

**SUBJECT:** ACCEPTING AND APPROPRIATING \$6,696,030 FROM THE UNITED STATES DEPARTMENT OF COMMERCE, ECONOMIC DEVELOPMENT ADMINISTRATION, APPROVING THE SCOPE OF WORK AND BUDGET, AND AUTHORIZING THE MANAGER TO ENTER INTO THE GRANT AGREEMENT FOR THE GATEWAY VISITOR CENTER.

**AGENDA OF:** October 4, 2022

**ASSEMBLY ACTION:**

*Adopted without objection  
10-18-22 (BOM)*

**MANAGER RECOMMENDATION:** Introduce and set for public hearing.

**APPROVED BY MICHAEL BROWN, BOROUGH MANAGER:** *MB*

Route To:	Department/Individual	Initials	Remarks
	Originator - P. Graham	<i>PG</i>	
	Community Development Director	<i>CD</i>	
	Public Works Director	<i>PD</i>	<i>9/22/22</i>
	Finance Director	<i>FD</i>	
	Borough Attorney	<i>BA</i>	
	Borough Clerk	<i>BC</i>	<i>9/26/22</i>

**ATTACHMENT(S):** Fiscal Note: YES X NO     

Award Letter - 2 pages

Financial Assistance Award, Form CD-450 - 1 page

Specific Award Conditions - 9 pages

SF3881 - ACH Vendor Payment form - 3 pages

Management Agreement - 11 pages

Ordinance Serial No. 22-121 (2 pp)

Resolution Serial No. 22-101 (2 pp)

**SUMMARY STATEMENT:**

The Matanuska-Susitna Borough has received notification of a grant award in the amount of \$6,696,030, with a required match of \$1,674,008, from the United States Department of Commerce, Economic Development Administration.

This grant process began in early 2020, shortly after the pandemic began. Given the two years it took to receive a grant award, the following information will provide the Assembly and the public with the background of the process and listing of all legislative actions related to the grant application.

#### **BACKGROUND - GRANT APPLICATION:**

This application process began in May 2020, after the adoption of the CARES Act, the EDA announced the availability of \$1.5 billion available for grants that prioritize tourism and hospitality. On September 30, 2020 the Assembly was presented Informational Memorandum No. 20-189 informing them of the intent to apply for a grant for the Gateway Visitor Center construction, and outlining the source of the funding for the required match.

In the October 2020, the Matanuska-Susitna Borough in partnership with the Matanuska-Susitna Convention and Visitor Bureau (MSCVB), submitted a grant application to the United States Department of Commerce, Economic Development Administration (EDA). This application was seeking funding for the construction of the Gateway Visitor Center.

In early 2021, the Borough, with assistance from the MSCVB and their grant writing consultant, HDR Engineering, responded to a number of questions for the EDA Engineers and grant program staff. During this, at the request of EDA, the application was modified to add the MSCVB as a co-applicant. In March 2021, the updated information along with letters of support and a letter from the Borough Manager, stating the match funding was available and in the account for use on this project, was provided to the EPA.

In July 2021 the Borough received and responded to a request for supplemental information relating to specific items from the American Rescue Plan, such as climate change, equity, recovery and resilience. At that time, additional beneficiary information forms that had been received by the MSCVB were also submitted.

During the application process a new Property Management Agreement, between the Borough and the MSCVB was drafted that outlines the responsibilities of the MSCVB for this project and the facility. This agreement was executed in May 2021 with a term that began on July 1, 2021 and expires on June 30, 2026. A copy of that agreement is attached.

#### **SECTION 106 CONSULTATION:**

In December 2021, the Borough received notice that the EDA had received a letter from the Chickaloon Village Traditional Council (CVTC), requesting a formal Section 106 Consultation with Cultural Resource Survey and test pits. The EDA stated that under 36 CFR §800.2(c)(4) they had designated the Borough as their Non-Federal

Representation for the purpose of completing the Section 106 Consultation.

The Borough Grants Coordinator met with representatives of Chickaloon and Knik, as well as other Borough staff to discuss the potential area of effect for the survey and why they believed that a survey on a parcel that had been a well-used RV Park was needed. Both Knik and Chickaloon representatives recounted stories of the property containing grave sites from the old town site and felt the need to confirm or disprove those stories, before any additional disturbance of the property.

The Borough contracted with CVTC to complete the site survey, with test pits, and provide a written report. The survey resulted in the reports of grave sites being disproven, however, they were able to locate some artifacts, and the original cabin site. This cabin was constructed by the first land owner, sometime between 1914 and 1921, and was demolished sometime after the property became an RV Park.

CVTC provided an email for the EDA stating that while nothing of significance had been found they appreciated the opportunity to complete the survey and looked forward to the completion of the Gateway Visitor Center. A copy of the survey report is available upon request.

#### **LEGISLATION HISTORY:**

Information related to the grant application, and match funding, have been provided to the Assembly a number of times beginning in September 2020.

Informational Memorandum 20-189, presented September 30, 2020; informing the Assembly of the grant application and match requirement.

Informational Memorandum 20-221, and Ordinance Serial No. 20-104, presented November 17, 2020; re-appropriating match funding into the Gateway Visitor Center project account.

Informational Memorandum 21-219, Ordinance Serial No. 21-108, and Resolution Serial No. 21-114, presented October 19, 2021; accepting and appropriating the remaining match funding from the MSCVB.

Informational Memorandum 22-213, Ordinance Serial No. 22-066, and Resolution Serial No. 22-055, presented May 17, 2022; re-appropriating funding for the Cultural Resources Survey.

**GRANT AWARD:**

On September 14, 2022, the Borough received official notice of the award and the agreement, consisting of the following items:

1. Award Letter - 2 pages - attached
2. Financial Assistance Award, Form CD-450 - 1 page - attached
3. Specific Award Conditions - 9 pages - attached
4. EDA Standard Terms and Conditions for Construction Projects - 82 pages
5. Department of Commerce Standard Terms and Conditions - 53 pages
6. Title 13 Code of Federal Regulation, Chapter III EDA - 108 pages
7. SF3881 - ACH Vendor Payment form - 3 pages - attached
8. Office of Inspector General Fraud Awareness Training - EDA CARES ACT - required training for project staff - 37 pages
9. Office of Inspector General Fraud Awareness Training - EDA AMERICAN RESCUE PLAN ACT - required training for project staff - 33 pages

As a requirement of the grant award, the Borough and the MSCVB must comply with all of these documents. Items that are not attached are available for review upon request.

The grant, in the amount of \$6,696,030, has a required match of \$1,674,008. Match funding was placed in the project account during the grant application process, in order to satisfy the requirements that match funding be committed to the project, available as needed, and not conditioned or encumbered in any way that would preclude their use consistent with the purpose of the project.

**CURRENT PROJECT STATUS:**

In 2016, under a contract awarded using previously secured grant funding, Wolf Architecture provided the Borough with a 95% design for the project and 65% cost estimate of \$7.6 Million for the construction of the Gateway Visitor Center. Public Works later went back and obtain a new estimate of \$6.2 million that includes some value engineering. The grant budget was estimated based on that original 65% cost estimate and while with the cost increases from the pandemic supply chain issues makes it a tight budget, it should be sufficient to complete the project.

