

## RESOLUTION 18-39

### A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY AUTHORIZING THE MAYOR TO IMPLEMENT A COMMUNITY BUDGET REQUEST PROCESS

**WHEREAS**, the Aleutians East Borough Municipal Code Section 6.04.010 states that the mayor shall arrange for the preparation of a budget and capital program and that the budget and capital expenditure proposals shall be given a public hearing; and

**WHEREAS**, the Borough Assembly may appropriate funding to communities for capital projects as part of the preparation of the budget each fiscal year; and

**WHEREAS**, a Community Budget Request process, which provides a uniform way for the governing authorities in Akutan, Cold Bay, False Pass, King Cove, Nelson Lagoon, and Sand Point to request funding from the Borough prior to each fiscal year; and


**WHEREAS**, the intent of implementing a Community Budget Request process is to allow the Borough to provide financial aid or assistance to communities as a component of the adopted budget per AMC 6.04.010; and

**WHEREAS**, an interim budget request process has been implemented for Fiscal Year 2019 with the goal to have a finalized process for Fiscal Year 2020; and


**WHEREAS**, implementing a Community Budget Request process is also part of the Borough Strategic Plan.

**NOW THEREFORE, BE IT RESOLVED**, the Aleutians East Borough Assembly authorizes the Mayor to implement a community budget request process.

**PASSED AND ADOPTED** by the Aleutians East Borough on this 1<sup>st</sup> day of June, 2018.

  
Alvin D. Osterback, Mayor

ATTEST:

  
Tina Anderson, Clerk

ALEUTIANS EAST BOROUGH  
FY \_\_\_\_ COMMUNITY GRANT AGREEMENT

THIS GRANT AGREEMENT is entered into between the \_\_\_\_\_ (“City”) and the Aleutians East Borough (“Borough”) on the date set out below. The City and Borough agree as follows:

1. Purpose. The City of Village proposes to construct or do the Project described in Attachment A (“Project”). It is the purpose of this grant to provide assistance to the City in accomplishing the Project. **The purpose statement will change depending on the project.**
2. Grant Amount. The amount of the grant provided under this Agreement is \$\_\_\_\_\_ (\_\_\_\_\_ dollars) but shall not exceed the actual amount of reimbursable expenses incurred by City. All expenses of the project in excess of the amount of the grant shall be borne by the City.
3. Project Application of Grant Funds. All funds received by the City under this grant shall be applied to expenses of the Project. City may reimburse itself for obligations and expenditures made before or after the execution of the grant agreement to the extent such expenses are reimbursable expenses as shown on the Project Budget, Attachment B hereto.
4. Acceptance of Grant. By its acceptance of this grant, City agrees to provide sufficient local and other funding to ensure the completion of a properly functioning Project as described in Attachment A.
5. Grant Fund Disbursement. After execution and approval of this Agreement and a determination by the Borough that City has initiated the Project, the Borough shall pay to City 20% of the grant amount. Initiation of the Project occurs upon receipt of the completed and executed grant agreement.
  - a. Not more often than monthly, City may submit a request for a grant draw. The amount of the grant draw may not exceed the amount of reimbursable direct expenses paid plus the amount of reimbursable indirect expenses incurred which have not been reimbursed under a prior draw request.
  - b. Each draw request must be accompanied by a verification of reimbursable expenses paid and a report of the work accomplished to the date of the grant draw request. A request for a grant draw must be submitted in the form substantially as set out in Attachment C.
  - c. City acknowledges that the disbursement by the Borough of a draw pursuant to a request by City does not constitute acceptance of any item as



a reimbursable Project expense until all Project expenses are audited and the expense is determined to be reimbursable.

6. Project Budget. The approved Project Budget is set out in Attachment B. The adjustment of expenditures among budgeted items is allowed, however, if actual Project expenses exceed the total estimated eligible expenses. The Borough is not liable for any such expenses except as may be authorized by an amendment to this agreement and Attachment B. If actual Project expenses are less than the estimated expenses set out on Attachment B, the grant will be reduced by an amount equal to the difference between the actual expense and the total estimated expenses set out on Attachment A but less any amount required to be returned to the State of Alaska or the Federal Government by virtue of a State or Federal grant condition requiring the return of State or Federal funds because of the Project expense under run.
7. Contracts. (a) If local, State, or Federal laws or regulations apply to a contract under the Project, such requirements as are the most stringent shall apply; (b) City must require a construction contractor to furnish performance and payment bonds and to meet the applicable wage requirements of Alaska Statutes.
8. Titles and Easements. City agrees to obtain all titles and easements necessary to provide clear title or authority to construct and maintain the Project and to assure public access to and use of the Project for the expected life of the improvement to be constructed or acquired under the Project.
9. Records. City agrees to maintain Project accounts and records which verify the eligibility of Project expenses for reimbursement. These accounts and records shall be kept apart from non-grant-eligible local records and from those records maintained for the purpose of other State or Federal grant programs involved in the Project.
10. Inspection. City agrees to allow the Borough to inspect all of the Project work and to audit related records and data for which this grant is offered. Inspections shall be allowed at the earliest reasonable time after a request by the Borough.
11. Progress Report. In addition to the detailed progress reports submitted to accompany each grant draw request, City shall submit to the Borough such additional similar or different reports on the Project as may be required by the Borough.
12. Grant Amendment. The Borough Mayor or the Mayor's designee and City may make minor changes to this grant agreement without approval of the Assembly

