

RESOLUTION #662

A RESOLUTION OF THE CITY OF BETHEL ACCEPTING A STATE GRANT IN THE AMOUNT OF \$328,823.21 FOR SEWAGE LAGOON IMPROVEMENTS.

WHEREAS, the City of Bethel wants to provide for improving the Bethel Sewage Lagoon.

NOW THEREFORE BE IT RESOLVED that, the City Manager of the City of Bethel is hereby authorized to negotiate, execute, and administer any and all documents and grants required for granting funds to the City of Bethel and managing funds on behalf of this entity.

PASSED AND APPROVED THIS 24th DAY OF July, 1990.


Tom Warner, Mayor

ATTEST:


Anna McGowan, City Clerk

STATE OF ALASKA

STEVE COWPER, GOVERNOR

DEPT. OF ENVIRONMENTAL CONSERVATION
OFFICE OF THE COMMISSIONER
P.O. BOX 0, JUNEAU, AK 99811-1800

465-2600

July 10, 1990

CITY OF BETHEL
RECEIVED

JUL 11 1990

BY 

Honorable Tom Warner
Mayor
P.O. Box 388
Bethel, AK 99559

Dear Mayor Warner:

Grant Offer: Bethel Wastewater Lagoon Improvements (#16708)

As provided by the Village Safe Water (VSW) Act (AS 46.07), Governor Cowper and the Department of Environmental Conservation (Department) offer the City of Bethel (Grantee) a grant increase of State funds not to exceed \$328,823.21. This grant will be applied toward removing organic islands from within the City of Bethel wastewater lagoon; approximately 6.82 acres in surface area and 33,000 cubic yards in volume.

This grant, when added to the previous grant of \$57,800 brings the total grant for this project to \$386,623.21.

This offer is expressly conditioned upon the terms and limitations contained herein and in 2 AAC 45.010 (copy enclosed).

GENERAL GRANT CONDITIONS

1. The Grantee designates the VSW engineer, Jim Patterson as its representative in the design and construction management of the VSW improvements. The representative will provide advice and assistance to the Grantee on administrative and technical matters relating to this grant.
2. The Grantee agrees to obtain all titles and easements necessary to provide clear title or authority to construct and maintain the proposed project.
3. The Grantee shall expend grant funds only for the purpose(s) described above.
4. Plans and specifications must be approved by the Department before proceeding with the start of construction.
5. On behalf of the Grantee, the Department will procure the services of an accounting firm which shall provide record and bookkeeping services associated with the administration of the proposed sanitation improvements, including federal and State payroll taxes and reports, writing checks, and

maintaining check registers. Expenses associated with this item are grant eligible.

6. The Grantee shall be responsible, where applicable, for payment of all payroll and other taxes, general liability insurance, and Worker's Compensation.
7. The Grantee agrees to allow, at any reasonable time, Department inspection of all project work, including related records and data, and to maintain project accounts and records to verify project expenditures. These accounts and records shall be kept apart from other records.
8. The Grantee shall hold and save the Department, its officers, agents, and employees harmless from liability of any kind, including costs and expenses, for or on account of any and all suits or damages of any nature, sustained by any person or persons or property, by virtue of performance of the Grantee, or any person or entity acting in place of or for the Grantee for this project.
9. Upon completion of the project, the Grantee shall adopt a resolution stating the project has been constructed and completed, thereby releasing the Department from further liability.
10. The Grantee agrees to accept ownership and the responsibility for operation and maintenance of this project, assess user fees to ensure the system is self supporting, and select individuals who will be trained to operate and maintain the facility. Acceptance shall be effective on the date this grant offer is signed by the Grantee.
11. The Grantee agrees to operate the facility in a nondiscriminatory manner. No person shall be denied use of this facility due to race, religion, color, or national origin.
12. The Grantee agrees to return all funds not utilized in the design and construction of this project to the Department.
13. The Grantee acknowledges the right of the Department to rescind this grant and seek recovery of payments already made if the Grantee has provided incorrect or misleading information to the Department or if a grant condition contained herein is violated. This grant offer may be terminated at any time it is in the best interest of the State to do so.

CHAPTER 45. GRANT ADMINISTRATION

Section

10. Audit requirements

2 AAC 45.010. AUDIT REQUIREMENTS. (a) As part of the financial information required under AS 37.05.030, a state agency that enters into a financial assistance agreement to provide financial assistance to an entity shall, in coordination with any other state agencies providing financial assistance to that entity, submit to the Department of Administration through the state coordinating agency an audit of the recipient entity if that entity is subject to audit under (b) of this section. The audit must be conducted and submitted as described in this section. In order to ensure compliance with this subsection, the audit requirements of this section must be contained in any financial assistance agreement entered into by a state agency.

