



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

Department of Environmental  
Conservation

DIVISION OF WATER

P.O. Box 111800  
Juneau, Alaska 99811-1800  
Main: 907.465.5180  
Fax: 907.465.5177

9/27/2024

David Bonanno, Mayor  
City of Aniak  
PO Box 189  
Aniak, Alaska 99557

Dear Honorable Mayor Bonanno,

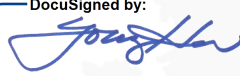
The State of Alaska Village Safe Water (VSW) Program, in conjunction with Alaska Native Tribal Health Consortium, is pleased to offer the City of Aniak the attached Cooperative Project Agreement for VSW Project ANI0004, Solid Waste Upgrades, in support of our cooperative efforts to develop sustainable sanitation facilities. Please review this Agreement carefully, and if satisfactory, sign the first page titled "Cooperative Project Agreement" where indicated, and return the signed original to the following address:

Village Safe Water Program  
Attn: Kari Warner, Grants Administrator  
555 Cordova Street  
Anchorage, Alaska 99501

All other attachments should be retained for your records.

Nothing in this Agreement whether accepted or not accepted, may be deemed to constitute an obligation on the part of the Department until the signed Agreement has been received.

Sincerely,

DocuSigned by:  


7C5D8866BB4843B...

Carrie Bohan

Facilities Programs Manager

Enclosure: Cooperative Project Agreement

cc: Lyman Hoffman, State Senator  
Bryce Edgmon, State Representative  
Anita Erickson, VSW Project Engineer



### Cooperative Project Agreement

<b>Community Code</b>	<b>Community</b>	<b>VSW Project Number</b>	<b>ANI0004</b>
ANI	Aniak	<b>Grant ID</b>	<b>24AV72 &amp; 24AV73</b>
<b>Funding Allocation System</b>		<b>Project Type</b>	
Sanitation Deficiency System (SDS)		Design & Construction	
<b>Project Title</b> <u>Solid Waste Upgrades</u>			
<i>Total Estimate of Obligated Funds</i>			\$     274,015.00

Local Participant	Department
<p><b>Local Participant</b>  <i>City of Aniak</i>            PO Box 189            Aniak, AK 99557</p> <p><b>Signatory</b>            David Bonanno, Mayor            (907) 675-4481</p>	<p><b>Department of Environmental Conservation</b>  <i>Village Safe Water</i>            555 Cordova Street            Anchorage, AK 99501</p> <p><b>Project Engineer</b>            Anita Erickson            (907) 269-7502</p>

### Agreement

The Department of Environmental Conservation (hereinafter 'Department') and the City of Aniak (hereinafter 'Local Participant') agree as set forth herein.

**Section I.** Upon execution of this Agreement, and under the terms included herein, the Department shall administer funds, subject to appropriation and availability, to accomplish the scope of work described in Article A, Section 1. The estimated cost of this scope of work is identified in Article A, Section 2.

**Section II.** Performance under this Agreement begins upon signature by the Division of Water's Director and ends at Project completion.

**Section III.** This Agreement becomes null and void if not signed by the Local Participant within 90 days of the Department's signature.

**Section IV.** The Agreement consists of this page and the following attachments and appendices, **if applicable:**

Attachments	Appendices
Article A: Project Outline	Appendix 1: Funding Agency-Specific Conditions
Article B: General Conditions	Appendix 2: Additional Reporting Forms
Article C: Project-Specific Conditions	

Local Participant	Department
<p><i>Signature</i></p>  <p><i>Printed Name and Title</i></p>  <p><i>Date</i></p>	<p><i>Signature</i>     DocuSigned by:    <small>7E0A11E50CB4E8</small>            Cathy Dallaire, Admin. Operations Mgr., Division of Admin. Services</p> <p><i>Printed Name and Title</i>     <i>Date</i> 9/27/2024</p> <hr/> <p><i>Signature</i>     DocuSigned by:    <small>1765D88668B9443B</small>            Carrie Bohan, Facilities Programs Manager, Division of Water</p> <p><i>Printed Name and Title</i>     <i>Date</i> 9/27/2024</p>

**Article A: Project Outline**

Subject to appropriation and availability of funds, funding will be made available under this Agreement and will be used only to pay eligible costs to perform the scope of work stated herein. The Department is the Grantee and will serve as an agent for the Local Participant. The Department will spend monies awarded under this grant only for the scope of work in this Agreement.

