
**AND**
**ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES**

**DENALI ACCESS SYSTEM AND SAFETEA-LU ROAD AND WATERFRONT DEVELOPMENT PROJECTS**
**August 2006**

## PARTIES AND PURPOSE:

The purpose of this Memorandum of Agreement (MOA) is to establish a cooperative agreement defining certain terms and conditions for projects selected by or through the authority granted in Section 309 of the Denali Commission Act of 1988 (Pub. L. No. 105-277), Division C, Title III, 112 Stat. 2681-637, as amended by Section 1960 of the Safe, Accountable, Flexible , Efficient Transportation Equity Act: A Legacy for Users ("SAFETEA-LU") (Pub. L. No. 109-59, 119 Stat. 1144).

The Commission is operating under the authority cited above.

The Alaska Department of Transportation and Public Facilities (DOT&PF) is the designated state transportation department authorized to receive Title 23 USC Federal Aid. DOT&PF is governed by Alaska Statute Title 2, Title 19, Title 35 and Title 44.42.

## SCOPE OF WORK:

DOT&PF may participate in Commission project solicitation and selection processes through submittal of projects for consideration by the Commission's Transportation Advisory Committee (TAC). DOT&PF may advise the Commission on technical and engineering issues associated with projects submitted by others and may participate in Commission planning for highways, port and dock facilities, marine or marine connection facilities, and transportation access infrastructure.

The Commission and DOT&PF will advance selected projects by mutual agreement.

## TYPES OF DOT&PF ASSISTANCE

The Commission seeks DOT&PF's assistance in undertaking Commission planning, project cost accounting, environmental, design, and construction responsibilities. DOT&PF's role in a project will be to assist the Commission, and will take one of three forms differentiated according to the level of DOT&PF involvement. The specific duties for a project will be outlined in a Grant Award document, discussed below.

Following are the three types of assistance generally anticipated by this agreement:

## 1: DOT&PF Administered.

DOT&PF Administered Projects are those where DOT&PF plans, designs and constructs the facilities. The Commission's primary role will be to fund the project. Unless otherwise agreed, DOT&PF will own and maintain the project when it is complete.

## 2: DOT&PF Design, Procure and Monitor.

Under this arrangement, the Commission and a third party entity ("Other") will sign a memorandum of agreement for a project. The memorandum will clearly identify the Other as owner, operator, and maintainer of the project, and will specify the assistance desired from DOT&PF.

DOT&PF's role is anticipated to include project cost accounting, as well as providing preconstruction and construction oversight services.

In no event will DOT&PF be responsible for cost overruns, delays, design standards used, maintenance and operations (M&O) responsibility, right-of-way (ROW) acquisition or certification, environmental litigation, or any cost deemed ineligible for federal reimbursement.

DOT&PF may prepare or review ROW acquisition documents and permit applications for Commission review if sufficient Commission funding and DOT&PF staffing exist for such services.

DOT&PF will not sign permits, acquire property, own any aspect of the project, or maintain the project when it is complete

## 3: DOT&PF Project Cost Accounting and Periodic Inspection.

Under this arrangement, the Commission and Other will sign a memorandum of agreement for a project. The memorandum will clearly identify Other as owner, operator, and maintainer of the project.

DOT&PF's sole and only role will be to provide project cost accounting and periodic inspection, and its liability will be accordingly limited. In no event will DOT&PF be responsible for cost overruns, delays, design standards used, maintenance and operations (M&O) responsibility, right-of-way (ROW) acquisition or certification, environmental litigation, project match or any cost deemed ineligible for federal reimbursement.

DOT&PF will not sign permits, acquire property, own any aspect of the project, or maintain the project when it is complete.

Periodic inspections performed by DOT&PF cannot determine if construction performed by Other followed the plans and specifications since the visits will occur at monthly or greater frequency. The purpose of periodic inspections is to verify that the required work was performed, to the extent that limited on-site observations permit.

