

# STATE OF ALASKA INVITATION TO BID (ITB)



## CRUSHED AGGREGATE, MULTIPLE TYPES, DENALI AREA

2522N020

FEBRUARY 16, 2022

SUPPLY MULTIPLE TYPES OF CRUSHED AGGREGATE TO SPECIFIED LOCATIONS IN THE DENALI AREA.

**IMPORTANT NOTICE:** If you received this solicitation from the State's "Online Public Notice" web site, you must register with the Procurement Officer listed on this document to receive notification of subsequent amendments. Failure to contact the Procurement Officer may result in the rejection of your offer.

### BIDDER'S NOTICE:

Contracts for purchases resulting from this bid will be made utilizing Federal Funds. As such, and per AS 36.30.890, no State of Alaska Bidder or Product Preferences may apply.


### **Sec. 36.30.890. Federal Assistance**

If a procurement involves the expenditure of federal funds or federal assistance and there is a conflict between a provision of this chapter or a regulation adopted under a provision of this chapter and a federal statute, regulation, policy, or requirement, the federal statute, regulation, policy, or requirement shall prevail.

### **2 AAC 12.730. Federal Assistance**

If a procurement involves the expenditure of federal funds or requires federal assistance and there is a conflict between a provision of this chapter and federal statute, regulation, policy, or requirement, the procurement officer shall comply with the federal statute, regulation, policy, or requirement.

Authority: AS 36.30.040; AS 36.30.890

 Eric Johnson Procurement Officer	_____ COMPANY SUBMITTING BID	*DOES YOUR BUSINESS QUALIFY FOR THE ALASKA BIDDER'S PREFERENCE? [ ] YES [ ] NO
	_____ AUTHORIZED SIGNATURE	*DOES YOUR BUSINESS QUALIFY FOR THE ALASKA VETERAN PREFERENCE? [ ] YES [ ] NO
Phone: (907) 451-5102 TDD: (907) 451-2363 FAX: (907) 451-2313	_____ PRINTED NAME	*SEE ITB FOR EXPLANATION OF CRITERIA TO QUALIFY
Email: <a href="mailto:eric.johnson@alaska.gov">eric.johnson@alaska.gov</a>	_____ DATE	_____ TELEPHONE NUMBER
_____ ALASKA BUSINESS LICENSE NUMBER	_____ FEDERAL TAX ID NUMBER	_____ E-MAIL ADDRESS

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## SECTION 1. INTRODUCTION & INSTRUCTIONS

### SEC. 1.01 PURPOSE OF THE ITB

The Department of Transportation & Public Facilities, Maintenance & Operations (M&O), is soliciting bids for the purchase of multiple types of Crushed Aggregate in multiple locations in the Denali area.

### SEC. 1.02 DEADLINE FOR RECEIPT OF BIDS

Bids must be received no later than 10:00 AM Alaska Time on March 10, 2022, at which time they will be publicly opened. Late bids or amendments will be disqualified and not opened or accepted for evaluation.

### SEC. 1.03 INVITATION TO BID (ITB) REVIEW

Bidders shall carefully review this ITB for defects and questionable or objectionable material. Comments concerning defects and questionable or objectionable material in the ITB should be made in writing and received by the procurement officer at least ten days before the bid opening date. This will allow time for an amendment to be issued if one is required. It will also help prevent the opening of a defective bid, upon which award cannot be made, and the resultant exposure of bidders' prices.

**SEC. 1.04 QUESTIONS PRIOR TO DEADLINE FOR RECEIPT OF BIDS**

All questions must be in writing and directed to the procurement officer. The interested party must confirm telephone conversations in writing. Two types of questions generally arise. One may be answered by directing the questioner to a specific section of the ITB. These questions may be answered over the telephone. Other questions may be more complex and may require a written amendment to the ITB. The procurement officer will make that decision.

**SEC. 1.05 SITE INSPECTION**

Potential bidders are encouraged to visit the work site so that they can see the conditions under which the work described in this ITB will be performed. The bidder's failure to visit the work site will in no way relieve the bidder of the responsibility of performing the work in strict compliance with the true intent and meaning of the terms, conditions and specifications of this ITB. The site may be inspected by contacting Henry Cole at (907) 451-2223.

This contact person is only empowered to allow potential bidders to view the work site. The contact person cannot and will not answer potential bidder questions regarding the work to be performed under this ITB or the terms, conditions and specifications of this ITB. Any questions potential bidders have must be directed to the procurement officer as required in Section 1.04.

**SEC. 1.06 SUBMITTING BIDS**

If you are submitting a response through IRIS Vendor Self-Service (VSS), you may ignore the following return instructions.

Bidders may submit one hard copy of their bid, in writing, to the procurement officer in a sealed package. The sealed bid package must be addressed as follows:

Department of Transportation & Public Facilities  
Procurement Office  
Attention: Eric Johnson  
Invitation to Bid (ITB) Number: 2522N020

ITB Title: Crushed Aggregate, Multiple Types, Denali Area  
Department of Transportation & Public Facilities  
2301 Peger Road  
Fairbanks, AK 99709

If using a delivery service, please use the following address:

Department of Transportation & Public Facilities  
2301 Peger Road  
Fairbanks, AK 99709

If submitting a bid via email, the bid may be emailed to [dotnrprocurement@alaska.gov](mailto:dotnrprocurement@alaska.gov) and must contain the ITB number in the subject line of the email. The **maximum** size of a single email (including all text and attachments)



that can be received by the state is **20mb (megabytes)**. If the email containing the bid exceeds this size, the bid must be sent in multiple emails that are each less than 20 megabytes and each email must comply with the requirements described above.

Please note that email transmission is not instantaneous. Similar to sending a hard copy bid, if you are emailing your bid, the state recommends sending it enough ahead of time to ensure the email is delivered by the deadline for receipt of bid.

It is the bidder's responsibility to contact the issuing agency at **(907) 451-5102** to confirm that the bid has been received. The state is not responsible for unreadable, corrupt, or missing attachments.

## SEC. 1.07 BID FORMS

Bidders shall use the front page of this ITB and any other forms identified in this ITB for submitting bids. All bids must be signed by an individual authorized to bind the bidder to the provisions of the ITB.

### BIDDER'S CERTIFICATION

By signature on the bid, the bidder certifies that they comply with the following:

- A. the laws of the State of Alaska;
- B. the applicable portion of the Federal Civil Rights Act of 1964;
- C. the Equal Employment Opportunity Act and the regulations issued thereunder by the state and federal government;
- D. the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the state and federal government;
- E. all terms and conditions set out in this ITB;
- F. the price(s) submitted was arrived at independently arrived and without collusion, under penalty of perjury; and
- G. that the bid will remain open and valid for at least 90 days.

If any bidder fails to comply with [a] through [g] of this paragraph, the state reserves the right to disregard the bid, terminate the contract, or consider the contractor in default.

### CONFLICT OF INTEREST

Each bid shall include a statement indicating whether or not the company or any individuals working on the contract has a possible conflict of interest (e.g., currently employed by the State of Alaska or formerly employed by the State of Alaska within the past two years) and, if so, the nature of that conflict. The procurement officer reserves the right to **consider a bid non-responsive and reject it** or cancel the award if any interest disclosed from any source could either give the appearance of a conflict or cause speculation as to the objectivity of the contract to be performed by the bidder.

**SEC. 1.08 PRICES**

The bidder shall state prices in the units of issue on this ITB. Prices quoted in bids must be exclusive of federal, state, and local taxes. If the bidder believes that certain taxes are payable by the state, the bidder may list such taxes separately, directly below the bid price for the affected item.

**SEC. 1.09 ASSISTANCE TO BIDDERS WITH A DISABILITY**

Bidders with a disability may receive accommodation regarding the means of communicating this ITB or participating in the procurement process. For more information, contact the procurement officer no later than ten days prior to the deadline for receipt of bids.

**SEC. 1.10 AMENDMENTS TO BIDS**

Amendments to or withdrawals of bids will only be allowed if acceptable requests are received prior to the deadline that is set for receipt of bids, in accordance with 2 AAC 12.140. No amendments or withdrawals will be accepted after the deadline unless the delay is due to an error of the contracting agency, in accordance with 2 AAC 12.160.

**SEC. 1.11 AMENDMENTS TO THE ITB**

If an amendment is issued, it will be provided to all who were notified of the ITB and to those who have registered with the procurement officer after receiving the ITB from the State of Alaska Online Public Notice website.

**SEC. 1.12 ITB SCHEDULE**

The ITB schedule set out herein represents the State of Alaska's best estimate of the schedule that will be followed. If a component of this schedule, such as the deadline for receipt of bids, is delayed, the rest of the schedule may be shifted accordingly. All times are Alaska Time.

ACTIVITY	TIME	DATE
Issue Date / ITB Released		2/16/2022
Deadline for Receipt of Bids / Bid Due Date	10:00 AM	3/10/2022
Bid Evaluations Complete		3/10/2022
Notice of Intent to Award		3/10/2022
Contract Issued		3/22/2022

This ITB does not, by itself, obligate the state. The state's obligation will commence when the contract is approved by the Commissioner of the Department of Transportation & Public Facilities, or the Commissioner's designee. Upon written notice to the contractor, the state may set a different starting date for the contract. The state will not be responsible for any work done by the contractor, even work done in good faith, if it occurs prior to the contract start date set by the state.

**SEC. 1.13 ALTERNATE BIDS**

Bidders may only submit one bid for evaluation. In accordance with 2 AAC 12.830 alternate bids (bids that offer something different than what is asked for) will be rejected.

**SEC. 1.14 SUPPORTING INFORMATION**

Bidders shall submit all required technical, specification, and other supporting information with their bid, so that a detailed analysis and determination can be made by the procurement officer that the product offered meets the ITB specifications and that other requirements of the ITB have been met. However, provided a bid meets the requirements for a definite, firm, unqualified, and unconditional offer, the state reserves the right to request supplemental information from the bidder, after the bids have been opened, to ensure that the products or services offered completely meet the ITB requirements. The requirement for such supplemental information will be at the reasonable discretion of the state and may include the requirement that a bidder will provide a sample product(s) so that the state can make a first-hand examination and determination.

A bidder's failure to provide this supplemental information or the product sample(s), within the time set by the state, will cause the state to consider the offer non-responsive and reject the bid.

**SEC. 1.15 FIRM, UNQUALIFIED, AND UNCONDITIONAL OFFER**

Bidders must provide enough information with their bid to constitute a definite, firm, unqualified and unconditional offer. To be responsive a bid must constitute a definite, firm, unqualified and unconditional offer to meet all the material terms of the ITB. Material terms are those that could affect the price, quantity, quality, or delivery. Also included as material terms are those which are clearly identified in the ITB and which, for reasons of policy, must be complied with at risk of bid rejection for non-responsiveness.

**SEC. 1.16 BID BOND – PERFORMANCE BOND – SURETY DEPOSIT**

**BID GUARANTEE:** Bids must be accompanied by a bid guarantee in the form of a Certified or Cashier's check in the amount of **\$5,000.00** made payable to the State of Alaska. The bid guarantee of each successful bidder will be retained until that bidder has furnished a satisfactory Performance Bond or Individual Surety. If the successful bidder fails to deliver the required Performance Bond or Individual Surety within the time required, the bid guarantee will be forfeited to the State of Alaska. The bid guarantee of each unsuccessful bidder will be returned as soon as practical after award has been made.

Bidders must submit their bid guarantee with their bid in order to be considered responsive.

***Performance Bond***

Bidders must obtain a letter of commitment for a performance bond from a bonding company and submit it with the bid. The amount of the performance bond must be **equal to the entire dollar value of the awarded contract**, for the full term of the contract. If the contractor fails to satisfactorily perform the contract, the bonding company that provided the performance bond will be required to obtain timely performance of the contract. The actual performance bond must be obtained from the bonding company and provided to the state within 30-days of the date of award of the contract. A bidder's failure to provide the performance bond, within the required time, will cause the state to reject the bid or cancel the contract.

***Surety Deposit***

In lieu of a performance bond, an irrevocable letter of credit, or cash, may be substituted. The amount of the surety deposit must be **equal to the entire dollar value of the awarded contract**. Substitution of a surety deposit must be approved by the Commissioner of the Department of Transportation & Public Facilities prior to its submittal. A bidder's failure to provide the surety deposit, within the required time, will cause the state to reject the bid.

**SEC. 1.17 LIQUIDATED DAMAGES**

See Section 108-1.07 of the Special Provisions (Attachment 1) for Liquidated Damage amounts.

## SECTION 2. CONTRACT INFORMATION

### SEC. 2.01 CONTRACT TERM

The length of the contract will be from the date of award, approximately March 22, 2022, until completion.

### SEC. 2.02 CONTRACT ADMINISTRATION

The administration of this contract is the responsibility of the procurement officer or person appointed by the Department of Transportation & Public Facilities, M & O.

### SEC. 2.03 CONTRACT FUNDING

Department of Transportation & Public Facilities, M & O, estimates a budget of between \$670,000.00 and \$900,000.00 dollars for this contract. Bids priced at more than \$900,000.00 will be considered non-responsive.

Payment for the contract is subject to funds already appropriated and identified.

### SEC. 2.04 CONTRACT EXTENSION

Unless otherwise provided in this ITB, the state and the successful bidder/contractor agree: (1) that any extension 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) the procurement officer will provide written notice to the contractor of the intent to cancel the month-to-month extension at least thirty (30) days before the date of cancellation. A month-to-month extension may only be executed by the procurement officer via a written contract amendment.

### SEC. 2.05 CONTRACT CHANGES – UNANTICIPATED AMENDMENTS

During the course of this contract, the contractor may be required to perform additional work. That work will be within the general scope of the initial contract. When additional work is required, the state will provide the contractor a written description of the additional work and request the contractor to submit a firm time schedule for accomplishing the additional work and a firm price for the additional work. Cost and pricing data must be provided to justify the cost of such amendments per AS 36.30.400.

The contractor will not commence additional work until the procurement officer has secured required state approvals necessary for the amendment and issued a written contract amendment.

### SEC. 2.06 SUBCONTRACTORS

Subcontractors may be used to perform work under this contract. If a bidder intends to use subcontractors, the bidder must identify in the bids the names of the subcontractors and the portions of the work the subcontractors will perform.

If a bid with subcontractors is selected, the bidder must provide the following information concerning each prospective subcontractor within five working days from the date of the state's request:

- complete name of the subcontractor;

- complete address of the subcontractor;
- type of work the subcontractor will be performing;
- percentage of work the subcontractor will be providing;
- evidence that the subcontractor holds a valid Alaska business license; and
- a written statement signed by each proposed subcontractor that clearly verifies that the subcontractor is committed to render the services required by the contract.

A bidder's failure to provide this information, within the time set, may cause the state to consider their bid non-responsive and reject it.

Note that if the subcontractor will not be performing work within Alaska, they will not be required to hold an Alaska business license.

## **SEC. 2.07 JOINT VENTURES**

Joint ventures will not be allowed.

## **SEC. 2.08 CONTRACT PERFORMANCE LOCATION**

By signature on their bid, the bidder certifies that all services provided under this contract by the contractor and all subcontractors shall be performed in the United States.

If the bidder cannot certify that all work will be performed in the United States, the bidder must contact the procurement officer in writing to request a waiver at least 10 days prior to the deadline for receipt of bids.

The request must include a detailed description of the portion of work that will be performed outside the United States, where, by whom, and the reason the waiver is necessary.

Failure to comply with these requirements may cause the state to reject the bid as non-responsive, or cancel the contract.

## **SEC. 2.09 RIGHT TO INSPECT PLACE OF BUSINESS**

At reasonable times, the state may inspect those areas of the contractor's place of business that are related to the performance of a contract. If the state makes such an inspection, the contractor must provide reasonable assistance.

## **SEC. 2.10 SCOPE OF WORK AND SPECIFICATIONS**

**See Attachment 1 for Special Provisions.**

## **SEC. 2.11 F.O.B. POINT**

The F.O.B. point for this ITB will be each location indicated on the Bid Schedule (Attachment 2).

**SEC. 2.12 DELIVERY TIME**

Indicate, in the space provided on the Bid Schedule, the date (s) project completion is to be made by after the receipt of an order. Failure to make an entry in the space provided will be construed as an offer to deliver by the required dates listed on the Bid Schedule. Bids that specify completion beyond the required by dates after receipt of an order will be considered non-responsive and the bids will be rejected.

**SEC. 2.13 INSPECTION & MODIFICATION - REIMBURSEMENT FOR UNACCEPTABLE DELIVERABLES**

The contractor is responsible for proving all products or the completion of all work set out in the contract. All products or work is subject to inspection, evaluation, and approval by the state. The state may employ all reasonable means to ensure that the work is progressing and being performed in compliance with the contract. The state may instruct the contractor to make corrections or modifications if needed in order to accomplish the contract's intent. The contractor will not unreasonably withhold such changes.

Substantial failure of the contractor to perform the contract may cause the state to terminate the contract. In this event, the state may require the contractor to reimburse monies paid (based on the identified portion of unacceptable products or work received) and may seek associated damages.

**SEC. 2.14 ESTIMATED QUANTITIES**

The quantities referenced in this ITB are an estimate of the of the state's initial purchase. The state expects to make this purchase approximately March 22, 2022. The state does not guarantee any minimum or maximum purchase.

**SEC. 2.15 INDEMNIFICATION**

The contractor shall indemnify, hold harmless, and defend the contracting agency from and against any claim of, or liability for error, omission or negligent act of the contractor under this agreement. The contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the contractor and the independent negligence of the contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis.

“Contractor” and “contracting agency”, as used within this and the following article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term “independent negligence” is negligence other than in the contracting agency's selection, administration, monitoring, or controlling of the contractor and in approving or accepting the contractor's work.

**SEC. 2.16 INSURANCE**

Without limiting the contractor's indemnification, it is agreed that the contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the contractor's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits.

Certificates of Insurance must be furnished to the procurement officer prior to contract approval and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the contractor's services. All insurance policies shall comply with and be issued by insurers licensed to transact the business of insurance under AS 21.

**Proof of insurance is required for the following:**

- Workers' Compensation Insurance: The contractor shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements. The policy must waive subrogation against the state.
- Commercial General Liability Insurance: covering all business premises and operations used by the contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per occurrence.
- Commercial Automobile Liability Insurance: covering all vehicles used by the contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per occurrence.



## SECTION 3. CONTRACT INVOICING AND PAYMENTS

### SEC. 3.01 BILLING INSTRUCTIONS

Invoices must be billed to the ordering agency's address shown on the individual Purchase Order, Contract Award or Delivery Order. The state will make payment after it receives the goods or services and the invoice. Questions concerning payment must be addressed to the ordering agency.

### SEC. 3.02 PAYMENT FOR STATE PURCHASES

Payment for agreements under \$500,000 for the undisputed purchase of goods or services provided to a state agency, will be made within 30 days of the receipt of a proper billing or the delivery of the goods or services to the location(s) specified in the agreement, whichever is later. A late payment is subject to 1.5% interest per month on the unpaid balance. Interest will not be paid if there is a dispute or if there is an agreement that establishes a lower interest rate or precludes the charging of interest.

Any single contract payments of \$1 million or higher must be accepted by the contractor via Electronic Funds Transfer (EFT).

### SEC. 3.03 PROMPT PAYMENT FOR STATE PURCHASES

The state is eligible to receive a **5%** discount for all invoices paid within **15** business days from the date of receipt of the commodities or services and/or a correct invoice, whichever is later. The discount shall be taken on the full invoice amount. The state shall consider payment being made as either the date a printed warrant is issued or the date an electronic funds transfer (EFT) is initiated.

### SEC. 3.04 THIRD-PARTY FINANCING AGREEMENTS NOT ALLOWED

Because of the additional administrative and accounting time required of the state when third party financing agreements are permitted, they will not be allowed under this contract.

## SECTION 4. EVALUATION AND CONTRACTOR SELECTION

### SEC. 4.01 EVALUATION OF BIDS

After bid opening, the procurement officer will evaluate the bids for responsiveness. Bids deemed non-responsive will be eliminated from further consideration. An evaluation may not be based on discrimination due the race, religion, color, national origin, sex, age, marital status, pregnancy, parenthood, disability, or political affiliation of the bidder.

### SEC. 4.02 EXTENSION OF PRICES

In case of error in the extension of prices in the bid, the unit prices will govern; in a lot bid, the lot prices will govern.

### SEC. 4.03 METHOD OF AWARD

Award will be made as one lot to the lowest responsive and responsible bidder. In order to be considered responsive, bidders must bid on all items.

### SEC. 4.04 NOTICE OF INTENT TO AWARD

After the responses to this ITB have been opened and evaluated, a tabulation of the bids will be prepared. This tabulation, called a Notice of Intent to Award, serves two purposes. It lists the name of each company or person that offered a bid and the price they bid. It also provides notice of the state's intent to award a contract(s) to the bidder(s) indicated. A copy of the Notice of Intent will be mailed to each company or person who responded to the ITB. Bidders identified as the apparent low responsive bidders are instructed not to proceed until a Purchase Order, Contract Award, Lease, or some other form of written notice is given by the procurement officer. A company or person who proceeds prior to receiving a Purchase Order, Contract Award, Lease, or some other form of written notice from the procurement officer does so without a contract and at their own risk.

## SECTION 5. GENERAL PROCESS AND LEGAL INFORMATION

### SEC. 5.01 ALASKA BUSINESS LICENSE AND OTHER REQUIRED LICENSES

Prior to the award of a contract, a bidder must hold a valid Alaska business license. ~~However, in order to receive the Alaska Bidder Preference and other related preferences, such as the Alaska Veteran Preference and Alaskans with Disabilities Preference, a bidder must hold a valid Alaska business license prior to the deadline for receipt of bids.~~ Bidders should contact the **Department of Commerce, Community and Economic Development, Division of Corporations, Business, and Professional Licensing, PO Box 110806, Juneau, Alaska 99811-0806**, for information on these licenses. Acceptable evidence that the bidder possesses a valid Alaska business license may consist of any one of the following:

- copy of an Alaska business license;
- certification on the bid that the bidder has a valid Alaska business license and has included the license number in the bid;
- a canceled check for the Alaska business license fee;
- a copy of the Alaska business license application with a receipt stamp from the state's occupational licensing office; or
- a sworn and notarized statement that the bidder has applied and paid for the Alaska business license.

You are not required to hold a valid Alaska business license at the time bids are opened if you possess one of the following licenses and are offering services or supplies under that specific line of business:

- fisheries business licenses issued by Alaska Department of Revenue or Alaska Department of Fish and Game,
- liquor licenses issued by Alaska Department of Revenue for alcohol sales only,
- insurance licenses issued by Alaska Department of Commerce, Community and Economic Development, Division of Insurance, or
- Mining licenses issued by Alaska Department of Revenue.

Prior to the deadline for receipt of bids, all bidders must hold any other necessary applicable professional licenses required by Alaska Statute.

### SEC. 5.02 AUTHORITY

This ITB is written in accordance with AS 36.30 and 2 AAC 12.

### SEC. 5.03 COMPLIANCE

In the performance of a contract that results from this ITB, the contractor must comply with all applicable federal, state, and borough regulations, codes, and laws; be liable for all required insurance, licenses, permits and bonds; and pay all applicable federal, state, and borough taxes.

**SEC. 5.04 SUITABLE MATERIALS, ETC.**

Unless otherwise specified in this ITB, all materials, supplies or equipment offered by a bidder shall be new, unused, and of the latest edition, version, model or crop and of recent manufacture.

**SEC. 5.05 SPECIFICATIONS**

Unless otherwise specified in this ITB, product brand names or model numbers specified in this ITB are examples of the type and quality of product required, and are not statements of preference. If the specifications describing an item conflict with a brand name or model number describing the item, the specifications govern. Reference to brand name or number does not preclude an offer of a comparable or better product, if full specifications and descriptive literature are provided for the product. Failure to provide such specifications and descriptive literature may be cause for rejection of the offer.

**SEC. 5.06 CONTRACTOR SITE INSPECTION**

The state may conduct on-site visits to evaluate the bidder's capacity to perform the contract. A bidder must agree, at risk of being found non-responsive and having its bid rejected, to provide the state reasonable access to relevant portions of its work sites. Individuals designated by the procurement officer at the state's expense will make site inspection.

**SEC. 5.07 ORDER DOCUMENTS**

Except as specifically allowed under this ITB, an ordering agency will not sign any vendor contract. The state is not bound by a vendor contract signed by a person who is not specifically authorized to sign for the state under this ITB. Unless otherwise specified in this ITB, the State of Alaska Purchase Order, Contract Award and Delivery Order are the only order documents that may be used to place orders against the contract(s) resulting from this ITB.

**SEC. 5.08 HUMAN TRAFFICKING**

By signature on their bid, the bidder certifies that the bidder is not established and headquartered or incorporated and headquartered in a country recognized as Tier 3 in the most recent United States Department of State's Trafficking in Persons Report.

The most recent United States Department of State's Trafficking in Persons Report can be found at the following website: <http://www.state.gov/j/tip/>

Failure to comply with this requirement will cause the state to reject the bid as non-responsive, or cancel the contract.

**SEC. 5.09 RIGHT OF REJECTION**

Bidders must comply with all of the terms of the ITB, the State Procurement Code (AS 36.30), and all applicable local, state, and federal laws, codes, and regulations. The procurement officer may reject any bid that does not comply with all of the material and substantial terms, conditions, and performance requirements of the ITB.

Bidders may not qualify the bid nor restrict the rights of the state. If a bidder does so, the procurement officer may determine the bid to be a non-responsive counter-offer and the bid may be rejected.

Minor informalities that:

- do not affect responsiveness;
- are merely a matter of form or format;
- do not change the relative standing or otherwise prejudice other offers;
- do not change the meaning or scope of the RFP;
- are trivial, negligible, or immaterial in nature;
- do not reflect a material change in the work; or
- do not constitute a substantial reservation against a requirement or provision;

may be waived by the procurement officer.

The state reserves the right to refrain from making an award if it determines that to be in its best interest.

**A bid from a debarred or suspended bidder shall be rejected.**

## SEC. 5.10 STATE NOT RESPONSIBLE FOR PREPARATION COSTS

The state will not pay any cost associated with the preparation, submittal, presentation, or evaluation of any bid.

## SEC. 5.11 DISCLOSURE OF BID CONTENTS

All bid prices become public information at the bid opening. After the deadline for receipt of bids, all other bid material submitted become the property of the State of Alaska and may be returned only at the state's option. AS 40.25.110 requires public records to be open to reasonable inspection. All other bid information will be held in confidence during the evaluation process and prior to the time a Notice of Intent to Award is issued. Thereafter, bids will become public information.

Trade secrets and other proprietary data contained in bids may be held confidential if the bidder requests, in writing, that the procurement officer does so, and if the procurement officer agrees, in writing, to do so. The bidder's request must be included with the bid, must clearly identify the information they wish to be held confidential, and include a statement that sets out the reasons for confidentiality. Unless the procurement officer agrees in writing to hold the requested information confidential, that information will also become public after the Notice of Intent to Award is issued.

## SEC. 5.12 ASSIGNMENTS

Per 2 AAC 12.480, the contractor may not transfer or assign any portion of the contract without prior written approval from the procurement officer. Bids that are conditioned upon the state's approval of an assignment will be rejected as non-responsive.

**SEC. 5.13 FORCE MAJEURE (IMPOSSIBILITY TO PERFORM)**

The parties to a contract resulting from this ITB are not liable for the consequences of any failure to perform, or default in performing, any of its obligations under the contract, 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 ITB, 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.

**SEC. 5.14 DEFAULT**

In case of default by the contractor, for any reason whatsoever, the state may procurement 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.

**SEC. 5.15 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.

**SEC. 5.16 SEVERABILITY**

If any provision of the contract or agreement is found to be invalid or 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.

**SEC. 5.17 CONTRACT CANCELLATION**

The state reserves the right to cancel the contract at its convenience upon Thirty (30) calendar days written notice to the contractor. The state is only liable for payment in accordance with the payment provisions of this contract for supplies or services provide before the effective date termination.

**SEC. 5.18 GOVERNING LAW; FORUM SELECTION**

A contract resulting from this ITB is governed by the laws of the State of Alaska. To the extent not otherwise governed by Section 5.15 of this ITB, any claim concerning the contract shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

**SEC. 5.19 SOLICITATION ADVERTISING**

Public notice has been provided in accordance with 2 AAC 12.220.

## SEC. 5.20 QUALIFIED BIDDERS

Per 2 AAC 12.875, unless provided for otherwise in the ITB, to qualify as a bidder for award of a contract issued under AS 36.30, the bidder must:

- 1) Add value in the contract by actually performing, controlling, managing, or supervising the services to be provided; or
- 2) Be in the business of selling and have actually sold on a regular basis the supplies that are the subject of the ITB.

If the bidder leases services or supplies or acts as a broker or agency in providing the services or supplies in order to meet these requirements, the procurement officer may not accept the bidder as a qualified bidder under AS 36.30.

## SEC. 5.21 FEDERALLY IMPOSED TARIFFS

Changes in price (increase or decrease) resulting directly from a new or updated federal tariff, excise tax, or duty, imposed after contract award may be adjusted during the contract period or before delivery into the United States via contract amendment.

- **Notification of Changes:** The contractor must promptly notify the procurement officer in writing of any new, increased, or decreased federal excise tax or duty that may result in either an increase or decrease in the contract price and shall take appropriate action as directed by the procurement officer.
- **After-imposed or Increased Taxes and Duties:** Any federal excise tax or duty for goods or services covered by this contract that was exempted or excluded on the contract award date but later imposed on the contractor during the contract period, as the result of legislative, judicial, or administrative action may result in a price increase provided:
  - a) The tax or duty takes effect after the contract award date and isn't otherwise addressed by the contract;
  - b) The contractor warrants, in writing, that no amount of the newly imposed federal excise tax or duty or rate increase was included in the contract price, as a contingency or otherwise.
- **After-relieved or Decreased Taxes and Duties:** The contract price shall be decreased by the amount of any decrease in federal excise tax or duty for goods or services under the contract, except social security or other employment [taxes](#), that the contractor is required to pay or bear, or does not obtain a refund of, through the contractor's fault, negligence, or failure to follow instructions of the procurement officer.
- **State's Ability to Make Changes:** The state reserves the right to request verification of federal excise tax or duty amounts on goods or services covered by this contract and increase or decrease the contract price accordingly.
- **Price Change Threshold:** No adjustment shall be made in the contract price under this clause unless the amount of the adjustment exceeds \$250.

