COOPERATIVE AGREEMENT

Between

Division of Forestry, DNR, State of Alaska Department of Natural Resources

And

Alaska Forest Association

To: Support and Facilitate Collaboration between the U.S. Forest Service, the Alaska Division of Forestry and the Alaska Forest Industry in southeast Alaska

Section I Parties and Project Title:

This Agreement is made and entered into between the State of Alaska, Department of Natural Resources, Division of Forestry, hereinafter referred to as "DOF", and Alaska Forest Association, hereinafter referred to as "AFA", to support and facilitate collaboration between the U.S. Forest Service (USFS), the Alaska Division of Forestry (DOF) and the Alaska Forest Industry.

Section II Authority and General Intent:

AUTHORITIES: Pursuant to AS 41.17.055(e) the State Forester can enter into cooperative agreements as specified under that chapter to complete tasks identified in this document.

AFA is a 501(c)6 non-profit Alaska forest industry trade association that represents the common business interests of the timber industry of Alaska. AFA is committed to advancing the restoration, promotion and maintenance of a healthy, viable forest products industry, contributing to economic and ecological health in Alaska's forests and communities. AFA enters into this agreement under the authority vested in its Board President.

PURPOSE: The USFS and the DOF require industry perspective on operability and economic viability of future timber sales in the Tongass National Forest. Due to expensive operational costs and limited infrastructure, not all available forest lands or harvest prescriptions provide for economically viable operations. The Alaska Forest Association can provide this industry perspective as a third-party trade association and has entered a Memorandum of Understanding (MOU) with the USFS to do so (See Appendix D, March 2017 USFS - AFA MOU).

This Cooperative Agreement provides the needed funding through the Consolidated Payment Grant (CPG) provided to the DOF from the USFS State & Private Forestry for AFA's collaborative efforts.[1] This Agreement formalizes that funding mechanism, utilizing direct payment from DOF to AFA for expenses associated with collaboration under the AFA-USFS MOU.

Section III Project Scope and Responsibilities:

THE ALASKA DEPARTMENT OF NATURAL RESOURCES, DIVISION OF FORSTRY WILL:

1. Provide funding to AFA for expenses associated with work under the AFA-USFS MOU attached as Appendix D. This funding will include salaries, contractor fees, travel and per diem for AFA representatives. Funding is available for not-to-exceed (NTE) $110,000.00.

THE ALASKA FOREST ASSOCIATION WILL:

1. Provide the DOF program manager work plans for work developed under the AFA-USFS MOU attached as Appendix D and approved by the USFS Program Manager on the MOU. The work plans will be strategic in nature and define major stakeholders and budgets.

2. Request reimbursement from the DOF program manager for any expenses associated with the work plans on a monthly basis. AFA shall provide receipts and proof of charges incurred with their request for reimbursement. Expenses NTE $110,000.00.

Section IV Project Specific Term and Conditions:

IV. A- Federal Funds

Funding for this agreement will be from the Consolidated Payment Grant (CPG).

This is an award of Federal Financial Assistance and as such is subject to the Office of Management and Budget (OMB) Circular A-102 (Grants and Cooperative Agreements with State and Local Governments) and 2 CFR 215 (Uniform Requirements with Institutions of Higher Education, Hospitals and Other Non Profit Organizations (OMB Circular 110) and OMB Circular A-133 (Audits of States, Local Governments and Non –Profit Organizations) and 2 CFR 230 (Cost

[1] FY 2018 CPG Modification #2 (Federal # FY18DG-11100106-810 / State #399170) between the DOF and the USFS Northwest Region State and Private Forestry, signed August 21, 2018. "Cooperate in the preparation of analyses and documentation, development of the description of the proposed action and any alternatives, **and the compilation of any required** ecological, social, and **economic resource information** associated with this state-specific roadless rulemaking..." Bold emphasis added.