**RECOMMENDATION OF ADMINISTRATION:** Approve the legislation as presented.

MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE

Agenda Date: October 4, 2022

SUBJECT: ACCEPTING AND APPROPRIATING \$6,696,030 FROM THE UNITED STATES DEPARTMENT OF COMMERCE, ECONOMIC DEVELOPMENT ADMINISTRATION, APPROVING THE SCOPE OF WORK AND BUDGET, AND AUTHORIZING THE MANAGER TO ENTER INTO THE GRANT AGREEMENT FOR THE GATEWAY VISITOR CENTER.

ORIGINATOR: Pamela Graham, Grants Coordinator

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <u>(YES)</u> NO
AMOUNT REQUESTED <u>\$8,370,038</u>	FUNDING SOURCE <u>Grant / Grant Match Project</u>
FROM ACCOUNT # <u>435.000.00 421.222 (\$1.7 million)</u>	PROJECT <u>10022</u> <u>fun 25</u>
TO ACCOUNT: <u>435.000.00 321.222 (\$6.7 million)</u>	PROJECT # <u>10022</u>
VERIFIED BY: <u>Shirley W. Winkler</u>	CERTIFIED BY:
DATE: <u>9-2-22</u>	DATE:

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL						
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REVENUE						
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FUNDING:

(Thousands of Dollars)

General Fund						
State/Federal Funds			<u>6.7</u>			
Other			<u>1.7</u>			
TOTAL			<u>8.4</u>			

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: \_\_\_\_\_ PHONE: \_\_\_\_\_  
 DEPARTMENT: Chaperne H. H. H. DATE: \_\_\_\_\_  
 APPROVED BY: \_\_\_\_\_ DATE: 9/22/22





U.S. DEPARTMENT OF COMMERCE  
Economic Development Administration  
915 Second Avenue, Room 1890  
Seattle, Washington 98174  
Fax: 206.220.7669  
Voice: 206.220.7660

September 13, 2022

In reply refer to:  
Investment No.: 07-79-07805

Michael Brown  
Borough Manager  
Matanuska-Susitna Borough  
350 E Dahlia Ave  
Palmer, AK 99645-6411

Sent via Email

Dear Mr. Brown:

I am pleased to inform you that the Department of Commerce's Economic Development Administration (EDA) has approved your application for \$6,696,030 for the Gateway Visitor Center Project.

Enclosed is a digitally signed copy of the Financial Assistance Award. Your agreement to the terms and conditions of the award should be indicated by the signature of your principal official(s) on the signed copy of the Financial Assistance Award, via one of the following methods:

1. Using a certified signature through Adobe or some other software.
2. Printing the document, signing in ink, and returning a scanned copy by email.

The fully executed document should be returned electronically to Economic Development Specialist, Michele Ko at [mko@eda.gov](mailto:mko@eda.gov), with a copy to Regional Director, Sheba Person-Whitley at [SPerson@eda.gov](mailto:SPerson@eda.gov). If not signed and returned within 30 days of receipt, EDA may declare the Award null and void. Please retain a copy of the executed award for your records.

As required by the Department of Commerce Office of Inspector General and as specified in the terms of the award, all recipients of awards under the CARES Act and ARP Act must participate in Fraud Awareness Training. All personnel at your organization responsible for overseeing contractors, sub-contractors, or subrecipients, or who are otherwise responsible for managing your organization's finances are required to take the training. This requirement is satisfied by reading and understanding the enclosed PowerPoint presentations. Once you and the appropriate personnel at your organization have completed both trainings, please return a signed copy of the certification pages to my staff within sixty days along with signed copies of the Financial Assistance Award.

Please do not make any commitments in reliance on this award until you have carefully reviewed and accepted the terms and conditions. Any commitments entered into prior to obtaining approval of EDA in accordance with its regulations and requirements will be at your own risk.

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EDA's mission is to lead the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy. EDA implements this mission by making strategic investments in the nation's most economically distressed communities that encourage private sector collaboration and creation of higher-skill, higher wage jobs. EDA investments are results driven, embracing the principles of technological innovation, entrepreneurship and regional development.

I share your expectations regarding the impact of this investment and look forward to working with you to meet the economic development needs of your community.

Sincerely,

Sheba Person-  
Whitley

Digitally signed by Sheba  
Person-Whitley  
Date: 2022.09.13 11:39:03  
-08'00'

Sheba Person-Whitley  
Regional Director

Enclosures:

Copies: Kerstin Millius, Area Director  
Richard Berndt, Supervisory Program Manager  
Shirley Kelly, Economic Development Representative

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☒ GRANT ☐ COOPERATIVE AGREEMENT

## FINANCIAL ASSISTANCE AWARD

FEDERAL AWARD ID NUMBER

07-79-07805; URI 117106

RECIPIENT NAME

Matanuska-Susitna Borough

PERIOD OF PERFORMANCE

Date of Grant Officer's signature through May 31, 2027

STREET ADDRESS

350 E Dahlia Ave

FEDERAL SHARE OF COST

\$ 6,696,030

CITY, STATE, ZIP CODE

Palmer, AK 99645-6411

RECIPIENT SHARE OF COST

\$ 1,674,008

RECIPIENT NAME

Matanuska-Susitna Convention &amp; Visitors Bureau Inc.

TOTAL ESTIMATED COST

\$ 8,370,038

STREET ADDRESS

610 S Bailey St #201

CITY, STATE, ZIP CODE

Palmer, AK 99645-6330

AUTHORITY

42 U.S.C. 3149 and 3233, Sections 209 and 703 of the Public Works and Economic Development Act of 1965 (Public Law 89-136), as amended by the Economic Development Administration Reauthorization Act of 2004 (Public Law 108-373)

CFDA NO. AND NAME

11.307 / Economic Adjustment Assistance Program

PROJECT TITLE

Gateway Visitor Center

This Award Document (Form CD-450) signed by the Grants Officer constitutes an obligation of Federal funding. By signing this Form CD-450, the Recipient agrees to comply with the Award provisions checked below and attached. Upon acceptance by the Recipient, the Form CD-450 must be signed by an authorized representative of the Recipient and returned to the Grants Officer. If not signed and returned without modification by the Recipient within 30 days of receipt, the Grants Officer may unilaterally withdraw this Award offer and de-obligate the funds.

- ☒ DEPARTMENT OF COMMERCE FINANCIAL ASSISTANCE STANDARD TERMS AND CONDITIONS (12 NOV 2020)  
☐ R & D AWARD  
☐ FEDERAL-WIDE RESEARCH TERMS AND CONDITIONS, AS ADOPTED BY THE DEPT. OF COMMERCE  
☒ SPECIFIC AWARD CONDITIONS  
☐ LINE ITEM BUDGET  
☒ 2 CFR PART 200, UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES & AUDIT REQUIREMENTS, AS ADOPTED PURSUANT TO 2 CFR § 1327.101  
☐ 48 CFR PART 31, CONTRACT COST PRINCIPLES AND PROCEDURES  
☐ MULTI-YEAR AWARD: PLEASE SEE THE MULTI-YEAR SPECIAL AWARD CONDITION.  
☒ Other(s): 13 C.F.R. Chapter III, Economic Development Administration, Department of Commerce

U.S. Department of Commerce Economic Development Administration Standard Terms and Conditions for Construction Projects (March 22, 2021)

SIGNATURE OF DEPARTMENT OF COMMERCE GRANTS OFFICER

Sheba-Person Whitley, Regional Director

Sheba Person-Whitley

Digitally signed by Sheba Person-Whitley  
Date: 2022.09.02 14:59:33 -07'00'