## SEC. 5.22 PROTEST

AS 36.30.560 provides that an interested party may protest the content of the ITB.

An interested party is defined in 2 AAC 12.990(a) (7) as "an actual or prospective bidder or offeror whose economic interest might be affected substantially and directly by the issuance of a contract solicitation, the award of a contract, or the failure to award a contract."

If an interested party wishes to protest the content of a solicitation, the protest must be received, in writing, by the procurement officer at least ten days prior to the deadline for receipt of bids.

AS 36.30.560 also provides that an interested party may protest the award of a contract or the proposed award of a contract.

If a bidder wishes to protest the award of a contract or the proposed award of a contract, the protest must be received, in writing, by the procurement officer within ten days after the date the Notice of Intent to Award the contract is issued.

A protester must have submitted a bid in order to have sufficient standing to protest the proposed award of a contract. Protests must include the following information:

- the name, address, and telephone number of the protester;
- the signature of the protester or the protester's representative;
- identification of the contracting agency and the solicitation or contract at issue;
- a detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and the form of relief requested.

Protests filed by telex or telegram are not acceptable because they do not contain a signature. Fax copies containing a signature are acceptable.

The procurement officer will issue a written response to the protest. The response will set out the procurement officer's decision and contain the basis of the decision within the statutory time limit in AS 36.30.580. A copy of the decision will be furnished to the protester by certified mail, fax or another method that provides evidence of receipt.

All bidders will be notified of any protest. The review of protests, decisions of the procurement officer, appeals, and hearings, will be conducted in accordance with the State Procurement Code (AS 36.30), Article 8 "Legal and Contractual Remedies."



## SECTION 6. ATTACHMENTS

### SEC. 6.01 ATTACHMENTS

**Attachments:**

- 1) Special Provisions – 19 Pages
- 2) Bid Schedule – 1 Page
- 3) Material Site Inspection Report, MS 52-2-089-2 – 11 Pages
- 4) Negotiated Material Sale Contract, MS 52-2-089-2 – 14 Pages
- 5) MSB Authorization Email – 1 Page
- 6) Material Site Inspection Report, MS 52-2-086-2 – 11 Pages
- 7) Material Sale Contract, MS 52-2-086-2 – 28 Pages
- 8) Material Site Inspection Report, MS 52-2-040-2 – 11 Pages
- 9) Right of Way Grant – MS 52-2-040-2 – 3 Pages
- 10) Material Site Inspection Report, MS 37-2-143-2 – 11 Pages
- 11) Material Sale Contract, MS 37-2-143-2 – 24 Pages
- 12) 2022 Aggregate Sites – 6 Pages
- 13) Required Contract Provisions for Federal-Aid (FHWA) Contracts

## SECTION 101 DEFINITIONS AND TERMS

### 101-1.03 DEFINITIONS.

**ENGINEER.** The authorized representative of the Contracting Officer who is responsible for administrating the Contract shall be Henry Cole, P.E., or his designee; phone 907-451-2223 or email Henry.Cole@Alaska.gov. This project takes place in the Denali Maintenance and Operations District; the Superintendent of which is Scott Randby; phone 907-451-5280, or email Scott.Randby@Alaska.gov.

## SECTION 104 SCOPE OF WORK

**104-1.01 INTENT OF CONTRACT.** The intent of the Contract is to provide for the production, transport and/or stockpiling of processed aggregate, as described herein. The site listed below is the location of the final stockpile only; this does not indicate the source or the quality of the material.

The Contractor is responsible for the means, methods, techniques, sequence and procedures or construction, safety and quality control, and is responsible to perform and furnish the work in accordance with the Contract documents and any applicable Federal, State and local laws, rules, regulations and ordinances. In addition, the Contractor must acquire the material sources and all necessary permits, process and stockpile the required aggregate, and pay all associated fees and royalties. Proof of royalty payments shall be required prior to final payment under this Contract.

The location and quantity required are as follows:

**TABLE 104-1**

Material Site No.	Location	Quantity (CY)	Royalty	Completion Date
N/A*	Denali Highway mile 71*	1,500	N/A*	7/15/2022
52-2-089-2	Denali Highway mile 79	6,000	\$500	7/31/2022
52-2-086-2	Denali Highway mile 109	7,500	\$1,250	7/15/2022
52-2-040-2	Denali Highway mile 132	10,000	\$0	6/30/2022
37-2-143-2	Parks Highway mile 252.5	5,000	\$0	5/30/2022

\* This is a stockpile site only. Material shall be mined and processed elsewhere and hauled to this location.

The Contractor shall take all necessary precautions not to contaminate the materials. Final gradations and quantity measurements for acceptance and payment will be taken at the final location of the completed stockpile.

All stockpiles shall be stacked so that they are easily accessible on all sides with heavy hauling equipment, and, if located in a State Material Site, situated so as not to impact future mining operations in the site.

Geotechnical reports for State material sites may be available from the Engineer. State material reports and geotechnical data are for informational purposes only and may not accurately represent the

conditions found onsite. Any information provided should not substitute for personal investigation, research and judgment of the bidders.

The bidder is expected to examine carefully the sites of the proposed work and all contract documents before submitting a bid. The submission of a bid shall be considered prima facie evidence that the bidder has made such examination and is satisfied as to the conditions to be encountered in performing the work and the requirements of the Contract.

## **SECTION 105 CONTROL OF WORK**

**105-1.01 AUTHORITY OF THE ENGINEER.** The Engineer has immediate charge of the engineering details of the project and is responsible for Contract administration. The Engineer has authority to reject defective material and suspend work being performed improperly. The Engineer has authority to accept completed work, issue Directives, issue Interim Work Authorizations, issue Change Orders, and recommend Contract payments.

The Engineer will decide all questions about the quality and acceptability of the materials furnished and the work performed by the Contractor, the Contractor's rate of progress, Contract interpretation and all other questions relating to Contract performance.

The Engineer has authority to suspend work. If the suspension is to protect workers or the public from imminent harm, the Engineer may orally order the suspension of work. Following an oral order of suspension, the Engineer will promptly give written notice of suspension. In other circumstances, the Engineer will give the Contractor written notice of suspension before suspension of work. A notice of suspension will state the defects or reasons for a suspension, the corrective actions required to stop suspension, and the time allowed to complete corrective actions. If the Contractor fails to take the corrective action within the specified time, the Engineer may:

1. Suspend the work until it is corrected; and
2. Employ others to correct the condition and deduct the cost from the Contract amount.

The Engineer may, at reasonable times, inspect any part of the plant or place of business of the Contractor or any subcontractor that is related to Contract performance, including private or commercial plants, shops, offices, or other places of business.

The Engineer may audit all books and records related to performance of the Contract, whether kept by the Contractor or a subcontractor.

**105-1.03 CONFORMITY WITH PLANS AND SPECIFICATIONS.** Work performed and materials furnished shall conform to the Specifications and approved Mining Plan and be within specified tolerances. When tolerances are not specified, the Engineer will determine the limits allowed in each case.

All work or material not conforming to the Specifications and approved Mining Plan is considered unacceptable unless the Engineer finds that reasonably acceptable work has been produced. In this event, the Engineer may allow non-conforming work or material to remain in place, but at a reduced price. The Engineer will document the basis of acceptance and payment by Change Order.

The failure of the Department to strictly enforce the Contract in one or more instances does not waive its right to do so in other or future instances.

If the Contractor fails to promptly correct, remove, or replace unacceptable or unauthorized work as ordered by the Engineer, the Engineer may employ others to remedy or remove and replace the work and will deduct the cost from the Contract payment.

**105-1.05 COOPERATION BY CONTRACTOR.** The Contractor shall give the work the constant attention necessary for its progress, and shall cooperate fully with the Engineer, Department staff, and other contractors in every way possible. Either the Contractor's Superintendent or an acting Superintendent with authority to represent and act for the Contractor shall be available within the proximity of the project whenever work is occurring. The Contractor shall employ, as its agent, a competent superintendent thoroughly experienced in the type of work being performed and capable of reading and thoroughly understanding the Plans and Specifications. The Contractor shall provide 24-hour contact information for the Superintendent. The Contractor shall ensure that the superintendent is available at all times to receive and execute Directives and other instructions from the Engineer, to supervise workers and to coordinate the work of subcontractors. The Contractor shall give the superintendent full authority to supply the resources required. The Contractor shall furnish superintendence regardless of the amount of work sublet.

**105-1.12 LOAD RESTRICTIONS.** The Contractor shall comply with all vehicle legal size and weight regulations of 17 AAC 25 and the Administrative Permit Manual, and shall obtain permits from the DOT&PF Division of Measurement Standards & Commercial Vehicle Enforcement before moving oversize or overweight equipment on a state highway.

## **SECTION 106 CONTROL OF MATERIAL**

### **106-1.02 MATERIAL SOURCES.**

1. General. The Contractor shall:

- a. produce a sufficient quantity of materials meeting the specifications to complete the project;
- b. as a subsidiary cost: clear and grub, strip, drill and blast, excavate, crush, sort, blend, screen, wash, stockpile, haul, and rehandle material as needed to produce and deliver the specified product;
- c. determine the type of equipment and methods to be used;
- d. expect variations in material quality within the deposits, and procure material only from acceptable portions of the deposit, regardless of source ownership; and
- e. prevent erosion, sedimentation, and pollution within a materials source.

The Contractor agrees that:

- a. the costs to explore and develop material sources, including all production effort, are subsidiary to the cost of providing the specified material;
- b. the Engineer may order the Contractor to procure material only from certain portions of the source and may reject material from other portions of the source that does not conform to the specifications; and

- c. all material required may not be procurable from any one source and the Contractor may need to change between sources. That contingency is to be factored into the unit bid price for the Contract Item.
- 2. Inspection and Acceptance. The Contractor shall perform sampling and testing during materials processing and placement in accordance with its Process Control Plan (Subsection 106-1.03-1) and shall obtain acceptable material samples from locations designated within the source.

The Department will sample and test materials to determine the quality of the source, at its expense, as part of its Acceptance Testing (Subsection 106-1.03.2). The Department will reject materials when the samples do not meet specifications. The Department may reject a proposed materials site when samples do not meet specifications.

- 3. Awareness Training. The operator of the Contractor's sand and gravel surface mine or other similar materials source shall provide Site-Specific Hazard Awareness Training in compliance with 30 CFR 46.11 for all the Engineer's personnel before beginning operations. All other workers shall be given training in compliance with 30 CFR 46 before exposure to mine hazards. The training must be offered at each surface mine that will be used to supply processed aggregates. A qualified person must provide the training. The training shall be in accordance with the operator's written training plan approved by the Mine Safety and Health Administration, covering the following items:
  - a. Site-specific health and safety risks;
  - b. Recognition and avoidance of hazards;
  - c. Restricted areas;
  - d. Warning and evacuation signals;
  - e. Evacuation and emergency procedures;
  - f. Other special safety procedures; and
  - g. A site tour.

The Contractor shall require the Engineer's personnel to sign the Visitor's Log Book upon completion of the training to indicate that training was provided. Training is a subsidiary cost.

- 4. Type of Sources. The location(s) identified in Section 104-1.01 are to be the site of the finished stockpile only and do not specify the source or quality of the material to be produced. The Contractor shall supply the required material from one or more of the following types of sources:
  - a. Department Furnished Material Sites. The Contractor shall obtain approval from the Engineer prior to any construction activities. Existing stockpiles of material in State sites are not available to the Contractor without prior approval from the Engineer. All stockpiled aggregate including rejected material is property of the State and shall be handled or stockpiled as described in the Contractor's approved Mining Plan, unless directed otherwise by the Engineer. At no time does the Contractor have any ownership of material, including reject, produced under this Contract. The materials in this site are not available for any use other than required by this Contract, unless approved by the Engineer. The Contractor shall be responsible for paying any mineral royalty due, as indicated in Section 104-1.01. Geotechnical information may be available, but should not be considered to be authoritative. All work and development in a Department-Furnished material site shall be in line with the Department's existing site-specific Mining Plan.

- b. Contractor-Furnished Sources. The Contractor is encouraged to use State furnished material sites or work within an approved Right of Way for both mining and for the final stockpile locations. The use of private sources for mining and stockpile storage will require the Contractor to make all necessary agreements (See Subsection 106-1.02.5). When the Contractor elects to use a material site not furnished by the Department, including State-owned land not under the Department's control, the Contractor shall:
- 1) Acquire the necessary rights and permits to obtain material;
  - 2) Pay as subsidiary costs all related costs to obtain and use material from the source, including, but not limited to, permit fees, mineral royalties and associated hauling costs;
  - 3) Be solely responsible for the quality and quantity of material; and
  - 4) Obtain all necessary rights, permits and plan approvals before clearing or disturbing the ground in the material source. The Contractor shall certify in writing to the Engineer that all permits and clearances relating to the use of the material source have been obtained prior to any work in the material source.

No price adjustment or other compensation will be made for any costs, including increased length of haul, if the Contractor:

- 1) Chooses to change material sources for any reason;
  - 2) Is unable to produce a sufficient quality or quantity of materials from Contractor-Furnished sources; or
  - 3) Encounters unexpected, unforeseen or unusual conditions within a Contractor-Furnished source.
5. Rights, Permits and Plan Approvals for Material Sources. Before disturbing the site of a material source, the Contractor shall acquire, pay for and provide to the Engineer all necessary rights, permits, and plan approvals indicated in this Subsection and elsewhere in this Contract. For each material site, the Contractor shall:
- a. All other sites: Submit for the Engineer's comment and approval, no fewer than 30 days prior to mobilization, a mining and reclamation plan (MRP). During development of each MRP, the Contractor shall consider future activities in the material site and shall maintain access to usable material. The MRP shall include:
- (1) Approval from the landowner (if a Contractor-Furnished source, see Subsection 106-1.02-4-b-2);
  - (2) A process control plan (see Subsection 106-1.03-1);
  - (3) Plan and cross-sectional views of the site (this includes both the mining and disposal areas);
  - (4) Applicable boundary lines, property lines and buffer zones;
  - (5) Areas and Depths to be developed (note, development of Department-Furnished sources shall be in accordance with the Department's Mining Plan for that site);
  - (6) Locations of access roads, stripping, sorting, waste piles, crushing and plant sites, stockpile sites (including reject material), buffer zones, drainage features, erosion and pollution control features;
  - (7) Condition the Contractor will leave the site in after the materials extraction is completed, including reseeded if necessary;
  - (8) A Construction General Permit-compliant Storm Water Pollution Prevention Plan, if required by Section 641; and

- (9) Other information as required by any and all attachments included with bid (ie BLM Mining Plan Review checklist, DOT MRP and/or any site-specific stipulations that may be included).
- b. If the material is to be stockpiled in a Contractor-Furnished site or otherwise on private property, the Contractor shall supply the following information in addition to the MRP:
- (1) A notarized agreement with the property owner allowing the State full and unfettered access to the stockpile until 12/31/2025. The owner shall certify that they have the authority to sell mineral materials from the property, and shall acknowledge the Department's ownership of the stockpiled material;
  - (2) A property map of the material site identifying property boundaries, access routes and stockpile location.

**106-1.03 TESTING AND ACCEPTANCE.** Materials are subject to inspection and testing by the Department at any time before, during or after their incorporation into the stockpile. The Contractor shall remove and replace unacceptable material according to Subsection 105-1.03.

1. Quality Control. The Contractor is responsible for the quality of materials produced under this Contract. Quality Control is process control, and includes all activities needed to ensure that the product meets Contract specifications. Quality control work is subsidiary to the applicable pay items. The Contractor shall perform quality control as follows:
  - a. Develop and submit a Process Control plan as part of the MRP (Subsection 106-1.02-5), including testing and frequency, personnel qualifications, equipment descriptions and criteria for corrective actions.
  - b. Sample material during production and perform quality control testing, as needed, to ensure materials produced to Contract Specifications. Document all quality control testing and make the results available to the Engineer within three days of sampling.
  - c. Due to the nature of this work, it is recommended that the Contractor maintain an on-site materials lab and a WAQTC-certified technician to perform process control. If testing will be done off-site, material processing may need to be suspended pending receipt of results.
2. Acceptance Testing. The Department reserves the right to conduct its own testing of the acceptability of the materials. This testing will be performed at the Department's expense, and copies of the test results may be furnished to the Contractor upon request. The Engineer may elect, at his discretion, to retest materials that have failed the Department's acceptance testing.
3. Minimum Testing Requirements. Tests shall be performed at minimum according to Table 106-1 below. Failing test results not in substantial conformance may be the basis of the Engineer's rejection of the represented material, and no payment will be made for unacceptable material, as outlined in Subsection 105-1.03. The Contractor shall produce and test additional material until the Contract quantity has been fully accepted and completed. Failing test results shall not be a basis for any time extension or modification to Contract requirements.

**TABLE 106-1**

Item	Test	Test Number	Specifications	Frequency (min.)
Crushed/ Stockpiled Aggregate	Process Control	AASHTO T27/T11	Refer to 703	1/Source, 1/1,000 C.Y.
	Gradation & Fracture, by Contractor	AASHTO T27/T11	Refer to 703	1/ Source, 1/10,000 C.Y.
	Acceptance, by Engineer			

**SECTION 107**  
**LEGAL RELATIONS AND RESPONSIBILITY TO PUBLIC**

**107-1.01 LAWS TO BE OBSERVED.** The Contractor shall keep fully informed of, observe, and comply with all federal, state, and local laws, ordinances, and regulations, and all orders and decrees of bodies or tribunals having any jurisdiction or authority, that in any manner affect those engaged or employed on the work or which in any way affect the conduct of the work.

The Contractor and the Surety shall defend, indemnify, and hold harmless the State and its representatives against any claim or liability related to violations of any laws, regulations or decrees by the Contractor, the Contractor's agents, the Contractor's employees, a subcontractor at any tier, or a supplier or service provider.

The Contractor has the affirmative duty to keep informed of and comply with all laws. The Contractor is not entitled to and shall not rely on any Department employee's interpretation, whether oral or written, of any law, ordinance, or regulation.

The Contractor is responsible for conspicuously displaying required posters in an area readily accessible to workers.

1. For wholly state-funded projects, display all posters listed on the Department of Labor and Workforce Development website at <http://www.labor.alaska.gov/lss/posters.htm>.
2. On projects using federal funds, display posters required by law or funding agency including posters listed on the FHWA website <http://www.fhwa.dot.gov/programadmin/contracts/poster.cfm>.

**107-1.02 PERMITS, LICENSES, AND TAXES.** The terms, conditions, and stipulations in permits obtained either by the Department or by the Contractor are made a part of this Contract. Permits obtained by the Department for this project are attached to these Specifications as appendices. Contact names and phone numbers for permits obtained by the Department are shown on the individual permits.

The Department will:

1. Secure permits and licenses that the Department determines are required for the construction of the proposed project, and the use of mandatory sources, designated sources and designated material disposal areas for the proposed project; and
2. Modify Department-acquired permits during the performance of the Contract, if deemed necessary by the Engineer.

The Contractor shall:

1. Acquire any permits and licenses required to complete the project that are not acquired by the Department;
2. Provide qualified professionals to collect data or perform studies necessary to acquire permits for the use of sites not previously permitted;
3. Give all notices required for the prosecution of the work;
4. Abide by all permits and licenses whether acquired by the Department or by the Contractor;



5. Notify the Engineer promptly if any activity cannot be performed as specified in the permits, and cease conducting the activity until permit modifications or any required additional permits are obtained;
6. Obtain modifications to permits acquired by the Contractor; SECTION 107 48 ALASKA 2020
7. Pay all charges, fees and taxes;
8. Provide proof of payment of all taxes before the Department makes final payment; and,
9. Provide the information necessary to comply with the Alaska Department of Environmental Conservation, Alaska Pollutant Discharge Elimination System (APDES) to discharge stormwater from the construction site. Requirements for this permit are given under Section 641, Erosion, Sediment, and Pollution Control.

The provisions of permits acquired by the Contractor, and of notices and information under this section does not shift or create responsibility for compliance with Federal or State law to the Department, or otherwise impose a duty for oversight or review. In addition, before using an area on or off project site not previously permitted for use by the Contract, the Contractor shall:

1. Contact all government agencies having possible or apparent permit authority over that area;
2. Obtain all required permits, clearances, and licenses from those agencies;
3. Obtain permission from any property owners or lessees with an interest in the property; and
4. Provide all of the following to the Engineer:
  - a. All permits or clearances necessary to use the site for its intended purpose(s);
  - b. A written statement that all permits or clearances necessary have been obtained;
  - c. Written evidence that the Contractor has contacted all of the relevant agencies and that no additional permits are required on the part of the Contractor, including at a minimum the name of the agency and staff person contacted, the date contacted, and result of coordination; and
  - d. A plan that identifies how the site will be finally stabilized and protected.

The Engineer may reject a proposed site if the Contractor fails to provide any of the above information or to demonstrate that a proposed site can be finally stabilized to eliminate future adverse impacts on natural resources and the environment.

**107-1.03 PATENTED DEVICES, MATERIALS AND PROCESSES.** If the Contractor employs any design, device, material, or process covered by patent, trademark, or copyright, the Contractor shall obtain and provide the Engineer with a copy of a suitable legal agreement with the patentee or owner. The Contractor and the Surety shall defend, indemnify, and hold harmless the State and its representatives and any affected third party or political subdivision from any claim, cause of action, and damages for infringement arising from or relating to the Contractor's use of a patented design, device, material, process, trademark, or copyright.

**107-1.06 SANITARY, HEALTH, AND SAFETY PROVISIONS.** The Contractor shall provide and maintain neat and sanitary accommodations for employees that meet all federal, state and local requirements. The Contractor shall comply with federal, state, and local laws, rules, and regulations concerning construction safety and health standards, including U.S. Mine Safety and Health Administration rules when the project includes pit or quarry operations. The Contractor shall not expose the public to, or require any workers to work under, conditions that are unsanitary, hazardous, or dangerous to health or safety. The Contractor is responsible for ensuring all workers are adequately protected. The Contractor shall have a safety and health management program that complies with AKOSH requirements, and includes:

1. A worksite hazard analysis;

2. A hazard prevention and control plan including personal protective equipment and safe work procedures required for specific tasks;
3. New employee training and periodic worker training regarding safety and health;
4. Regular safety meetings with written documentation of attendance, safety topics discussed, worker safety complaints, and corrective actions taken; and
5. A designated safety officer, employed by the Contractor, who monitors the construction site and is responsible for implementing the safety and health management program.

The Contractor and Surety shall defend, indemnify and hold harmless the State of Alaska from all claims, causes of action and judgments arising from or relating to the Contractor's failure to comply with any applicable federal, state or local safety requirement, regulation or practice, whether or not listed above.

**107-1.07 ARCHAEOLOGICAL OR HISTORICAL DISCOVERIES.** If the Contractor's operation encounters prehistoric artifacts, burials, remains of dwelling sites, paleontological remains, shell heaps, land or sea mammal bones, tusks or other items potentially of historical significance, the Contractor shall:

1. Immediately cease operations at the site of the find;
2. Immediately notify the Engineer of the find; and
3. Not disturb or remove the finds or perform any further operations at the site until directed by the Engineer.

The Engineer will issue an appropriate Change Order if operations are to be suspended, or extra work is needed to protect the find.

**107-1.09 CONSTRUCTION OVER OR ADJACENT TO WATERS.** The Contractor shall fully comply with all laws, regulations and permits issued by agencies of the United States and the State of Alaska when working in, over or adjacent to wetlands, tidelands, anadromous fish streams, eagle nests, navigable waters, or coastal waters.

**107-1.10 USE OF EXPLOSIVES.** The Contractor shall obey all laws, regulations and permits applicable to using, handling, loading, transporting, or storing explosives. When using explosives, the Contractor shall take utmost care not to endanger life, property, new construction, or existing portions of the project and facilities that are to remain in place after the project is complete.

The Contractor shall provide notice to property owners, the traveling public, and utility companies in the vicinity before using explosives. The Contractor shall provide notice to the Federal Aviation Administration when required by law. The Contractor shall notify police and fire authorities in the vicinity before transporting or using explosives. The Contractor shall provide notice sufficiently in advance to enable all potentially affected parties to take whatever steps they may deem necessary to protect themselves and their property from injury or damage.

The Contractor is liable for all property damage, injury, or death resulting from the use of explosives on the project. The Contractor shall indemnify, hold harmless, and defend the State of Alaska from all claims related to the use of explosives on the project, including claims from government agencies alleging that explosives were handled, loaded, transported, used, or stored improperly.

**107-1.12 FOREST PROTECTION.** The Contractor shall:

1. Comply with all laws and regulations of the United States and the State of Alaska, local governments, or other authorities governing the protection of forests and the carrying out of work within forests;
2. Keep forest areas in an orderly condition;
3. Dispose of all refuse and obtain permits for the construction and maintenance of all construction camps, stores, warehouses, residences, latrines, cesspools, septic tanks, and other structures in accordance with the requirements of the supervising authorities;
4. Take all reasonable precautions to prevent and suppress forest fires;
5. Require workers and subcontractors, both independently and at the request of officials, to do all reasonably within their power to prevent and suppress and to assist in preventing and suppressing forest fires; and
6. Make every possible effort to notify the appropriate forestry agency at the earliest moment of the location and extent of any forest fire.

**107-1.13 RESPONSIBILITY FOR DAMAGE CLAIMS.** The Contractor shall indemnify, hold harmless, and defend the State of Alaska and its agents and employees from any and all claims or actions for injuries or damages whatsoever sustained by any person or property that arise from or relate to, directly or indirectly, the Contractor's performance of the Contract; however, this provision has no effect if, but only if, the sole proximate cause of the injury or damage is the Department's negligence.

This Contract does not create a third party benefit to the public or any member of the public, nor does it authorize any person or entity not a party to this Contract to maintain a suit based on this Contract or any term or provision of the Contract, whether for personal injuries, property damage, or any other claim or cause of action.

**107-1.15 CONTRACTOR'S RESPONSIBILITY FOR WORK.** The Contractor shall be responsible for implementing all preventative measures necessary to protect, prevent damage, and repair damage to the work from all causes at no additional cost to the Department. This duty continues from the date construction begins until the date specified in a letter of Substantial Completion or Partial Acceptance of a specific section of the project. Where there is a Partial Acceptance, the duty ends only as to the accepted portion of the work. This duty continues during periods of suspended work, except in specific sections the Department has agreed to maintain.

The Contractor shall rebuild, repair, restore, and make good all losses or damages to any portion of the work including that caused by vandalism, theft, accommodation of public traffic, and weather. The Department will only be responsible for loss or damage due to unforeseeable causes beyond the control of and without the Contractor's fault or negligence, such as Acts of God, the public enemy, and governmental authorities.

In case of suspension of work from any cause, the Contractor shall take such precautions as may be necessary to prevent damage to the work or facilities affected by the work. This will include providing for drainage and erecting any necessary temporary structures, signs, or other facilities and maintaining all living material such as plantings, seedings, and soddings.

**107-1.11 PROTECTION AND RESTORATION OF PROPERTY AND LANDSCAPE.**

1. Restoring Areas. Areas used by the Contractor, including haul routes, shall be restored to their original condition after the Contractor's operations are completed. The original condition of an area shall be determined as follows: Prior to commencement of operations, the Engineer and the Contractor shall inspect each area and haul route that will be used by the Contractor and take photographs to document their condition. After construction operations are completed, the condition of each area and haul route will be compared to the earlier photographs. Prior to demobilization the Contractor shall repair damages attributed to its operations. The Contractor agrees that all costs associated with repairs shall be subsidiary to other items of work and will not be paid for directly.
2. Material Disposal Sites. Offsite disposal areas may be at locations of the Contractor's choice, provided the Contractor obtains written permission from the land owner for such disposal and a waiver of all claims against the State for any damage to such land which may result therefrom, together with all permits required by law for such disposal. A copy of such permission, waiver of claims, and permits shall be filed with the Engineer before commencing work on private property. The Contractor's selected disposal sites shall also be inspected and approved by the Engineer prior to use of the sites.
3. Property Marks. The Contractor shall:
  - a. Be responsible for and protect from disturbance all land monuments and property marks until the Engineer has approved the witnessing or otherwise referenced their locations; and
  - b. Not move such monuments or marks without the Engineer's approval.
4. Damage to property. The Contractor shall:
  - a. Be responsible for all damage to public or private property resulting from any act, omission, neglect, or misconduct in the manner or method of executing the work;
  - b. Be responsible for all damage to public or private property resulting from defective work or materials at any time, before, during, or after project completion; and
  - c. Restore all such damaged property to a condition similar or equal to that existing before the damage occurred, at no additional cost to the Department.
5. Protection of Natural Resources. The Contractor shall:
  - a. Conduct work in a manner that minimizes disturbance to and protects natural resources in compliance with all federal, state, and local laws and regulations;
  - b. When working near designated wetlands, as defined by the Corps of Engineers, place no fill, nor operate equipment outside the permitted area;
  - c. When working in or near designated anadromous fish streams, as defined by AS 41.14.840 and AS 41.14.870, place no fill or dredge material, nor operate equipment, within or on the banks of the stream (including fording) except as permitted by a Alaska Department of Fish and Game Fish Habitat Permit issued for the project;
  - d. Upon completion, all disturbed slopes, cuts, and banked material shall be flattened to a slope no steeper than a 2:1 or as specified in the Material Sales Agreement governing use of the site. No vertical cuts or slopes shall remain;
  - e. Existing approaches to material sites and recreational trails shall not be disturbed or obstructed at any time.