Principles for Non-Profit Organizations, formerly Circular A-122). The OMB Circulars are available on the internet at www.whitehouse.gov/omb/grants. Electronic copies of the CFR's can be obtained at the following internet site: www.gpoaccess.gov/cfr/. If you are unable to retrieve these regulations electronically, please contact Arlene Weber-Sword at (907) 269-8471.

Funding under this agreement is not available for reimbursement of a recipient single item purchase or a piece of equipment over $5000.00 unless approved in writing in advance of the purchase. The US Forest Service may choose to retain ownership of the purchase upon completion of the project.

IV. B- Financial Terms

The DOF will reimburse the AFA on the following terms and not to exceed amounts.

1. Reimbursement expenses shall be invoiced monthly with backup documentation attached for expenses.
2. The total reimbursement under this agreement is not to exceed $110,000.00.
3. Under the terms of this agreement, there is no AFA match requirement.
4. AFA will bill DOF at a rate of $125.00 per hour plus expenses for work performed by AFA's professional employees (Forester and Executive Director) and reasonable and prudent contractor rates for any contractors used on the project.
5. AFA administrative indirect costs will be charged at the rate of 12.5%.
6. Any single item purchase or piece of equipment over $5000.00 must be approved in advance of purchase in writing by the DOF project manager.

IV. C- Billing Process and Payment Schedule:

Requests for payment may be submitted monthly on AFA letter head. Billing shall be submitted promptly and before the end of the following month, with final bill submission not later than 45 days after the expiration of this agreement. Any unexpended funding is subject to cancellation after that 45-day period. DOF agrees to reimburse AFA within 30 days of receipt of invoice for AFA work authorized for reimbursement under the terms of this agreement.

Requests for reimbursement: Send to Jim Eleazer, State of Alaska, Division of Forestry, 550 W. 7th Ave., Ste. 1450, Anchorage, AK 99501, or electronically to jim.eleazer@alaska.gov.

IV. D- Performance Period and Cancellation/Termination:

This Agreement expires June 30, 2021. The Agreement can be terminated upon 30 days written notice by either party. Parties will only be liable for payment in accordance with the payment provision of this agreement for services rendered before the effective date of termination.

IV. E- Modification and Amendments:

Changes to this agreement must be mutually acceptable to both parties and will be agreed to in writing and approved by the appropriate authorizing officials.

IV. F- Project Managers/Contacts

Principal contacts:

ADNR Division of Forestry	Alaska Forest Association
Jim Eleazer, Program Manager	Bert S. Burkhart, President-Board of Directors
550 W. 7th Ave., Ste. 1450	111 Stedman St., Suite 200
Anchorage, AK	Ketchikan, AK
99501	99901

IV. G- Accomplishment Reporting Requirements:

Quarterly accomplishment reporting is required. AFA will provide a narrative accomplishment report using the optional Appendix E reporting form or create their own narrative.

Section V Standard Terms and Conditions:

1. Appendix A - State of Alaska required.
2. Appendices B & C – USFS required.
3. Appendix D - March 2017 USFS - AFA MOU.
4. Appendix E - Reporting Form OMB 0596-0217.

Section VI Authorization Representative Signatures:

By signature below, the Alaska Forest Association and Division of Forestry certify that the individuals listed in this document as representatives of the cooperators are authorized to act in their respective areas for matters related to this agreement.

Signatories:

Timothy A. Dabney Digitally signed by Timothy A. Dabney Date: 2019.03.13 09:20:45 -08'00'	3/11/19
for John "Chris" Maisch, date Director Division of Forestry	Bert S. Burkhart, date President Alaska Forest Association

Marlys Hagen, CPSM, C.P.M. Digitally signed by Marlys Hagen, CPSM, C.P.M. Date: 2019.03.19 16:38:34 -08'00'

Marlys Hagen, date
Chief of Procurement
Department of Natural Resources

APPENDIX A
GENERAL CONDITIONS

Inspections and Reports:
The department may inspect, in the manner and at reasonable times it considers appropriate, all the contractor's facilities and activities under this contract. The contractor shall make progress and other reports in the manner and at the times the department reasonably requires.

