

FORM CD-450  
(REV. 12-13-07)  
(CD450-1PW)

U.S. DEPARTMENT OF COMMERCE

GRANT     COOPERATIVE AGREEMENT

# FINANCIAL ASSISTANCE AWARD

ACCOUNTING CODE

RECIPIENT NAME    **Matanuska-Susitna Borough**

AWARD NUMBER  
**07-01-06318**

STREET ADDRESS    **350 East Dahlia Avenue**

FEDERAL SHARE OF COST    \$    **3,000,000**

CITY, STATE, ZIP CODE    **Palmer, Alaska 99645**

RECIPIENT SHARE OF COST    \$    **2,500,000**

AWARD PERIOD    **From date of approval shown below through 60 months**

TOTAL ESTIMATED COST    \$    **5,500,000**

DEPARTMENT OF COMMERCE OPERATING UNIT    **Economic Development Administration**

AUTHORITY    **42 U.S.C. Section 3141, et seq. Public Works and Economic Development Act, as amended by Public Law 108-373.**

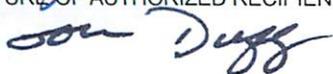
CFDA NO.    **11.300**    PROJECT TITLE:    **Public Works and Economic Development Facilities Program**

BUREAU	FCFY	FUND	PROGRAM CODE	BUDGET SUBACTIVITY	OBJECT 1	CLASS EXPEND	ENTITY
20	09	40	01	210	41	10	16

This Award approved by the Grants Officer 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 checked below and attached. Upon acceptance by the Recipient, two signed Award documents shall be returned to the Grants Officer and the third document shall be retained by the Recipient. If not signed and returned without modification by the Recipient within 30 days of receipt, the Grants Officer may unilaterally terminate this Award.

- EDA Standard Terms and Conditions Public Works and Implementation Construction Components, dated 12/2007
- Special Award Conditions and Attachments
- Line Item Budget
- 15 CFR Part 24, Uniform Admin Requirements for Grants/Cooperative Agreements to State & Local Governments
- OMB Circular A-87, Cost Principles for State and Local Governments and Indian Tribal Governments
- OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations
- 15 CFR, Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Nonprofit, and Commercial Organizations
- OMB Circular A-122, Cost Principles for Nonprofit Organizations
- OMB Circular A-21, Cost Principles for Educational Institutions
- EDA Standard Terms and Conditions Capacity Building Programs
- Department of Commerce Financial Assistance Standard Terms and Conditions, dated May 2007

**Economic Development Administration  
Seattle Regional Office  
FEB 06 2009  
Office of Regional Director**

SIGNATURE OF DEPARTMENT OF COMMERCE GRANTS OFFICER 	NAME <b>A. Leonard Smith</b> TITLE <b>Regional Director</b>	DATE <b>12/16/2008</b>
SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL 	TYPED NAME AND TITLE <b>John Duffy Borough Manager</b>	DATE <b>2-4-09</b>

PUBLIC WORKS PROJECT COST CLASSIFICATIONS

RECIPIENT: Matanuska-Susitna Borough

EDA Award No. 07-01-06318

State: Alaska

Borough: Matanuska-Susitna

<u>Cost Classification</u>	<u>Proposed</u>	<u>Approved</u>
Administrative and legal expenses	\$ 160,000	\$ 160,000
Land, structures and rights-of-way appraisals, etc.	0	0
Relocation expenses and payments	0	0
Architectural and engineering fees	0	0
Other architectural and engineering fees	52,000	52,000
Project inspection fees	200,000	200,000
Site Work	0	0
Demolition and removal	0	0
Construction	4,629,000	4,629,000
Equipment	230,000	230,000
Contingencies	229,000	229,000
<b>TOTAL PROJECT COSTS</b>	<b>\$ 5,500,000</b>	<b>\$ 5,500,000</b>

EXHIBIT "A"

U.S. DEPARTMENT OF COMMERCE  
Economic Development Administration

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Public Works and Development Facilities

RECIPIENT: Matanuska-Susitna Borough  
Palmer, Alaska

Award No. 07-01-06318

SPECIAL AWARD CONDITIONS

1. **PROJECT DEVELOPMENT TIME SCHEDULE:** The Recipient agrees to the following Project development time schedule:

Time allowed after receipt of Financial Assistance Award for:

Return of Executed Financial Assistance Award - 30 days

Time allowed after acceptance by Recipient of Financial Assistance Award for:

Start of Construction - 24 months  
Construction Period - 24 months

Project Closeout - All Project closeout documents, including final financial information and any required program reports, shall be submitted to the Government not more than 90 days after the date the Recipient accepts the completed Project from the contractor(s).