**Section 1. Project Scope of Work**

Provide the following items for the Aniak landfill: A #10 burn cage to stop practice of open burning on the ground and to reduce windblown litter; six fish totes to collect and properly store household hazardous wastes including lead acid batteries, electronic waste, paints, and other chemicals to prevent exposure to the public; a skidsteer to clean the burn cage out, move fish totes, and consolidate waste and apply cover material at the landfill; signs to meet regulatory requirements and reduce operational costs from unsegregated wastes.

**Section 2. Project Funding Committed This Action**

**Grant ID** 24AV72

Funding Administrator	<b>Estimated Funding</b>
Alaska Native Tribal Health Consortium (ANTHC)	\$ 192,359
Funding Agency	
Indian Health Service	
Funding Program	
CFDA 93.210 Indian Health Service IHA	

**Grant ID** 24AV73

Funding Administrator	<b>Estimated Funding</b>
Alaska Native Tribal Health Consortium (ANTHC)	\$ 81,656
Funding Agency	
Denali Commission	
Funding Program	
CFDA 90.100 Denali Commission	

**Total Project Funding      \$      274,015**

**Section 3. Project Administration**

The following table provides the anticipated project schedule:

Project Activity	Date
Design Start	01/01/2025
Design Complete	04/30/2025
Construction Start	08/01/2025
Construction Complete	10/31/2025
Final Inspection	10/31/2025
Warranty Inspection	10/31/2026
Final Report Date	12/31/2026

#### **Section 4. Changes to Project Scope**

---

Any significant changes to the project scope of work must be approved by the Department. The scope of work for any design or construction project must remain consistent with the current Department approved Sanitation Master Plan, Comprehensive Plan, Feasibility Study, or Preliminary Engineering Report, if applicable.

## **Article B: General Conditions**

### **Section 1. Project Funding**

This project is subject to appropriation and availability of funds from the sources of funding identified herein. The Department may adjust the sources of the funding, project administration, or scope of work shown and will provide an Amendment to this Agreement to the Local Participant if such changes occur.

If the project costs exceed the estimated funds, and if additional funds are available to perform the work described herein, the Department may provide additional funds to perform this work by issuing and providing to the Local Participant an amended Agreement. The Local Participant acknowledges that such a provision of additional funds will be subject to the same terms and conditions as the original Agreement.

Expenses associated with the project under this Agreement may be made with funds from future State appropriations. If such future state appropriations are not signed into law, this Agreement will be amended or terminated in accordance with AS 37.05.170, which may result in the defunding of project activities.

### **Section 2. Eligible Costs**

- a) The Department shall have sole discretion to determine the eligibility of project costs.
- b) No work shall be performed or initiated without prior approval from the Department.
- c) Upon approval by the Department, the following reasonable, allowable, and allocable expenses associated with the project are eligible for payment from project funds:
  - i. Payroll Costs. These costs are comprised of Department personnel wages for time worked directly on the project, plus payroll taxes, and insurance. In the event force account labor is implemented under this project, wages, payroll taxes, and insurance costs associated with Local Participant personnel employed through a Superintendent or Force Account Labor Agreement are eligible.
  - ii. Direct Non-Salary Costs. These costs must be directly attributable to the project and shall include the following:
    1. The costs associated with consultants, inspectors, surveyors, contractors, subcontractors, and other services required to complete the project.
    2. The cost of materials, supplies, storage, and freight used to complete the project.
    3. Purchase or rental of equipment or tools needed in the completion of the project.
    4. Housing expenses for force account laborers
    5. Insurance for the project covering the Local Participant and the Department.

The Department may pay for costs not specifically listed in this section from project funds, if the Department determines the costs are necessary.

### **Section 3. Project Expenses and Accounting**

- a) The Department will utilize project funds to pay for eligible costs as incurred.
- b) The Department will engage an accounting firm (Firm) to provide payroll services for force account employees of the Local Participant associated with this project. The Firm will receive and disburse a portion of project funds to cover various project costs, which include payroll and related obligations, including taxes and workers compensation insurance, and other selected project costs as the Department directs. The Firm will be used to prepare quarterly and annual payroll tax reports for the IRS, the State of Alaska, and the Department of Labor, as applicable, and W-2 Forms for the project employees. The Firm will submit such reports and pertinent checks to the appropriate federal and state offices.
- c) The Department will be the liaison between the Local Participant and the Firm.