## RESPONSIBILITY MATRIX

The following "Table 1" is a conceptual rendering of the three different project types discussed above and is differentiated by type of role that DOT&PF may play. The table delineates the responsible party for various project development issues. The obligations noted in the table are not binding unless incorporated into an appropriate Grant Award agreement or other document executed by authorized representatives for each party.

**Table 1: Responsibility Matrix**

| Issue | DOT&PF Administered | Design, Procurement & Monitoring | Project Cost Accounting & Periodic Inspection |
|---|---|---|---|
| **Project Funding** | Commission | Commission | Commission |
| **Project Matching Funds** | DOT&PF | DOT&PF | Other |
| **Denali Commission Policy - Due Diligence** | Commission | Commission | Commission |
| **Non-participation Costs & Overruns** | DOT&PF | Commission | Commission |
| **Design Standard** | DOT&PF | Commission | Commission |
| **Prepare PS&E Assembly** | DOT&PF | DOT&PF | Other |
| **Prepare NEPA Doc's** | DOT&PF | DOT&PF | Other |
| **Approval Responsibility of NEPA Documents** | Commission | Commission | Commission |
| **Prepare Permits** | DOT&PF | DOT&PF | Other |
| **Sign Permits** | DOT&PF | Commission | Other |
| **ROW Certification** | DOT&PF | Commission | Commission |
| **Procurement** | DOT&PF | DOT&PF | Other |
| **Project Cost Accounting** | DOT&PF | DOT&PF | DOT&PF |
| **Const. Monitoring** | DOT&PF | DOT&PF | Other |
| **Periodic Inspections** | NA | NA | DOT&PF |
| **Maintenance & Operations** | DOT&PF | Other | Other |
| **Indemnification** | NA | Commission | Commission |

## PROJECT AGREEMENT DOCUMENTATION:

The Commission and DOT&PF will execute a mutually agreed upon project Grant Award. The Grant Award will determine the parties' roles and responsibilities and is generally expected to track the responsibilities identified in Table 1. However, exceptions may be made on a project by project basis.

The Grant Award will not be executed until after DOT&PF has had the opportunity to review and comment on any applicable memoranda of agreement between the Commission and Other. DOT&PF may request amendments to agreements between the Commission and Other prior to signing the Grant Award. The Grant Award may be amended to change the amount of funds provided under the original Grant Award, modify the original scope, or change the performance period.

Grant Awards, or amendments and addenda, will provide details concerning the use of allocated federal funds, specific funding sources and reimbursable payment guidelines and rules. Grant Awards will define the scope, funding amount and sources, and timeline for each project.

## PROJECT COST ACCOUNTING:

The State of Alaska accounting system (AKSAS) will be the basis for financial documentation and reporting. The DOT&PF's third party billing system (TPBS) was established to comply with Title 23 USC and Office of Management and Budget (OMB) Circular A-87 Accounting Principles.

1. DOT&PF will submit requests for reimbursement (based on amounts from the TPBS) on a quarterly basis to the Commission using the SF-270 Request for Advance or Reimbursement. Reports SF 270 and SF 269 will be submitted together.

## DOT&PF ROLES AND RESPONSIBILITIES:

DOT&PF's roles and responsibilities may vary from project to project as set forth in the Grant Award document. However, unless otherwise agreed, the following general rules will apply:

1. For each project assigned under this agreement DOT&PF will, prepare a Project Management Plan (PMP) that defines the project scope, schedule and budget. The PMP will be presented to the Commission, and signed by the Commission and Other.

2. For Design, Procure and Monitor projects, DOT&PF will

   (a) define environmental documents and permits needed, and will review the Right of Way documentation provided by the Commission for the project.

   (b) perform design and/or construction, engineering and management.

(c) use standard DOT&PF practices and procedures for Federal-Aid projects. The Commission may specify a different design standard pursuant to Section 309(e).

3. If during the course of carrying out its Grant Award duties DOT&PF learns of any project cost overrun, project schedule delay, change in the project scope, or changed site conditions, DOT&PF shall inform the Commission in a timely manner.