The Recipient shall pursue diligently the development of the Project so as to ensure completion of the Project and submission of closeout documents within this time schedule. Moreover, the Recipient shall notify the Government in writing of any event which could delay substantially the achievement of the Project within the prescribed time limits. The Recipient further acknowledges that failure to meet the development time schedule may result in the Government's taking action to terminate the Award in accordance with the regulations set forth at 13 CFR 305.99(b) and 15 CFR 24.43 (53 Fed. Reg. 8048-9, 8102, March 11, 1988).

2. **GOALS FOR WOMEN AND MINORITIES IN CONSTRUCTION:** Department of Labor regulations set forth in 41 CFR 60-4 establish goals and timetables for participation of minorities and women in the construction industry. These regulations apply to all Federally assisted construction contracts in excess of \$10,000. The Recipient shall comply with these regulations and shall obtain compliance with 41 CFR 60-4 from contractors and subcontractors employed in the completion of the Project by including such notices, clauses and provisions in the Solicitations for Offers or Bids as required by 41 CFR 60-4. The goal for the participation of women in each trade area shall be as follows:

From April 1, 1981, until further notice: 6.9 percent

All changes to this goal, as published in the Federal Register in accordance with the Office of Federal Contract Compliance Programs regulations at 41 CFR 60-4.6, or any successor regulations, shall hereafter be incorporated by reference into these Special Award Conditions.

Goals for minority participation shall be as prescribed by Appendix B-80, Federal Register, Volume 45, No. 194, October 3, 1980, or subsequent publications. The Recipient shall include the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" (or cause them to be included, if appropriate) in all federally assisted contracts and subcontracts. The goals and timetables for minority and female participation may not be less than those published pursuant to 41 CFR 60-4.6.

3. TITLE: Prior to EDA authorization to start construction, the Recipient shall provide evidence satisfactory to the Government that the Recipient has acquired good and merchantable title, free of all mortgages, foreclosable liens, or encumbrances, to all land, rights-of-way, and easements necessary for the completion of the Project.
4. ARCHITECT/ENGINEER AGREEMENT: Prior to the disbursement of funds by EDA, the Recipient must submit to the Government for approval an Architect/Engineer agreement that meets the requirements of Section I of the EDA publication, "Requirements for Approved Construction Projects," as well as the competitive procurement standards of 15 CFR Part 24 or 15 CFR Part 14, as applicable. The fee for basic Architect/Engineer services will be a lump sum or an agreed maximum and no part of the fees for other services will be based upon a cost-plus-a-percentage-of-cost or a cost using a multiplier.
5. FEDERAL SHARE OF PROJECT COSTS: The EDA participation in total eligible project costs will be limited to the EDA grant amount or the EDA share of total allowable project costs based on the area's grant rate eligibility at the time of award, whichever is less.
6. REPORT ON UNLIQUIDATED OBLIGATIONS: If there is an EDA grant award of more than \$100,000 which has not been fully disbursed (or disbursed and closed out) as of September 30 each year the recipient must submit OMB Standard Form 269A, Financial Status Report, to EDA annually on the status of unreimbursed obligations. The report will provide information on the amount of allowable project expenses that have been incurred by the Recipient but not claimed for reimbursement as of September 30. The report must be submitted to EDA no later than October 30 of each year. Noncompliance with this requirement will result in the suspension of EDA grant disbursements. EDA will furnish instructions for completing and filing the report to all recipients at least 60 days before the report is due.
7. GRANT SUSPENSION FOR FAILURE TO START CONSTRUCTION: If significant construction (as determined by EDA) is not commenced within two years of approval of the project or by the date estimated for start of construction in the grant award (or the expiration of any extension granted in writing by EDA), whichever is later, the EDA grant will be automatically suspended and may be terminated if EDA determines, after consultation with the grant recipient, that construction to completion cannot reasonably be expected to proceed promptly and expeditiously.