Suitable Materials, Etc.:
Unless otherwise specified, all materials, supplies or equipment offered by the contractor shall be new, unused, and of the latest edition, version, model or crop and of recent manufacture.

Disputes:
If the contractor has a claim arising in connection with the contract that it cannot resolve with the State by mutual agreement, it shall pursue the claim, if at all, in accordance with the provisions of AS 36.30.620-AS 36.30.632

Default:
In case of default by the contractor, for any reason whatsoever, the State of Alaska may procure the goods or services from another source and hold the contractor responsible for any resulting excess cost and may seek other remedies under law or equity.

No Assignment or Delegation:
The contractor may not assign or delegate this contract, or any part of it, or any right to any of the money to be paid under it, except with the written consent of the Procurement Officer.

No Additional Work or Material:
No claim for additional supplies or services, not specifically provided in this contract, performed or furnished by the contractor, will be allowed, nor may the contractor do any work or furnish any material not covered by the contract unless the work or material is ordered in writing by the Procurement Officer.

Independent Contractor:
The contractor and any agents and employees of the contractor act in an independent capacity and are not officers or employees or agents of the State in the performance of this contract.

Payment of Taxes:

As a condition of performance of this contract, the contractor shall pay all federal, State, and local taxes incurred by the contractor and shall require their payment by any subcontractor or any other persons in the performance of this contract. Satisfactory performance of this paragraph is a condition precedent to payment by the State under this contract.

Compliance:
In the performance of this contract, the contractor must comply with all applicable federal, state, and borough regulations, codes, and laws, and be liable for all required insurance, licenses, permits and bonds.

Conflicting Provisions:
Unless specifically amended and approved by the Department of Law, the terms of this contract supersede any provisions the contractor may seek to add. The contractor may not add additional or different terms to this contract; AS 45.02.207(b)(1). The contractor specifically acknowledges and agrees that, among other things, provisions in any documents it sees to append hereto that purport to (1) waive the State of Alaska's sovereign immunity, (2) impose indemnification obligations on the State of Alaska, or (3) seek to limit liability of the contractor for acts of contractor negligence, are expressly superseded by this contract and are void.

Officials Not to Benefit:
Contractor must comply with all applicable federal or State laws regulating ethical conduct of public officers and employees.

Contract Prices:
Contract prices for commodities must be in U.S. funds and include applicable federal duty, brokerage fees, packaging, and transportation cost to the FOB point so that upon transfer of title the commodity can be utilized without further cost. Prices for services must be in U.S. funds and include applicable federal duty, brokerage fee, packaging, and transportation cost so that the services can be provided without further cost.

Contract Funding:
Contractors are advised that funds are available for the initial purchase and/or the first term of the contract. Payment and performance obligations for succeeding purchases and/or additional terms of the contract are subject to the availability and appropriation of funds.

Force Majeure:
The parties to this contract are not liable for the consequences of any failure to perform, or default in performing, any of their obligations under this Agreement, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault

or negligence of, the respective party. For the purposes of this Agreement, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.

Contract Extension:
Unless otherwise provided, the State and the contractor agree: (1) that any holding over of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect, and (2) to provide written notice to the other party of the intent to cancel such month-to-month extension at least thirty (30) days before the desired date of cancellation.

Severability:
If any provision of the contract is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and, the rights and obligations of the parties will be construed and enforced as if the contract did not contain the particular provision held to be invalid.

Continuing Obligation of Contractor:
Notwithstanding the expiration date of this contract, the contractor is obligated to fulfill its responsibilities until warranty, guarantee, maintenance and parts availability requirements have completely expired.