DATE

9/2/2022

PRINTED NAME, PRINTED TITLE, AND SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL

Michael Brown, Borough Manager

DATE

PRINTED NAME, PRINTED TITLE, AND SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL

Bonnie Quill, President &amp; CEO

DATE

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SPECIFIC AWARD CONDITIONS  
U.S. DEPARTMENT OF COMMERCE  
Economic Development Administration (EDA)

**CONSTRUCTION PROJECTS:** Public Works and Economic Adjustment Assistance Programs  
under Sections 201 and 209 of the Public Works and Economic Development Act, as amended,  
42 U.S.C. §§ 3141 and 3149

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Public Works and Economic Adjustment Assistance Programs

<b>Project Title: Gateway Visitor Center</b>	
<b>Recipient Name: Matanuska-Susitna Borough &amp; Matanuska-Susitna Convention &amp; Visitors Bureau Inc.</b>	<b>Project Number: 07-79-07805</b>

1. **AUTHORIZED SCOPE OF WORK:** This EDA Award supports the work described in the approved final scope of work, which is incorporated by reference into this Award, as the *Authorized Scope of Work*. All work on this project must be consistent with the *Authorized Scope of Work*, unless the Grants Officer has authorized a modification of the scope of work in writing through an amendment memorialized by a fully executed *Amendment to Financial Assistance Award* (Form CD-451).

The *Authorized Scope of Work* for this project includes:

Construct an approximately (~) 10,624 square-foot (s.f.) LEED Silver visitor center including information space; exhibit/event space; a theater; a concession area; and offices. Demolish several structures, utilities, an existing well, and other infrastructure. Includes paved entrance off of Matanuska Spur Road, paved access drive (~21,900 s.f.), gravel maintenance drive (~5,000 s.f.), paved vehicle circulation and parking area (~80 vehicle and ~10 bus spaces), and concrete curb/sidewalk for building access. Includes stormwater, erosion, and sediment control, catch basins, and sediment ponds. Site utilities include electrical service, lighting, water lines with pump, septic tank and leach field, and natural gas.

Quantities and dimensions are approximate.

2. The Recipient Contact's name, title, address, telephone number, and email address are:

Pamela Graham Grants Coordinator with Finance Phone: (907) 861-8525 Email: pam.graham@matsugov.us	Matanuska-Susitna Borough 350 E Dahlia Ave Palmer, AK 99645-6411
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3. The Grants Officer is authorized to award, amend, suspend, and terminate financial assistance awards. The Grants Officer is:

Sheba Person-Whitley Regional Director Email: sperson@eda.gov	Economic Development Administration Seattle Regional Office 915 Second Avenue, Room 1890 Seattle, Washington 98174-1012
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4. The Federal Program Officer (Area Director) oversees the programmatic aspects of this Award. The Federal Program Officer is:

Kerstin Millius Area Director Phone: (206) 220-7700 Email: kmillius@eda.gov	Economic Development Administration Seattle Regional Office 915 Second Avenue, Room 1890 Seattle, Washington 98174-1012
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5. The EDA Project Officer is responsible for day-to-day administration and liaison with the Recipient and receives all reports and payment requests. The Project Officer is:

Tobey Clarkin Civil Engineer Phone: (206) 220-7694 Email: tclarkin@eda.gov	Economic Development Administration Seattle Regional Office 915 Second Avenue, Room 1890 Seattle, Washington 98174-1012
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6. **CONTACT CHANGES:** Changes to the contact information above may be made in writing by the EDA Project Officer without an amendment on Form CD-451.

7. **ADDITIONAL INCLUDED DOCUMENTS:** In addition to the regulations, documents, or authorities incorporated by reference on the *Financial Assistance Award* (Form CD-450), the following additional documents are incorporated by reference into this Award:

- The Recipient's application, including any attachments, project descriptions, schedules, and subsequently submitted supplemental documentation.

Should there be a discrepancy among these documents, the Specific Award Conditions (this document) shall control.

8. **PROJECT DEVELOPMENT TIME SCHEDULE:** The Recipient agrees to the following Project Development Time Schedule:

Return of Executed Financial Assistance Award .....30 calendar days after receipt of  
Form CD-450/CD-451  
Start of Construction ..... 18 Months from the Date of Award  
Construction Completed ..... 42 Months from the Date of Award  
Authorized Award End Date ..... May 31, 2027  
Submission of Final Financial Report (Form SF-425) ... No later than 120 calendar days from  
the Award End Date

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Project Closeout – All project closeout documents, including final financial reports (Form SF 425 or any successor form) and any required program reports, shall be submitted to EDA not more than 120 calendar days after the date the Recipient accepts the completed project from the contractor(s).

The Recipient must diligently pursue the development of the project so as to ensure completion within this time schedule, and must promptly notify EDA in writing of any event that could substantially delay meeting any of the time limits set forth above. The Recipient further acknowledges that failure to meet the Project Development Time Schedule may result in EDA pursuing remedies for non-compliance, potentially including termination of the Award in accordance with the regulations set forth at 2 CFR §§ 200.338–200.342.

9. **PROJECT COMPLETION DEADLINE:** All work on this project must be completed by May 31 2027, to allow for closeout and final disbursement prior to September 30, 2027. **EDA CANNOT EXTEND THIS DEADLINE FOR ANY REASON.** By operation of the Account Closing Statute (31 U.S.C. §§ 1552(a)), on September 30, 2027, any remaining award balances will be cancelled and no longer available for expenditure for any purpose. Nothing in this paragraph is intended to alter the Project Development Time Schedule set forth in SAC 8 above.

**10. PROJECT REPORTING AND FINANCIAL DISBURSEMENTS INSTRUCTIONS:**

- A. **AWARD DISBURSEMENTS: Reimbursement basis only.** EDA will make disbursements under this Award on a reimbursement basis only, based on actual costs incurred, after all preconditions set forth in these Specific Award Conditions have been met.

The “*Outlay Report and Request for Reimbursement*” (Form SF-271 or any successor form) is used to request a disbursement, which shall be approved in writing by the Project Officer.

*Please note that prior to the initial disbursement, Recipients must complete the attached Form SF-3881, “ACH Vendor/Miscellaneous Payment Enrollment Form” and submit it to either: (1) the EDA Project Officer through a secured/encrypted email or, if coordinated with the EDA Project Officer, mail; or (2) Emailing NOAA’s Accounting Office at [edagrants@noaa.gov](mailto:edagrants@noaa.gov) through the secure Kiteworks system with a CC to the EDA Project Officer. The form must be completed by the respective parties (EDA, Recipient Bank, and Recipient) at the start of each new award.*

**B. REPORTS:**

- a. **Project Progress Reports:** The Recipient shall submit project progress reports to the Project Officer on a quarterly basis for the periods ending **December 31, March 31, June 30, and September 30**, or any portion thereof, until the final disbursement is made by EDA. Reports should be submitted using the approved EDA template, which will be provided by the Project Officer and discussed during the project kick-off meeting. Reports are due no later than 1 month following the end of the quarterly period.
- b. **Financial Reports:** The Recipient shall submit a “*Federal Financial Report*” (Form SF-425 or any successor form) on a semi-annual basis for the periods ending **March 31 and**

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**September 30**, or any portion thereof, for the entire period of performance. Form SF-425 and instructions for completing this form are available at:  
<https://www.grants.gov/web/grants/forms/post-award-reporting-forms.html>.

Reports are due no later than 1 month following the end of the semi-annual period.