8. **PRESERVATION OF OPEN COMPETITION AND GOVERNMENT NEUTRALITY TOWARDS GOVERNMENT CONTRACTORS' LABOR RELATIONS ON FEDERAL AND FEDERALLY FUNDED CONSTRUCTION PROJECTS:** Pursuant to E.O. 13202, unless the project is exempted under section 5(c) of the order, bid specifications, project agreements, or other controlling documents for construction contracts awarded by recipients of grants or cooperative agreements, or those of any construction manager acting on their behalf, shall not: a) include any requirement or prohibition on bidders offerors, contractors, or subcontractors about entering into or adhering to agreements with one or more labor organizations on the same or related construction project(s); or b) otherwise discriminate against bidders, offerors, contractors, or subcontractors for becoming or refusing to become or remain signatories or otherwise to adhere to agreements with one or more labor organizations, on the same or other related construction projects(s).
9. **RECORDED STATEMENT:** The Recipient expressly agrees to grant to the Government, prior to EDA authorization to start construction, a first priority unsubordinated lien against, covenant or other statement of EDA's interest in the property acquired or improved in whole or in part with the funds made available under this award. The statement shall specify in years the estimated useful life of the project and shall include, but not be limited to disposition, encumbrance, and compensation of Federal share requirements of 13 CFR Part 314. The statement shall be satisfactory in form and substance to EDA. The statement of EDA's interest must be perfected and placed of record in the real property records of the jurisdiction in which the property is located, all in accordance with local law. EDA will in its own discretion determine whether the lien, covenant or statement of interest is satisfactory, and EDA may require an opinion of counsel for the Recipient that it is valid and enforceable according to its terms, and has been properly recorded. Facilities in which the EDA investment is only a small part of a large project, as determined by EDA, may be exempted from the requirements of this section.

The Recipient further agrees that:

(a) except as provided in 13 CFR 314.3(b), (c) or (d), whenever, during the expected useful life of the project, any property acquired or improved in whole or in part with grant assistance is disposed of, or no longer used for the authorized purpose of the project, the federal Government must be compensated by the Recipient for the federal share of the value of the property; provided that for equipment and supplies, the standards of the Uniform Administrative Requirements for Grants at 15 CFR Parts 14 and 24 or any supplements or successors thereto, as applicable, shall apply.

(b) if property is disposed of or encumbered without EDA approval, EDA may assert its interest in the property to recover the federal share of the value of the property for the federal Government. EDA may pursue its rights under both paragraphs (a) and (b) of this section to recover the federal share, plus costs and interest.

RECORDED STATEMENT CONT'D:

(c) the federal share of the value of property is that percentage of the current fair market value of the property attributable to the EDA participation in the project (after deducting actual and reasonable selling and fix-up expenses, if any, incurred to put the property into condition for sale). The federal share excludes that value of the property attributable to acquisition or improvements before or after EDA's participation in the project and not included in project costs.

(d) the lien, covenant or other statement of EDA's interest must remain in effect throughout the useful life of the Project which is determined to be 20 years.

Where the Recipient's interest in property is a leasehold for a term of years less than the depreciable remaining life of the property, that factor will be considered in determining the percentage of the Federal share.

This Award agreement contemplates leases, by the Recipient, of space in the **Regional Recycling Facility** constructed in this Project. The making of such leases, consistent with the authorized purpose of the Award and applicable EDA requirements concerning, but not limited to, adequate consideration, nondiscrimination and environmental compliance, is an authorized use of the Project property, provided that the lease is pursuant to a lease agreement that is approved by EDA.

10. OPERATION AND MAINTENANCE AGREEMENT: If the Recipient will not operate and maintain the project, then prior to initial disbursement, the Recipient shall provide to EDA an executed copy of an Agreement with the party responsible for operation and maintenance of the project. Such Agreement must be consistent with EDA policies including, but not limited to, nondiscrimination, environmental requirements, and adequate consideration. The Agreement must also set forth that prior to occupancy, the occupant of any part of the land acquired or improved by this project must furnish to the Recipient, for transmittal to EDA, properly executed EDA forms evidencing assurance of compliance with EDA Civil Rights requirements at 13 CFR Part 317 and all other applicable requirements.
11. SECURITY AGREEMENT - MACHINERY AND EQUIPMENT: The Recipient expressly agrees to grant to the Government, prior to disbursement for Machinery and Equipment, security interest or other statement of EDA's interest in the personal property purchased in whole or in part with any of the proceeds of this Award. Such security interest or other statement must be acceptable in form and substance to EDA and must be perfected and placed of record in accordance with local law, with continuances refiled as appropriate. The Recipient also agrees that, subject to EDA's approval, the trade-in or selling of the personal property originally acquired for the project in order to acquire replacement personal property of equal or greater value to be used for the project is subject to the same requirements as the original property.