but may not increase the amount of the grant without Borough Assembly approval. Minor changes include, but are not limited to, transfers of reimbursable budget amounts between budget line items so long as the total of such transfers does not exceed 15% of the grant amount and includes changes to the detailed description of the Project so long as the Project remains substantially the same as originally approved as determined by the Borough Mayor or the Mayor's designee. All other changes to this agreement must be approved by the Borough Assembly. Such approvals may be by motion or resolution.

13. Indemnity. City acknowledges that the Borough is serving only as a funding source for the Project and as such is not liable in any manner for the costs incurred by the City under the Project nor for any claim or damages arising during or as a result of the construction or operation of the Project. City will save, hold harmless and defend the Borough against all demands, claims, suits and damages arising out of the construction or operation of the Project except to the extent the negligence of the Borough is the basis for such judgment.
14. Grant Cancellation. The Borough reserves and may exercise the right to rescind this grant and seek recovery of payments made under the grant if the grant application or other information provided by City relating to the proposed Project is found to contain incorrect or misleading information or if a condition of this grant is violated.
15. Applicable Laws. City agrees to comply with all local, State and Federal ordinances, laws and regulations applicable to the construction and operation of the Project and to all activities of City in the construction and operation of the Project. Violation of any such law or regulation is a violation of this grant agreement.
16. Execution and Approval. This grant agreement shall become effective only after executed by the Borough Mayor or the Mayor's designee, the Mayor of the City or the Mayor's designees, and has been approved by resolution of the City Council.
17. Time for Performance. City agrees to complete the Project described in Attachment A within five years from the date of execution of this agreement.
18. Special Conditions. None.

THIS AGREEMENT entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

ALEUTIANS EAST BOROUGH

BY: \_\_\_\_\_

CITY OF \_\_\_\_\_

BY: \_\_\_\_\_

Approved by the City of \_\_\_\_\_ . Resolution No. \_\_\_\_\_ ,  
on \_\_\_\_\_ , 20\_\_.



ATTACHMENT A

DETAILED DESCRIPTION OF PROJECT

ATTACHMENT B  
PROJECT BUDGET

# ATTACHMENT C

## GRANT DRAW REQUEST

TO: Mayor, Aleutians East Borough

The City of \_\_\_\_\_ has incurred \$ \_\_\_\_\_ in reimbursable expenses not previously reimbursed under the above grant and requests reimbursement of such expenses. Set out below is the status of the reimbursements under this grant.

		Reimbursable Amount (from Approved Project Budget)	Reimbursement (To Date)	This Reimbursement Request
	Expenses			
1.	Admin. Expenses	\$	\$	\$
2.	Legal Expenses	\$	\$	\$
3.	Engineering Design Fees	\$	\$	\$
4.	Project Inspection & Surveying	\$	\$	\$
5.	Construction	\$	\$	\$
6.	Equipment	\$	\$	\$
7.	Other	\$	\$	\$
8.	Other	\$	\$	\$
9.	Other	\$	\$	\$
10.	Other	\$	\$	\$
11.	Contingency	\$	\$	\$
	<b>TOTAL</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>



## **Aleutians East Borough Community Budget Request Process Policy**

The Aleutians East Borough's (Borough) intention, demonstrated within this policy, is to outline a Borough funding request process for the governing authorities located in the Borough communities of Akutan, Cold Bay, False Pass, King Cove, Nelson Lagoon and Sand Point to follow and to provide a uniform way the Borough may provide financial aid or assistance to the communities for projects. The budget request process is set out as follows:

### **Aleutians East Borough Community Budget Request Process for Fiscal Year 2020**

1. **Budget Request Deadline.** Community budget requests must be submitted electronically to Anne Bailey, Borough Administrator, at [abailey@aeboro.org](mailto:abailey@aeboro.org) **on or before the close of business on March 15<sup>th</sup> of each year.** If the community does not submit the budget requests by this date they will not be considered in the Borough budget process.
2. **Required Budget Request Documentation.** Requests must be submitted electronically to the Administrator on the attached Aleutians East Borough Community Budget Request Form, which requires a detailed description of the project, a project budget and any supporting documentation for the request.
3. **Budget Request Review Process.** The Borough Mayor, Administration and the Finance Department will review the requests and prepare them for Borough Assembly review and approval. A meeting between the Borough and community may be required to discuss the information in more detail. During the Borough budget review process, the Assembly will determine if funds are available to meet the request(s).
4. **Budget Award Requirements.** If funds are appropriated, a grant agreement between the community and the Borough will be required.

Please note that all requests from the communities will be considered but may not be funded.

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