A final Form SF-425 must be submitted no more than 120 calendar days after the expiration date of the Award (*i.e.*, the Award End Date specified on the Form CD-450 or a subsequently executed Form CD-451). Final Financial Reports should follow the guidance outlined in the instructions for submitting mid-term financial reports, but should ensure that all fields accurately reflect the total outlays for the entire period of performance and that all matching funds and program income (if applicable) are fully reported. Determination of the final grant rate and final balances owed to the government will be determined based on the information on the final Form SF-425, so it is imperative that it be submitted in a timely and accurate manner.

- 11. PERFORMANCE MEASURES:** The Recipient agrees to report on program performance measures and program outcomes in such a form and at such intervals as may be prescribed by EDA in compliance with the Government Performance and Results Act (GPRA) of 1993, and the Government Performance and Results Modernization Act of 2010.

At this time, all Awards for construction assistance require Recipients to report actual job creation/retention and private investment leverage at three (3), six (6), and nine (9) years after an EDA investment. The Recipient must retain sufficient documentation so that they can submit these required reports. Failure to submit these reports may adversely impact the ability of the Recipient to secure future funding from EDA.

Performance measures and reporting requirements that apply to program activities funded by this investment will be provided in a separate GPRA information collection document. EDA staff will contact the Recipient in writing within a reasonable period prior to the time of submission of the reports with information on how this data should be submitted. The Recipient must ensure adequate and sufficient records are kept to support the methodology for computing initial job creation/retention and private investment estimates and all subsequent actual performance data, and must make this information available at EDA's request, including in the event of an audit or performance site visit.

- 12. ALLOWABLE COSTS AND AUTHORIZED BUDGET:** Total allowable costs will be determined after the final financial documents are submitted in accordance with the applicable authorities specified on the *Financial Assistance Award* (Form CD-450), including the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR part 200 (Uniform Guidance).

Except as otherwise expressly provided for within these Specific Award Conditions, the Federal share of the allowable costs shall be based on the Investment Rate for the Award, as established on the Form CD-450 or any subsequent amendment (Form CD-451). In the event of an underrun in total allowable costs for this project, the Federal share of allowable costs shall be determined by

the Investment Rate. The Federal share of total allowable costs shall not exceed the dollar amount specified on the original Award or any subsequent amendments.

**Line-Item Budget:**

A. Under the terms of the Award, the total approved authorized budget is:

Federal Share (EDA Amount)	\$6,696,030
Non-Federal Matching Share	\$1,674,008
Total Project Cost	\$8,370,038

B. Under the terms of this Award, the total approved line-item budget is:

COST CLASSIFICATION	Proposed	Approved
Administrative and legal expenses	\$371,793	\$371,793
Land, structures, rights-of-way, etc.	\$	\$
Relocation expenses and payments	\$	\$
Architectural and engineering fees	\$200,000	\$200,000
Other architectural and engineering fees	\$100,000	\$100,000
Project inspection fees	\$12,500	\$12,500
Site work	\$	\$
Demolition and removal	\$	\$
Construction	\$7,267,934	\$7,267,934
Equipment	\$	\$
Miscellaneous	\$51,825	\$51,825
Contingencies	\$365,986	\$365,986
Total Project Cost	\$8,370,038	\$8,370,038

**13. MATCHING SHARE:** The Recipient agrees to provide the Recipient's non-Federal Matching Share contribution for eligible project expenses in proportion to the Federal share requested for such project expenses (see 13 CFR § 300.3). By accepting the Award, the Recipient also certifies that the Matching Share of the project costs is committed to the project, is not encumbered in any way that would prevent its use for the project, and will be available as needed for the project.

**14. REFUND CHECKS, INTEREST, OR UNUSED FUNDS:** If the Recipient needs to return money to EDA, it may:

- A. Use the pay.gov website, which allows the Recipient to pay EDA online. The Recipient will have the option to make a one-time payment or to set up an account to make regular payments.
- B. Contact the EDA project officer to see if alternative instructions for wire or paper checks are available from EDA. At this time, paper checks are not being accepted.



**15. GOALS FOR WOMEN AND MINORITIES IN CONSTRUCTION:** Department of Labor regulations set forth at 41 CFR part 60-4 establish goals and timetables for the participation of minorities and women in the construction industry. Those regulations apply to all federally assisted construction contracts in excess of \$10,000. The Recipient shall comply with those regulations and shall obtain compliance with 41 CFR part 60-4 from contractors and subcontractors employed on the project by including such notices, clauses, and provisions in the Solicitations for Offers or Bids as required by 41 CFR part 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 Specific Award Conditions.

Goals for minority participation shall be as prescribed by Appendix B-80 of the *Federal Register* notice published October 3, 1980 at 45 FR 65984-65991, or any subsequently published amendments. 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.

**16. PROCUREMENT:** The Recipient agrees that all procurement transactions shall be in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR §§ 200.317–200.327 and the EDA regulations contained in 13 CFR Chapter III, especially 13 CFR part 305 and 13 CFR § 302.17 (“Conflicts of Interest”).

**17. EVIDENCE OF GOOD TITLE:** Prior to solicitation for construction bids, the Recipient shall provide an opinion of counsel, satisfactory to EDA, that the Recipient has acquired good and marketable title to land, free of all encumbrances, to all real property necessary for completion of the project, as well as any necessary rights-of-way, easements, State or local government permits, or long-term lease interests necessary for the completion of the project, in accordance with 13 CFR part 314.

**18. NON-RELOCATION:** By accepting this Award of financial assistance, the Recipient attests that EDA funding is not intended by the Recipient to assist efforts to induce the relocation or movement of existing jobs from one region to another region in competition for those jobs. In the event EDA determines that its assistance was used for such purposes, EDA reserves the right to pursue appropriate enforcement actions, including suspension of disbursements, termination of the Award (which may include the establishment of a debt requiring the Recipient to reimburse EDA), and disallowance of any costs attributable, directly or indirectly, to the relocation.

**19. REAL PROPERTY REPORTING:** Consistent with 2 CFR § 200.330 (“Reporting on real property”), the Recipient must submit reports (using Form SF-429 “Real Property Status Report” or any successor form). The initial SF-429 form must be returned to the EDA Project Officer no later than December 31 of the year of the initial disbursement of Federal funds. Because EDA’s interest in this real property extends at least 15 years, successive reports will be required by

December 31 every two years thereafter during the established useful life of the property, rather than on an annual basis. At its sole discretion, EDA reserves the right to require more or less frequent real property reporting for the duration of the useful life of real property in which it retains an interest under this project.

- 20. WASTE, FRAUD AND ABUSE:** Consistent with 2 CFR part 200, at EDA's direction, at any time(s) during the estimated useful life of the Project, Recipient's key personnel will take training(s) on preventing waste, fraud and abuse as provided by the Government. Key personnel include those responsible for managing the Recipient's finances and overseeing any contractors, sub-contractors, or subrecipients (for financial matters and/or general oversight related to this Project). EDA will provide instructions on when and how to take the training(s). Within sixty days of accepting the EDA Financial Assistance Award, the Recipient shall provide to the Project Officer all Certificates of Completion for the Waste, Fraud, and Abuse training. In the event there are co-recipients of this Award, the obligations in the Specific Award Condition shall apply to all recipients whether or not designated in this Award as the Lead Recipient.