6. Hazardous materials. Hazardous materials include but are not limited to petroleum products, oils, solvents, paints, lead based paints, asbestos, and chemicals that are toxic, corrosive, explosive, or flammable. Except as otherwise specified in this Contract, the Contractor shall:
  - c. Not excavate, nor use for fill, any material at any site suspected of or found to contain hazardous materials or petroleum fuels;
  - d. Not raze and remove, or dispose of structures that contain asbestos or lead-based paints;
  - e. Not stockpile, nor dispose of, any material at any site suspected of or found to contain hazardous materials or petroleum;
  - f. Report immediately to the Engineer any known or suspected hazardous material discovered, exposed, or released into the air, ground, or water during construction of the project;
  - g. Report any containment, cleanup, or restoration activities anticipated or performed as a result of such release or discovery;
7. Protected areas. The Contractor shall not use land from any park, recreation area, wildlife or waterfowl refuge, or any historical site located inside or outside of the project limits for excess fill disposal, staging activities, equipment or material storage, or for any other purposes unless permitted by the Contract or unless all permits and clearances necessary for such work have been obtained by the Contractor.
8. Solid waste. The Contractor shall remove all debris, trash, and other solid waste from the project site as soon as possible and in accordance with the Alaska Department of Environmental Conservation Solid Waste Program.

**107-1.13 RESPONSIBILITY FOR DAMAGE CLAIMS.** The Contractor shall indemnify, hold harmless, and defend the State of Alaska and its agents and employees from any and all claims or actions for injuries or damages whatsoever sustained by any person or property that arise from or relate to, directly or indirectly, the Contractor's performance of the Contract; however, this provision has no effect if, but only if, the sole proximate cause of the injury or damage is the Department's negligence.

This Contract does not create a third party benefit to the public or any member of the public, nor does it authorize any person or entity not a party to this Contract to maintain a suit based on this Contract or any term or provision of the Contract, whether for personal injuries, property damage, or any other claim or cause of action.

**107-1.15 CONTRACTOR'S RESPONSIBILITY FOR WORK.** The Contractor shall be responsible for implementing all preventative measures necessary to protect, prevent damage, and repair damage to the work from all causes at no additional cost to the Department. This duty continues from the date construction begins until the date specified in a letter of Substantial Completion or Partial Acceptance of a specific section of the project. Where there is a Partial Acceptance, the duty ends only as to the accepted portion of the work. This duty continues during periods of suspended work, except in specific sections the Department has agreed to maintain under Subsection 643-3.07. The Contractor shall rebuild, repair, restore, and make good all losses or damages to any portion of the work including that caused by vandalism, theft, accommodation of public traffic, and weather. The Department will only be responsible for loss or damage due to unforeseeable causes beyond the control of and without the Contractor's fault or negligence, such as Acts of God, the public enemy, and governmental authorities. In case of suspension of work from any cause, the Contractor shall take such precautions as may be necessary to prevent damage to the work or facilities affected by the work. This will include providing for drainage and erecting any necessary temporary structures, signs, or other facilities and maintaining all living material such as plantings, seedings, and soddings.

**107-1.17 FURNISHING RIGHT-OF-WAY.** The Department will secure all necessary right-of-way or property in advance of construction. Any exceptions will be indicated in the Contract.

**107-1.18 PERSONAL LIABILITY OF PUBLIC OFFICIALS.** There shall be no liability upon the Engineer and their authorized representatives, either personally or as officials of the state, in carrying out any of the provisions of this Contract, or in exercising any power or authority granted to them by or within the scope of the Contract, it being understood that in all such matters the Engineer and their authorized representatives act solely as agents and representatives of the State. The Contractor shall bring no suit related to or arising under this Contract naming as defendants any State officer, employee or representative in either their personal or official capacities, and shall include a prohibition to that effect in all subcontracts entered into for this Project.

**107-1.19 NO WAIVER OF LEGAL RIGHTS.** The Department shall not be precluded nor estopped by any measurement, estimate, or certificate made either before or after the completion and acceptance of the work and payment, from showing the true amount and character of the work performed and materials furnished by the Contractor, nor from showing that any measurement, estimate, or certificate is untrue or is incorrectly made, nor that the work or materials do not in fact conform to the Contract.

The Department shall not be precluded nor estopped, notwithstanding any measurement, estimate, or certificate and payment, from recovering from the Contractor or the Contractor's Sureties, or both, such damages as it may sustain by reason of the Contractor's failure to comply with the terms of the Contract.

Neither the acceptance by the Department, or by any representative of the Department, nor any payment for or acceptance of the whole or any part of the work, nor any extension of time, nor any possession taken by the Department, shall operate as a waiver by the Department of any portion of the Contract or of any right of the Department to damages. A waiver by the Department of any breach of the Contract shall not be held to be a waiver of any other subsequent breach.

**107-1.20 GRATUITY AND CONFLICT OF INTEREST.** The Contractor shall not extend any loan, gratuity, or gift of money of any form whatsoever to any employee of the Department, nor will the Contractor rent or purchase any equipment or materials from any employee of the Department or to the best of the Contractor's knowledge from any agent of any employee of the Department.

## **SECTION 108 PROSECUTION AND PROGRESS**

**108-1.03 PROSECUTION AND PROGRESS.** The Contractor shall meet with the Engineer or his designee at either the district maintenance and operations station for which the Contract is for (see Subsection 101-1.03 Engineer) or schedule a teleconference with the Engineer 14 days before mobilization to the project site. The Contractor shall submit the following documents to the Engineer at least three working days before the referenced meeting:

1. A progress schedule in a format acceptable to the Engineer, showing the order in which the Contractor proposes to carry out the work and the contemplated dates on which the Contractor and the subcontractor will start and finish each of the salient features of the work, including any scheduled periods of shutdown. The schedule shall indicate the anticipated hours of operation and any anticipated periods of multiple-shift work;

2. A letter designating the Contractor's Project Superintendent, defining that person's responsibility and authority, and providing a specimen signature;
3. A Mining and Reclamation Plan, as outlined in Subsection 106-1.02-5;
4. A SWPPP, if one is required by Subsection 641, and designated field representatives; and
5. A Process Control Plan, as outlined in Subsection 106-1.03-1.

The Contractor shall provide adequate materials, labor and equipment to ensure the completion of the project according to the Plans and Specifications. The work shall be performed as vigorously and as continuously as weather conditions or other interferences may permit. The Contractor shall take into consideration and make due allowances at the Contractor's expense for foreseeable delays and interruptions to the work such as unfavorable weather, frozen ground, equipment breakdowns, shipping delays, quantity overruns, utility work, permit restrictions, and other foreseeable delays and interruptions. The Contractor shall identify these allowances on the progress schedule.

The Contractor shall adjust forces, equipment and work schedules as necessary to ensure completion of the work within the Contract time, and shall notify the Engineer at least 24 hours before resuming suspended operations. Upon a substantial change to the work schedule or when directed by the Engineer, the Contractor shall submit a revised progress schedule in the form required, including a written explanation for each revision made in the schedule or methods of operation.

The Engineer's review or approval of the documents, plans, and schedules provided by the Contractor under this section shall not change the Contract requirements, release the Contractor of the responsibility for successful completion of the work or relieve the Contractor of the duty to comply with applicable laws. The Engineer's review or approval of schedules shall not indicate agreement with any assertions of delay or claims by the Contractor.

It is the Contractor's responsibility to prepare and submit documents that satisfy all applicable contract requirements. By reviewing and approving the Contractor's documents, the Department does not warrant that following the Contractor's documents will result in successful performance of the work. The Department's failure to discover defects in the Contractor's documents, the assumptions upon which they are based or conditions that prevent the Contractor from performing the work as indicated in the documents will not entitle the Contractor to additional compensation or time. If the Contractor becomes aware of any act or occurrence that may form the basis of a claim for additional compensation or an extension of time, it must specifically advise the Engineer of these conditions as soon as possible.

**108-1.04 LIMITATION OF OPERATIONS.** The Contractor shall not open up work to the detriment of work already started. The Contractor shall minimize interference with traffic within the project. The Contractor shall not stop or otherwise impede traffic outside the project limits without the Engineer's prior written permission. The Engineer may require the Contractor to finish a section of work in progress before starting additional sections if the Engineer determines it is necessary for the convenience of the public or the Department.

**108-1.05 CHARACTER OF WORKERS, METHODS, AND EQUIPMENT.** The Contractor shall employ sufficient labor and equipment to complete the work required under the Contract and to complete it on time. The Contractor shall ensure that all workers on the project have the skills and experience necessary to properly perform their assigned work. Workers engaged in special work or skilled work shall have sufficient experience in that work and in the operation of the equipment required to properly perform that work.

The Contractor shall comply with any written order by the Engineer to remove workers, who, in the opinion of the Engineer, perform the work in an unskilled manner, who are intemperate or disorderly, create risk of imminent harm for the traveling public, or who fail to perform the work in accordance with the Contract and any and all applicable federal, state, and local laws, rules, regulations, and ordinances. The Contractor shall allow removed workers to return to the project only with the Engineer's written permission. The Engineer may suspend the work if the Contractor fails to furnish suitable and sufficient personnel necessary to perform the work, or fails to remove any worker at the Engineer's order.

The Contractor shall not use prisoner labor on the project.

The Contractor shall use equipment of the appropriate size and mechanical condition to produce the specified quality and quantity of work by the means specified in the Contract, if any, and shall ensure that the equipment does not damage roadways or property. The Contractor shall ensure all equipment, materials, and articles incorporated into the work are new and of the specified quality, unless the Contract specifically permits otherwise. The Contractor shall provide the Engineer with a list of all powered equipment that will be used on the project, showing the make, model, year, capacity, horsepower, and related information. The Contractor shall update this list when equipment is added or removed from the work site, but need not update more frequently than weekly.

When the methods and equipment to be used by the Contractor are not prescribed by the contract, the Contractor is free to use any method, means or equipment that is satisfactory to produce the specified work in conformity with the Contract, except as provided above. At the request of the Engineer, the Contractor shall demonstrate that the method, means and equipment chosen will produce the work specified in the Contract in the time allowed under the Contract. The Contractor shall bear all costs and impacts associated with any means, methods and equipment chosen by the Contractor. No suggestion, statement or observation from the Engineer or other Department representatives shall alter this responsibility.

If the Contract specifies a particular method, means or type of equipment for performance of the work, the Contractor must use that method, means or equipment unless the Contractor first requests, in writing, permission to alter the Contract requirement and receives prior written approval from the Engineer.

**108-1.06 CONTRACT TIME, EXTENSION OF CONTRACT TIME AND SUSPENSION OF WORK.** Contract time will be specified by completion date. All work at a specified location must be completed by the completion date.

**108-1.07 FAILURE TO COMPLETE ON TIME.** For each calendar day that the work is not substantially complete after the completion date has passed, the Engineer shall deduct the full daily charge corresponding to the original Contract amount shown in Table 108-1 from the remaining value of the Contract.

If no money is due the Contractor, the Department may recover these sums from the Contractor, the Surety or both. These are Liquidated Damages, and not penalties. These charges shall reimburse the Department for additional expenses incurred due to the Contractor's failure to complete the work within the time specified.



**TABLE 108-1:  
DAILY CHARGE FOR LIQUIDATED DAMAGES  
FOR EACH CALENDAR DAY OF DELAY**

Original Contract Amount		Daily charge
From More Than:	Up to and Including:	
\$0	\$100,000	\$300
\$100,000	\$500,000	\$550
\$500,000	\$1,000,000	\$750
\$1,000,000	\$2,000,000	\$1,000
\$2,000,000	\$5,000,000	\$1,500
\$5,000,000	----	\$2,500

Permitting the Contractor to continue work after the completion date has passed does not waive the Department's right to collected Liquidated Damages under this section.

### **SECTION 201 CLEARING AND GRUBBING**

**201-1.01 DESCRIPTION.** Clear, grub, remove, and dispose of all vegetation and debris within designated areas of the project, except such objects as are designated to remain or are to be removed under other sections of these Specifications. Preserve from injury or defacement all vegetation and objects designated to remain. Clearing and grubbing and all associated activities are subsidiary to aggregate production pay items and will not be separately measured for payment. Erosion must be kept to a minimum.

**201-3.06 DISPOSAL.** Dispose of all vegetation and debris removed by clearing or grubbing by incorporation into the vegetative buffer or other approved method. Saleable timber remains the property of the site landowner and may be sold only with written approval from the Engineer.

### **SECTION 305 STOCKPILED MATERIALS**

**305-1.01 DESCRIPTION.** Produce and stockpile the specified material at the designated stockpile locations shown in Subsection 104-1.01.

**305-2.01 MATERIALS.** Meet the materials requirements of Section 611 and Section 703.

**305-3.01 CONSTRUCTION REQUIREMENTS.** Clear and grub the stockpile sites and dispose of all trees, stumps, brush and debris in accordance with the approved Mining and Reclamation Plan. Make the floor of each stockpile site flat and uniform in cross-section, compacted and well-drained. Construct the stockpiles to occupy the smallest feasible areas.

Avoid contamination and segregation of the various sizes of aggregate in each stockpile. Do not push up stockpiled material with a track-type dozer; only rubber-tired vehicles are allowed on the stockpile. Make the completed stockpiles neat and generally tent shaped in form with a single ridge. Stockpiles shall be relatively compact as the stockpile area allows, with side slopes between 1:1 and 2:1.

When using a radial stacker, material must be stockpiled in lifts not greater than 4 feet in thickness to minimize segregation. A static conveyor may not be used for stockpiling. The Engineer may require the Contractor to demonstrate that a finished stockpile is not segregated prior to final acceptance, at the Contractor's expense. If material has noticeably segregated, the Contractor is responsible for any and all corrective actions necessary for it to meet applicable specifications.

The Contractor, in the presence of the Engineer or designee, shall verify material site boundaries and work areas as demarcated on the approved mining and reclamation plan prior to commencement of work. All expenses required for above work to produce the materials specified in this Contract shall be subsidiary to other items of work.

**305-4.01 METHOD OF MEASUREMENT.** Stockpiled quantities shall be measured at the direction of the Engineer, by one of the following methods:

1. Average End Area, by the Engineer;
2. Three-Dimensional, by the Engineer;
3. Weight, by the Contractor, with a complete series of scale tickets from a certified and calibrated scale, and using a weight-to-volume ratio approved by the Engineer;
4. The Engineer, at his sole discretion, may require the Contractor to conduct a final measurement under the supervision of a registered Professional Land Surveyor, at no additional cost to the Department. A stamped and signed volume report will be required, along with a description of the method used.

No allowance will be made for settlement, swell or shrinkage. If the Contractor chooses to demobilize off of the project site prior to final measurements being taken by the Department the Contractor is responsible for assuring that the quantity and quality of material produced meets those required by the Contract.

**305-5.01 BASIS OF PAYMENT.** All work involved in preparing the stockpile site is subsidiary.

Payment will be made under:

Pay Item	Location	Item Description	Quantity (CY)
1	Denali Highway mile 71	Crushed Aggregate, D-1, modified	1,500
2	Denali Highway mile 79	Crushed Aggregate, E-1	3,000
3	Denali Highway mile 79	Crushed Aggregate, D-1, modified	3,000
4	Denali Highway mile 109	Crushed Aggregate, E-1	7,500
5	Denali Highway mile 132	Crushed Aggregate, E-1	10,000
6	Parks Highway mile 252.5	Crushed Aggregate, E-1	5,000

## SECTION 641

### EROSION, SEDIMENT, AND POLLUTION CONTROL

**641-1.01 DESCRIPTION.** This Project is not anticipated to require a SWPPP, as all work in the material site(s) should be planned so that no runoff may discharge to Waters of the U.S. Appropriate Best Management Practices (BMPs) should be employed to ensure that no discharge is possible. In the event that runoff discharges occur, the Contractor shall take immediate action to stop them, and shall notify the Engineer. In the event that runoff cannot be prevented from leaving the site, the Engineer may

require the Contractor to design and implement a SWPPP under the Alaska Construction General Permit. All work necessary in this section is subsidiary to the production of aggregate.

**SECTION 703  
AGGREGATES**

**703-2.03 AGGREGATE FOR BASE AND SURFACE COURSE.** Crushed stone or crushed gravel, consisting of sound, tough, durable pebbles or rock fragments of uniform quality; free from clay balls, vegetable matter or other deleterious matters. Meet the following requirements:

**TABLE 703-1**

PROPERTY	THRESHOLD	TEST METHOD
L.A. Wear	45% max	AASHTO T96
Degradation Value	45 min	ATM 313
Fracture %	70% min	ATM 305
Liquid Limit	35 max	ATM 204
Plastic Index	10 max	ATM 205
Sodium Sulfate Loss	9 max (5 cycle)	AASHTO T104

Meet the following gradation(s), as determined by AASHTO T27/T11:

**TABLE 703-2**

Pay Item No.	1, 3	2, 4-6
	Percent Passing by Weight	Percent Passing by Weight
Sieve	D-1 Modified	E-1
1.5 in.		
1 in.		100
3/4 in.	100	70 – 100
1/2 in.	63 – 89	
3/8 in.	54 – 76	50 – 85
No. 4	36 – 56	35 – 65
No. 8	18 – 38	20 – 50
No. 16	12 – 30	
No. 50	4 – 18	15 – 30
No. 200	3 – 8	8 – 15

**Bid Schedule - ITB 2522N020**  
**Crushed Aggregate, Multiple Types, Denali Area**

<u>Pay Item</u>	<u>Quantity</u>	<u>Unit of Measure</u>	<u>Description</u>	<u>Required By Date</u>	<u>Unit Price</u>	<u>Extended Price</u>	<u>Completion Date</u>
1	1,500	CUYD	Crushed Aggregate, D-1, stockpiled. Denali Highway MP 71	7/15/2022	\$	\$	
2	3,000	CUYD	Crushed Aggregate, E-1, stockpiled. Denali Highway MP 79	7/31/2022	\$	\$	
3	3,000	CUYD	Crushed Aggregate, D-1, stockpiled. Denali Highway MP 79	7/31/2022	\$	\$	
4	7,500	CUYD	Crushed Aggregate, E-1, stockpiled. Denali Highway MP 109	7/15/2022	\$	\$	
5	10,000	CUYD	Crushed Aggregate, E-1, stockpiled. Denali Highway MP 132	6/30/2022	\$	\$	
6	5,000	CUYD	Crushed Aggregate, E-1, stockpiled. Parks Highway MP 252.5	5/30/2022	\$	\$	
				<b>Total All Items</b>		\$	

Company Name:	
Company Address	
Contact Person:	
Email:	
Phone Number	

## **STATEWIDE MATERIAL SITE INVENTORY**

### **MATERIAL SITE** **INSPECTION REPORT**

**Federal Project No. STP-000S(823)**  
**AKSAS Project No. 76149**

**DENALI HIGHWAY**

**MS 52-2-089-2**  
**Windy Creek Site**

July 3, 2013

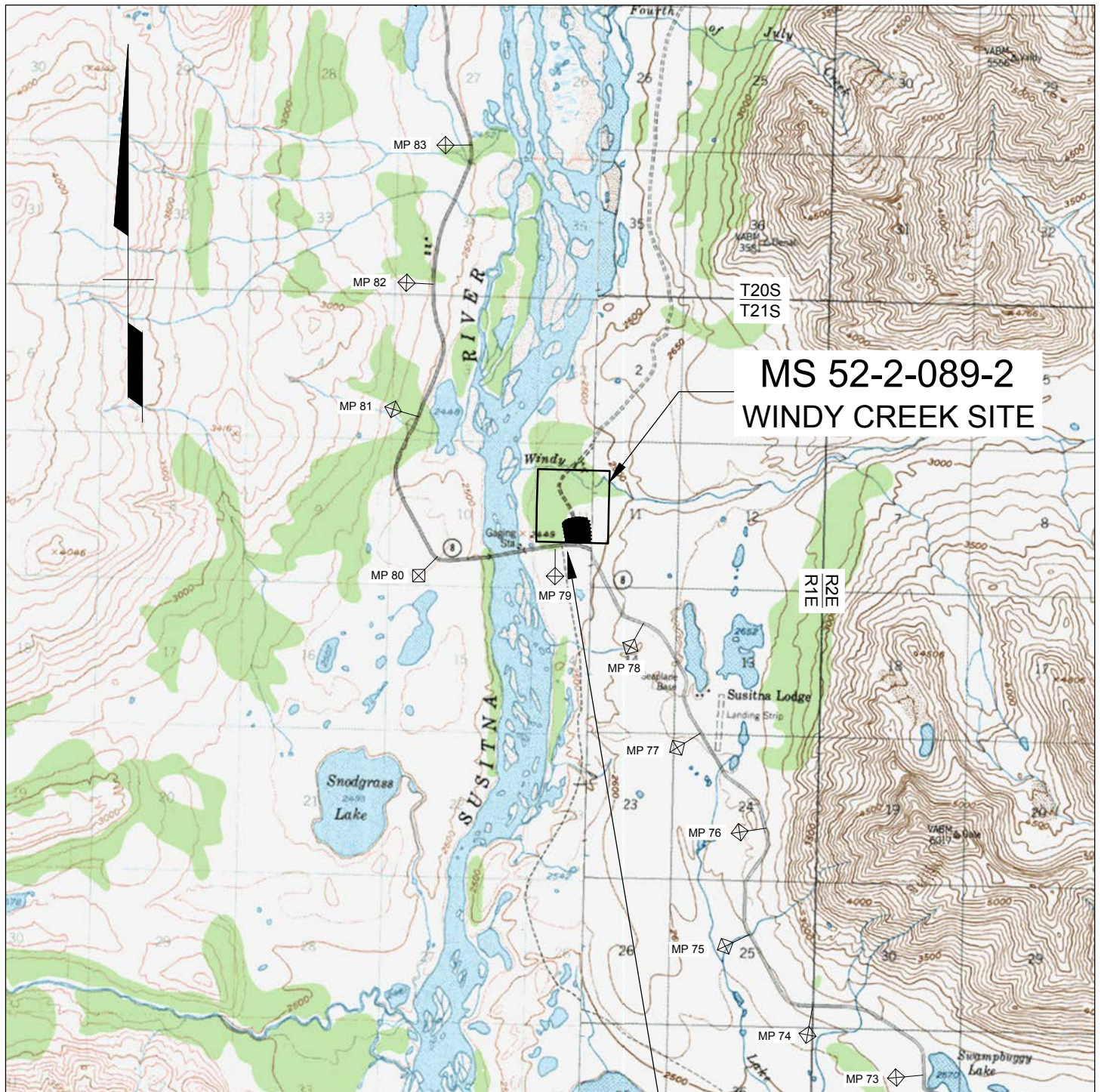
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### **CATEGORY:**

#### **ACTIVE – POTENTIAL**

According to information found in the DOT&PF EDMS system in January 2009 and BLM and DNR case file abstracts, this site lies on State of Alaska lands managed by DNR. Records for the existing site could not be found. It was reportedly used for construction of the Denali Highway and the Valdez Creek Mine Road but a formal record was not found. DOT&PF performed geotechnical explorations on the site in August of 1988, although a record of the permit for the exploration was not found. An application for a material sale contract was also not found. The land was tentatively approved (TA 2009-0021) to the State of Alaska in 2009 (AA-60340 / GS 5241). The proposed new site limits overlap the Denali Highway right-of-way and there is an existing access road. The proposed site appears to contain significant quantities of sand and gravel and should be obtained by DOT&PF for future use. The site lies within the Matanuska Susitna Borough and a borough conditional land use permit may be required.

## LOCATION MAP



U.S.G.S. QUADRANGLE: HEALY (A-1) &amp; (A-2)

GPS COORDINATES FROM GOOGLE EARTH

UTM (WGS84-METERS)  
 ZONE 6: N6,997,513 E474,476  
 AK STATE PLANE (NAD83-US SURVEY FT)  
 ZONE 3: N3,330,329 E1,391,040

## ACTIVE - POTENTIAL



GRAPHIC SCALE IN MILES

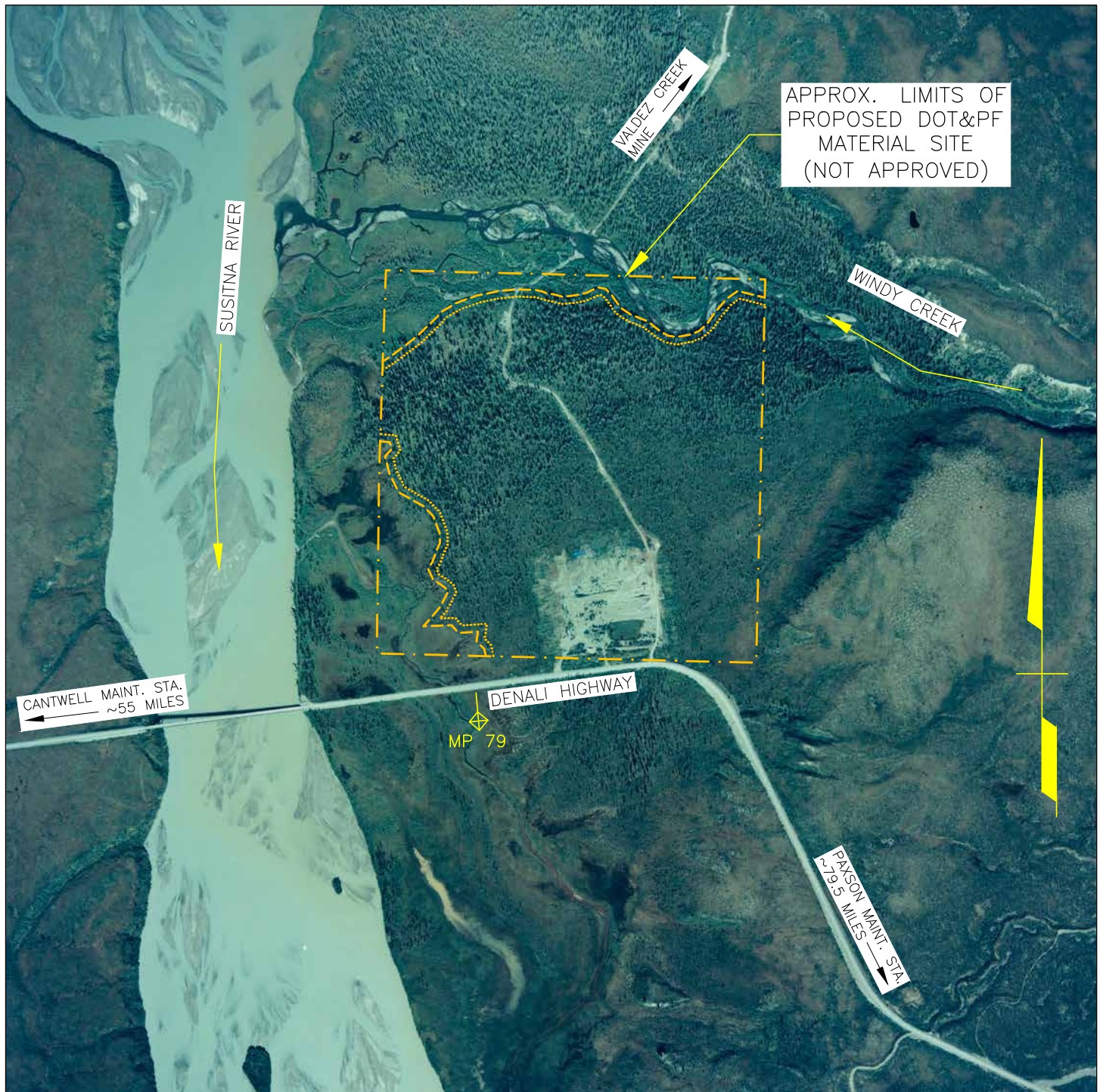
BASE MAP CREATED WITH TERRAIN NAVIGATOR PRO

Prepared By:  
 R&M CONSULTANTS, INC.

STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES			
STATEWIDE MATERIAL SITE INVENTORY			
MS 52-2-089-2			
SCALE AS SHOWN	DESIGNED P.K.H. CHECKED C.H.R.	DRAWN P.K.H. DATE SEPT 2013	PAGE 2



## SITE MAP



BASE MAP IS AUGUST 23, 1980 AERIAL PHOTOGRAPHY.  
THIS IS A PLANNING DOCUMENT ONLY. THE MATERIAL SITE BOUNDARIES SHOWN ON THIS  
DRAWING ARE APPROXIMATE. OWNERSHIP OF THE LANDS ADJACENT TO THIS SITE ARE  
UNKNOWN. THE ACCESS ROW SHOULD BE VERIFIED.