(b) An entity that enters into a financial assistance agreement, or agreements, with a cumulative total of

(1) \$300,000 or more during a state fiscal year shall submit to the state coordinating agency, within one year after the end of the audit period, an annual audit report covering the audit period; or

(2) at least \$100,000 but less than \$300,000 during each of two consecutive state fiscal years shall submit to the state coordinating agency

(A) a biennial audit report covering the audit period, due within one year after the end of the audit period; or

(B) if the recipient entity chooses, or the state requests, an annual audit report covering the audit period, due within one year after the end of the audit period.

(c) An audit required by this section must be conducted by an independent auditor, according to the following audit standards:

(1) Standards for Audit of Governmental Organizations, Programs, Activities and Functions, 1981 revision adopted by the comptroller general of the United States; or

(2) generally accepted auditing standards, as accepted by the American Institute of Certified Public Accountants on July 1, 1985, for the entity being audited.

(d) The audit report required under (b) of this section must address the following:

(1) the systems of internal control, and whether the recipient entity has effective control over, and proper accounting for, revenues, expenditures, assets, and liabilities;

(2) the systems established to ensure compliance with state statutes and regulations, and applicable financial assistance agreements, affecting the expenditure of state money, and whether the recipient entity has complied with those statutes, regulations, and agreements;

(3) the recipient entity's financial transactions, financial statements, and accounts; whether those financial statements are presented fairly in accordance with generally accepted accounting principles; and whether the financial statements contain reliable financial data presented in accordance with applicable financial assistance agreements.

(e) An audit report required under (b) of this section need not evaluate the effectiveness of a program funded by state financial assistance. However, a program evaluation may be conducted or requested by the state agency which entered into the financial assistance agreement.

(f) An audit required by this section must cover either the entire operations of the recipient entity, or at the option of that entity, only the departments, agencies, or establishments of that entity which received, expended, or otherwise administered state financial assistance during the audit period. The state coordinating agency may consider a series of audits of a recipient entity's individual departments, agen-

(g) Recipient entity shall provide the state coordinating agency with sufficient copies of each audit report to allow submission of a copy to each state agency providing financial assistance to the entity. The state coordinating agency shall determine if auditing standards have been met and will forward a copy of the audit to the Department of Administration and other appropriate state agencies. The state coordinating agency shall coordinate resolution of audit exceptions and further audit work in accordance with (h) of this section.

(h) Unless additional audit requirements are imposed by state or federal law, a state agency that provides financial assistance to an entity shall accept the audit required by this section in satisfaction of any other audit requirement. If additional audit work is necessary to meet the needs of a state agency, the audit work must be based on audit required by this section and be paid for by the state agency. Audit exceptions noted during an audit required by this section must be resolved by agreement between the recipient entity and the state agency responsible for the financial assistance award agreement involved.

(i) A third party that receives financial assistance through a recipient entity, in an amount described in (b) of this section, is subject to the applicable requirements of the section. A recipient entity that disburses \$100,000 or more in state financial assistance to a third party shall ensure that the third party complies with the requirements of this section. That recipient entity shall also ensure that appropriate corrective action is taken within six months after a third party's noncompliance with an applicable state statute or regulation, or financial assistance agreement, is disclosed.

(j) This section takes effect on August 1, 1985 for an entity subject to audit under (b)(1) of this section and whose fiscal year ends on or after June 30, 1986.

(k) This section takes effect on July 1, 1986 for an entity subject to audit under (b)(2) of this section and whose fiscal year ends on or after June 30, 1987.

(l) For purposes of this section, if an entity has not identified its fiscal year, that entity's fiscal year is July 1 through June 30.

(m) For purposes of this section,

(1) "audit period" means

(A) for an annual audit under (b)(1) of this section, the recipient entity's fiscal year in which the entity entered into the financial assistance agreement or agreements;

(B) for a biennial audit under (b)(2)(A) of this section, the recipient entity's two consecutive fiscal years in which the entity entered into the financial assistance agreement or agreements;

(C) for an annual audit under (b)(2)(B) of this section, the recipient entity's fiscal year in which the entity entered into the financial assistance agreement or agreements;

(2) "entity" does not include the University of Alaska or any other state agency;

(3) "financial assistance" means state grants, contracts, provider agreements, cooperative agreements, and all forms of state financial assistance to an entity, and includes all forms of state financial assistance provided through an entity to a third party; "financial assistance" does not include public assistance provided under AS 47; nor does "financial assistance" include goods or services purchased for the direct administration or operation of state government; for a third party, "financial assistance" does not include goods purchased from the third party by a recipient entity for the direct administration or operation of the recipient entity;

(4) "state coordinating agency" means the Office of Management and Budget (OMB), Office of the Governor, or OMB's designee. (Eff. 8/1/85, Register 95)