Governing Law; Forum Selection
This contract is governed by the laws of the State of Alaska. To the extent not otherwise governed by Article 3 of this Appendix, any claim concerning this contract shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

Appendix B
U.S. DEPARTMENT OF AGRICULTURE

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 7 CFR Part 3017, Section 3017.510, Participants' responsibilities. The regulations were published as Part IV of the January 30, 1989, Federal Register (pages 4722-4733). Copies of the regulations may be obtained by contacting the Department of Agriculture agency with which this transaction originated.

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Alaska Forest Association

Organization Name **PR/Award Number or Project Name**

Bert S. Burkhart, President

Name(s) and Title(s) of Authorized Representative(s)

Bert S Burkhart 3/11/19

Signature(s) **Date**

Form AD-1048 (1/92)

Instructions for Certification

1. By signing and submitting this form, the prospective lower tier participant is providing the certification set out on the reverse side in accordance with these instructions.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this form that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this form that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7* A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Appendix C
U.S. DEPARTMENT OF AGRICULTURE

CERTIFICATION REGARDING
DRUG-FREE WORKPLACE REQUIREMENTS (GRANTS)
ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), 7 CFR Part 3017, Subpart F, Section 3017.600, Purpose. The January 31, 1989, regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691). Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the grant.

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS)

Alternative I

A. The grantee certifies that it will or will continue to provide a drug-free workplace by:

   a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

   b. (b) Establishing an ongoing drug-free awareness program to inform employees about --

      1. The dangers of drug abuse in the workplace;

      2. The grantee's policy of maintaining a drug-free workplace;

      3. Any available drug counseling, rehabilitation, and employee assistance programs; and

      4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

   c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

   d. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will –

      1. Abide by the terms of the statement; and

      2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

   e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

   f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted –

      1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

      2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

   g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, State, zip code)

Check [ ] if there are workplaces on file that are not identified here.

Alaska Forest Association.

Organization Name

PR/Award Number or Project Name

Bert S. Burkhart
President

Name(s) and Title(s) of Authorized Representative(s)

Signature

Date 3/11/19

Form AD-1049 (REV 5/90)

APPENDIX D
MARCH 2017 USFS - AFA MOU

FS Agreement No. 17-MU-11100500-012
Incorporated by Reference

APPENDIX E
QUARTERLY ACCOMPLISHMENTS REPORTING FORM

USDA Forest Service	OMB 0596-0217 FS-1500-23

Optional Project Performance Report*

1. Recipient/Cooperator Name: ______________________

2. Agreement Number: ____________ **3. Project Title:** ____________

4. Reporting Period End Date: ____________ **5. Report Type:** ☐ **Interim** ☐ **Final**

For each program/project in the agreement narrative, please provide brief information on the following:

6. Status Summary:

7. What has been accomplished to date? Please provide a comparison of actual accomplishments to the objectives established in the agreement narrative (quantify where possible):

8. Any problems encountered? Explain delays or changed costs or conditions that significantly impair the ability to meet agreement objectives and timelines. If necessary, please work with the F.S. program manager for an extension of the agreement period.

9. Any changes that you plan to propose? Please work with F.S. program manager to determine if a modification is needed (e.g., a change is needed to the objectives or financial plan).

10. Briefly describe work to be performed during the next reporting period.

11. Any other comments considered of importance but not discussed above?

12. Signatures of Authorized Representative: by signature below, the signing parties certify that they are the official representatives of their respective parties and authorized to act in their respective areas for matters related to the above-referenced grant/agreement.

Submitted: Cooperator Program Mgr	**Signature:** [signature] **Name/Title:** AFA President	**Date:** 3/11/19 **Phone:** 360581·7394	

*Note to Cooperator Project Lead: This optional form helps respond to the performance reporting required by the agreement.

Reviewed: FS Program Mgr	**Signature:** ______ **Name/Title:** ______	**Date:** ______ **Phone:** ______	

*Note to F. S. Program Manager: Please document this and any other monitoring activity in NRM or send to G&A Personnel.