## ACTIVE - POTENTIAL

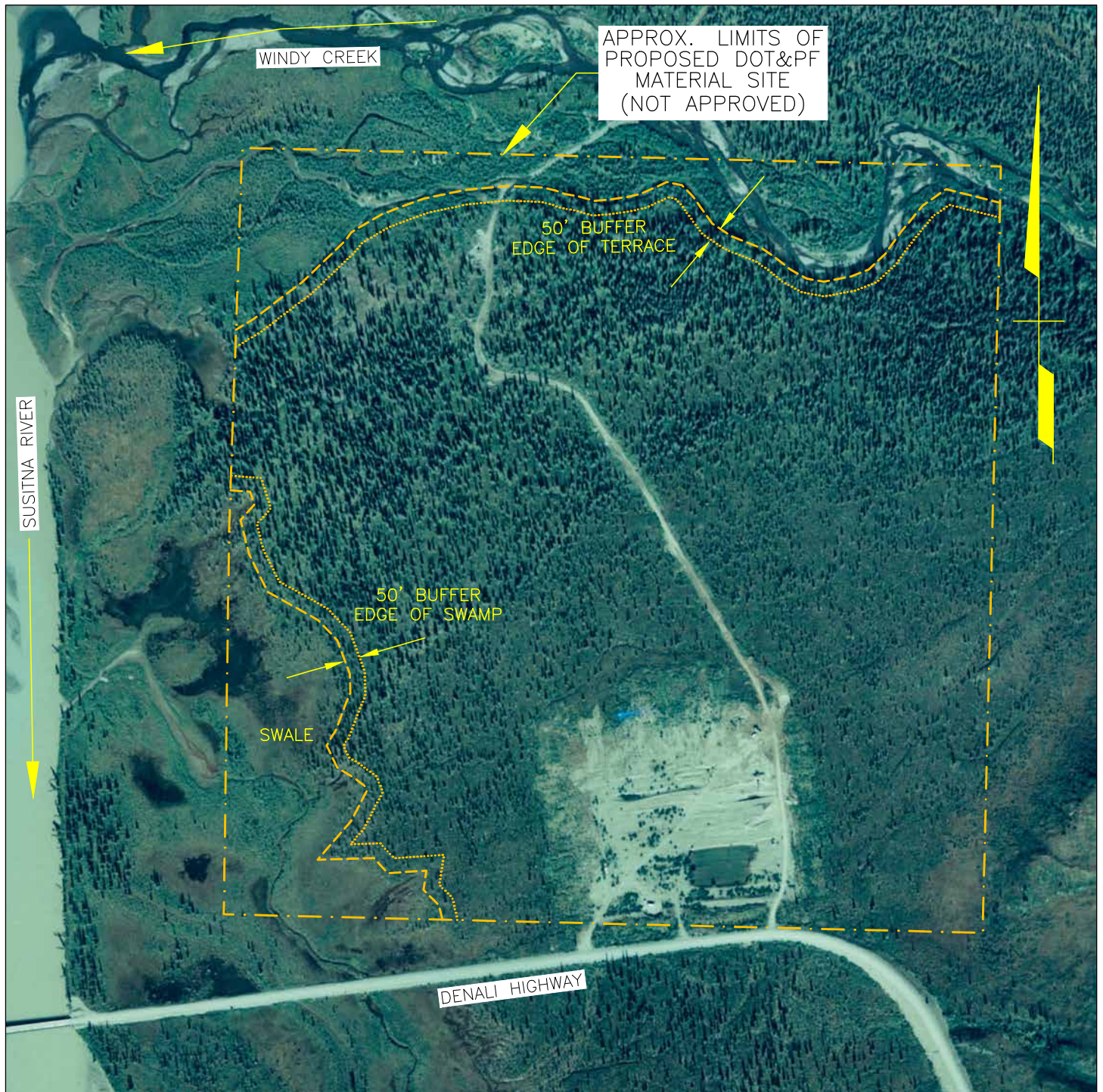


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## SITE MAP



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MS 52-2-089-2			
SCALE AS SHOWN	DESIGNED P.K.H. CHECKED C.H.R.	DRAWN P.K.H. DATE JUNE 2013	PAGE 3B



# STATEWIDE MATERIAL SITE INVENTORY MATERIAL SITE INSPECTION FORM

**THIS REPORT IS BASED ON A REVIEW OF EXISTING DATA AND BRIEF FIELD INSPECTIONS. THUS THE DATA CONTAINED HEREIN SHOULD BE CONSIDERED PRELIMINARY AND USED FOR PLANNING PURPOSES ONLY. USERS OF THIS DATA SHOULD VERIFY THE INFORMATION PRIOR TO USING IT FOR DESIGN OR CONSTRUCTION PURPOSES.**

**IF OTHER IS SELECTED FOR A SECTION, EXPLAIN IT IN SECTION 44. NOTES.  
IF AN ANSWER IS UNKNOWN SELECT "UNKNOWN" OR LEAVE BLANK**

1. **MS\_ID** 52-2-089-2  
Enter the full material site number e.g.. 31-3-045-2
2. **DATE\_INSPECT** 8/4/2013  
Date of field inspection
3. **FLD\_INSPEC\_ORG** ABE SCHMIDT / R&M CONSULTANTS  
Name of inspector / Organization or Company

4. **REGION** NORTHERN
5. **LOCATION** DENALI HIGHWAY  
Name of Highway Enter Name of Facility or Secondary Route Name (i.e. Kotzebue Airport, Nash Road, etc.)
6. **MILEPOST** 79  
List the closest main highway milepost
7. **NAME** Windy Creek Site  
Enter commonly used name (s), e.g. Hess pit, Gobblers Knob, Midway. List all that apply separated by commas.
8. **MAINT\_DIST/STAT** District DENALI Station CANTWELL  
Highway Maintenance District and Station, for locations not on highways select other.
9. **QUAD** HEALY A-2  
U.S.G.S. Quad. Map
10. **TOWNSHIP/RANGE** T#S R#E T21S R1E &                      Meridian FM  
Section 11
11. **COOR\_UTM** ZONE 6  
NORTHING 6,997,513  
EASTING 474,476  
UTM WGS84 - Meters
12. **COOR\_STATE\_PLANE** ZONE 3  
NORTHING 3,330,329  
EASTING 1,391,040  
Alaska State Plane NAD83 - Survey Feet
13. **BOROUGH/CITY** MAT-SU BOROUGH **TAX ID NO.** NA
14. **DNR\_LAND\_USE\_PLAN** SUSITNA AREA PLAN

15. **CATEGORY** (To be filled in the office)
- 15a. **CLASSIFICATION** ACTIVE
- 15b. **STATUS** POTENTIAL

## STATEWIDE MATERIAL SITE INVENTORY MATERIAL SITE INSPECTION FORM

### 16. **POTENTIAL\_STATUS** SIGNIFICANT

Estimated quantity of material in the site at the time of inspection.

NONE	There appeared to be no useable material in the site.
LIMITED	There appeared to be less than 25,000 c.y. available within the developed site.
SIGNIFICANT	There appeared to be greater than 25,000 c.y. available within the developed site.
EXPANDABLE	There was limited material within the developed site, but there appeared to be significant material outside existing site limits.
UNDEVELOPED	The pit has not been mined/explored (used only for proposed sites).
CLOSED	There may be useable material left in the pit but it is not available.
UNKNOWN	
OTHER	The site does not fit any of the categories above. Explain in Section 44, Notes.

### 17. **PRESENT\_USERS**

17a. **PRESENT\_USER\_1** NONE

17b. **PRESENT\_USER\_2** \_\_\_\_\_

17c. **PRESENT\_USER\_3** \_\_\_\_\_

18. **PERMITTED\_ACREAGE** 158.8

Area within site permit or R.O.W. boundaries, from permit application or property plat.

19. **DEVELOPED\_ACREAGE** 18.8

Area within an existing pit, excluding spoil berms lying outside the pit, access roads etc. Explain below.

Includes the existing pit that lies mainly within the site limits and partly within the highway right-of-way.

20. **ACREAGE\_COMP\_METHOD** FROM MAP/PHOTO

Method used to determine developed acreage.

21. **EST\_QUAN\_AVAIL** 1,700,000 ROUGH ESTIMATE

Estimated quantity available (b.c.y.), may be based on acreage computed above plus expansion area.

Explain computation assumptions and calculations below.

Area	Existing Pit	Undeveloped Area	Site Area
Acres	<u>18.8</u>	<u>107.9</u>	<u>158.8</u>
Est. Depth (ft.)	<u>5</u>	<u>15</u>	
Factor (b.c.y. / acre-foot)	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Est. Quant. (c.y.)	<u>94,000</u>	<u>1,619,000</u>	

Estimated quantity assumes that the existing pit can be worked, on average, 5 additional ft. in depth. It also assumes that the undeveloped portion of the site has an average working depth of 17 ft., taking into account an average overburden depth of 2 ft. The estimated quantity applies 50 ft. buffers to the floodplain of Windy Creek and wetlands on the west side of the site.

## STATEWIDE MATERIAL SITE INVENTORY MATERIAL SITE INSPECTION FORM

**22. ACCESS\_TYPE**EXISTING ROAD / OPEN

NONE

No access road has been built.

EXISTING ROAD / OPEN

Drivable. May have gate.

EXISTING ROAD / REVEG

Can be reopened with little effort.

EXISTING ROAD / CLOSED W/BERMS

Can be reopened with little effort.

EXISTING ACCESS / REMOVED

Can be reopened with much effort.

SNOW ROAD

Can only be accessed during winter.

ICE ROAD

Requires crossing river or lake ice in the winter.

BARGE

Material can only be moved by barge.

OTHER

The site does not fit any of the categories above. Describe in Section 44, Notes.

**23. ACCESS\_LENGTH**50

Approx. length from edge of pit to highway/secondary route (ft.)

**24. VEGETATION**

The undeveloped area of the site contains spruce up to 18 in. diameter on 20 to 50-foot centers. Birch trees up to 10 in. diameter are also present. Alder and smaller brush compose the understory. The developed portion of the site shows varying degrees of regrowth of grass, shrubs and small alder, poplar and spruce.

**25. TYPE\_1**BORROW PIT**26. TYPE\_2**BAILING

Dominant type

Subordinate type

General Types of Materials Available

Enter data in Type\_2 only if two types of material site available

QUARRY

Bedrock sources requiring blasting

BORROW PIT

Soils or soft bedrock (rippable), above water table

BAILING

Requires production below the water table

RIVER BAR

Sand/gravel bars in active channels

**27. OB\_CLASS\_1**<3 FT.**28. OB\_CLASS\_2**<3 FT.

New Site or expansion Area

Existing Pit (Spoil)

A site may have both. Data should be based on actual subsurface exploration, otherwise unknown.

Estimated average depth over the area.

NONE

3 TO 6 FT.

UNKNOWN

&lt;3 FT.

&gt;6 FT.

OTHER

**29. OB\_TYPE\_1**SILT**30. OB\_TYPE\_2**SPOIL

New Site or expansion Area

Existing Pit (Spoil)

A site may have both.

SILT

PEAT

SOLID WASTE

OTHER

COLLUVIUM

SPOIL

UNKNOWN

## STATEWIDE MATERIAL SITE INVENTORY MATERIAL SITE INSPECTION FORM

<b>31. MAT_TYPE_1</b> Dominant type	<b>FLUVIAL</b>	<b>32. MAT_TYPE_2</b> Subordinate type
BEDROCK WEATHER. BEDROCK FLUVIAL GLACIAL COLLUVIAL EOLIAN SILT	Bedrock sources requiring blasting Bedrock sources requiring ripping Water deposited sand and gravel, includes glaciofluvial Glacial till Talus slopes, etc. Sand Dunes, etc. Silt deposits, loess, fluvial, etc.	

<b>33. PERMAFROST_1</b> New Site or Expansion Area	<b>DETECTED IN MOST TEST HOLES OR PITS</b>
---	--

<b>34. PERMAFROST_2</b> Existing Site	<b>DETECTED IN NO TEST HOLES OR PITS</b>
--	--

<b>35. GROUNDWATER</b>	<div style="border: 1px solid black; padding: 10px; min-height: 100px;"> <p>Groundwater depth was noted in test holes and trenches from July, 1988 and August, 1989 between 1.5 to 11 ft. There is an area of standing water within the pit. The existing pit has been mined to the water table and ponding was noted during the August, 2013 site inspection.</p> </div>
------------------------	---

## STATEWIDE MATERIAL SITE INVENTORY

### MATERIAL SITE INSPECTION FORM

**36. LITHOLOGY\_1****ALLUVIAL****37. LITHOLOGY\_2**

Dominant type

Subordinate type

IGNEOUS ROCK

Undifferentiated Igneous Rocks

GRANITIC

Granite/Monzonite/Granodiorite

DIORITE/GABBRO

Diorite/Gabbro

BASALT

Dark colored fine-grained Igneous Rocks

GREENSTONE

Altered Volcanic Rocks w/green tint

METAMORPHIC ROCK

Undifferentiated Metamorphic Rocks

SCHIST/PHYLLITE

Includes rocks ranging from slate to schist

GNEISS

Includes hard schistose rocks

MARBLE

CATACLASTIC

Incl. Valdez Formation Rocks, Kenai Penn.

MÉLANGE

Incl. McHugh Formation Rocks, Kenai Penn.

SEDIMENTARY ROCK

Undifferentiated Sedimentary Rocks

CONGLOMERATE

SANDSTONE

Includes greywacke, etc.

SHALE/MUDSTONE

LIMESTONE

FLUVIAL

River and stream deposits (floodplain), includes outwash.

ALLUVIAL

Alluvial / Debris Fan deposits

GLACIOFLUVIAL

Eskers, kames, etc.

GLACIAL

Till

COLLUVIAL

Talus, etc.

EOLIAN

Sand Dunes, etc.

SILT

Loess, fluvial silts, etc.

OTHER

Explain in Section 44.

**38. MATERIAL\_CLASSIFICATION**

ASTM Classification, generally they should range from coarse to fine.

38a. GW  
38b. GP38c. GW-GM  
38d. GP-GM38e. GM  
38f. SW-SM38g. SP-SM  
38h. \_\_\_\_\_

## STATEWIDE MATERIAL SITE INVENTORY

### MATERIAL SITE INSPECTION FORM

**39. COBBLES\_AND\_BOULDERS**

Test Boring Callout / ASTM Classification, either a. or b. and c. not both (Can use ranges i.e. 0 to 20)

39a.	CONTAINS		
39b.	Est. % by VOL.	5 to 25	(Est. From Visual Observations)
39c.	MAX. SIZE (in.)	24	(Observed Size)

**40. AGG\_TEST\_RESULTS**

Year of test or report- Test result / Year of test or report- Test Results

40a. SG APP COARSE	1989- 2.87, 2.89, 2.88
40b. SG APP FINE	1989- 2.79, 2.78, 2.80 / 1990- 2.77, 2.75, 2.54, 2.70, 2.71, 2.70
40c. ABSORPTION CRSE	
40d. ABSORPTION FINE	
40e. NORDIC ABRASION	
40f. L.A. ABRASION	1988- 17, 17 / 1989- 16, 18, 18, 16, 19, 18, 16, 19, 17, 18, 18, 18, 15
40g. DEGRADATION (T-13)	1988- 41, 32 / 1989- 67, 62, 27, 25, 25, 35, 27, 53, 26, 32, 31, 26, 28, 27
40h. NASO4 LOSS COARSE	1988- 4.0 / 1989- 2.3, 6.3
40i. NASO4 LOSS FINE	1988- 3.8 / 1989- 2.5, 3.8

**41. POTENTIAL\_USABILITY****TYPES A AND B MATERIAL AVAILABLE**

Best known potential use of the material, based on records, exploration and laboratory data.

CONCRETE AGGREGATE PRODUCED	The site has produced concrete aggregate
PAVING AGGREGATE PRODUCED	The site has produced paving aggregate
CRUSHED PRODUCTS PRODUCED	Base, Surface Coarse, Subbase, etc. has been produced.
TYPE A AND B MATERIAL AVAILABLE	0 to 10 percent passing 200
TYPE C AVAILABLE	Compactable material
TYPE C NOT AVAILABLE	Uncompactable material (Lower Kuskokwim and Yukon River, etc.)
UNKNOWN	
OTHER	Explain in Section 44.

**42. SPECIAL\_PROBLEMS**

Special problems encountered or anticipated with use of the material, based on records, exploration and laboratory data.

ORGANIC CONTENT	The material is very difficult to compact.
HIGHLY WEATHERED GRAVEL	The gravel is highly weathered and may break down when handled.
BREAKS DOWN UNDER USE	Material breaks down on grade.
SENSITIVE TO WATER CONTENT	Material is sensitive to water content, i.e.. some glacial tills, soft bedrock.
VARIABLE MATERIAL	Deposit contains mixture of suitable and unsuitable material.
POSSIBLE CONTAMINATION	Site may be contaminated by petroleum products or hazardous materials.
CONTAINS ASBESTOS	Site contains naturally occurring asbestos.
POTENTIAL ASBESTOS	Site in area where naturally occurring asbestos is mapped.
ACID ROCK DRAINAGE	Site contains rock susceptible to producing acid rock drainage.
OTHER	Explain in Section 44, Notes.

**STATEWIDE MATERIAL SITE INVENTORY  
MATERIAL SITE INSPECTION FORM****43. RIPRAP****NOT POSSIBLE**

Class II or larger. Does not include production for erosion control riprap for ditches or culverts.

PREVIOUS PRODUCTION

There is a record of production.

POSSIBLE FURTHER INVESTIGATION NEEDED

The site is a bedrock quarry containing hard rock

NOT POSSIBLE

The site has soft rock or soil.

UNKNOWN

OTHER

Explain in Section 44, Notes.

**44. NOTES**

Note number of item being discussed.

STATE OF ALASKA  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF MINING, LAND & WATER  
Southcentral Region  
550 W. 7<sup>th</sup> Avenue, Suite 900C  
Anchorage, Alaska 99501-3577

**NEGOTIATED MATERIAL SALE CONTRACT**

**ADL 231669**

**MS-52-2-089-2**

**Expiration Date: December 31, 2024**

Under AS 38.05.550-38.05.565 (Disposal of Materials) AS 38.05.125 and AS 38.05.810(a) and the regulations implementing these statutes, the State of Alaska, Department of Natural Resources, the seller, whose address is 550 W. 7<sup>th</sup> Avenue, Suite 900 C, Anchorage, AK 99501-3577, agrees to sell, and the State of Alaska, Department of Transportation and Public Facilities (ADOT&PF), the buyer, whose address is 2301 Peger Road, Fairbanks, AK 99709-5399, agrees to buy, the material designated in this contract, subject to the provisions which follow:

1. Description: Location, Material, Quantity, and Price. (a) The material sale area covered by this contract contains approximately 25 acres more or less described as follows:

A contract with in **Master Material Site ADL 231677**, located within Township 21 South Range 1 East , S1/2NW1/4 and that portion of the N1/2 SW1/4 lying north of the Denali Hwy, subject to the Valdez Creek Mine Road of Section 11 at approximately MP 79 of the Denali Highway..

The area is further designated by the boundaries shown on the attached sale area map, which is made part of this contract, or as designated on the ground by the seller.

- (b) The material to be removed and the price are:

<u>Type of Material</u>	<u>No. of Units</u>	<u>Unit Price</u>	<u>Total Price</u>
Sand and Gravel	As needed	\$0.50/cubic yard	See 2(a) below

2. Payments and Deposits. No part of the materials sold under this contract may be extracted from the sale area by the buyer except in accordance with the following terms:

- (a) In accordance with Director's Policy File 93-06, Fee Schedule Section (17), Material Sales for Public Projects, Sale of materials to be used in constructing, reconstructing or maintaining a public project:

(1) for the first 5,000 cubic yards of material to be removed there will be no charge; for maintenance on an ongoing basis, this project is considered to be the life of the contract period.

(2) for each cubic yard of material beyond 5,000 cubic yards, the base fee listed in the annual base price schedule under 11 AAC 71.090 will be charged. For the fiscal year 2014, the base price has been set at \$0.50 per cubic yard.



Alaska Department of Transportation and Public Facilities  
ADL 231699  
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(b) Payment becomes due and payable on December 31 of each subsequent year this contract is in effect, without prior notice to the buyer, for the value of material extracted as of that date. The payment must be based on records required in paragraph 3 of this contract and must be submitted to the seller no later than the fifth working day following the date the installment is due.

(c) A final accounting and payment for material removed must be made no later than 30 days, following contract completion or termination of the contract by the seller or by operation of law. The Director of the Division of Mining, Land and Water will decide whether completion is satisfactory within 30 days after receiving the final accounting report.

(d) If the buyer fails to make a payment provided for in this contract, the seller may, under paragraph 8(b) of this contract, order all material extraction suspended immediately. Materials extracted by the buyer during any period of suspension are considered taken in trespass and are to be charged to and paid for by the buyer at triple the unit contract price. Resumption of the lawful taking of material may be authorized, in writing, by the Division of Mining, Land and Water only after the payments in arrears plus the penalty provided for in paragraph 2(f) has been made.

(e) A late-payment penalty equal to one and one-half percent of the amount due will be assessed for each month, or portion thereof, of any period a payment is delinquent.

(f) All payments and deposits must be remitted to the Division of Mining, Land and Water, Southcentral Region Office, 550 W. 7<sup>th</sup> Avenue, Suite 900C, Anchorage, AK 99501-3577, **Attn: ADL 231699** and must be made payable to the State of Alaska..

(g) Special Provisions. The following special provisions also apply to payments and deposits under this contract: N/A.

3. Method of Volume Determination. The method of volume determination for purposes of payment under this contract is: volume shall be measured in cubic yards of truck load capacity of a gravel truck(s) multiplied by the number of loads removed.

(a) Use records will be due to the Division of Mining, Land and Water, Southcentral Region Office, 550 W. 7<sup>th</sup> Avenue, Suite 900C, Anchorage, AK 99501-3577, **Attn: ADL 231699**, submitted on an annual basis being due December 31<sup>st</sup> of each year, with the final use records due five (5) days following contract completion.

(b) The buyer shall keep accurate and up-to-date records of all materials extracted. These records are subject to verification by check measure and inspection of the buyer's books by the seller at any time without notice.

(c) Special Provisions. The following special provisions also apply to volume determinations under this contract: N/A.

4. Operating Requirements. (a) Boundary Lines and Survey Monuments. No boundary mark of the sale area nor any survey line or witness tree for any survey corner or monument, may be severed or removed, nor may any survey corner or monument be damaged or destroyed. Any violation of this clause requires the buyer to bear the expense of re-establishing the line, corner, or monument by a registered surveyor in a manner approved by the seller.

Alaska Department of Transportation and Public Facilities  
ADL 231699  
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(b) **Standard of Operations.** The buyer shall properly locate himself and his improvements within the sale area, and may not commit waste, whether ameliorated or otherwise. In addition to complying with all laws, regulations, ordinances, and orders, the buyer shall maintain the land in a reasonably neat and clean condition, and shall take all prudent precautions to prevent or suppress grass, brush, or forest fires, and to prevent erosion or destruction of the land.

(c) **Erosion Control and Protection of Waters.** Road construction or operations in connection with this contract must be conducted so as to avoid damage to streams, lakes, or other water areas and land adjacent to them. Vegetation and materials may not be deposited into any stream or other water area. Locations and improvements necessary for stream crossings for haul roads must be approved in advance by the seller. All roads to be abandoned must be treated with measures necessary to prevent erosion in a manner acceptable to the seller. Any damage resulting from failure to perform these requirements must be repaired by the buyer to the satisfaction of the seller. This includes waters defined in 5 AAC 95.010 - 5 AAC 95.050, Protection of Fish and Game Habitat.

(d) **Fire Protection.** The buyer shall take all necessary precautions for the prevention of wild fires and is responsible for the suppression, and must bear the suppression costs, of all destructive or uncontrolled fires occurring in or outside the sale area resulting from any of the buyer's operations under this contract. The buyer shall comply with all laws, regulations, and ordinances promulgated by all governmental agencies responsible for fire protection in the area.

(e) **Roads.** Before constructing any mainhaul, secondary, or spur road across state land, the buyer shall obtain written approval of the proposed location and construction standards of the road from the seller.

(f) **Supervision.** The buyer shall maintain adequate supervision at all times when operations are in progress to insure that the provisions of this contract and all applicable federal, state, and local laws, regulations, and operations are in progress, the buyer or a person authorized by him to assume the responsibilities imposed by this contract, shall be present on the sale area.

(g) **Agents.** The provisions of this contract apply with equal force upon an agent, employee, or contractor designated by the buyer to perform any of the operations relating to extraction of the materials sold under this contract. The buyer is liable for noncompliance caused by any such agent, employee, or contractor.

(h) **Location.** The buyer is responsible for the accurate location of operations under this contract, including any survey that may be necessary for accurate location unless otherwise specified in this contract.

(i) **Access.** The seller makes no representations that it will construct or maintain access to the land. Access over any route not under the seller's control is the responsibility of the buyer. The buyer agrees that any permanent access or right-of-way obtained over privately owned property will provide a permanent easement to the seller.

5. **N/A- Indemnity of Seller and Bonding.** (a) The buyer shall indemnify and hold the seller harmless from:

1. all claims and demands for loss or damage, including property damage, personal injury, wrongful death, and wage or employment claims, arising out of or in connection with the use or occupancy of the land or operations by the buyer or his successors, or at his invitation; and
2. any accident or fire on the land; and

Alaska Department of Transportation and Public Facilities  
ADL 231699  
Page 4 of 10

3. any nuisance on the land; and
4. any failure of the buyer to keep the land in a safe and lawful condition consistent with applicable laws, regulations, ordinances, or orders; and
5. any assignment, sublease, or conveyance, attempted or successful, by the buyer which is contrary to the provisions of this contract.

The buyer will keep all goods, materials, furniture, fixtures, equipment, machinery, and other property on the land at his sole risk, and will hold the seller harmless from any claim of loss or damage to them by any cause.

(b) The buyer will be required to file a bond to insure the buyer's performance and to help protect the seller against any liability that may arise as a result of the activities of the buyer. The bond will also be applicable to the development/reclamation plan submitted to the state. A bond acceptable to the seller in the amount of \$ N/A must be filed with the seller at the time of execution of this contract to insure the buyer's performance and financial responsibility.

6. Improvements and Occupancy. (a) Any improvements or facilities including crushers, mixing plants, buildings, bridges, roads, etc., constructed by the buyer in connection with this sale and within the sale area must be in accordance with plans approved by the seller.

(b) The buyer must, within 60 days after contract completion or termination of the contract by the seller or by operation of law, remove his equipment and other personal property from the sale area. After removal, the buyer must leave the land in a safe and clean condition, which is acceptable to the seller. If the buyer can demonstrate undue hardship, the time for removal of the improvements under this paragraph may be extended at the seller's discretion.

(c) If any of the buyer's property having an appraised value in excess of \$10,000, as determined by the seller, is not removed within the time allowed, that property may, upon 30 days notice to the buyer, be sold at public auction under the direction of the seller. The proceeds of the sale will inure to the buyer after satisfaction of the expense of the sale and deduction of all amounts then owed to the seller. If there are no other bidders at the sale, the seller may bid on the property, and the seller will acquire all rights, both legal and equitable, which any other purchaser could acquire through a sale and purchase.

(d) If any of the buyer's property having an appraised value of \$10,000 or less, as determined by the seller, is not removed within the time allowed, title to that property automatically vests in the seller.

(e) Special Provisions. The following special provisions also apply to improvements and occupancy under this contract: N/A

7. Inspection. (a) The seller must be accorded access, at all times, to the sale area and to the books and records of the buyer, his contractors, and any subcontractors relating to operations under this contract for purposes of inspection to assure the faithful performance of the provisions of this contract and other lawful requirements.

(b) At all times when construction or operations are in progress, the buyer shall have a representative readily available to the area of operations who is authorized to receive, on behalf of the buyer, any notices and instructions given by the seller in regard to performance under this contract, and to take appropriate action as is required by this contract.

Alaska Department of Transportation and Public Facilities

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8. Termination and Suspension. (a) The seller may terminate the buyer's rights under this contract if the buyer breaches the contract and fails to correct this breach within 30 days after written notice of the breach is served upon the buyer.

(b) If the buyer fails to comply with any of the provisions of this contract, the seller may shut down the buyer's operations upon issuance of written notice, until corrective action, as specified by the seller in its notice, is taken. If this corrective action is not taken within 30 days after written notice is served upon the buyer, the seller may terminate the contract under paragraph 8(a) of this contract. The buyer's failure to take immediate corrective action when ordered to remedy dangerous conditions or unwarranted damage to natural resources may be corrected by the seller to prevent danger or additional damage. Any cost incurred by the seller as a result of this corrective action, or by the buyer's failure to take corrective action, must be paid by the buyer.

(c) This contract may also be terminated by mutual agreement of both parties on terms agreed to in writing by both parties.

9. Reservations. The seller reserves the right to permit other compatible uses, including the sale of materials, on the land in the sale area if the seller determines that those uses will not unduly impair the buyer's operations under this contract. Under AS 38.05.125 the seller further expressly reserves to itself, and its successors, forever,

(a) All oil, gas, coal, ores, minerals, fissionable materials, geothermal resources, and fossils of every kind, which may be in or upon the land described above, or any part of it; and

(b) The right to explore the land for oil, gas, coal, ores, minerals, fissionable materials, geothermal resources, and fossils; and

(c) The right to enter by itself or its agents, attorneys, and servants on the land, or any part of it, at any time for the purpose of opening, developing, drilling, and working mines or wells on this or other land and taking out and removing from it all oil, gas, coal, ores, minerals, fissionable materials, geothermal resources, and fossils; and

(d) The right by itself or its agents, attorneys, and servants at any time

(1) to construct, maintain, and use all buildings, machinery, roads, pipelines, power lines, and railroads;

(2) to sink shafts, drill wells, and remove soil; and

(3) to occupy as much of the land as may be necessary or convenient for these purposes; and

(e) Generally all rights to and control of the land, which are reasonably necessary or convenient to make beneficial and efficient the complete enjoyment of the property and rights, which are expressly reserved.

10. Inclusion of Application Laws and Regulations. The buyer shall comply with all laws and regulations applicable to operations under this contract, including the Alaska Fire Control Act, the provisions of AS 38.05.550 - 38.05.565, material sale regulations 11 AAC Chapter 71, state fish and game regulations pertaining to the protection of wildlife and wildlife habitat, and state regulations pertaining to safety, sanitation, and the use of explosives. These laws and regulations are, by this reference, made a part of this contract, and a violation of them is cause for termination or suspension of this contract in addition to

Alaska Department of Transportation and Public Facilities  
ADL231699  
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any penalties prescribed by law. These laws and regulations control if the terms of this contract are in conflict with them in any regard.

11. Assignment. This contract may not be assigned by the buyer without the seller's prior written consent to the assignment.

12. Permits. Any permits necessary for operations under this contract must be obtained by the buyer before commencing those operations.

13. Passage of Title. All right, title and interest in or to any material included in the contract shall remain in the State until it has been paid for; provided however that the right, title and interest in or to any material which has been paid for but not removed from the sale area by the buyer within the period of the contract or any extension thereof as provided for in this contract shall vest in the seller.

14. Expiration and Extension. This contract expires December 31, 2024, unless an extension is granted by the seller in accordance with 11 AAC 71.210 (Material Sale Regulations).

15. Warranties. This sale is made without any warranties, express or implied, as to quantity, quality, merchantability, profitability, or fitness for a particular use, of the material to be extracted from the area under contract.

16. Valid Existing Rights. This contract is entered into and made subject to all valid existing rights, including easements, rights-of-way, reservations, or other interests in land, in existence on the date the contract is entered into.

17. Notices. All notices and other writings required or authorized under this contract must be made by certified mail, postage prepaid, to the parties at the following address:

To the Seller: Alaska Department of Natural Resources  
Southcentral Region, Division of Mining, Land and Water  
550 W. 7<sup>th</sup> Avenue, Suite 900C  
Anchorage, Alaska 99501-3577  
Attn: ADL 231699

To the Buyer: Alaska Department of Transportation and Public Facilities  
Northern Region, Division of Design and Construction  
Right of Way Section  
2301 Peger Road  
Fairbanks, AK 99709-5399

18. Integration and Modification. This contract, including all laws and documents which by reference are incorporated in it or made a part of it, contains the entire agreement between the parties.