- d) The Department, as agent for the Local Participant, will provide record and bookkeeping services associated with the administration of the project, including federal reporting requirements, vendor payments, and ledger balances in accordance with the funding sources identified herein.
- e) Upon project completion, any project funds not expended under this Agreement, and any interest accruing on the project funds, belong to the Department.
- f) The Department may apply any monies authorized for, but not expended or obligated under, this project to other projects.

#### **Section 4. Department Responsibilities**

- a) The Department spends federal funds directly, on behalf of the Local Participant, and is therefore fully responsible for all federal funding requirements. The Department agrees that it will be bound by any audit requirements that may apply to this Agreement in accordance with 2 CFR 200.501. State departments are not subject to State Single Audits under 2 ACC 45. The project engineer will be the Department contact for the Local Participant during the project.
- b) The Department will oversee planning, design, and construction management of the project, including, but not limited to, where applicable, the selection of qualified contractors. Contracting and procurement activities will be conducted using the Department policies, procedures, and methods.
- c) The Department will use Project funds to procure project-related insurance. Levels of coverage will be defined by internal policy.
- d) The Department will participate in all matters related to the project planning, design, and construction, including, but not limited to: approval of plans and specifications; choices of scheduling, workforce and methods; procedures for administering the project; securing real property and obtaining permits; payment of all project billings; complying with all federal reporting requirements; and performing a final project inspection.
- e) The Department will complete financial and performance reports on a quarterly basis and submit them to the federal funding agency within 30 days following the end of each reporting period. The reports will include the following information:
  - i. Project development milestones, including design, construction, and closeout;
  - ii. Comparison of current outputs (facilities provided by the project) and outcomes (increased levels of service to homes and essential community buildings) to targeted outputs and outcomes;
  - iii. Narrative explanation for delays, reduced scope, and cost overruns;
  - iv. An estimation of the percentage of facilities (outputs) completed;
  - v. Financial information by facility (output), including budgets, expended funds, and remaining funds and;
  - vi. Information regarding problems, delays, or adverse conditions which will materially impair the ability to meet the project objective.

#### **Section 5. Local Participant Responsibilities**

- a) The Local Participant is responsible for securing the real property interests necessary for the construction and operation of the project, through ownership, leasehold, easement, or otherwise. The Department will assist the Local Participant in obtaining these permits and approvals. The Local Participant also is responsible for accepting the required permits and approvals. These permits may include, but are not limited to:
  - Construction Plan Approval
  - United States Corps of Engineers' Sec. 404 Wetlands Fill Permit
  - State Fire Marshal approval
  - United States Fish and Wildlife Service
  - Department of Transportation (State and/or Federal)

- Department of Environmental Conservation
  - United States Environmental Protection Agency
  - Department of Natural Resources
  - Floodplain Permit
  - Right-of-ways for any construction activity or permanent infrastructure
- b) The Local Participant is responsible for timely engagement with respect to assisting the project engineer with finding qualified local labor for the project and will provide necessary local administration assistance, including recommending qualified local personnel; assisting in obtaining necessary personnel information; assisting in obtaining housing for nonresident workers; facilitating communications between the Department, the community and local employees; and serving as a liaison between the Department and the community.
- c) The Local Participant will, promptly and prior to project completion, raise any concerns or issues it may have regarding the project with the Department. If those concerns or issues are not satisfactorily resolved, the Local Participant will promptly give written notice to the Department's contact with a detailed description of the concerns or issues.
- d) Upon completion of the project:
- i. The Local Participant will sign an acknowledgement of project completion, thereby releasing the Department from further liability. The acknowledgement will further state that the Local Participant agrees that it accepts ownership and responsibility for operation and maintenance of any facilities provided under this project for the public benefit. These responsibilities include, but are not limited to, assessing user fees to ensure the system is self-supporting, and selecting individuals who will be trained to operate and maintain the facility.
  - ii. The Local Participant shall reflect the Fair Market Value (FMV) of the Donated Property in its books, and on its financial statements as applicable, following Generally Accepted Accounting Standards (GAAP).
  - iii. The Local Participant will not sell, transfer, encumber, or dispose of any of its interest in any facilities constructed with this funding during the economic life of the facility without prior written Department approval.