4. Report financial expenditures and project progress in accordance with the "Reports" section of this agreement.

5. Except for DOT&PF Administered projects, approximately 60 days prior to substantial completion of project construction, notify the Commission. The Commission, in turn, will require that Other take ownership and assume responsibility for maintenance of the project.

6. Upon project completion, provide a closeout package inclusive of a Construction Final Estimate and a report from DOT&PF accounting system documenting total project expenditures and a Commission Project Database System closeout report.

**COMMISSION ROLES AND RESPONSIBILITIES:**

The Commission will:

1. Comply with and be responsible for all the terms and conditions contained in its memorandum of Understanding between the Commission and the Federal Highway Administration relating to the Denali Access System program Authorized in SAFETEA-LU.

2. Prepare a Grant Award for presentation and negotiation with DOT&PF as described above.

3. Review, modify as needed, and sign, a finding of no significant impact (FONSI) or other applicable environmental documents for each project.

4. Review, modify as needed and sign ROW certifications for each project ensuring ROW is adequate for project construction.

5. Maintain communications with DOT&PF and all other parties involved in a project to ensure an ongoing understanding and acceptance of project environmental, design and construction decisions.

6. Provide timely reimbursement for DOT&PF's services rendered under this memorandum of agreement.

7. Respond in a timely manner and/or inform DOT&PF regarding any communications pertaining to project cost overruns, project schedule delays, changes in the project scope, or changed site conditions.

## REPORTS:

1. Financial reporting shall be done on a quarterly basis (via SF-269 Financial Status Report) unless modified by the Commission's program manager. DOT&PF reports will be provided to the Commission within 30-days following the end of the quarter Reports SF 269 and SF 270 will be submitted together.

2. Progress reporting shall be bi-monthly, (unless modified by the Commission's program manger), using the Commission's web-based Project Reporting System. DOT&PF will provide the status for each project, including project narrative, funding and expenditures, project photos (if applicable), and a statement on project progress. The information presented may vary in detail depending on the role DOT&PF plays in a particular project. In addition, DOT&PF and the Commission may report informally to third parties on project and program progress using standard reporting devices within each organization.

3. Both parties to this agreement will cooperate to ensure reporting is accomplished through interface of their respective automated reporting systems.

4. A final closeout report, submitted through the Commission's web-based Project Reporting System, is due within 90 days of the end of the performance period or completion of the project.

## PROCUREMENT REQUIREMENTS:

DOT&PF's procurement duties, if any, will be accomplished in accordance with AS 36.30, except as noted in 2 AAC 12.730, or by force account when approved through a DOT&PF Public Interest Finding.

## INDEMNIFICATION:

In all projects other than DOT&PF Administered, the Commission shall ensure that indemnification language acceptable to DOT&PF is inserted in Commission-Other agreements.

## TRIBAL RELATIONS

In any agreements between the Commission and tribal entities, DOT&PF's participation is contingent on review and approval by the Alaska Department of Law and may include a requirement to have a sovereign immunity waiver provision or other provisions as deemed necessary. The Commission agrees to assist and cooperate in making DOT&PF's requested changes.

**DURATION OF AGREEMENT:**

This Agreement shall continue in force until such time that the Commission or DOT&PF provides written notice of termination - one hundred and twenty days (120) in advance of termination date. In the event the agreement is terminated, any projects begun under the MOA will be completed or otherwise terminated in accordance with the provisions of this MOA and Title 23 USC.

**DISPUTE RESOLUTION:**

Should disagreement arise on the interpretation of the provisions of this MOA, or as amended, that cannot be resolved; the area(s) of disagreement will be stated in writing by each party and presented to the other party for consideration. This process shall take no longer than 30 days. If agreement on interpretation is not reached within an additional thirty days from exchange of the written interpretation(s), the parties may then move forward to mediation and/or arbitration with a neutral third party.

**SIGNATURES:**

IN THE WITNESS WHEREOF, the parties have subscribed their names,

8/17/06
Date

George J. Cannelos
Federal Co-Chair
Denali Commission

8/15/6
Date

Mike Barton
Commissioner
Alaska Department of Transportation and Public Facilities