This contract may not be modified or amended except by a document signed by both parties to this contract. Any amendment or modification which is not in writing, signed by both parties, and notarized is of no legal effect.

19. Severability of Clauses of Sale Contract. If any provision of this contract is adjudged to be invalid, that judgment does not affect the validity of any other provision of this contract, nor does it constitute any cause of action in favor of either party as against the other.

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20. Construction. Words in the singular number include the plural, and words in the plural number include the singular.
21. Headings. The headings of the numbered paragraphs in this contract shall not be considered in construing any provision of this contract.
22. "Extracted", "Extraction". In this contract, use of the terms "extracted" and "extraction" encompasses the severance or removal, as well as extraction, by the buyer of any materials covered by this contract.
23. Waiver. No agent, representative or employee of the seller has authority to waive any provision of this contract unless expressly authorized to do so in writing by the director of the Division of Mining, Land and Water.

**Special Stipulations:** The following special stipulations also apply to operations under this contract:

1. By signing this contract, it is agreed that the buyer has read the contract and will comply with all conditions and stipulations within.
2. This contract authorizes activity only on lands under the management jurisdiction of the State of Alaska. **The issuance of the contract does not preclude the buyer's need to acquire any necessary state, federal, or local authorizations or permits, as may be required and to be in compliance with these authorizations. Failure to do so shall be considered a breach of the terms and conditions of the contract and may be cause for contract revocation.**
3. The buyer or their agent shall carry a copy of the executed contract while operating in the material site. No gravel will be removed without the issued contract in hand.
4. The personnel and representatives of the Division of Mining, Land and Water may inspect these activities at any time.
5. Exclusive use of the material site is not granted by the issuance of this contract. ADNR retains the right of use and of ingress to and egress from any portion of the material site.
6. No material of any type, including excavated material or vegetation, shall be placed, stockpiled, discarded, or otherwise disposed of in such a way as to block access to the material site.
7. The use and storage of hazardous substances and explosive material by the contractor must be in accordance with existing federal, state, and local laws, regulations and ordinances. Debris (such as soil) contaminated with used motor oil, solvents, or other chemicals may be classified as a hazardous waste and must be removed from the site and managed and disposed of in accordance with state and federal law.
8. All waste generated during operation and termination activities under this authorization shall be removed or otherwise disposed of as required by state and federal law. No waste shall be deposited or buried on the authorized site of this contract. Waste in this sub-paragraph means all discarded matter, including, but not limited to, human waste, trash, garbage, refuse, litter, oil drums, petroleum products, ashes, scrap steel or used culverts and discarded equipment.

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9. Sorbent material in sufficient quantity to handle operational spills must be on site at all times for use in the event of a spill. All petroleum, oil and lubricants (POL)(e.g., motor oil and fuel) will not be stored within 100 feet of water bodies and must be located within double walled tanks or a lined bermed area designed to contain at least 110 percent of the total amount of POL stored. Oil and fuel shall be cleaned up immediately and contaminated ice, snow or earth material shall be disposed of as required by the Alaska Department of Environmental Conservation regulations. Failure to carry out this stipulation may lead to contract suspension.
10. Disposal of grey or black water waste into the ground surface or nearby water sources from any operation associated with this authorization is specifically prohibited.
11. Vegetation and materials may not be deposited into any stream or other water area. Locations and improvements necessary for stream crossings for haul roads must be approved in advance by the seller. Excess overburden, if present, will be burned or buried rather than left in rubble piles.
12. The buyer shall conduct all operations in a manner which will prevent unwarranted erosion. Any such erosion shall be repaired in a manner satisfactory to ADNR at the buyer's expense.
13. ADL 231699 is subject to the following vegetative buffers: 100 foot -wide buffer along the Denali Highway right of way, a 50 foot-wide buffer on both sides of the Valdez Creek Mine Road, and 50 foot-wide buffer around the remaining perimeter of the material site.
14. The buyer or its agents shall maintain the pit in a graded, clean and orderly condition. Access to the other areas of the pit shall not be blocked or impeded.
15. The Development Plan developed and Reclamation Plan provided by DOT&PF, is incorporated into these stipulations by reference.
16. Timber clearing shall be coordinated with Division of Forestry (DOF) to maximize use of the timber by the public. If DOF is unable to coordinate with ADOTPF, all timber that is suitable for public use shall be cut and stacked.
17. Historic and archeological objects are part of Alaska's cultural heritage and are protected under AS 41.35. If in connection with activities authorized under this material contract, the buyer, its officers, agents, employees, contractors, subcontractors, or their personnel encounter any paleontological, archeological or historic sites or artifacts, the buyer shall suspend all field activities on the effected portion of the parcel, and shall immediately notify the State Historic Preservation Officer (SHPO) at 269-8721. The buyer shall not resume field activities within the affected portion of the parcel until obtaining authorization from the SHPO.
18. The buyer shall administer the on-site operations of this material source and oversee all site activities. ADOT&PF will require its contractors to operate within the guidelines outlined in the development guidelines, mining plans and reclamation plan submitted by ADOT&PF to ADNR. ADOT&PF will also provide ADNR with copies of any new development guidelines, mining plans and/or reclamation plans as well as any modifications or additions to these plans that were submitted with the application for approval.

Alaska Department of Transportation and Public Facilities

ADL 231699

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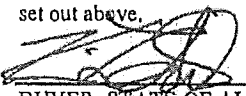
19. All work shall be confined within the boundaries of the site. The buyer is responsible for the accurate location of all activities within the area authorized by this contract. A site diagram that is tied to an existing survey monument will be submitted to DNR before any operations begin on the area authorized by this contract. Any survey(s) that may be necessary or requested by the regional manager shall be submitted within nine months from the date of the regional manager's request. Mail the survey to Alaska Department of Natural Resources, Division of Mining, Land and Water, 550 W. 7<sup>th</sup> Avenue, Suite 900C, Anchorage, Alaska 99501-3577, Attn: ADL 231699, Material Sales.
20. Bonding and insurance **will not be required** of ADOT&PF for DNR for this contract. However, ADOT&PF requires bonding of its contractor(s) and the ADOT&PF bond shall apply to all activities associated with the development and operation of this material site authorized by this contract with ADNRR as a named party. The bond is intended to recover any expenses ADNRR may incur if the site requires clean up/reclamation. The buyer shall require its contractor(s) to provide confirmation of insurance for all activities authorized by this contract. Copies of confirmation of insurance and bonding will be provided to ADNRR by ADOT&PF within 120 days from the date that ADOT&PF awards its contract to its successful bidder.
21. ADNRR/DMLW may conduct an annual review at the end of each extraction season to evaluate new development/mining/reclamation information, and tally the amount of material removed. The DMLW reserves the right to modify the contract as new information becomes available.
22. An annual site development/completion report, and applicable annual payments, shall be submitted by December 31 of each year of the contract. The report shall consist of a series of ground level photographs and a statement confirming:
  - i.) volume of material removed,
  - ii.) payment due,
  - iii.) compliance with stipulations requiring the removal of personal property and the restoration/reclamation of the extraction area, and
  - iv.) that the photographs accompanying the report accurately depict 1) the site before extraction, 2) the site during operations, and 3) the condition of the vacated and restored site after completion and reclamation each year.

Submit the report to: Alaska Department of Natural Resources  
Division of Mining, Land and Water  
550 W. 7<sup>th</sup> Avenue, Suite 900C  
Anchorage, Alaska 99501-3577  
Attn: 231699



Alaska Department of Transportation and Public Facilities  
ADL 231699  
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BY SIGNING THIS CONTRACT, the State of Alaska, as seller, and the buyer, agrees to be bound by its provisions as set out above.

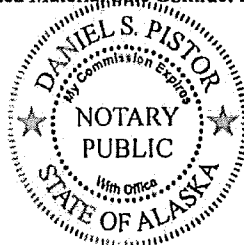
  
BUYER: STATE OF ALASKA ADOT&PF  
Kevin Smith  
Chief, ROW


STATE OF ALASKA )

)ss.  
Third Judicial District )

This is to certify that on July 31, 2014, before me appeared Kevin Smith known by me to be the person named in and who executed this Negotiated Material Sale Contract for ADOT&PF Northern Region and acknowledged voluntarily signing it as buyer.

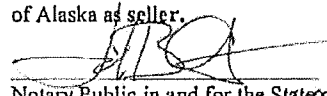
  
Notary Public in and for the State of Alaska  
My commission expires: with office

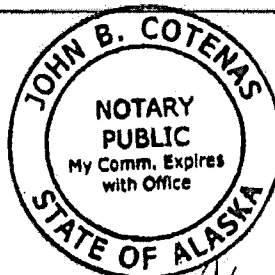


  
SELLER: STATE OF ALASKA ADNRR  
Clark Cox  
Southcentral Regional Manager

STATE OF ALASKA )  
)ss.  
Third Judicial District )

This is to certify that on August 31, 2014, before me appeared Clark Cox known by me to be the Regional Manager, Southcentral Regional Office, Division of Mining, Land and Water, Department of Natural Resources, and who executed this Negotiated Material Sale Contract voluntarily signing it on behalf of the State of Alaska as seller.

  
Notary Public in and for the State of Alaska  
My commission expires: with office



**State of Alaska  
Department of Transportation & Public Facilities  
Mining and Reclamation Guidelines**

**Material Site 52-2-089-2  
Denali Highway Mile 79 / Susitna River**

These guidelines are subject to Alaska Department of Natural Resources (DNR) Material Sale Contract ADL \_\_\_\_\_ and stipulations contained therein. For each new use or project, the user or contractor shall submit a Project Mining and Reclamation Plan to DNR for approval, subject to DOT&PF review, prior to any mining activities.

**Legal Description**

T21S, R1E, FM, Section 11: S½ NW¼ and that portion of the N½ SW¼ lying north of the Denali Highway R/W, subject to the Valdez Creek Mine Road. The material site contains approximately 144 acres.

**General Information**

This site lies east of the Susitna River and north of the Denali Highway near Mile 79. The site was developed during construction of the Denali Highway and Valdez Creek Mine Road. The developed portion covers about 25 acres. Two access roads lead into the pit area, one being the Valdez Creek Mine Road. The pit is screened from the highway by vegetation and revegetated earthen berms.

DOT&PF conducted site exploration in 1990. Material consists of alluvial sand and gravel with silt, cobbles and boulders, part of an old alluvial fan deposit of Windy Creek. Overburden ranges from 2 to 9 feet thick. A water table and frozen ground were noted during drilling. Additional site information is available at the DOT&PF Materials office, 2301 Peger Road, Fairbanks, Alaska 99709.

**Development Plan**

Earlier site development placed strippings/overburden around the current pit area in (revegetated) berms up to 5 ft thick. Continue mining the existing pit area (Cell 1) staying at least 2 feet above the water table until it is depleted. Once the current cell is mined out, reclaim concurrently with opening the next cell. Cell 2 location shall be based on exploration data and site configuration. Maintain continual access through the site to the Valdez Creek Mine Road.

Buffers: maintain/reestablish undisturbed buffers as follows:

- 100-ft-wide buffer along Denali Highway R/W;
- 50-foot-wide buffers on both sides of the Valdez Creek Mine Road; and
- 50-foot-wide buffer around the remaining perimeter.

The Project Mining and Reclamation Plan will adhere to the following guidelines:

1. The contractor or user shall locate the material site boundaries to verify work areas are within the site.
2. Maintain undisturbed buffers and mark buffer lines in work areas. Do not disturb buffers or place any debris or material in them.
3. Stockpile surface vegetation and organic soils separately, if possible, from overburden and place for future reclamation or use directly for reclamation of mined-out areas.
4. Do not place organics or overburden piles in future mining area or where they would need to be moved again.
5. Maintain work areas in a clean, neat condition. After each use, remove all equipment and man-made debris from the site. Remove all blasting and explosive-related materials from the site.
6. All mining and stockpiling activities shall be in accordance with applicable Construction General Permits and Storm Water Pollution Prevention Plans.

### **Reclamation Objectives and Guidelines**

The reclamation plan has several objectives:

1. To not preclude or hinder future development of un-mined areas.
2. To blend with surrounding topography.
3. To prevent erosion and sediment transport to surrounding, undisturbed areas.
4. To allow reestablishment of native vegetation and wildlife habitat.
5. To leave the site in a safe condition that does not endanger people or wildlife.

Reclamation activities will include:

1. Grade work pad and access roads smooth.

### **Project Mining and Reclamation Plan**

Prior to use of the site for any project, the contractor or user shall submit a Project Mining and Reclamation Plan, in accordance with A.S. 27.19 and 11 AAC 97 to DNR for approval by DNR, subject to DOT&PF review. The Plan describes the proposed plan of operation and shall be in compliance with guidelines listed here. Upon approval, the Plan will be followed by the contractor or user and if applicable, the DOT&PF Project Engineer. The plan should include the following:

#### **Sketch Map**

The sketch map shall include:

1. Site boundaries and proposed working limits, to be marked on the ground
2. Organic debris and overburden stockpile areas
3. Work pad, material stockpile locations, processing facilities.
4. Scale of drawing, north arrow, and specific dimensions as appropriate

#### **Narrative**

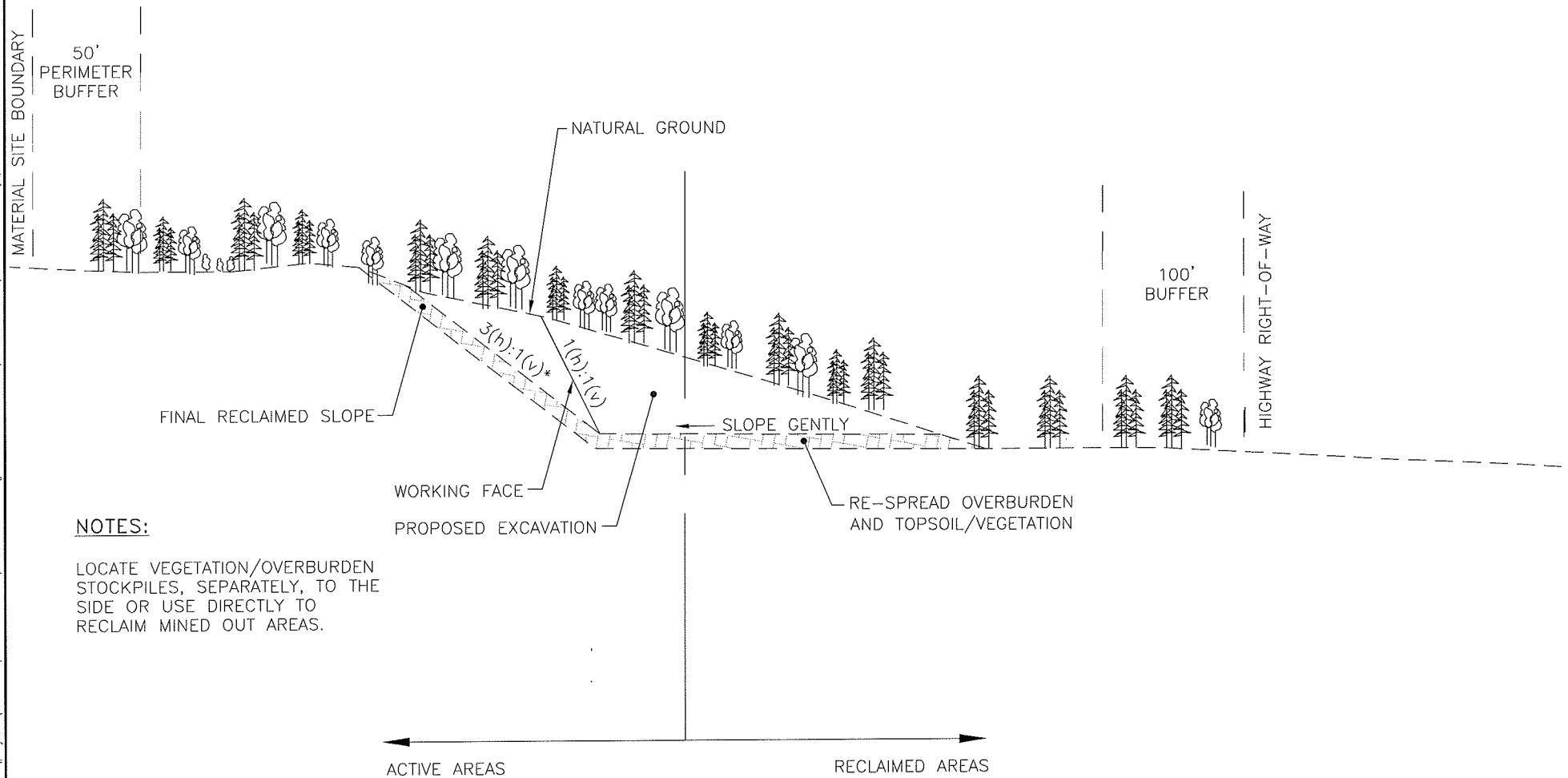
The narrative shall include:

1. Methods of operation, blasting plan detailing explosive and detonation types, onsite storage and duration
2. Length and times of operation (day, month, year, and working hours)
3. Air and water pollution control measures
4. Reclamation measures

### **Supplements and amendments**

Supplements and amendments to an approved mining and reclamation plan may be initiated by the contractor, user or the DOT&PF Project Engineer, when conditions warrant such action. Supplements and amendments must be mutually agreed upon and proper approval obtained prior to commencement of work of a changed nature.

1. Minor changes are those that affect details of the operation, but remain in compliance with the development guidelines. These changes may be authorized by the DOT&PF Project Engineer.
2. Major changes are those which cause the final outcome of the site to be significantly different from the approved mining and reclamation plan or are not in compliance with the development guidelines. These require approval by DNR, subject to review by the DOT&PF Project Engineer.



**NOTES:**

LOCATE VEGETATION/OVERBURDEN STOCKPILES, SEPARATELY, TO THE SIDE OR USE DIRECTLY TO RECLAIM MINED OUT AREAS.

TYPICAL CROSS SECTION OF EXCAVATION I  
IN GRAVEL DEPOSIT ON HILLSIDE  
NOT TO SCALE

STATE OF ALASKA  
DEPARTMENT OF TRANSPORTATION  
AND PUBLIC FACILITIES

DATA: JR	MATERIAL SITE DEVELOPMENT GUIDELINES
DRAWN: EJM	
APPROVED:	PROJECT NO.
DATE: AUGUST 2011	

**Wilson, Kahlil A (DOT)**

---

**From:** Wilson, Kahlil A (DOT)  
**Sent:** Thursday, July 17, 2014 9:57 AM  
**To:** susan.lee@matsugov.us  
**Subject:** RE: MS 52-2-089-2 MP 79 Denali Hwy

Susan,

M&O will be very pleased. With all the rain we've had this summer I think there is a fair amount of work that needs to get done.

Thank you very much.

Kahlil Wilson  
ROW Agent  
DOT&PF  
2301 Peger Road  
Fairbanks, AK 99709  
907 451-5425

---

**From:** Susan Lee [<mailto:Susan.Lee@matsugov.us>]  
**Sent:** Thursday, July 17, 2014 8:55 AM  
**To:** Wilson, Kahlil A (DOT)  
**Cc:** Bohner, Christina M (DNR)  
**Subject:** RE: MS 52-2-089-2 MP 79 Denali Hwy

Kahil:

Based on the information you and Chris Bohner have provided, a MSB earth materials extraction permit for using the material site at MP 79 Denali Highway will not be required. According to the Material Sale Application filed with the Division of Mining, Land & Water this material site is approximately 20 acres in size. MSB 17.30.020(A) states "*This chapter shall not apply to earth material extraction activities on land owned by the state of Alaska that are in existence as of the date of adoption of the ordinance codified in this chapter except for such operations that extract materials within four feet of the water table. Where a site is exempt under this subsection the exemption is revoked if operations proceed to within four feet of the water table*".

Should you have any questions or require additional information please let me know.

Susan

Susan Lee  
Planner II  
Matanuska-Susitna Borough  
907-861-7862 (Direct Line)  
907-861-7876 (FAX)  
PLEASE NOTE NEW DIRECT LINE PHONE NUMBER

---

**From:** Wilson, Kahlil A (DOT) [<mailto:kahlil.wilson@alaska.gov>]  
**Sent:** Friday, July 11, 2014 10:34 AM

## **STATEWIDE MATERIAL SITE INVENTORY**

### **MATERIAL SITE** **INSPECTION REPORT**

**Federal Project No. STP-000S(823)**  
**AKSAS Project No. 76149**

**DENALI HIGHWAY**

**MS 52-2-086-2**

July 2, 2013

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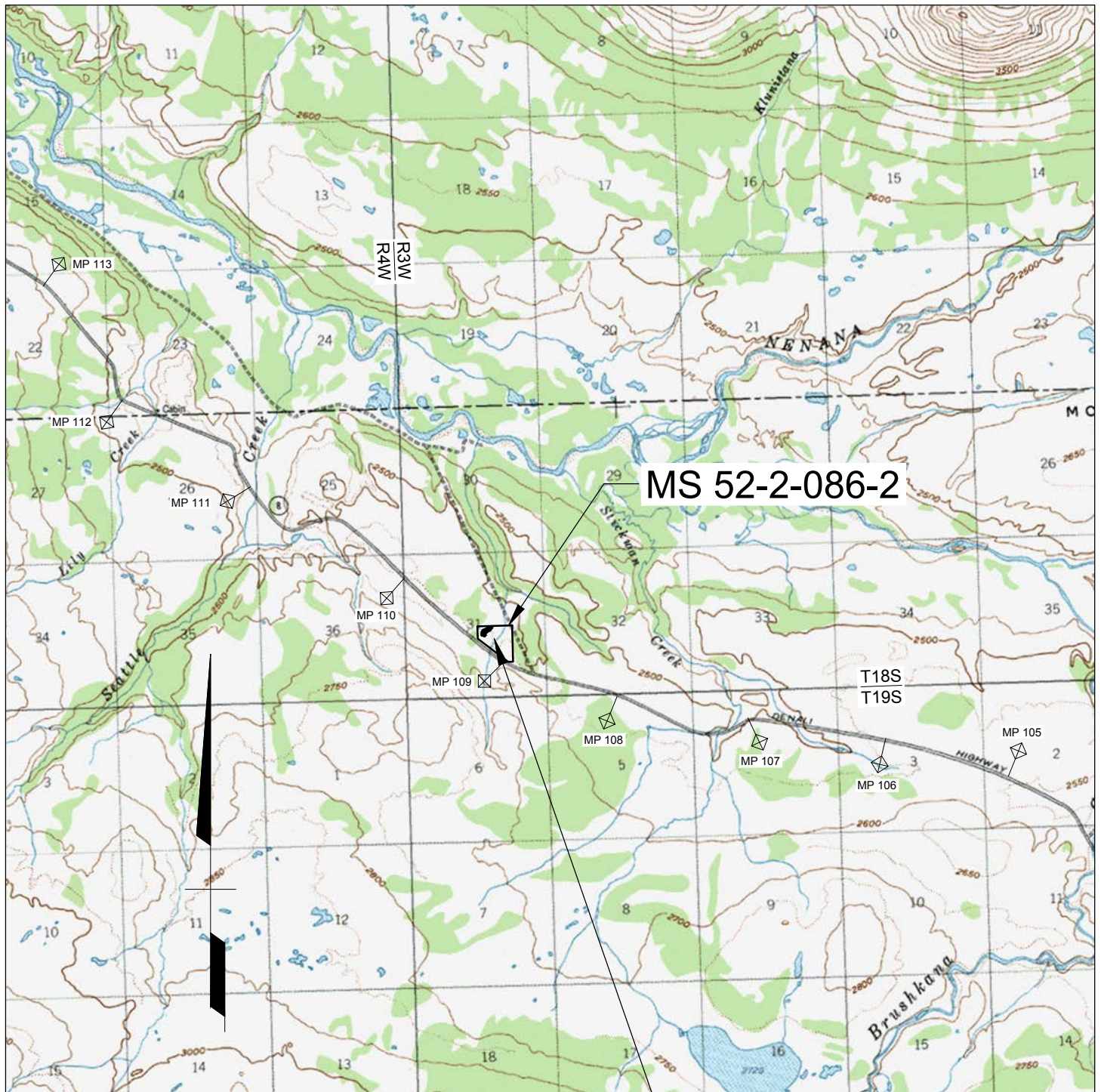
### **CATEGORY:**

#### **ACTIVE – POTENTIAL**

According to information found in the DOT&PF EDMS system in January 2009 as well as DNR and BLM case file abstracts, this site lies both on State lands managed by DNR (SE1/4 of Section 31, T18S R3W, FM) and on Federal Lands managed by BLM (NE1/4 of Section 31). DOT&PF reportedly applied to BLM for MS 52-2-086-2 in 1981 (AA-43782) but the application was apparently not acted on. A drilling permit for this and other nearby areas was issued by BLM in 2005. There was an existing pit prior to this application but there were no records found for it. Tentative approval (TA 2009-0109) for the land in the SE1/4 of Section 31 was issued to the State of Alaska in 2009 (AA-60301 / GS 5199). The NE1/4 of Section 31 was a power withdrawal (F-31321) and remained under BLM management. The site limits adjoin the Denali Highway right-of-way and there is an existing access road and pit. The site appears to contain significant amounts of sand and gravel and should be obtained by DOT&PF for future use. The site is within the Matanuska-Susitna Borough and a borough conditional land use permit may be required.



## LOCATION MAP



U.S.G.S. QUADRANGLE: HEALY (B-3)

GPS COORDINATES FROM GOOGLE EARTH

UTM (WGS84-METERS)  
 ZONE 6: N7,020,705 E439,825  
 AK STATE PLANE (NAD83-US SURVEY FT)  
 ZONE 4: N3,406,149 E1,936,294

## ACTIVE - POTENTIAL



GRAPHIC SCALE IN MILES

BASE MAP CREATED WITH TERRAIN NAVIGATOR PRO

Prepared By:  
 R&M CONSULTANTS, INC.

STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES			
STATEWIDE MATERIAL SITE INVENTORY			
MS 52-2-086-2			
SCALE AS SHOWN	DESIGNED CHECKED P.K.H. C.H.R.	DRAWN DATE P.K.H. SEPT 2013	PAGE 2



## SITE MAP



BASE MAP IS AUGUST 23, 1980 AERIAL PHOTOGRAPHY.  
THIS IS A PLANNING DOCUMENT ONLY. THE MATERIAL SITE BOUNDARIES SHOWN ON THIS  
DRAWING ARE APPROXIMATE. OWNERSHIP OF THE LANDS ADJACENT TO THIS SITE ARE  
UNKNOWN. THE ACCESS ROW SHOULD BE VERIFIED.

## ACTIVE - POTENTIAL

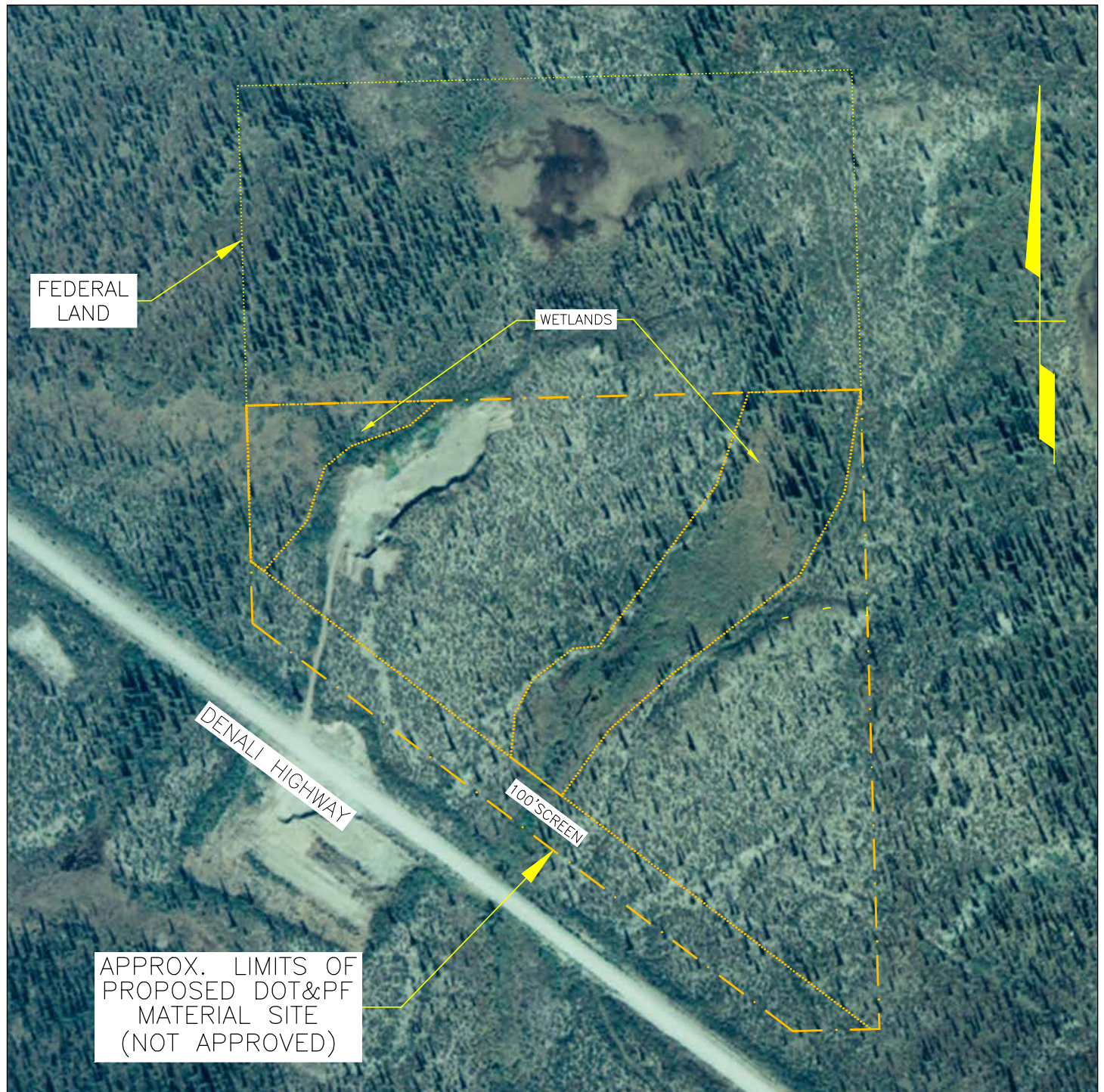


Prepared By:  
R&M CONSULTANTS, INC.

STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES			
STATEWIDE MATERIAL SITE INVENTORY			
MS 52-2-086-2			
SCALE AS SHOWN	DESIGNED P.K.H. CHECKED C.H.R.	DRAWN P.K.H. DATE JUNE 2013	PAGE 3A



## SITE MAP



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## ACTIVE - POTENTIAL



Prepared By:  
R&M CONSULTANTS, INC.

STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES			
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MS 52-2-086-2			
SCALE AS SHOWN	DESIGNED P.K.H. CHECKED C.H.R.	DRAWN P.K.H. DATE JUNE 2013	PAGE 3B

# STATEWIDE MATERIAL SITE INVENTORY MATERIAL SITE INSPECTION FORM

**THIS REPORT IS BASED ON A REVIEW OF EXISTING DATA AND BRIEF FIELD INSPECTIONS. THUS THE DATA CONTAINED HEREIN SHOULD BE CONSIDERED PRELIMINARY AND USED FOR PLANNING PURPOSES ONLY. USERS OF THIS DATA SHOULD VERIFY THE INFORMATION PRIOR TO USING IT FOR DESIGN OR CONSTRUCTION PURPOSES.**

**IF OTHER IS SELECTED FOR A SECTION, EXPLAIN IT IN SECTION 44. NOTES.  
IF AN ANSWER IS UNKNOWN SELECT "UNKNOWN" OR LEAVE BLANK**

1. **MS\_ID** 52-2-086-2  
Enter the full material site number e.g.. 31-3-045-2
2. **DATE\_INSPECT** 8/7/2013  
Date of field inspection
3. **FLD\_INSPEC\_ORG** ABE SCHMIDT / R&M CONSULTANTS  
Name of inspector / Organization or Company

4. **REGION** NORTHERN

5. **LOCATION** DENALI HIGHWAY  
Name of Highway Enter Name of Facility or Secondary Route Name (i.e. Kotzebue Airport, Nash Road, etc.)

6. **MILEPOST** 109  
List the closest main highway milepost

7. **NAME** \_\_\_\_\_  
Enter commonly used name (s), e.g. Hess pit, Gobblers Knob, Midway. List all that apply separated by commas.

8. **MAINT\_DIST/STAT** District DENALI Station CANTWELL  
Highway Maintenance District and Station, for locations not on highways select other.

9. **QUAD** HEALY B-3  
U.S.G.S. Quad. Map

10. **TOWNSHIP/RANGE** T#S R#E T18S R3W & \_\_\_\_\_ Meridian FM  
Section 31

11. **COOR\_UTM** ZONE 6  
NORTHING 7,020,705  
EASTING 439,825  
UTM WGS84 - Meters

12. **COOR\_STATE\_PLANE** ZONE 4  
NORTHING 3,406,149  
EASTING 1,936,294  
Alaska State Plane NAD83 - Survey Feet

13. **BOROUGH/CITY** MAT-SU BOROUGH **TAX ID NO.** NA

14. **DNR\_LAND\_USE\_PLAN** SUSITNA AREA PLAN

15. **CATEGORY** (To be filled in the office)

15a. **CLASSIFICATION** ACTIVE

15b. **STATUS** POTENTIAL

## STATEWIDE MATERIAL SITE INVENTORY MATERIAL SITE INSPECTION FORM

### 16. **POTENTIAL\_STATUS** SIGNIFICANT

Estimated quantity of material in the site at the time of inspection.

NONE	There appeared to be no useable material in the site.
LIMITED	There appeared to be less than 25,000 c.y. available within the developed site.
SIGNIFICANT	There appeared to be greater than 25,000 c.y. available within the developed site.
EXPANDABLE	There was limited material within the developed site, but there appeared to be significant material outside existing site limits.
UNDEVELOPED	The pit has not been mined/explored (used only for proposed sites).
CLOSED	There may be useable material left in the pit but it is not available.
UNKNOWN	
OTHER	The site does not fit any of the categories above. Explain in Section 44, Notes.

### 17. **PRESENT\_USERS**

17a. **PRESENT\_USER\_1** NONE

17b. **PRESENT\_USER\_2** \_\_\_\_\_

17c. **PRESENT\_USER\_3** \_\_\_\_\_

18. **PERMITTED\_ACREAGE** 27.6

Area within site permit or R.O.W. boundaries, from permit application or property plat.

19. **DEVELOPED\_ACREAGE** 1.4

Area within an existing pit, excluding spoil berms lying outside the pit, access roads etc. Explain below.

Includes existing pit, excluding spoil berms and access roads lying outside of the pit.

20. **ACREAGE\_COMP\_METHOD** FROM MAP/PHOTO

Method used to determine developed acreage.

21. **EST\_QUAN\_AVAIL** 160,000 ROUGH ESTIMATE

Estimated quantity available (b.c.y.), may be based on acreage computed above plus expansion area.

Explain computation assumptions and calculations below.

Area	Developed Pit	Workable Area	
Acres	<u>1.4</u>	<u>15.4</u>	
Est. Depth (ft.)	<u>5</u>	<u>10</u>	
Factor (b.c.y. / acre-foot)	<u>1,000</u>	<u>1,000</u>	
Est. Quant. (c.y.)	<u>7,000</u>	<u>154,000</u>	

Estimated quantity assumes that the existing pit can be worked an additional 5 ft. in depth. It assumes that the undeveloped portion of the site (excluding the wetlands) has an average working depth of 12 ft., including an average overburden of 2 ft.

## STATEWIDE MATERIAL SITE INVENTORY MATERIAL SITE INSPECTION FORM

### 22. ACCESS\_TYPE EXISTING ROAD / OPEN

NONE	No access road has been built.
EXISTING ROAD / OPEN	Drivable. May have gate.
EXISTING ROAD / REVEG	Can be reopened with little effort.
EXISTING ROAD / CLOSED W/BERMS	Can be reopened with little effort.
EXISTING ACCESS / REMOVED	Can be reopened with much effort.
SNOW ROAD	Can only be accessed during winter.
ICE ROAD	Requires crossing river or lake ice in the winter.
BARGE	Material can only be moved by barge.
OTHER	The site does not fit any of the categories above. Describe in Section 44, Notes.

### 23. ACCESS\_LENGTH 250

Approx. length from edge of pit to highway/secondary route (ft.)

### 24. VEGETATION

Spruce trees up to 12 in. in diameter on 10 to 20-foot centers. With interspersed underbrush mostly dwarf birch up to 5 ft. tall.

### 25. TYPE\_1 BORROW PIT 26. TYPE\_2 \_\_\_\_\_

Dominant type

Subordinate type

General Types of Materials Available

Enter data in Type\_2 only if two types of material site available

QUARRY	Bedrock sources requiring blasting
BORROW PIT	Soils or soft bedrock (rippable), above water table
BAILING	Requires production below the water table
RIVER BAR	Sand/gravel bars in active channels

### 27. OB\_CLASS\_1 <3 FT. 28. OB\_CLASS\_2 <3 FT.

New Site or expansion Area

Existing Pit (Spoil)

A site may have both. Data should be based on actual subsurface exploration, otherwise unknown.

Estimated average depth over the area.

NONE	3 TO 6 FT.	UNKNOWN
<3 FT.	>6 FT.	OTHER

### 29. OB\_TYPE\_1 SILT 30. OB\_TYPE\_2 SPOIL

New Site or expansion Area

Existing Pit (Spoil)

A site may have both.

SILT	PEAT	SOLID WASTE	OTHER
COLLUVIUM	SPOIL	UNKNOWN	

## STATEWIDE MATERIAL SITE INVENTORY MATERIAL SITE INSPECTION FORM

<b>31. MAT_TYPE_1</b> Dominant type	<b>FLUVIAL</b>	<b>32. MAT_TYPE_2</b> Subordinate type
BEDROCK WEATHER. BEDROCK FLUVIAL GLACIAL COLLUVIAL EOLIAN SILT	Bedrock sources requiring blasting Bedrock sources requiring ripping Water deposited sand and gravel, includes glaciofluvial Glacial till Talus slopes, etc. Sand Dunes, etc. Silt deposits, loess, fluvial, etc.	

<b>33. PERMAFROST_1</b> New Site or Expansion Area	<b>DETECTED IN NO TEST HOLES OR PITS</b>
---	--

<b>34. PERMAFROST_2</b> Existing Site  DETECTED IN MOST TEST HOLES DETECTED IN SOME TEST HOLES DETECTED IN IMMEDIATE VICINITY DETECTED IN NO TEST HOLES DATA OUTDATED UNKNOWN OTHER	<b>DETECTED IN NO TEST HOLES OR PITS</b>
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<b>35. GROUNDWATER</b>	<div style="border: 1px solid black; padding: 10px; min-height: 100px;">         Groundwater was noted between 3.9 and 11.2 feet in test hole logs in September, 1998.       </div>
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## STATEWIDE MATERIAL SITE INVENTORY

### MATERIAL SITE INSPECTION FORM

**36. LITHOLOGY\_1**GLACIOFLUVIAL**37. LITHOLOGY\_2**

Dominant type

Subordinate type

IGNEOUS ROCK

Undifferentiated Igneous Rocks

GRANITIC

Granite/Monzonite/Granodiorite

DIORITE/GABBRO

Diorite/Gabbro

BASALT

Dark colored fine-grained Igneous Rocks

GREENSTONE

Altered Volcanic Rocks w/green tint

METAMORPHIC ROCK

Undifferentiated Metamorphic Rocks

SCHIST/PHYLLITE

Includes rocks ranging from slate to schist

GNEISS

Includes hard schistose rocks

MARBLE

CATACLASTIC

Incl. Valdez Formation Rocks, Kenai Penn.

MÉLANGE

Incl. McHugh Formation Rocks, Kenai Penn.

SEDIMENTARY ROCK

Undifferentiated Sedimentary Rocks

CONGLOMERATE

SANDSTONE

Includes greywacke, etc.

SHALE/MUDSTONE

LIMESTONE

FLUVIAL

River and stream deposits (floodplain), includes outwash.

ALLUVIAL

Alluvial / Debris Fan deposits

GLACIOFLUVIAL

Eskers, kames, etc.

GLACIAL

Till

COLLUVIAL

Talus, etc.

EOLIAN

Sand Dunes, etc.

SILT

Loess, fluvial silts, etc.

OTHER

Explain in Section 44.

**38. MATERIAL\_CLASSIFICATION**

ASTM Classification, generally they should range from coarse to fine.

38a. GW  
38b. GP38c. GW-GM  
38d. GP-GM38e. SW-SM  
38f. SP-SM38g. SM  
38h.

## STATEWIDE MATERIAL SITE INVENTORY

### MATERIAL SITE INSPECTION FORM

**39. COBBLES\_AND\_BOULDERS**

Test Boring Callout / ASTM Classification, either a. or b. and c. not both (Can use ranges i.e. 0 to 20)

39a.	CONTAINS		
39b.	Est. % by VOL.	6 to 20	(Est. From Visual Observations)
39c.	MAX. SIZE (in.)	24	(Observed Size)

**40. AGG\_TEST\_RESULTS**

Year of test or report- Test result / Year of test or report- Test Results

40a. SG APP COARSE	1988- 2.72 / 1990- 2.73, 2.71, 2.79, 2.72
40b. SG APP FINE	1980- 2.53, 2.65 / 1988- 2.74, 2.75 / 1990- 2.76, 2.68, 2.73, 2.74, 2.75
40c. ABSORPTION CRSE	
40d. ABSORPTION FINE	
40e. NORDIC ABRASION	
40f. L.A. ABRASION	1988- 25 / 1990- 24, 23, 22, 23, 24, 24, 23 / 1998- 26
40g. DEGRADATION (T-13)	1988- 21 / 1990- 33, 30, 39, 23, 19, 32, 43 / 1994- 22 / 1998- 16
40h. NASO4 LOSS COARSE	1988- 4 / 1990- 3 / 1998- 4.4
40i. NASO4 LOSS FINE	1988- 9 / 1990- 13 1998- 11.7

**41. POTENTIAL\_USABILITY****TYPES A AND B MATERIAL AVAILABLE**

Best known potential use of the material, based on records, exploration and laboratory data.

CONCRETE AGGREGATE PRODUCED	The site has produced concrete aggregate
PAVING AGGREGATE PRODUCED	The site has produced paving aggregate
CRUSHED PRODUCTS PRODUCED	Base, Surface Coarse, Subbase, etc. has been produced.
TYPE A AND B MATERIAL AVAILABLE	0 to 10 percent passing 200
TYPE C AVAILABLE	Compactable material
TYPE C NOT AVAILABLE	Uncompactable material (Lower Kuskokwim and Yukon River, etc.)
UNKNOWN	
OTHER	Explain in Section 44.

**42. SPECIAL\_PROBLEMS**

Special problems encountered or anticipated with use of the material, based on records, exploration and laboratory data.

ORGANIC CONTENT	The material is very difficult to compact.
HIGHLY WEATHERED GRAVEL	The gravel is highly weathered and may break down when handled.
BREAKS DOWN UNDER USE	Material breaks down on grade.
SENSITIVE TO WATER CONTENT	Material is sensitive to water content, i.e.. some glacial tills, soft bedrock.
VARIABLE MATERIAL	Deposit contains mixture of suitable and unsuitable material.
POSSIBLE CONTAMINATION	Site may be contaminated by petroleum products or hazardous materials.
CONTAINS ASBESTOS	Site contains naturally occurring asbestos.
POTENTIAL ASBESTOS	Site in area where naturally occurring asbestos is mapped.
ACID ROCK DRAINAGE	Site contains rock susceptible to producing acid rock drainage.
OTHER	Explain in Section 44, Notes.



**STATEWIDE MATERIAL SITE INVENTORY  
MATERIAL SITE INSPECTION FORM**

**43. RIPRAP****NOT POSSIBLE**

Class II or larger. Does not include production for erosion control riprap for ditches or culverts.

PREVIOUS PRODUCTION

There is a record of production.

POSSIBLE FURTHER INVESTIGATION NEEDED

The site is a bedrock quarry containing hard rock

NOT POSSIBLE

The site has soft rock or soil.

UNKNOWN

OTHER

Explain in Section 44, Notes.

**44. NOTES**

Note number of item being discussed.

**STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF MINING, LAND AND WATER**

<input type="checkbox"/> <b>Northern Region</b> 3700 Airport Way Fairbanks, AK 99709 (907) 451-2740	<input checked="" type="checkbox"/> <b>Southcentral Region</b> 550 W 7th Ave., Suite 900C Anchorage, AK 99501-3577 (907) 269-8552	<input type="checkbox"/> <b>Southeast Region</b> 400 Willoughby, #400 P.O. Box 111020 Juneau, AK 99801 (907) 465-3400
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**MATERIAL SALE CONTRACT**  
AS 38.05.550-565

Issuance Date: \_\_\_\_\_

Expiration Date: **December 31, 2030****ADL # 231668****Federal Tax I.D.:**

Under Alaska Statutes (AS) 38.05.550-565 (Material Sales), other applicable statutes, and the regulations implementing these statutes, the State of Alaska, Department of Natural Resources (DNR), Division of Mining, Land and Water, the seller, whose address is 550 West 7<sup>th</sup> Ave., Suite 900C, Anchorage, AK 99501-3577, agrees to sell and the buyer, State of Alaska, Department of Transportation and Public Facilities (ADOT&PF), whose address is 2301 Peger Road, Fairbanks, AK 99709, agrees to buy the material designated in this contract, subject to the provisions that follow.

1. Description: Location, Material, Quantity, and Price.

(a) The material sale area covered by this ADL 231668 contract consists of approximately Twenty-Seven (27) acres more or less. The sale area is depicted on the attached map, which is made a part of this contract, or as designated on the ground by the seller. The designated material site under the 2012 Final Finding and Decision for Material Site Designations issued by the DMLW Director and is within ADL 231672, located at MP 108.9 Denali Hwy. The site is further described as being within the Section 31, Township 18 South, Range 3 West, Fairbanks Meridian and DOT&PF material site MS 52-2-086-2.

(b) The material to be removed and the price are:

<u>Type of Material</u>	<u>No. of Units (cubic yards)</u>	<u>Unit Price</u>	<u>Total Price</u>
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<b>Gravel, Sand, Cobbles and Boulders</b>	<b>200,000 cubic yards</b>		<b>See 2(a) below</b>
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2. Payments, Deposits, and Reports. No part of the materials sold under this contract may be extracted from the sale area by the buyer except in accordance with the following terms:

(a) Under 11 AAC 05.130(e), the fee for sale of materials to a state agency “for use in constructing, reconstructing, or maintaining a public project is as follows: (1) for the first 5,000 cubic yards of materials to be used on the project, no charge; each year of maintenance on an ongoing basis constitutes a separate project; (2) for each cubic yard of materials beyond 5,000 cubic yards, the base fee listed in the annual base price schedule established under 11 AAC 71.090.” The 2020 base price under 11 AAC 71.090 for sand and gravel for the sale of material under AS 38.05.555(b)(3) to a federal agency under AS 38.05.810(a) is \$0.50 per cubic yard and \$0.50 per cubic yard for rock.

(b) The buyer shall remit an initial deposit in the amount of \$N/A (consistent with 11 AAC 71.045 or 11 AAC 71.065, and no less than \$250) along with the bid for a competitive sale contract or at the time a negotiated sale buyer signs this contract. The seller will retain the deposit to cover administrative costs incurred in offering the material sale, except that if the buyer removes and pays for at least 75% of the material volume covered by this contract, the deposit may be applied, in whole or in part, to the final payment that becomes due under this contract.

(c) Additional periodic installment payments as required in paragraph 2(d) must be made for material extracted as of the date payment becomes due but may not exceed the total purchase price.

(d) Each periodic installment payment becomes due and payable on December 31 of each year, without prior notice to the buyer, for the value of material extracted during the calendar year of January 1 through December 31. The installment must be based on records required in paragraph 3 of this contract and must be submitted to the seller no later than the fifth working day after December 31.

(e) An annual report is due by December 31 of each year, without prior notice to the buyer, that details the volume of material removed during the calendar year of January 1 through December 31, based on records required in paragraph 3 of this contract and must be submitted to the seller no later than the fifth working day after December 31. This report shall be filed regardless of whether material was removed during the reporting period.

(f) A final accounting and payment for material removed and a completion report, as required under paragraph 4.(k)(21) of this contract, must be submitted no later than 30 days following contract expiration, or when the contractor has completed removal under the contract, or following termination of the contract by the seller or by operation of law. Whether completion is satisfactory will be decided by the Director of the Division of Mining, Land and Water within 45 days after receiving the final accounting report and completion report.

(g) If the buyer fails to make a payment provided for in this contract, the seller may, under paragraph 10(b) of this contract, order all material extraction suspended immediately. Materials extracted by the buyer during any period of suspension are considered taken in trespass and are to be charged to and paid for by the buyer at triple the unit contract price. Resumption of the lawful taking of materials may be authorized, in writing, by the Division of Mining, Land and Water (DMLW) only after the payments in arrears plus the penalty provided for in paragraph 2(h) have been paid.

(h) Late Payment Penalty Charges: The buyer shall pay a fee for any late payment. The amount is the greater of either \$50.00 or interest accrued daily at the rate set of 10.5% per annum and will be assessed on each past due payment until paid in full.

(i) All payments and deposits must be remitted to the Division of Mining, Land and Water and must be made payable to the State of Alaska and include the identifying **ADL 231668** number.

(j) Special Provisions. The following special provisions also apply to payments and deposits under this contract:

- 1) Should the administrative base price, representative regional sales price, or fair market value be changed during the term of this contract, the new price will be effective and apply to the material remaining to be extracted under this contract as of the effective date of the price adjustment.
- 2) Material extraction in excess of 25% of the material volume covered by this contract is considered taken in trespass and to be charged to and paid for by the buyer at triple the unit contract price or triple the current unit representative regional sales price, or triple the pecuniary gain realized by the buyer as a result of the trespass. Said trespass penalties are in addition to other administrative or legal proceedings imposed by State law.
- 3) Material extraction outside of an active contract term is considered taken in trespass and is to be charged to and paid for by the buyer at triple the unit contract price.

3. Method of Volume Determination.

(a) The method of volume determination for purposes of payment under this contract, along with any special provisions applicable to volume determination, is:

- 1) Volume shall be measured in cubic yards of truck load capacity of a gravel truck(s) multiplied by the number of loads removed; or
- 2) Volume shall be measured by weight of the extracted material converted to cubic yards. The standard of density and conversion rate must be provided to the seller; or
- 3) Another volume accounting method may be approved by the seller.

(b) The buyer shall keep daily, accurate and up-to-date records of all materials extracted. These records are subject to verification by check measure and inspection of the buyer's books by the seller at any time without notice. **Accounting vouchers detailing the dates and amounts of material removed are due to the Department of Natural Resources (DNR) by December 31 of each year the contract is in effect.** Whether or not material was removed during a reporting period, the buyer agrees to submit an accounting voucher to the seller.

(c) All measurements are to be made by or under the direct supervision of buyer personnel acceptable to the seller, including a qualified engineer where the seller deems appropriate, with quantities certified by that person.

4. Operating Requirements.

(a) Boundary Lines and Survey Monuments. No boundary mark of the sale area nor any survey line or witness tree for any survey corner or monument may be severed or removed, nor may any survey corner or monument be damaged or destroyed. Any violation of this clause requires the buyer to bear the expense of re-establishing the line, corner, or monument by a registered surveyor in a manner approved by the seller.

(b) Standard of Operations. The buyer shall properly locate the buyer's operations and buyer's improvements within the sale area, and may not commit waste, whether ameliorated or otherwise. In addition to complying with all laws, regulations, ordinances, and orders, the buyer shall maintain the land in a reasonably neat and clean condition and shall take all prudent precautions to prevent or suppress grass, brush, or forest fires, and to prevent erosion or destruction of the land. No construction material, fill, waste asphalt, damaged culverts or any other debris shall be stockpiled within site boundaries. Stockpiled material and/or overburden shall not be placed in wetlands.

(c) Erosion Control and Protection of Waters. Road construction or operations in connection with this contract must be conducted so as to avoid damage to streams, lakes, or other waters and land adjacent to them. Vegetation and materials may not be deposited into any stream or other waters. Locations and improvements necessary for stream crossings for haul roads must be approved in advance by the seller. All roads to be abandoned must be treated with measures necessary to prevent erosion in a manner acceptable to the seller. Any damage resulting from failure to perform these requirements must be repaired by the buyer to the satisfaction of the seller. Waters include waters defined in 5 AAC 95.011, Waters important to anadromous fish.

(d) Fire Prevention, Protection and Liability. The buyer shall take all necessary precautions for the prevention of wildfires and is responsible for the suppression, and must bear the suppression costs, of all destructive or uncontrolled fires occurring in or outside the sale area resulting from any of the buyer's operations under this contract. The buyer shall comply with all laws, regulations, and ordinances promulgated by all governmental agencies responsible for fire protection in the area.

(e) Roads. Before constructing any main haul, secondary or spur road across state land, the buyer shall obtain written approval of the proposed location and construction standards of the road from the seller.

(f) Supervision. The buyer shall maintain adequate supervision at all times when operations are in progress to ensure that the provisions of this contract and all applicable federal, state, and local laws, regulations, and ordinances governing the operations are enforced. At all times when operations are in progress, the buyer, or a person authorized by the buyer to assume the responsibilities imposed by this contract, shall be present on the sale area.

(g) Agents, Contractors or Subcontractors. The provisions of this contract apply with equal force upon an agent, employee, or contractor designated by the buyer to perform any of the operations relating to extraction of the materials sold under this contract. The buyer is liable for noncompliance caused by any such agent, employee, or contractor. The buyer shall notify the seller when a contractor or subcontractor has been selected to perform work in the material site on behalf of the buyer. The notice must include the name and contact information for the contractor or subcontractor, the project name or number, the expected time period for the contractor or subcontractor to be working in the material site, and the estimated volume of material to be extracted by the contractor or subcontractor.

(h) Location. The buyer is responsible for the accurate location of operations under this contract, including any survey that may be necessary for accurate location unless otherwise specified in this contract.

(i) Access. The seller makes no representations that it will construct or maintain access to the land. Access over any route not under the seller's control is the responsibility of the buyer. The buyer agrees that any permanent access or right-of-way obtained over privately-owned property will provide a permanent easement to the seller.

(j) Mining Reclamation. This contract is subject to the attached approved reclamation plan and/or attached letter of intent under AS 27.19.

(k) Special Provisions. The following special provisions also apply to operations under this contract:

- 1) Survey. An as built survey of the material site is not required at this time. Any survey(s) that may be necessary or requested by the regional manager shall be submitted within nine months of the date of the regional manager's request.
- 2) Extraction Area. This contract authorizes removal of material only from the area defined in this contract. All work will be confined within the site boundaries. The buyer is responsible for properly locating the material site and the working limits within the material sale area, as shown on the attached map.
- 3) Site Development. Overburden and topsoil shall be stockpiled separately and must be placed in a stable location, protected from contamination by acidic or toxic materials, and in a manner, which will prevent erosion and preclude runoff from contaminating adjacent waterways. Topsoil is not permitted to be removed from site unless written authorization is received from the seller.
- 4) Reclamation. Upon completion, expiration, or termination of the contract, the site will be left in and cleaned to a condition that is acceptable to DMLW and reclaimed in accordance with the DMLW approved Reclamation Plan. Reclamation shall be to the standards of DMLW and shall include repair of access roads to and within the site, disposal of remaining stockpiles, and other procedures used to stabilize and

reclaim the area and any other site-specific measures that may be necessary. The buyer shall leave all slopes in a safe and stable condition and less than 2:1 at the end of each season.

- 5) Other Authorizations. The issuance of this contract does not alleviate the necessity of the buyer to obtain any necessary state, federal, or local authorizations required for this activity. Failure to do so shall be considered a breach of the terms and conditions of this contract and may be cause for contract revocation or suspension.
- 6) Water Quality. The buyer shall comply with the State of Alaska water quality standards pursuant to 18 AAC 70, including discharge standards when conducting material washing operations. Disposal of grey or black water waste into the ground surface or nearby water sources from any operation associated with this authorization is specifically prohibited.
- 7) Stream Crossings. Location and improvements necessary for stream crossings for haul roads must be approved in advance by DNR. Road construction or operations in connection with this project must be conducted so as to avoid damage to streams, lakes, or other water areas and land adjacent to them.
- 8) Erosion. The buyer shall conduct all operations in a manner, which will prevent unwarranted erosion. Any such erosion shall be repaired in a manner satisfactory to DNR at the buyer's expense.
- 9) Alaska Historic Preservation Act. Historic, archeological and paleontological objects are part of Alaska's cultural heritage and are protected under AS 41.35. The buyer will consult the Alaska Heritage Resources Survey (907-269-8721) so that known historic, archeological and paleontological sites may be avoided. If the buyer, its officers, agents, employees, contractors, subcontractors, or their personnel encounter any paleontological, archeological or historic sites or artifacts, the buyer shall suspend all field activities on the affected portion of the parcel and shall immediately notify the State Historic Preservation Officer (SHPO) at 907-269-8721. The buyer shall not resume field activities within the affected portion of the parcel until obtaining authorization from the SHPO.
- 10) Equipment or Vehicle Maintenance. Equipment or vehicle maintenance will be performed over an effective impermeable barrier.
- 11) Fuel, Hazardous Substances, and Explosives. No fuel, hazardous substances, or explosives are to be stored on the subject parcel without a Land Use Permit or other written approval by the seller. All petroleum, oil and lubricants (POL) (e.g., motor oil and fuel) will be stored in double walled tanks or a lined bermed area designed to contain at least 110 percent of the total amount of POL stored. The use and storage of hazardous substances and explosive material by the contractor must be in accordance with existing federal, state, and local laws, regulations and ordinances. Debris (such as soil) contaminated with used motor oil, solvents, or other chemicals

may be classified as a hazardous waste and must be removed from the site and managed and disposed of in accordance with state and federal law. Sorbent material in sufficient quantity to handle operational spills must be on site at all times for use in the event of a spill. Oil and fuel spills shall be cleaned up immediately and contaminated ice, snow or earth material shall be disposed of as required by the Alaska Department of Environmental Conservation (DEC) regulations. Failure to carry out this stipulation may lead to contract suspension.

- 12) Notification. The buyer shall immediately notify DNR and DEC (18 AAC 75.300) by phone, fax and/or email of any unauthorized discharge of oil to water, any discharge of hazardous substance (other than oil), and any discharge of oil greater than 55 gallons to land. Any unauthorized discharge of oil to land greater than 10 gallons but less than 55 gallons must be reported to DEC within 48 hours. Oil discharges to land less than 10 gallons and greater than 1 gallon must be recorded and submitted to DEC in a monthly report. All fires and explosions must also be reported.

Notification of discharge during normal business hours must be made to the nearest DEC Area Response Team: Anchorage (907) 269-7500, fax (907) 269-7687; Fairbanks (907) 451-2121, fax (907) 451-2362; Juneau (907) 465-5340, fax (907) 465-5245. For discharges in state off shore waters call (907) 269-0667. The DEC oil spill report number outside normal business hours is (800) 478-9300. Notification of discharge must be made to the appropriate DNR Office: Anchorage (907) 269-8503, fax (907) 269-8913; Fairbanks (907) 451-2678, fax (907) 451-2751, email [dnr.nro.spill@alaska.gov](mailto:dnr.nro.spill@alaska.gov); Juneau (907) 465-3400, fax (907) 465-3886. Notification of discharge during normal business hours must be made to the nearest DEC Area Response Team: Anchorage (907) 269-7500, fax (907) 269-7687; Fairbanks (907) 451-2678, fax (907) 451-2751, email [dnr.nro.spill@alaska.gov](mailto:dnr.nro.spill@alaska.gov). The DEC spill number during normal business hours is (907) 451-2121, outside of normal business hours contact 1 (800) 478-9300; the fax number is (907) 451-2362. DNR and DEC shall be supplied with all follow-up incident reports.