## **Section 6. Equipment**

The Department shall purchase, use, manage, and dispose of equipment acquired under this Agreement with all applicable state or federal procurement laws as identified in Article B, Section 7 and 2 CFR 200.313.

## **Section 7. Compliance with Applicable Law and Funding Source Requirements**

The Local Participant and the Department shall comply with all applicable local, state and federal statutes, regulations, ordinances and codes, whether or not specifically mentioned herein including, but not limited to:

- a) Administrative Order No. 199  
The Department and the Local Participant agree to pay any employees hired for this project, in accordance with a progressive, graduated scale of the current Minimum Rates of Pay published by the Alaska Department of Labor (available on-line at <http://labor.alaska.gov/lss/pamp600.htm> or hard copies may be obtained from the Department) for all work completed with funds made available for this project.
- b) Copyrighted Materials and Data  
In accordance with 2 CFR 200.315, all designs, drawing, specifications, notes, artwork, computer programs, reports and other work developed with federal funds in the performance of this Agreement are public domain and will be used by the federal funding agency, state and/or public without notice or compensation.
- c) Recycled Paper  
Recycled paper and double-sided printing will be used for all reports which are prepared as part of this Agreement. Preference will be given to the purchase of recycled materials.

d) Prohibition Statement

No employees may engage in severe forms of trafficking in persons during the period of time that this Agreement is in effect; procure a commercial sex act during the period of time this Agreement is in effect; or use forced labor in the performance of this Agreement. The Department must be informed immediately of any information that is received from any source alleging a violation of the Prohibition Statement above.

e) As well as:

- Americans with Disabilities Act (ADA) of 1990
- Section 504 of the Rehabilitation Act of 1973
- Title VI of the Civil Rights Act of 1964
- Age Discrimination Act of 1975
- Equal Employment Opportunity Executive Orders
- Copeland Anti-Kickback Act
- Davis-Bacon Act
- Contract Work Hours and Safety Standards Act
- Debarment and Suspension Executive Order 12549
- Bayh-Dole Act
- Byrd Anti-Lobbying Amendment
- Drug Free Workplace Act
- Hotel-Motel Fire Safety Act
- Clean Air and Clean Water Act
- Fly America Act
- Resource Conservation and Recovery Act
- 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements

### **Section 8. Department Solid Waste Program Coordination**

Disposal of any solid waste, including construction and demolition debris, generated by this project will be coordinated with the Department's solid waste program.

### **Section 9. Limited Warranty**

A limited one-year warranty will be provided on the facilities and utility systems completed under this Agreement. The warranty period begins on the date the facilities are placed on-online and put into beneficial use, as identified in the Acknowledgment of Project Completion or the Beneficial Use Agreement. The warranty will cover repairs of completed facilities and utility systems constructed under this Agreement that are necessary due to defects in workmanship or equipment. The Department is responsible for correcting and repairing, or replacing, such defective items, subject to the availability of remaining funding and resources identified in the Agreement. The limited warranty does not cover other damage, such as normal wear and tear, or misuse, such as vandalism or neglect.

### **Section 10. Inspection and Retention of Records**

The Local Participant shall allow the Department or its designees to examine all project related records at any reasonable time for the purpose of copying, audit, or inspection. The Local Participant shall ensure that the Department, its contractors and consultants, have reasonable access to project facilities during the project, and reasonable access for performance analysis and testing over the life of project facilities for no cost. The Local Participant shall retain all project-related records for five years following the completion date of the project or three years after termination of the federal award, whichever is later.

### **Section 11. State and Department Held Harmless**



As a condition of this project, the Local Participant agrees to defend, indemnify, and hold harmless the Department and the State of Alaska, and their agents, servants, contractors, and employees, from and against any and all claims, demands, causes of action, actions, and liabilities arising out of, or in any way connected with this funding or the project for which the funding is made, howsoever caused, except to the extent that such claims, demands, causes of action, actions or liabilities are the proximate result of the sole negligence or willful misconduct of employees or agents of the Department or the State of Alaska.