Further, Recipient will monitor Award activities for common fraud schemes, such as:

- false claims for materials and labor,
- bribes related to the acquisition of materials and labor,
- product substitution, • mismarking or mislabeling on products and materials, and
- time and materials overcharging.

Should Recipient detect any suspicious activity, Recipient will contact EDA staff listed above and the Office of Inspector General, as indicated at <https://www.oig.doc.gov/Pages/Contact-Us.aspx>, as soon as possible.

- 21. MULTIPLE RECIPIENTS:** This Award is made to multiple Recipients. Any reference to the term "Recipient" means all Recipients listed on the Financial Assistance Award Form CD-450 as may be amended.

- 22. LEAD RECIPIENT DESIGNATION:** This Award is made to multiple Recipients as identified on the Form CD-450 to which these Specific Award Conditions are attached. EDA requested that one of the Recipients be designated as the Lead Recipient to facilitate the administration of this Award. The Recipient named first in the Recipient name block on Form CD-450 has agreed in writing to be designated as Lead Recipient. The co-Recipients acknowledge, agree with and consent to this designation. The co-Recipients agree that all funds available pursuant to this Award will be disbursed by EDA to the Lead Recipient. The Lead Recipient agrees to be responsible for the further disbursement of all such funds received from EDA to the co-Recipients in accordance with the Budget attached to this Award. Such disbursement by the Lead Recipient to the co-Recipients will be made in accordance with all applicable Federal requirements as identified and set forth on Form CD-450. The Lead Recipient further agrees to be responsible for accumulating all necessary information for and the submission of all reports required to be submitted to EDA pursuant to this Award.

**23. ARCHITECT/ENGINEER AGREEMENT:** Prior to disbursement of funds by EDA for Architect and Engineer Agreement costs, the Recipient must submit to EDA for approval, an Architect/Engineer Agreement that meets the requirements in the EDA's "Summary of EDA Construction Standards," as well as the competitive procurement standards of 2 CFR part 200 and EDA Regulations at 13 CFR Chapter III. 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 on a cost-plus-a-percentage-of-cost or a cost using a multiplier.

**24. RECORDED STATEMENT OF FEDERAL SHARE:** Prior to solicitation for construction bids, to better memorialize and protect the Federal Share in real property acquired or improved, in whole or in part, with the funds made available under this Award, the Recipient agrees that it shall execute and cause to be recorded a first priority unsubordinated mortgage lien in favor of EDA or, when permitted by EDA due to a Recipient's legal restriction against recording a mortgage (or deed of trust), a covenant declaring EDA's interest in said real property. EDA shall advise whether the Mortgage or Covenant will be used. The Mortgage or Covenant will be duly recorded with the appropriate office where mortgages are recorded for the jurisdiction where the real property is situated. The Mortgage or Covenant shall be in a form and substance satisfactory to EDA. Upon request by EDA, Recipient shall furnish an opinion by counsel for the Recipient that the Mortgage or Covenant is a valid and enforceable agreement according to its terms, and has been duly recorded in the appropriate office where mortgages are recorded for that applicable jurisdiction. EDA may waive this requirement in writing where, in the sole judgment of EDA, the EDA investment forms only a small part of a larger project.

The Recipient further agrees that:

- A. Except as provided in 13 CFR 314.3, 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 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 in 2 CFR part 200 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 Government. EDA may pursue its rights under both paragraphs (a) and (b) of this section to recover the Federal share, plus costs and interest.
- C. The Federal share of the value of the property is that percentage of the current fair market value of the property attributed 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 from the date a mortgage or covenant satisfactory to EDA is recorded.

- 25. ARCHEOLOGICAL AND HISTORICAL RESOURCES:** If during construction of the project, historical and archeological resources, including burial grounds and artifacts are discovered, the Recipient shall immediately stop construction in the area, contact the applicable State Historic Preservation Officer (SHPO) or Tribal Historic Preservation Officers (THPO), interested Tribes, and EDA, and follow the SHPO or THPO instructions for the preservation of resources.
- 26. MIGRATORY BIRDS:** 45 days prior to the start of construction, the Recipient shall provide evidence to EDA that a bald and golden eagle nesting survey will be conducted. Specifically, 1) a qualified biologist will survey the project area no sooner than 5 days before construction for eagle nesting behavior and/or active nests. 2) If nesting behavior and/or nests are found in the vicinity (usually defined as within 660 feet for bald eagles and .5 miles for golden eagles), avoidance and/or mitigation measures will be used per the qualified biologist's recommendation unless otherwise cleared to proceed.
- 27. HISTORIC PRESERVATION AND TRIBAL CONSULTATIONS:** Prior to solicitation of construction bids, EDA concurrence with the Recipient's final plans and specifications, and any construction and/or earth-disturbing activities, the Recipient shall complete to the satisfaction of EDA all activities necessary for complying with the National Historic Preservation Act (NHPA) and completing Tribal consultations. This may include, but is not limited to cultural resources surveys, reports, tribal consultations, SHPO/THPO consultations, etc. EDA will notify Recipient when these activities are considered complete. Recipient agrees to implement any changes to the project that EDA may require in response to complying with the NHPA or completing Tribal consultations and Recipient is solely responsible for covering any resulting cost increase.
- 28. TRIBAL MONITOR:** Thirty (30) days prior to earth-disturbing activities funded under the EDA grant that may occur around the bluff edge, the Recipient shall provide evidence satisfactory to the EDA that the Chickaloon Village Traditional Council has been notified and given the opportunity to have a tribal monitor on-site during earth-disturbing activities.
- 29. PROJECT INSPECTION AGREEMENT:** Prior to disbursement of funds by EDA for Project Inspection Agreement costs, the Recipient must submit to EDA for approval, a Project Inspection Agreement that meets the requirements in the EDA's "Summary of EDA Construction Standards," as well as the competitive procurement standards of 2 CFR part 200 and EDA Regulations in 13 CFR Chapter III. The fee for basic Project Inspection Services will be a lump sum or an agreed maximum, and no part of the fees for other services will be based on a cost-plus-percentage-of-cost or a cost using a multiplier.
- 30. PHASED DISBURSEMENT:** The Recipient is authorized to receive disbursement of funds prior to the award of all contracts.

**ACH VENDOR/MISCELLANEOUS PAYMENT  
ENROLLMENT FORM**

OMB Number: 1530-0069  
Expiration Date: 06/30/2022

This form is used for Automated Clearing House (ACH) payments with an addendum record that contains payment-related information processed through the Vendor Express Program. Recipients of these payments should bring this information to the attention of their financial institution when presenting this form for completion. See reverse for additional instructions.

**PRIVACY ACT STATEMENT**

The following information is provided to comply with the Privacy Act of 1974 (P.L. 93-579). All information collected on this form is required under the provisions of 31 U.S.C. 3322 and 31 CFR 210. This information will be used by the Treasury Department to transmit payment data, by electronic means to vendor's financial institution. Failure to provide the requested information may delay or prevent the receipt of payments through the Automated Clearing House Payment System.