- 13) SWPPP and APDES. The buyer shall comply with the requirement of DEC's Alaska Pollutant Discharge Elimination System (APDES), and if applicable, to maintain and operate the site in accordance with an approved Storm Water Pollution Prevention Plan (SWPPP).
- 14) Invasive Species. The buyer shall implement best management practices for minimizing the introduction and proliferation of invasive plant species, including thoroughly washing equipment prior to use on the material site. This is particularly important for work at material sites adjacent to rivers, where introduced species can be transported downstream and spread throughout areas that would not otherwise be exposed to invasive species.
- 15) Coordination. The buyer shall coordinate all operations with the Alaska Department of Transportation and Public Facilities (DOTPF) and other contractors in the site



prior to and during mobilization to ensure access and safety is maintained for all users. If necessary, to support the continuation of public or private projects, DNR may provide additional guidance or limitations related to the location and/or timing of extraction activities during the construction season.

- 16) Stockpiles. Leaving stockpiles on site once the contract has expired is prohibited, unless the buyer receives written approval from the seller. All stockpiles must be regraded flat or removed from site. The buyer shall not disturb or remove material from existing stockpiles. Any stockpiles left in the pit by the buyer are the property of the seller unless the buyer receives prior written approval from the seller and, upon approval, purchases the material.
- 17) Equipment Storage. The buyer shall remove all machinery, equipment, and other items at the end of each construction season. Prior written approval from the seller is required for a change in this restriction.
- 18) Waste. All waste generated during operation and termination activities under this authorization shall be removed or otherwise disposed of as required by state and federal law. No waste shall be deposited or buried on the authorized site of this contract. Waste in this subparagraph means all discarded matter, including, but not limited to, human waste, trash, garbage, refuse, litter, oil drums, petroleum products, ashes, scrap steel or used culverts and discarded equipment.
- 19) Fill. No fill shall be deposited or stored within the material site from outside the boundaries of the material site, without prior written approval from the seller. Fill in this subparagraph means but is not limited to overburden, topsoil, recycled asphalt pavement (RAP), trash, garbage, refuse, litter, oil drums, petroleum products, ashes, scrap steel, used culverts, machinery parts, or discarded equipment.
- 20) Access. No material of any type, including excavated material or vegetation, shall be placed, stockpiled, discarded, or otherwise disposed of in such a way as to block access to the material site.
- 21) Completion Report. A final accounting and payment for material removed and a completion report must be submitted no later than 30 days following contract expiration, or when removal has been completed under the contract, or following termination of the contract by the seller or by operation of law. Whether completion is satisfactory will be decided by the Director of the Division of Mining, Land and Water within 45 days after receiving the final accounting report and completion report.

The completion report shall consist of a series of ground level or aerial photographs taken before, during, and after the extraction along with a statement confirming:

- i) compliance with stipulations requiring the removal of personal property, restoration and reclamation of the extraction area; and

ii) the photographs accompanying the report accurately depict the site before extraction, during operations, and the condition of the vacated and restored site after completion and reclamation at the end of each contract period.

Failure to submit a satisfactory report and/or required photographs subjects the site to a field inspection requirement of which the buyer may be assessed, at the Director's discretion, either the actual cost incurred by the Division of Mining, Land & Water or the fee under 11 AAC 05.130(d)(1)(F). Reimbursement for costs for the field inspection under this section may be taken from the performance guaranty.

22) Contract. The permittee or their agent shall carry a copy of the executed contract while operating in the material site. No material will be removed without the issued contract in hand.

23) Rights. Exclusive use of the material site is not granted by the issuance of this contract. There shall be no interference with other operators in the material site. DNR retains the right of use and ingress to and egress from any portion of the material site.

24) Permits. Storage of equipment and materials as well as processing and staging operations may require a Land Use Permit from DNR.

**5. Indemnity of Seller. Not applicable.**

(a) The buyer shall indemnify and hold the seller harmless from:

(1) all claims and demands for loss or damage, including property damage, personal injury, wrongful death, and wage or employment claims, arising out of or in connection with the use or occupancy of the land or operations by the buyer or the buyer's successors, or at the buyer's invitation; and

(2) any accident or fire on the land; and

(3) any nuisance on the land; and

(4) any failure of the buyer to keep the land in a safe and lawful condition consistent with applicable laws, regulations, ordinances, or orders; and

(5) any assignment, sublease, or conveyance attempted or successful, by the buyer that is contrary to the provisions of this contract.

The buyer will keep all goods, materials, furniture, fixtures, equipment, machinery, and other property on the land at the buyer's sole risk and will hold the seller harmless from any claim of loss or damage to them by any cause.

6. Bonding.

Bonding will not be required of ADOT&PF for DNR for this contract. However, ADOT&PF requires bonding of its contractor(s) and the ADOT&PF bond shall apply to all activities associated with the development and operation of this material site authorized by this contract with DNR as a named party. The bond is intended to recover any expenses DNR may incur if the site requires clean-up/reclamation. Copies of bonding will be provided to DNR by ADOT&PF with 120 days from the date that ADOT&PF awards its contract to its successful bidder.

(a) Performance Bond. At the seller's discretion, a buyer may be required to file a bond designed to ensure the buyer's performance and to help protect the seller against any liability that may arise as a result of the activities of the buyer. A bond acceptable to the seller in the amount of \$N/A must be filed with the seller at the time of execution of this contract to ensure the buyer's performance and financial responsibility. A \$N/A bond is consistent with 11 AAC 71.095 and the total value of the material sale.

(b) Reclamation Bond. The buyer shall remit a reclamation bond in the amount of \$N/A (consistent with AS 27.19 and 11 AAC 97) to ensure performance of the reclamation plan requirements. The buyer's Material Site Reclamation Plan, submitted with their application, is attached to and made a part of this contract. The reclamation bond may be released upon the Division of Mining, Land and Water's approval of the reclamation. A buyer may be exempt from the reclamation bond requirement because either the buyer (1) has filed a Letter of Intent, or (2) is an agency of the State of Alaska, the federal government, or a municipality.

7. Insurance.

Insurance will not be required of ADOT&PF for DNR for this contract. However, the buyer shall require its contractor(s) to provide confirmation of commercial liability insurance with the State of Alaska listed as an "additional insured party". The case number ADL 231668 is to be referenced on the policy, for all activities authorized by this contract. Copies of confirmation of insurance will be provided to DNR by ADOT&PF with 120 days from the date that ADOT&PF awards its contract to its successful bidder.

Insurance is required and is subject to annual review and adjustment by the Division of Mining, Land and Water. The Division of Mining, Land and Water may require a reasonable increase based on a change in the buyer's Development Plan or with increased risk. The insurance policy(s) must be written by a company(s) on the Division of Insurance's "admitted list" and the broker/agent must be licensed to do business in the State. If surplus lines insurance is provided, the broker must have a surplus broker license and be listed on the "surplus lines insurance list". Additional information regarding the admitted and surplus lines lists may be obtained from the Division of Insurance at (907) 269-7900.

Consult, as appropriate, with an insurance professional licensed to transact the business of insurance under Alaska Statute, Title 21, to determine what types and levels of insurance are

adequate to protect the buyer and lessor (the State, its officers, agents and employees) relative to the liability exposures of the buyer's commercial operations.

Secure or purchase at buyer's own expense and maintain in full force at all times during the term of the contract, adequate insurance policies and coverage levels recommended by an insurance professional, licensed to transact the business of insurance under Alaska Statute, Title 21, and acceptable to the State of Alaska. The State will expect to see at a minimum, the following types of coverage:

- **Commercial General Liability Insurance:** The policy shall be written on an "occurrence" form and shall not be written as a "claims-made" form unless specifically reviewed and agreed to by the Division of Risk Management, Alaska Department of Administration.
- **Workers' Compensation Insurance:** The buyer shall provide and maintain, for all its employees, Workers' Compensation Insurance as required by AS 23.30.045. Where applicable, coverage must comply with any other statutory obligations, whether Federal (i.e. U.S.L. & H or Jones Act) or other State laws in which employees are engaged in work on the premises. The insurance policy must contain a waiver of subrogation clause in favor of the State of Alaska.

Provide proof of insurance to the Division of Mining, Land and Water on a yearly basis. The certificate must provide for a 30-day prior notice to the State of Alaska in the event of cancellation, nonrenewal, or material change of conditions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of the contract and shall be grounds, at the discretion of the Division of Mining, Land and Water, for termination of the contract. Generally, the Division of Mining, Land and Water will rely upon the best professional judgment of the licensed insurance agent and, at renewal, the agent's annual reassessment of the insured's liability exposure for determination of adequate levels of coverage. The Division of Mining, Land and Water reserves the right to require additional coverage if, in its discretion, it determines that it may be warranted.

In the event the buyer becomes aware of a claim against any of its liability coverage, the buyer shall notify and provide documentation and full disclosure of the claim to the Division of Mining, Land and Water within 20 days.

8. Improvements and Occupancy.

(a) Any improvements or facilities including crushers, mixing plants, buildings, bridges, roads, etc., constructed by the buyer in connection with this sale and within the sale area must be in accordance with plans approved by the seller.

(b) The buyer must, within 60 days after contract completion or termination of the contract by the seller or by operation of law, remove the buyer's equipment and other personal property from the sale area. After removal, the buyer must leave the land in a safe and clean condition that is

acceptable to the seller. If the buyer can demonstrate undue hardship, the time for removal of the improvements under this paragraph may be extended at the seller's discretion.

(c) If any of the buyer's property having an appraised value in excess of \$10,000, as determined by the seller, is not removed within the time allowed, that property may, upon 30 days' notice to the buyer, be sold at public auction under the direction of the seller. The proceeds of the sale will inure to the buyer after satisfaction of the expense of the sale and deduction of all amounts then owed to the seller. If there are no other bidders at the sale, the seller may bid on the property, and the seller will acquire all rights, both legal and equitable, that any other purchaser could acquire through a sale and purchase.

(d) If any of the buyer's property having an appraised value of \$10,000 or less, as determined by the seller, is not removed within the time allowed, title to that property automatically vests in the seller.

(e) Special provisions, if any, applicable to improvements and occupancy under this contract are listed in paragraph 4(k) of this contract.

9. Inspection.

(a) The seller must be accorded access, at all times, to the sale area and to the books and records of the buyer, the buyer's contractors, and any sub-contractors relating to operations under this contract for purposes of inspection to assure the faithful performance of the provisions of this contract and other lawful requirements.

(b) At all times when construction or operations are in progress, the buyer shall have a representative readily available to the area of operations who is authorized to receive, on behalf of the buyer, any notices and instructions given by the seller in regard to performance under this contract, and to take appropriate action as is required by this contract.

10. Termination and Suspension.

(a) The seller may terminate the buyer's rights under this contract if the buyer breaches the contract and fails to correct this breach within 30 days after written notice of the breach and an opportunity to be heard.

(b) If the buyer fails to comply with any of the provisions of this contract, the seller may shut down the buyer's operations upon issuance of written notice, until corrective action, as specified by the seller in its notice, is taken. If this corrective action is not taken within 30 days after written notice is served upon the buyer, the seller may terminate the contract under paragraph 10(a) of this contract. The buyer's failure to take immediate corrective action when ordered to remedy dangerous conditions or unwarranted damage to natural resources may be corrected by the seller to prevent danger or additional damage. Any cost incurred by the seller as a result of this corrective action, or by the buyer's failure to take corrective action, must be paid by the buyer.

(c) This contract may also be terminated by mutual agreement of both parties on terms agreed to in writing by both parties.

11. Reservations. The seller reserves the right to permit other compatible uses, including the sale of materials, on the land in the sale area if the seller determines that those uses will not unduly impair the buyer's operations under this contract. Under AS 38.05.125 the seller further expressly reserves to itself, and its successors, forever,

(a) all oil, gas, coal, ores, minerals, fissionable materials, geothermal resources, and fossils of every kind, that may be in or upon the land described above, or any part of it; and

(b) the right to explore the land for oil, gas, coal, ores, minerals, fissionable materials, geothermal resources, and fossils; and

(c) the right to enter by itself or its agents, attorneys, and servants on the land, or any part of it, at any time for the purpose of opening, developing, drilling, and working mines or wells on this or other land and taking out and removing from it all oil, gas, coal, ores, minerals, fissionable materials, geothermal resources, and fossils; and

(d) the right by itself or its agents, attorneys, and servants at any time (1) to construct, maintain, and use all buildings, machinery, roads, pipelines, powerlines, and railroads; (2) to sink shafts, drill wells, and remove soil; and (3) to occupy as much of the land as may be necessary or convenient for these purposes; and

(e) generally all rights to and control of the land, that are reasonably necessary or convenient to make beneficial and efficient the complete enjoyment of the property and rights that are expressly reserved.

12. Inclusion of Applicable Laws and Regulations. The buyer shall comply with all laws and regulations applicable to operations under this contract, including the provisions of AS 27.19 and 11 AAC 97 regarding mining reclamation, the provisions of AS 41.15 for wildfire prevention and control, the provisions of AS 38.05.550-.565, material sale regulations 11 AAC 71, state fish and game regulations pertaining to the protection of wildlife and wildlife habitat, and state regulations pertaining to safety, sanitation, and the use of explosives. These laws and regulations are, by this reference, made a part of this contract, and a violation of them is cause for termination or suspension of this contract in addition to any penalties prescribed by law. These laws and regulations control if the terms of this contract are in conflict with them in any regard.

13. Assignment. This contract may not be assigned by the buyer without the seller's prior written consent to the assignment.

14. Permits. Any permits necessary for operations under this contract must be obtained by the buyer before commencing those operations.

15. Passage of Title. All right, title and interest in or to any material included in the contract shall remain in the State until it has been paid for; provided, however, that the right, title and interest in

or to any material that has been paid for but not removed from the sale area by the buyer within the period of the contract or any extension thereof as provided for in this contract shall vest in the seller.

16. Expiration and Extension. This contract expires on the date stated at the top of the contract unless an extension is granted by the seller in accordance with 11 AAC 71.210.

17. Warranties. This sale is made without any warranties, express or implied, as to quantity, quality, merchantability, profitability, or fitness for a particular use of the material to be extracted from the area under contract.

18. Valid Existing Rights. This contract is entered into and made subject to all valid existing rights, including easements, rights-of-way, reservations, or other interests in land, in existence on the date the contract is entered into.

19. Notices. All notices and other writings required or authorized under this contract must be made by certified mail, postage prepaid, to the parties at the following address:

**To the Seller:** State of Alaska  
Department of Natural Resources  
Division of Mining, Land and Water  
550 West 7<sup>th</sup> Avenue, Suite 900C  
Anchorage, AK 99501-3577

**To the Buyer:** State of Alaska  
Department of Transportation and Public Facilities  
2301 Peger Road  
Fairbanks, AK 99709

20. Integration and Modification. This contract, including all laws and documents that by reference are incorporated in it or made a part of it, contains the entire agreement between the parties.

This contract may not be modified or amended except by a document signed by both parties to this contract. Any amendment or modification that is not in writing, signed by both parties, and notarized is of no legal effect.

21. Severability of Clauses of Sale Contract. If any provision of this contract is adjudged to be invalid, that judgment does not affect the validity of any other provision of this contract, nor does it constitute any cause of action in favor of either party as against the other.

22. Construction. Words in the singular number include the plural, and words in the plural number include the singular.

23. Headings. The headings of the numbered paragraphs in this contract shall not be considered in construing any provision of this contract.

24. "Extracted," "Extraction". In this contract, use of the terms "extracted" and "extraction" encompasses the severance or removal, as well as extraction, by the buyer of any materials covered by this contract.

25. Waiver. No agent, representative or employee of the seller has authority to waive any provision of this contract unless expressly authorized to do so in writing by the director of the Division of Mining, Land and Water.

*Signature page follows:*



BY SIGNING THIS CONTRACT, the State of Alaska, as seller, and the buyer agree to be bound by its provisions as set out above.

**BUYER:**

State of Alaska  
Department of Transportation and  
Public Facilities  
2301 Peger Road  
Fairbanks, AK 99709

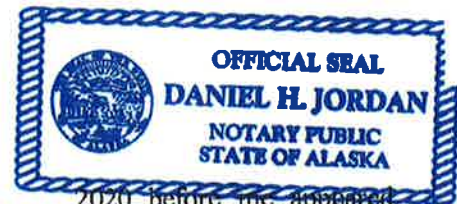
Date: 10/22/2020

**SELLER:**

State of Alaska  
Department of Natural Resources  
Southcentral Regional Land Office  
550 W 7<sup>th</sup> Ave, Suite 900C  
Anchorage, AK 99501

Date: 11/10/2020

STATE OF ALASKA           )  
  ) ss.  
\_\_\_\_\_  
Judicial District)

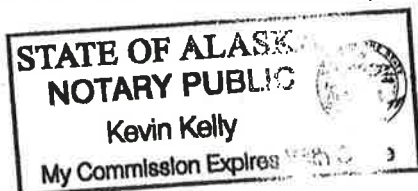


THIS IS TO CERTIFY that on October 22, 2020 before me appeared Barry Hooper, known by me to be the person named in and who executed this Material Sale Contract and acknowledged voluntarily signing it as buyer.

Daniel H. Jordan  
Notary Public in and for the State of Alaska  
My commission expires: with office

STATE OF ALASKA           )  
  ) ss.  
3rd Judicial District)

THIS IS TO CERTIFY that on 11/10/20, 2020 before me appeared Samantha Carroll known by me to be the representative of the Division of Mining, Land and Water, Department of Natural Resources, who executed this Material Sale Contract on behalf of the State of Alaska, and who is fully authorized by the State to do so.



[Signature]  
Notary Public in and for the State of Alaska  
My commission expires: w/office

STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF MINING, LAND AND WATER

☐ Northern Region  
3700 Airport Way  
Fairbanks, AK 99709  
(907) 451-2740

☒ Southcentral Region  
550 W 7<sup>th</sup> Ave., Suite 900C  
Anchorage, AK 99501-3577  
(907) 269-8552

☐ Southeast Region  
400 Willoughby, #400  
Juneau, AK 99801  
(907) 465-3400

MATERIAL SITE RECLAMATION PLAN OR  
LETTER OF INTENT/ANNUAL RECLAMATION STATEMENT  
AS 27.19.030 – 27.19.050

Non-refundable filing fee for reclamation plan: \$100

In accordance with Alaska Statute 27.10, reclamation is required of all mining operations, including sand and gravel extraction. Completion of this form will meet the law's requirements for a reclamation plan (see below for filing requirements; due date: at least 45 days before mining is proposed to begin; requires approval by the Division of Mining, Land and Water). Completion of this form will also serve as a letter of intent for operations exempt from the plan requirement (due date: before mining begins.) No approval is required for a letter of intent, but a miner who files a letter of intent must, before December 31, file an annual reclamation statement (Statement 8 of this form).

Check applicable box:

☒ A. RECLAMATION PLAN (REQUIRED if the operation will disturb five or more acres this year, OR 50,000 cubic yards, OR if the operation has a cumulative disturbed area of five or more acres)

☐ B. RECLAMATION PLAN – VOLUNTARY (for an operation below limits shown in Box A but wanting to qualify for the statewide bonding pool)

☐ C. LETTER OF INTENT (less than five acres to be disturbed AND less than 50,000 cubic yards AND less than five acres unreclaimed area)

NOTE: A miner who files a letter of intent is also required to file an annual reclamation statement at the end of the year.

THIS RECLAMATION PLAN/LETTER OF INTENT IS FOR CALENDAR YEAR(S) 2014-2024.  
(IF YOU CHECKED EITHER BOX A OR B ABOVE AND PROPOSE A MULT-YEAR PLAN, STATE ALL YEARS COVERED.)

MINER INFORMATION (IF THERE IS MORE THAN ONE MINER, ATTACH A LIST OF THE NAMES, ADDRESSES, AND TELEPHONE NUMBERS OF ALL OTHER OWNERS, OPERATORS, OR LEASEHOLDERS OF THE MINING OPERATION)

NAME OF MINER WHO WILL SERVE AS AGENT FOR NOTICE PURPOSES: Department of Transportation and Public Facilities.

ADDRESS (NOTIFY THE DEPARTMENT OF ANY LATER CHANGE OF ADDRESS): 2301 Peger Road

CITY: Fairbanks STATE: AK ZIP CODE: 99709 TELEPHONE: 451-5425

NAME OF LANDOWNER (IF OTHER THAN MINER) OR PUBLIC LAND MANAGEMENT AGENCY: State of Alaska

FEDERAL OR STATE CASEFILE NUMBER (IF ANY) ASSIGNED TO THE SITE: AA-43782

**2. LEGAL DESCRIPTION OF PROPOSED MINING SITE**LEGAL SUBDIVISION/SECTION/QUARTER-SECTION: See Page 1 TOWNSHIP: \_\_\_\_\_ RANGE: \_\_\_\_\_ MERIDIAN: \_\_\_\_\_**3. DESCRIPTION OF THE MINING OPERATION (IF YOU CHECKED BOX A OR B ON P.1 OF THIS FORM AND ARE PROPOSING A MULTI-YEAR RECLAMATION PLAN, ATTACH SEPARATE SHEETS AS NEEDED SHOWING ACREAGE TO BE MINED, VOLUME TO BE MINED, AND EXISTING ACREAGE OF MINED AREA FOR EACH YEAR COVERED BY THE PLAN)**

- a. < 5 acres Total acreage to be mined or disturbed during the year.
- b. See Page 2 cu. yds. Estimated total volume to be mined or disturbed, including overburden.
- c. See Page 2 Type of material (sand, gravel, peat, etc.).
- d. 0 Existing acreage of mined area (disturbed area that has not yet been reclaimed, but counting only acreage disturbed after October 15, 1991)

**4. DESCRIPTION OF THE RECLAMATION OPERATION**

- a. The total acreage that will be reclaimed during the year (or each year, if for a multi-year reclamation plan) is: See DOT&PF Mining and Reclamation Guidelines, attached. In addition, DOT&PF contractors will be required to provide DNR their project specific M&R Plan.
- b. Provide a list of equipment (type and quantity) to be used during the reclamation operation.
- c. A time schedule of reclamation measures shall be included as part of the plan.

The following measures must be considered in preparing and implementing the reclamation plan. Please mark those measures appropriate to your reclamation activity:

- ☒ Topsoil that is not promptly redistributed to an area being reclaimed will be separated and stockpiled for future use. This material will be protected from erosion and contamination by acidic or toxic materials and preserved in a condition suitable for later use.
- ☒ The area will be backfilled, graded, and recontoured using strippings, overburden, and topsoil to a condition that allows for the reestablishment of renewable resources on the site within a reasonable period of time. It will be stabilized to a condition that will allow sufficient moisture to be retained for natural revegetation.
- ☒ Stockpiled topsoil will be spread over the reclaimed area to promote natural plant growth that can reasonably be expected to revegetate the area within five years.
- ☐ Stream channel diversions will be relocated to a stable location in the flood plain.
- ☒ Exploration trenches or pits will be backfilled. Brush piles, vegetation, topsoil, and other organics will be spread on the backfilled surface to inhibit erosion and promote natural revegetation.
- ☐ All buildings and structures constructed, used, or improved on land owned by the State of Alaska will be removed, dismantled, or otherwise disposed of at the completion of the mining operation.
- ☒ Any roads, airstrips, or other facilities constructed to provide access to the mining operation shall be reclaimed (unless otherwise authorized) and included in the reclamation plan.
- ☐ Peat and topsoil mine operations shall ensure a minimum of two inches of suitable growing medium is left or replaced on the site upon completion of the reclamation activity.

**7. RECLAMATION BONDING (REQUIRED ONLY IF YOU CHECKED BOX A OR B ON THE FIRST PAGE OF THIS FORM)**

The total acreage of my mining operation that is subject to the bonding requirement for the current year is \_\_\_\_\_ acres (add acreages stated in section 3(a) and 3(d) of this form).

The per-acre bond amount is \$750/acre or a total bond amount of \$ \_\_\_\_\_.

Please check the appropriate bonding method that you will apply toward this reclamation plan:

- ☐ Participation in the statewide bonding pool.
- ☐ Posting a corporate surety bond.
- ☐ Posting a personal bond accompanied by a letter of credit, certificate of deposit, or a deposit of cash or gold.
- ☐ Posting a bond or financial guarantee with another government agency that has jurisdiction over the mining operation, as allowed by a cooperative management agreement between that agency and the Division of Mining, Land and Water.
- ☐ Posting a general performance bond with a state agency that meets the requirements of 11 AAC 97.400(4).

The above reclamation plan/letter of intent and all attachments are correct and complete to the best of my knowledge.

Signature of Miner  Date 10/14/13

AS 27.19.030 and AS 27.19.050 require a miner either to file a reclamation plan for approval or to file a letter of intent followed by an annual reclamation statement. This information is made a part of the state public land records and becomes public information under AS 40.25.110 and 40.25.120 (unless the information qualifies for confidentiality under AS 38.05.035(a)(9) and confidentiality is requested). Public information is open to inspection by you or any member of the public. A person who is the subject of the information may challenge its accuracy or completeness under AS 44.999.310, by giving a written description of the challenged information, the changes needed to correct it, and a name and address where the person can be reached. False statements made in an application for a benefit are punishable under AS 11.56.210.

- ☐ If extraction occurs within a flood plain, the reclamation activity shall reestablish a stable bed and bank profile such that river currents will not be altered and erosion and deposition patterns will not change.

NOTE: If you propose to use reclamation measures other than those shown above, or if the private landowner or public land manager of the site requires you to use stricter reclamation measures than those shown above, attach a list of those measures to this plan.

5. ALTERNATE POST-MINING LAND USE

- ☐ The mining site is public land. The land management agency's land use plan (if any) for post-mining land use is: \_\_\_\_.
- ☒ The mining site is public land. As allowed by AS 27.19.030(b), I propose to reclaim it to the following post-mining land use: Multiple use.
- ☐ The mining site is private property. The private landowner plans to use it for the following post-mining land use: \_\_\_\_.

6. ATTACHMENTS

- ☐ If the mining operation has additional owners, operators, or leaseholders not shown on p. 1 of this form, attach a list of their names, addresses, and telephone numbers.
- ☒ Attach a USGS map at a scale no smaller than 1:63,360 (inch to the mile) showing the general vicinity of the mining operation and the specific property to be mined. Option: if you checked Box C on the first page of this form and the mining site is adjacent to an airport or public highway, state the name of the airport or the name and milepost of the public highway.
- ☐ Attach a diagram of the mined area (this term includes the extraction site, stockpile sites, overburden disposal sites, stream diversions, settling ponds, etc.) and the mining operation as a whole (this term includes the roads you plan to build, your power lines, support facilities, etc.). Show and state the number of acres to be mined during the year. (If you checked Box A or B on the first page of this form and your plan covers more than one year, show each year's work.) Show the location corners or property boundaries of the site in relation to the reclamation work and any other areas affected by the operation.
- ☐ Attach a list of the equipment (type and quantity) to be used during the reclamation activity.
- ☐ A time schedule of events must be attached that includes dates and activities related to this reclamation plan.
- ☐ If the site is private land not owned by the miner, attach a signed, notarized statement from the landowner indicating the landowner's consent to the operation. The landowner may also use the consent statement to notify the department that the landowner plans a post-mining land use incompatible with natural revegetation and therefore believes that reclamation to the standard of AS 27.19.020 is not feasible.
- ☐ For those miners that are required to file an annual reclamation statement, attach photographs and/or videotapes dated and described as to location of the reclamation activity that was completed.
- ☐ If you propose to use reclamation measures other than those listed on this form, or if the private landowner or public land manager of the site requires you to use stricter reclamation measures, attach a list of those measure.

**State of Alaska  
Department of Transportation & Public Facilities  
Mining and Reclamation Guidelines**

**Material Site 52-2-086-2  
Denali Highway Mile 109**

These guidelines are subject to Alaska Department of Natural Resources (DNR) Material Sale Contract ADL \_\_\_\_\_ and stipulations contained therein. For each new use or project, the user or contractor shall submit a Project Mining and Reclamation Plan to DNR for approval, subject to DOT&PF review, prior to any mining activities.

**Legal Description**

T18S, R3W, FM, Section 31: that portion of the W½ SE¼ and NE¼ SW¼ lying north of the Denali Highway.

The material site contains approximately 32 acres.

**General Information**

This site lies north of the Denali Highway near Mile 109. This site was entirely on federal land when it was first developed during construction of the Denali Highway. DOT&PF Maintenance & Operations (M&O) has used the site sporadically. The southern half of the site has been conveyed to the State.

DOT&PF conducted limited site exploration in 1990 and 1998. The target material consists of low ridges of alluvial sand and gravel with silt, cobbles and boulders. Low-lying areas between ridges are generally swampy, underlain by frozen, silty glacial till. Additional site information is available at the DOT&PF Materials office, 2301 Peger Road, Fairbanks, Alaska 99709. The site is screened from the highway by vegetation.

**Development Plan**

The federal (northern) portion of the site shall be reclaimed by M&O. Continue mining within the developed pit area. The pit floor shall be level with surrounding terrain, i.e. stay above the water table, no ponding. Once this gravel ridge is depleted, reclaim before mining a new gravel ridge. In general, target "cells" will coincide with the gravel ridges as they lie, on site.

1. The contractor or user shall locate the material site boundaries to verify work areas are within the site, in particular, the new northern boundary.
2. Maintain undisturbed buffers and mark buffer lines in work areas. Maintain a 100-ft-wide buffer along Denali Highway R/W and a 50-ft buffer around the remaining perimeter, as shown on site map. Maintain a 50-ft buffer on both sides of the creek.