### **Section 12. No Assignment or Delegation**

Unless otherwise allowed by this Agreement or in writing by the Department, any assignment by the Local Participant of its interest in any part of this Agreement or any delegation of its duties under this Agreement without such approval shall be void.

### **Section 13. Declaration of Public Benefit**

The parties acknowledge and agree, where applicable, that facilities shall be constructed, owned and operated for the benefit of the general public and will not deny any person use and/or benefit of project facilities due to race, religion, color, sex, marital status, age, or national origin.

### **Section 14. Amendment**

This Agreement may only be modified or amended in writing and executed by the authorized representatives of the parties to this Agreement.

### **Section 15. Termination**

- a) The Local Participant shall have no rights to compensation or damages for termination of this Agreement except as provided in this Section.
- b) In addition to all other rights available under law, the Department may terminate this Agreement for the convenience of the Department or for cause upon ten (10) days written notice.
- c) "Cause for termination" shall exist when the Local Participant has failed to perform under these conditions, has provided incorrect or misleading information or has failed to provide information which would have influenced the Department's actions. In order for termination to be for cause, the Local Participant's failure to perform or the Local Participant's provision of incorrect, misleading, or omitted information must be material.
- d) The Department may require the Local Participant to return to the Department some or all of the project assets if this Agreement is terminated for cause.

## **Article C: Project-Specific Conditions for Projects Funded by and through Indian Health Service**

### **Planning and Design Projects**

#### **Section 1. Planning Documents**

- a) Any Preliminary Engineering Report (PER) developed in this project will utilize the multi-agency template developed in 2013. The PER template can be located on the VSW website at <http://dec.alaska.gov/water/village-safe-water>.  
An electronic PER template has been developed by USDA-RD and can be located at the following link: <https://www.rd.usda.gov/programs-services/all-programs/water-environmental-programs/electronic-preliminary-engineering>. Use of the electronic template is not required.
- b) Before completion of the PER, the project engineer must provide the Department and federal funding agency an opportunity to review and approve the alternatives that will be evaluated to address deficiencies. Department approval of the alternatives is required prior to finalization of the PER. The alternatives must be submitted electronically to: [DEC-VSW.PERreview@alaska.gov](mailto:DEC-VSW.PERreview@alaska.gov).
- c) The final draft of the PER must be provided to the Department and federal funding agency for review. Department approval is required prior to any subsequent application for construction funding. The final draft must be submitted electronically to: [DEC-VSW.PERreview@alaska.gov](mailto:DEC-VSW.PERreview@alaska.gov).
- d) The community must pass a resolution adopting the PER approved by the Department.
- e) Any planning document developed by this project will include a summary business plan for the operation of all related facilities that details annual operating costs including operations and maintenance, repair and short-lived replacement; annual revenues including user fees, local subsidies, and capital contributions; and describes the managerial structure for the utility.
- f) All labor related cost estimates developed as part of any planning document will be based on a progressive, graduated scale of the current Minimum Rates of Pay published by the Alaska Department of Labor, available on-line at: <http://labor.alaska.gov/lss/pamp600.htm>. Hard copies may be obtained from the Department.
- g) Any planning document developed in this project, will be provided to the Department for review and final approval

#### **Section 2. Design Documents**

- a) Any draft design documents developed in this project will be provided to the Remote Maintenance Worker (RMW) program for review.
- b) Final design documents and record drawings will be provided to the RMW program.

#### **Section 3. Environmental Review for Planning and Design Documents**

- a) Planning or design projects which include a geotechnical investigation must receive the appropriate level of environmental review.
- b) Planning or design projects with no geotechnical investigation are not required to have an environmental review completed; however, an environmental review and determination must be completed prior to construction activities.
- c) All environmental review and determinations will be completed in accordance with federal funding source requirements.

## **Construction Projects**

### **Section 1. Environmental Determination**

Prior to obligation of funding for construction, a review and determination of environmental effects for the project will be completed according to policies and procedures established by the federal funding source. In addition, all pre-construction environmental requirements and stipulations will be completed prior to obligation of funding for construction. Any mitigation measures identified through the environmental review will be fully implemented.