**AGENCY INFORMATION**

Agency Name:

Economic Development Administration

Agency Identifier:

EDA

Agency Location Code (ALC):

132000001

ACH Format:

☒ CCD+

☐ CTX

Address:

Street 1: 1401 Constitution Avenue, N.W., Room 70023

Street 2:

City: Washington

County:

State: DC: District of Columbia

Province:

Country: USA: UNITED STATES

Zip / Postal Code: 20230-0001

Contact Person Name:

Prefix:

First Name:

Middle Name:

Last Name:

Suffix:

Telephone Number:

Additional Information:

Seattle Regional Office  
915 Second Avenue, Room 1890  
Seattle, Washington 98174-1012

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**ACH VENDOR/MISCELLANEOUS PAYMENT  
ENROLLMENT FORM**

**PAYEE/COMPANY INFORMATION**

Organization Name (Legal Name):

SSN No. or Taxpayer ID No.:

Address:

Street 1:

Street 2:

City:

County:

State:

Province:

Country:

Zip / Postal Code:

Contact Person Name:

Prefix:

First Name:

Middle Name:

Last Name:

Suffix:

Telephone Number:

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**ACH VENDOR/MISCELLANEOUS PAYMENT  
ENROLLMENT FORM**

**FINANCIAL INSTITUTION INFORMATION**

Name of Financial Institution:

Address:

Street 1:

Street 2:

City:

County:

State:

Province:

Country:

USA: UNITED STATES

Zip / Postal Code:

ACH Coordinator Name:

Prefix:

First Name:

Middle Name:

Last Name:

Suffix:

Telephone Number:

Nine-Digit Routing Transit Number:

Depositor Account Title:

Depositor Account Number:

Lockbox Number:

Type of Account:

☐

Checking

☐

Savings

☐

Lockbox

Signature and Title of Authorized Official:

Prefix:

First Name:

Middle Name:

Last Name:

Suffix:

Title of Authorized Official:

Telephone Number:

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PROPERTY MANAGEMENT AGREEMENT  
BETWEEN  
MATANUSKA-SUSITNA BOROUGH  
AND  
MATANUSKA-SUSITNA CONVENTION AND VISITORS BUREAU, INC.  
(MSB007747)

This Management Agreement (hereinafter called "Agreement") is made and entered into on May 28, 2021 by and between the MATANUSKA-SUSITNA BOROUGH (hereinafter called "Borough") and the MATANUSKA-SUSITNA CONVENTION AND VISITORS BUREAU, INC. (hereinafter called "MSCVB" aka "Gateway Center").

Whereas, the Borough owns certain real property in Palmer (hereinafter called "Property"), and MSCVB wishes to construct, manage, operate, and maintain a public visitor's facility within the Property for purpose of marketing and promotion of tourism in the Borough and the state of Alaska; and

NOW THEREFORE, in consideration of the covenants and agreements contained herein, the Borough and MSCVB agree as follows:

Section 1.     Description of Property.

Lot 1 and Tract A, Homestead RV Park Subdivision, according to Plat No. 2005-222, located in the Palmer Recording District, Third Judicial District, State of Alaska.

Section 2.     Description of Facilities.

Any facility or infrastructure, past, present, or future situated within the Property, and the grounds used by MSCVB staff and their invitees for the business which is incorporated herein and made a part hereof.

Section 3.     Term of Agreement.

This Agreement shall commence on July 1, 2021 and shall continue through June 30, 2026, unless sooner terminated in accordance with this Agreement. Additional five-year extensions of the term may be requested in writing by the MSCVB whereupon the Borough will review such request for approval. Submittal and review does not imply automatic approval; such approval being needed by the Borough Assembly. The MSCVB shall give six months' notice of their intention to renew this Agreement and if the parties cannot come to mutually agreeable terms for renewal within 90 days of such notice, the Borough shall have the authority to seek other parties for the exclusive use, management, operation and maintenance of the Property, including, but not limited thereto, the Gateway Center facilities and business.

Section 4. Purpose of Agreement.

The purpose of this Agreement is to allow MSCVB to construct, manage, operate, and maintain a public visitor's facility within the Property for purpose of marketing and promotion of tourism in the Borough and the state of Alaska.

Section 5. Responsibilities of Parties.

In connection with the performance of its responsibilities hereunder, the MSCVB shall cooperate with the Borough and implement the Borough's recommendations and advice consistent with the terms of this Agreement. The MSCVB's specific responsibilities hereunder will include, though not necessarily be limited to, the following:

(a) Annual Management Plan. The MSCVB shall prepare, develop and submit an annual MSCVB facilities and business management plan to the Borough prior to March 1 of each year for the following fiscal year (July 1 through June 30). The MSCVB will work with the Administrator to ensure the management plan meets the requirements and expectations of the Borough. Such plan shall include all items necessary and proper to manage, market, and promote the MSCVB business and to manage, operate, and maintain the Property.

(b) Construction, Maintenance and Operations. The MSCVB shall, at its sole expense, be responsible for all design, engineering, construction, utility connection, routine and capital maintenance and repairs and/or replacements to include utilities, HVAC, glass, roof, interior/exterior damage and/or normal wear and tear, system monitoring/security, custodial, snow removal and grounds keeping services of the facilities and the Property, and for the repair and maintenance of all program equipment, and for direct payment of all utility installation and monthly costs to the respective utility companies, including water, electricity, heat, telecommunications, septage and solid waste disposal, and trash pickup and removal.

(c) Business Services. The MSCVB shall be responsible for all services required for the daily management, marketing, and promoting of the Gateway Center business, to include providing all management staff, other personnel, contractual persons, and volunteers, and shall furnish all equipment, materials, and supplies necessary and proper to manage, market and promote the business.

(d) Security and Illegal Activity. The MSCVB shall be responsible, at its sole expense, for all general security services for the Gateway Center facilities, the Property and any and all events held on or within the Property, and shall make arrangement with local police, local contract security, building peer security, or other sources for such security. The MSCVB, at its sole expense, shall repair any damages caused by vandalism or burglary or other illegal activity, and shall remove junk and trash illegally placed upon the Property.

(e) Licenses and Permits. The MSCVB shall maintain all Borough, state, and federal licenses and permits necessary to manage, operate and maintain the facilities and the Property and for the management, marketing and promotion of the Gateway Center business.

(f) Revenues and Expenditures. The MSCVB shall be responsible for the collection of and accounting for all revenues generated by the Gateway Center business, and all other sources of revenue used, and expenditures and expenses incurred, to manage, market and promote the business. The Borough shall be authorized, at any time, to obtain information and accounting records concerning the business and to inspect the same. Revenues generated by the business belong exclusively to the business but must be accounted for in all cases and shall be considered in all funding, if any, by the Borough.

(g) Staffing. The MSCVB shall staff the Gateway Center in accordance with industry standards and practices. As part of the Annual MSCVB Management Plan, staffing under this provision shall be included as part of the Plan.

(h) Fixed Asset Control and Records. MSCVB shall be responsible to coordinate and cooperate in the tagging of all Borough tax-purchase items, if any, and maintaining all records in accordance with Borough code and finance department policy.

The Borough shall have, and hereby reserves, the right and approval over the following matters:

- (a) The MSCVB's Annual Budget as in hereinafter defined.

#### Section 6. Relationship of Parties.

The Borough and the MSCVB agree that the only relationship created hereby is outlined in this Agreement, and that the MSCVB is an independent not-for-profit entity and is not an employee, joint venture, or partner of the Borough. The Borough may administer this Agreement and monitor the MSCVB's compliance with its obligations hereunder. The Borough shall not supervise or direct the MSCVB other than as provided in this Agreement. The Borough has authority to act on the Borough's behalf only to the extent authorized by this Agreement.

#### Section 7. Facility Use Standards.

- (a) The MSCVB shall use its best efforts to maintain an efficient and high quality business operation for the Gateway Center.
- (b) All activities of MSCVB, concessionaires, and suppliers, and persons using the Gateway Center, shall conform with state and federal law, and with deference given to the Borough's stated public policies.
- (c) In this section, the term "standards" means a written statement of general policy governing promotion, marketing, scheduling, pricing and charges, user agreements,

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and use and operations of the Gateway Center business and facilities prepared by the MSCVB and shall be deemed a part of this Agreement.

- (d) The MSCVB shall, whenever practicable, coordinate, manage, market, and promote the Gateway Center with those activities occurring in other tourism and recreational facilities within the Borough.

Section 8. Alterations and Improvements.

MSCVB shall not make any improvements or alterations to the Property without first submitting a plan to the Borough for approval, nor shall MSCVB have the authority to grant easements or otherwise encumber the Property without prior Borough approval.

MSCVB shall provide an up-to-date list and site plan on an annual basis, to be submitted with the annual operating budget, of all existing or planned structures and improvements within the Property.

Section 9. Warranty of Work.

MSCVB expressly warrants that all materials used in construction, repairs, and maintenance of the facilities will be of good quality and that all workmanship will meet accepted codes and standards of the trade.

MSCVB shall undertake to correct workmanship of defect in material found by the Borough to constitute a breach of the Agreement.

Section 10. Liens and Encumbrances.

The use of grants or funds from federal, state, or private foundations that may restrict the use of or encumber the facilities or Property is prohibited unless approved in writing by the Borough.

Section 11. Rights of Way.

Authority to grant or issue permits for easements and right-of-way is retained by the Borough.

Section 12. Management Fee.

The annual management fee shall be One Dollar (\$1.00) per fiscal year or portion thereof, being July 1 through June 30. The MSCVB shall not be entitled to any other management fee from the Borough.

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Section 13. Ownership of Improvements.

All improvements attached to the Property will remain with the land and become the property of the Borough upon expiration of termination of this Agreement unless otherwise mutually agreed in writing by the parties and attached hereto as an addendum to this Agreement.

Section 14. Annual Operating Budget and Quarterly Budget.

- (a) The MSCVB shall, no later than March 1 of each year, submit to the Borough an annual business budget for the coming fiscal year which shall include projected gross revenues and expenditures to manage, market, and promote the Gateway Center.
- (b) The budget shall be approved by the MSCVB Board of Directors on or before June 1 of the year submitted.
- (c) The MSCVB and the Borough may revise the budget at any time by mutual written agreement.

Section 15. Annual Statement.

Within twenty working days after November 1 of each year, the MSCVB shall submit to the Borough a financial report (the "MSCVB Annual Statement") showing the actual direct operating costs and gross revenues for the preceding 12 months. As used herein, the term "gross revenues" shall mean all revenues actually collected by the MSCVB in connection with the management of the Property and facilities, from any source whatsoever. All annual reports shall be sent to the Borough official as follows:

Matanuska-Susitna Borough Finance Department  
Attn: Finance Director  
350 E. Dahlia Avenue  
Palmer, AK. 99645

Section 16. Accounting Records, Reports, and Practices: Audits.

- (a) The MSCVB shall maintain accounting records relating to the Gateway Center business using accounting practices which conform to generally accepted accounting principles, which records shall be kept at the MSCVB office unless otherwise directed by the Borough.
- (b) The MSCVB's internal financial control policies and practices shall be in accordance with accepted accounting standards in the industry.
- (c) An independent audit of the MSCVB's records relating the Gateway Center business will be conducted by an independent certified public accountant every three years. The audit will be considered a direct operating cost of the business for all purposes of this Agreement and shall be paid for by the MSCVB.

- (d) A special independent audit of the MSCVB's records may be conducted by an auditor selected by the Borough upon a finding by the Administrator that such special audit is deemed necessary and appropriate in the Borough's sole discretion. If the audit reveals material accounting discrepancies or unacceptable accounting practices not in accordance with accounting standards, the costs of such audit shall be reimbursed by the MSCVB and paid directly to the Borough. Such reimbursement shall not be considered a direct operating cost and shall be paid by the MSCVB from its independently obtained revenues whose source is not from state, federal, or local governmental agency.
- (e) Supporting documentation required with the foregoing reports shall be consistent with the MSCVB chart of accounts and reporting system. Additional information shall be submitted at the request of the Administrator. The costs of preparing reports required by this Section are direct operating costs borne by MSCVB.

Section 17. Permits, Laws, and Taxes.

All activities authorized under this Agreement shall be conducted in compliance with applicable federal and state constitutions, federal, state, and local laws, regulations, and orders of governmental authorities having jurisdiction over the property in effect during the term of this Agreement. MSCVB agrees to obtain the necessary approvals from all third party interest and obtain all permits or written authorization required by the applicable laws, rules, and regulations from governing authorities, which includes but is not limited to permits for any excavation, fill, gravel work, or development proposed. MSCVB agrees to provide documentation of all applicable licenses and permits to the Borough. All taxes or Local Improvement District fees, if any, shall be paid for by MSCVB.

Section 18. Alcohol and Drugs.

There will be no sale, service, or consumption of alcoholic beverages allowed on the Property except as specifically authorized in writing by the Borough manager.

Section 19. Non-Discrimination.

MSCVB shall not discriminate against any person on the basis of race, religion, age, color, nation origin, sex, marital status, physical handicap, or status as a disabled veteran.

Section 20. Inspection of Premises.

Borough employees or representatives may at any time enter and inspect the Property and any improvements thereon. Any unsatisfactory work/services performed or not performed as the case may be, shall be remedied within a period established by the Borough.

Section 21. Waste.

MSCVB, its volunteers, board members, members, employees, subcontractors, or anyone directly or indirectly employed by them, shall not commit waste on or injury to the Property or improvements thereon, or allow third parties to commit such waste or injury. MSCVB shall be liable for all damages and repair costs during the term of this Agreement.

Section 22. Fuel Storage/Hazardous Materials.

The storage of petroleum or toxic chemicals is prohibited on the Property. Spills or contamination on the Property will be controlled and recovered immediately by MSCVB at their sole expense, and reported to the State of Alaska, Department of Environmental Conservation and the Borough immediately. Nothing herein shall prohibit or prevent MSCVB from seeking recovery of its expenses for such control and recovery from the responsible party.

Section 23. Safety.

MSCVB is responsible for the safety of all persons entering the Property including, but not limited to, visitors, invitees, employees, contractors, vendors, members, volunteers, pedestrians, or any other person on the Property and facilities under this Agreement.

Section 24. Defense and Indemnification.

The MSCVB shall indemnify, defend and hold harmless the Borough, its elected and appointed officers, agents, and employees, from any and all claims, demands, civil suites, or liability of any nature, kind, or character, including costs, expenses, and attorney's fees for or on account of any and all legal actions or claims of any Character. MSCVB shall be responsible under this clause for any and all legal actions, or claims of any character resulting from injuries, death, economic loss, damages, violation of statutes, ordinances, constitutions or other laws, rules or regulations, deprivation of constitutional rights, contractual claims or any other kind of loss, tangible or intangible, sustained by any person, or property arising from MSCVB or its officers, agents, employees, partners, attorneys, suppliers, visitors, whether invited or not, licensees, guests, and subcontractors performance or failure to perform this Agreement in any way whatsoever. This defense and indemnification responsibility includes claims alleging acts or omissions by the Borough or its agents which are said to have contributed to the losses, failure, violations, or damage.

If any portion of this clause is voided by law or a court of competent jurisdiction the remainder of the clause shall remain enforceable.

Section 25. Insurance.

- (a) MSCVB shall procure and maintain insurance coverage during the term of this Agreement as shown in Exhibit A.

- (b) In addition, MSCVB shall purchase, or require authorized vendors to purchase and maintain Certificates of Insurance which show adequate liability coverage for special events. This requirement may depend on special risks associated with the type of use, number of participants or length of time the event will take place. The Borough shall be named as an additionally insured party.

If the MSCVB fails to effect, maintain, or renew any kind of insurance as required in this Agreement, or to pay the premium thereof, or to deliver to the Borough certificates evidencing such insurance, the Borough may without obligation, upon 5 calendar days' notice to the MSCVB, procure the insurance. Any additional premium expenses incurred as a result of such procurement over what was budgeted in the approved annual MSCVB budget and quarterly budget shall be borne by the MSCVB at its own expense, and such additional premium shall not be considered a direct operating cost nor reimbursable from the Borough.

Section 26. Severability.

If any provision of this Agreement is held invalid by a court of competent jurisdiction, or is otherwise invalid under the law, the remainder of the Agreement shall remain in full force and effect, unless such provision is reasonably considered by either of the parties to have a significant impact on the financial or operating control of the MSCVB. Should either party reasonably consider an invalidated provision to be of such a critical nature, either party shall have the right to terminate this Agreement by providing 90 days' written notice.

Section 27. Jurisdiction: Choice of Law.

The interpretation and enforcement of this Agreement shall be governed by the laws of the state of Alaska. Any civil action arising from this Agreement shall be filed in the Alaska Superior Court, Third Judicial District at Palmer.

Section 28. Interpretation and Enforcement.

This Agreement is considered to have been jointly drafted by the parties and shall be construed according to the fair intent of the language as a whole, not for or against any party. The titles and sections in this Agreement are not to be construed as limitations or definitions but are for identification purposes only.

Section 29. Termination, Default and Right to Cure.

- (a) The Borough may terminate this Agreement upon 30 days' written notice in the event the MSCVB is adjudged a bankruptcy, makes a general assignment for the benefit of creditors, suffers a receiver to be appointed on account of insolvency or takes advantage of any law for the benefit of insolvent debtors.
- (b) If either party hereto fails to comply with its obligations thereunder, the non-defaulting party may declare this Agreement terminated upon seven (7) days written notice for the non-payment of fees, or upon 30 days' written notice for other defaults.



Written notice provided to the defaulting party shall be in sufficient detail as to the circumstances of default so as to give the defaulting party adequate notice and the opportunity to cure the same. If the default is of a nature that it cannot be cured within 30 days, then the defaulting party shall not be deemed in default if it takes reasonable steps to commence to cure the default within such 30-day period, and proceeds with due diligence thereafter to cure the default within 90 days of the written notice. If such cure is not effectuated within the time limits specified above, then the non-defaulting party may terminate this Agreement.

- (c) This Agreement may be terminated at any time upon the mutual written agreement of MSCVB and the Borough.
- (d) The rights and remedies of the Borough and the MSCVB contained in this Section 29 are not exclusive and are in addition to all other remedies available to the Borough or the MSCVB at law or in equity.

Section 30. Destruction of The Facilities.

In the event that the Gateway Center or any part of the facilities shall be destroyed by fire, explosion, or other casualty so that all or a substantial portion of the facilities cannot be operated, and the same is not re-built, repaired, and reopened the same for business within 240 days after the happening of said fire or casualty, the MSCVB or the Borough shall have the right to cancel and terminate this Agreement, and MSCVB shall be responsible at their sole expense to remove any and all debris from the Property caused by such fire or casualty, to the satisfaction of the Borough prior to termination.

Section 31. Force Majeure.

- (a) Except as otherwise provided, neither party shall be obligated to perform thereunder, and neither shall be deemed to be in default, if performance is prevented by fire, earthquake, act of God, riot, civil commotion, or other matter or condition of like nature, including the unavailability of sufficient fuel or energy to operate the Gateway Center, or any law, ordinance, rule, regulation, or order of any public or military authority stemming from the existence of economic controls, riot, hostilities, war, or governmental law and regulations.

Section 32. Nonwaiver.

The failure of either party at any time to enforce a provision of this Agreement shall in no way constitute a waiver of the provision, nor in any way affect the validity of the Agreement or any part thereof, or the right of such party thereafter to enforce each and every provision thereof.

Section 33. Assignments.

This Agreement, or any part hereof, and the obligation to perform any services hereunder, may not be assigned by the MSCVB directly, or as the result of a merger, consolidation, or sale of assets to any corporation which is a parent, affiliate, or subsidiary of the MSCVB, or to any other business entity controlled by, or under common control with, the MSCVB, without the prior written approval of the Borough manager, which approval shall not be unreasonably withheld, but no such assignment shall relieve the MSCVB of its obligation hereunder.

Section 34. Notices.

All notices required by this Agreement shall be in writing and shall be sufficiently given and served upon the other party if sent by registered or certified United States mail, postage prepared, and addressed as follows:

IF SENT TO BOROUGH:

Matanuska-Susitna Borough  
Land Management Division  
350 E. Dahlia Avenue  
Palmer, Alaska 99645

or at such other place as the Borough may, from time to time, designate by written notice to the MSCVB.

IF SENT TO THE MSCVB:

Matanuska-Susitna Convention and  
Visitors Bureau, Inc.  
610 S. Bailey Street, Suite 201  
Palmer, Alaska 99645

or at such other place as the MSCVB may, from time to time, designate by written notice to the Borough.

Section 35. Understanding.

MSCVB acknowledges that they have read and understand the terms of this Agreement, have had the opportunity to review the same with counsel of its choice, and is executing this Agreement of its free will.

Section 36. Integration and Entire Agreement.

This Agreement and all appendices and amendments hereto embody the entire Agreement of the parties relating to the services to be provided hereunder. There are no promises, terms, conditions, or obligations other than those contained herein, and this Agreement shall supersede all previous communications, representations, or agreements, either oral or written, between the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first above written.

MATANUSKA-SUSITNA CONVENTION AND VISITORS BUREAU, INC.

By: Bonnie Quill  
Bonnie Quill, President & CEO

Date: May 27, 2021

MATANUSKA-SUSITNA BOROUGH

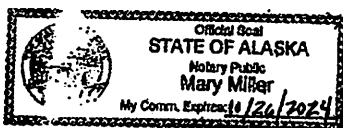
By: MB  
Michael Brown, Borough Manager

Date: 5/28/21

#### ACKNOWLEDGEMENTS

STATE OF ALASKA )  
 ) ss.  
Third Judicial District )

On May 28, 2021, Michael <sup>Brown</sup> ~~Borwn~~, Manager of the Matanuska-Susitna Borough, who is personally known to me, appeared and acknowledge to me that he signed the Management Agreement on behalf of the municipal corporation.



Mary Miller  
Notary Public for State of Alaska  
My commission expires: 10/26/2024

STATE OF ALASKA )  
 ) ss.  
Third Judicial District )

On May 27, 2021, Bonnie Quill, President & CEO of the Matanuska-Susitna Convention and Visitors Bureau, Inc., personally appeared before me, and acknowledge to me that she signed the Management Agreement on behalf of the corporation.



Jill Irsik  
Notary Public for State of Alaska  
My commission expires: 3-16-2024