8. ANNUAL RECLAMATION STATEMENT – REQUIRED IF YOU FILED A LETTER OF INTENT (CHECKED BOX C ON THE FIRST PAGE) FOR THIS OPERATION. DUE DATE: DECEMBER 31, \_\_\_\_\_. YOU MUST FILE EVEN IF THE MINING DESCRIBE IN YOUR LETTER OF INTENT DID NOT TAKE PLACE.

This \_\_\_\_\_ (year) annual reclamation statement is for:

- a. \_\_\_\_\_ acres Total acreage mined.
- b. \_\_\_\_\_ cu. yds. Total volume mined or disturbed, including overburden.
- c. \_\_\_\_\_ acres Total acreage reclaimed.
- d. \_\_\_\_\_ acres Cumulative total of unreclaimed acreage.
- e. Reclamation measures that were used (check appropriate measures from Section 4, DESCRIPTION OF THE RECLAMATION OPERATION, and attach list of additional or stricter measures if applicable.)

The above annual reclamation statement and all attachments are correct and complete to the best of my knowledge.

\_\_\_\_\_  
Signature of Miner

\_\_\_\_\_  
Date

AS 27.19.030 and AS 27.19.050 require a miner either to file a reclamation plan for approval or to file a letter of intent followed by an annual reclamation statement. This information is made a part of the state public land records and becomes public information under AS 40.25.110 and 40.25.120 (unless the information qualifies for confidentiality under AS 38.05.035(a)(9) and confidentiality is requested). Public information is open to inspection by you or any member of the public. A person who is the subject of the information may challenge its accuracy or completeness under AS 44.999.310, by giving a written description of the challenged information, the changes needed to correct it, and a name and address where the person can be reached. False statements made in an application for a benefit are punishable under AS 11.56.210.

3. Work pad, material stockpile locations, processing facilities.
4. Scale of drawing, north arrow, and specific dimensions as appropriate

#### **Narrative**

The narrative shall include:

1. Methods of operation, blasting plan detailing explosive and detonation types, onsite storage and duration
2. Length and times of operation (day, month, year, and working hours)
3. Air and water pollution control measures
4. Reclamation measures

#### **Supplements and amendments**

Supplements and amendments to an approved mining and reclamation plan may be initiated by the contractor, user or the DOT&PF Project Engineer, when conditions warrant such action. Supplements and amendments must be mutually agreed upon and proper approval obtained prior to commencement of work of a changed nature.

1. Minor changes are those that affect details of the operation, but remain in compliance with the development guidelines. These changes may be authorized by the DOT&PF Project Engineer.
2. Major changes are those which cause the final outcome of the site to be significantly different from the approved mining and reclamation plan or are not in compliance with the development guidelines. These require approval by DNR, subject to review by the DOT&PF Project Engineer.



3. Stockpile surface vegetation and organic soils separately, if possible, from overburden and place for future reclamation or use directly for reclamation of mined-out areas.
4. Do not place organics or overburden piles in future mining area or where they would have to be moved again.
5. Do not excavate below surrounding terrain or within 2 feet of groundwater table.
6. Grade pit floor to a gently-sloping shape to match surrounding terrain. Do not allow drainage to escape the site.
7. Maintain work areas in a clean, neat condition. After each use, remove all equipment and man-made debris from the site. Remove all blasting and explosive-related materials from the site.
8. All mining and stockpiling activities shall be in accordance with applicable Construction General Permits and Storm Water Pollution Prevention Plans.

#### **Reclamation Objectives and Guidelines**

The reclamation plan has several objectives:

1. To not preclude or hinder future development of un-mined areas.
2. To blend with surrounding topography.
3. To prevent erosion and sediment transport to surrounding, undisturbed areas.
4. To allow reestablishment of native vegetation and wildlife habitat.
5. To leave the site in a safe condition that does not endanger people or wildlife.

Reclamation activities will include:

1. Grading final slopes to 3H: 1V, including adjacent to buffers or where future development is not anticipated.
2. Grade pit floor smooth and gently sloping into the pit. Do not allow drainage to exit the pit.
3. Spread available overburden and then organic material on reclaimed slopes. Allow to revegetate naturally; do not reseed.

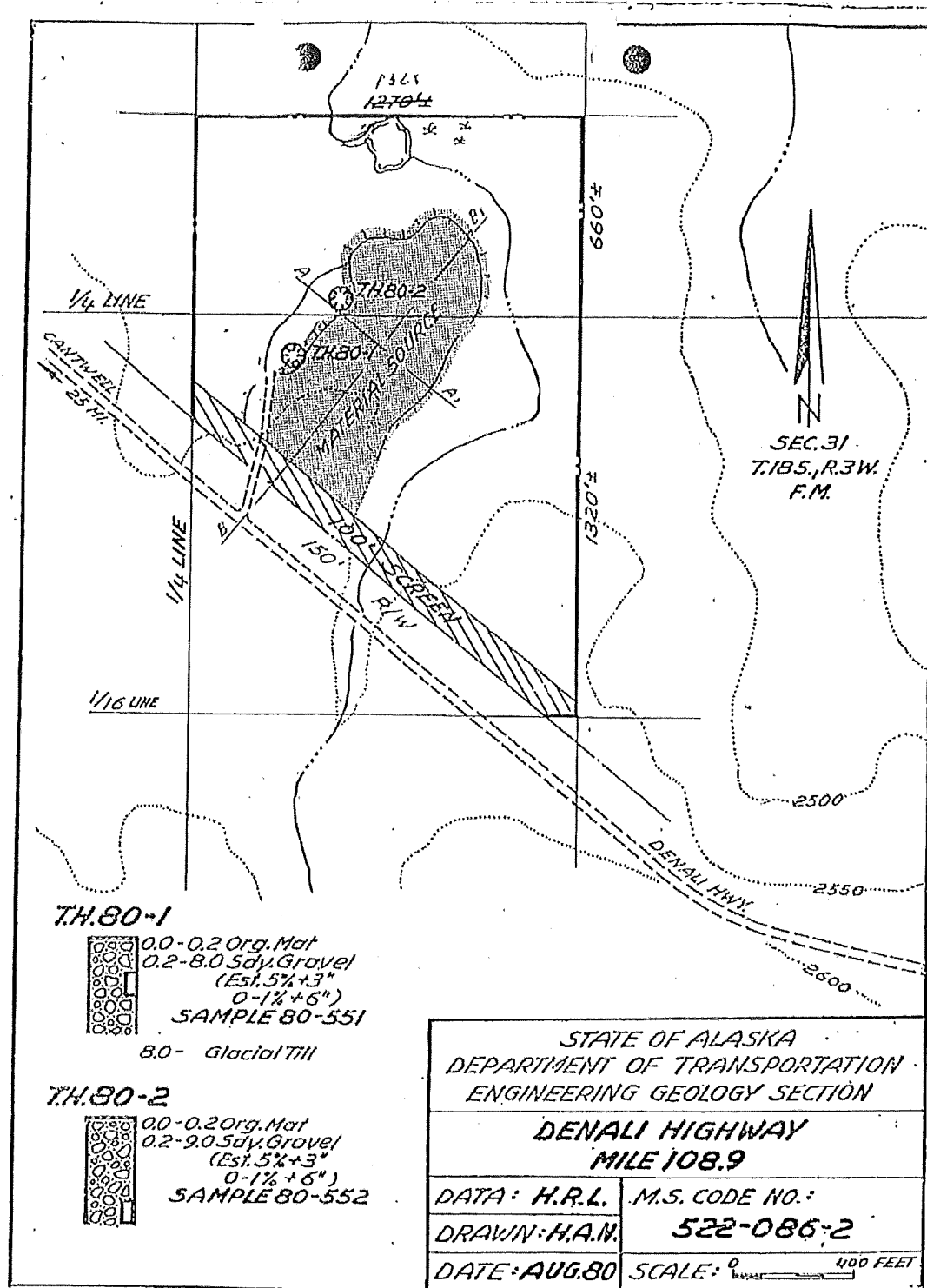
#### **Project Mining and Reclamation Plan**

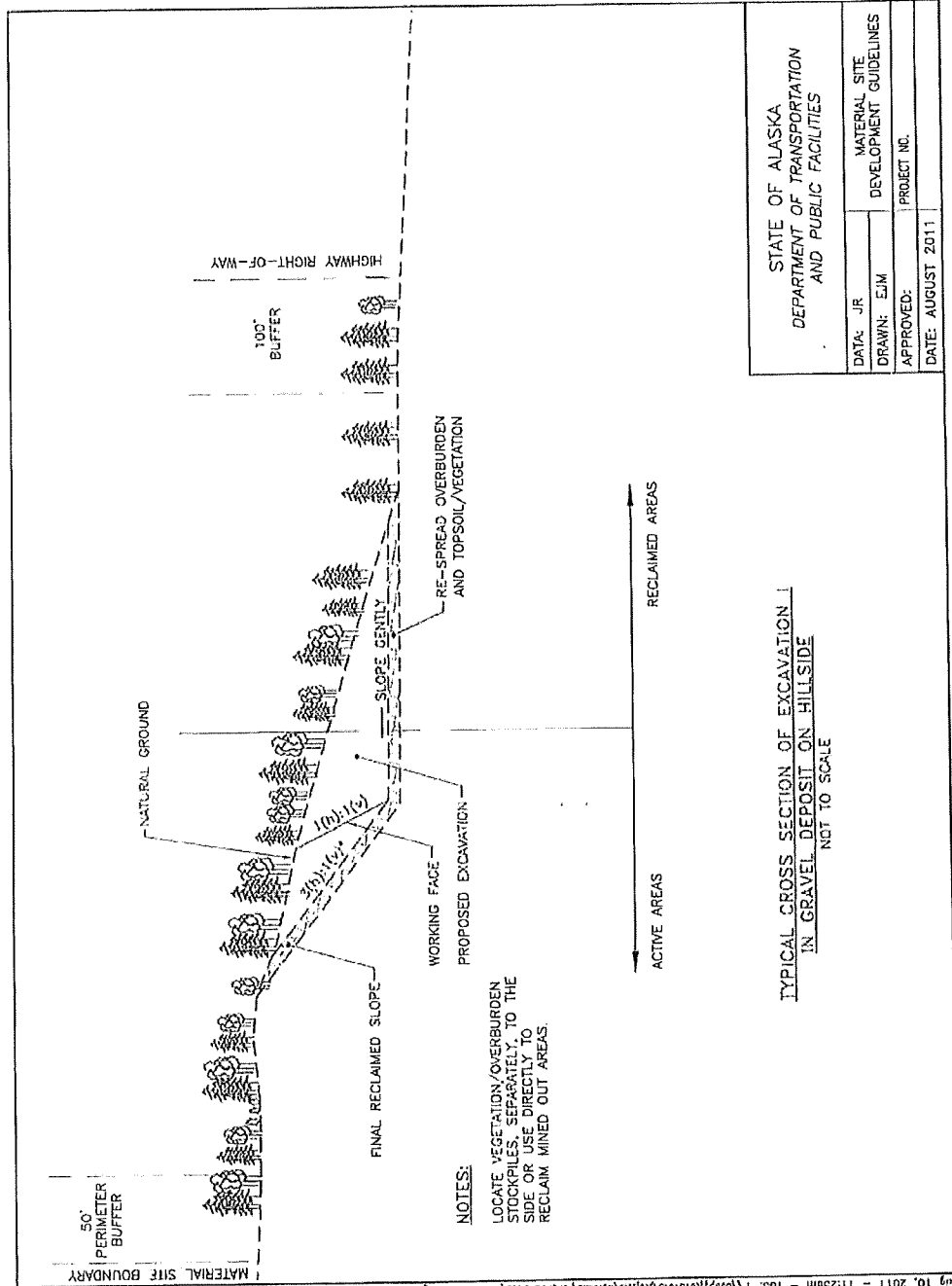
Prior to use of the site for any project, the contractor or user shall submit a Project Mining and Reclamation Plan, in accordance with A.S. 27.19 and 11 AAC 97 to DNR for approval by DNR, subject to DOT&PF review. The Plan describes the proposed plan of operation and shall be in compliance with guidelines listed here. Upon approval, the Plan will be followed by the contractor or user and if applicable, the DOT&PF Project Engineer. The plan should include the following:

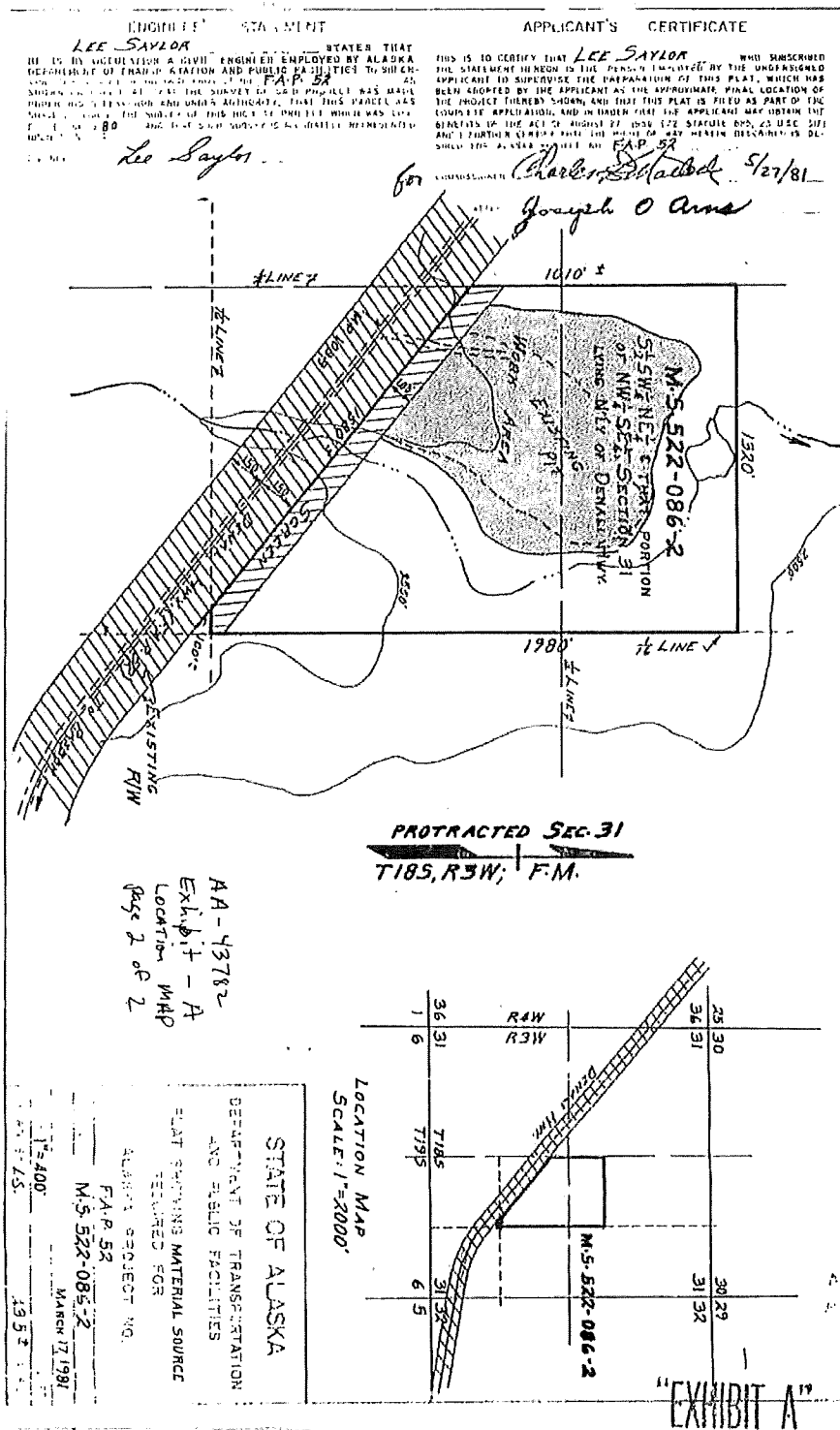
#### **Sketch Map**

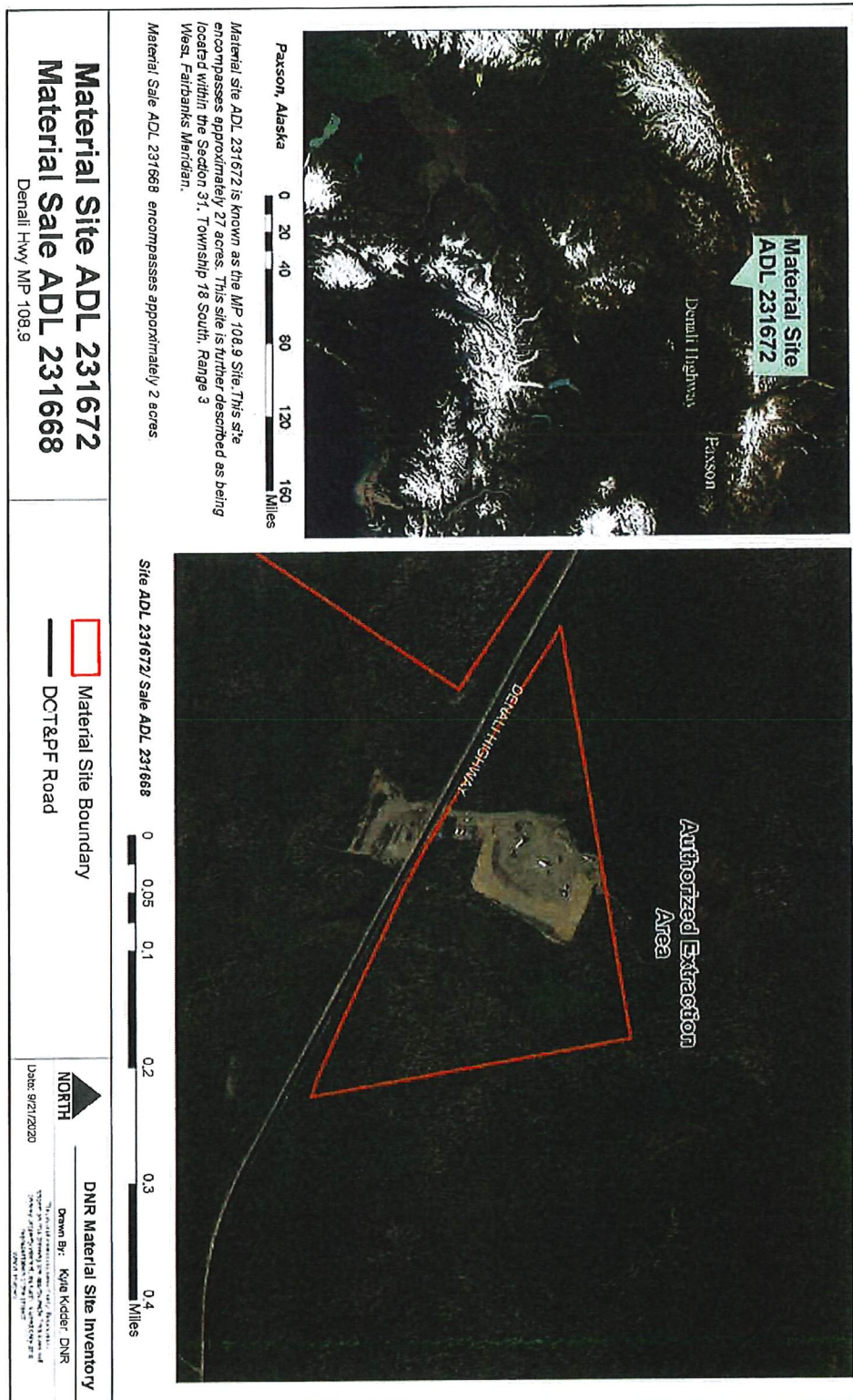
The sketch map shall include:

1. Site boundaries and proposed working limits, to be marked on the ground
2. Organic debris and overburden stockpile areas









## **STATEWIDE MATERIAL SITE INVENTORY**

### **MATERIAL SITE** **INSPECTION REPORT**

**Federal Project No. STP-000S(823)**  
**AKSAS Project No. 76149**

**DENALI HIGHWAY**

**MS 52-2-040-2**  
**Drashner Pit**

June 23, 2013

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COVER SHEET.....	1
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INSPECTION FORM.....	4 thru 10

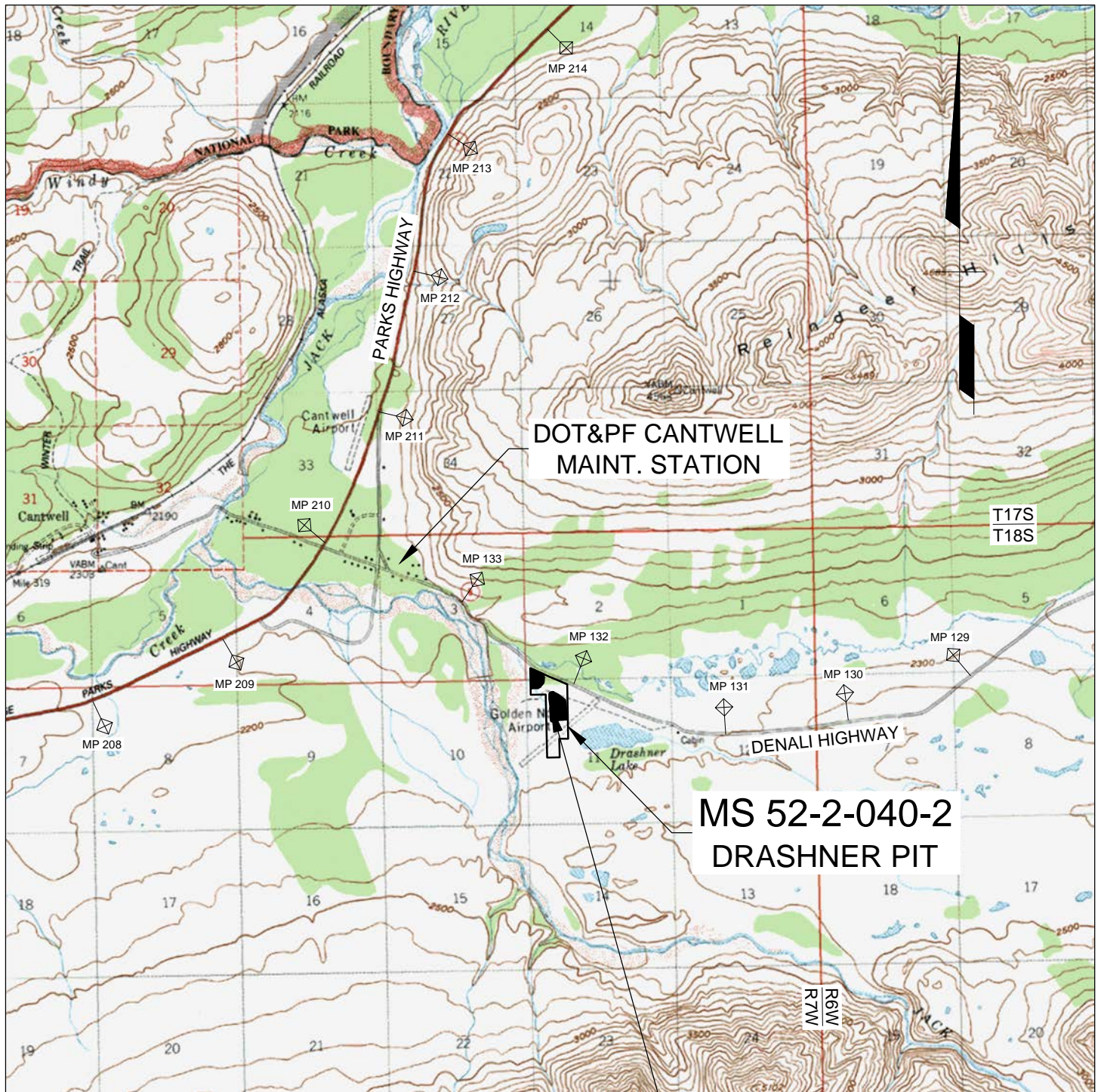
### **CATEGORY:**

#### **ACTIVE – OPEN**

According to information found in the DOT&PF EDMS system in January 2009 as well as the BLM case file abstract and DOT&PF right-of-way maps, this site lies on lands owned by Ahtna Incorporated. An indefinite right-of-way grant (F-26125) was awarded to the State of Alaska by BLM in 1961. Lands underlying that part of the site in Sections 2 and 11 were conveyed by BLM to Ahtna, Inc in 1981 (IC 443) under separate letters. The land transfer was subject to the material site right-of-way (F-26125). BLM waived administration to Ahtna, Inc., for Section 2 in 1987 and Section 11 in 1984. The site is crossed by the Golden North Airport which apparently has no right-of-way or other land status, although it appears to have been there for a long time. It is a 2,095x40-foot private airport reportedly owned by Dale North. Its FAA identifier is 15AK. It was reportedly activated in 1971. The ability to mine gravel in the area adjacent to the runway is unknown. The southeast corner was removed from the site in 2006 (IC 1962 / 1963). The site appears to contain significant quantities of sand and gravel and should be retained by DOT&PF for future use.



## LOCATION MAP



U.S.G.S. QUADRANGLE: HEALY (B-4) &amp; (B-5)

GPS COORDINATES FROM GOOGLE EARTH

UTM (WGS84-METERS)  
 ZONE 6: N7,028,969 E407,343  
 AK STATE PLANE (NAD83-US SURVEY FT)  
 ZONE 4: N3,428,254 E1,828,545

**ACTIVE - OPEN**

GRAPHIC SCALE IN MILES

BASE MAP CREATED WITH TERRAIN NAVIGATOR PRO

Prepared By:  
 R&M CONSULTANTS, INC.

SCALE AS SHOWN	DESIGNED P.K.H. CHECKED C.H.R.	DRAWN P.K.H. DATE SEPT 2012	PAGE 2
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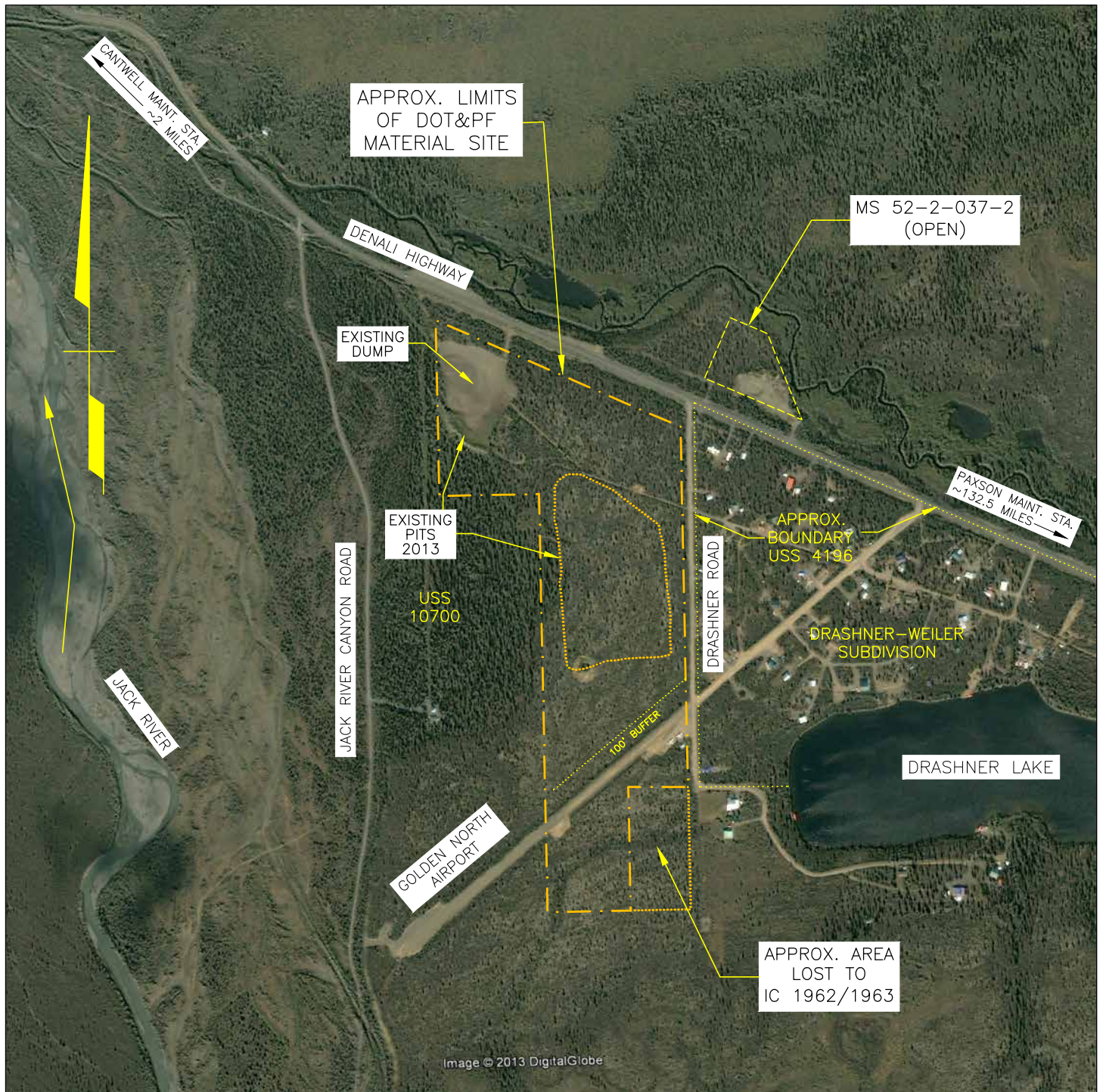
STATE OF ALASKA  
 DEPARTMENT OF TRANSPORTATION  
 AND PUBLIC FACILITIES

STATEWIDE MATERIAL SITE  
 INVENTORY

MS 52-2-040-2



## SITE MAP



BASE MAP IS JULY 11, 2004 DIGITALGLOBE SATELLITE IMAGERY. THIS IS A PLANNING DOCUMENT ONLY. THE MATERIAL SITE BOUNDARIES SHOWN ON THIS DRAWING ARE APPROXIMATE. OWNERSHIP OF THE LANDS ADJACENT TO THIS SITE ARE UNKNOWN. THE ACCESS ROW SHOULD BE VERIFIED.

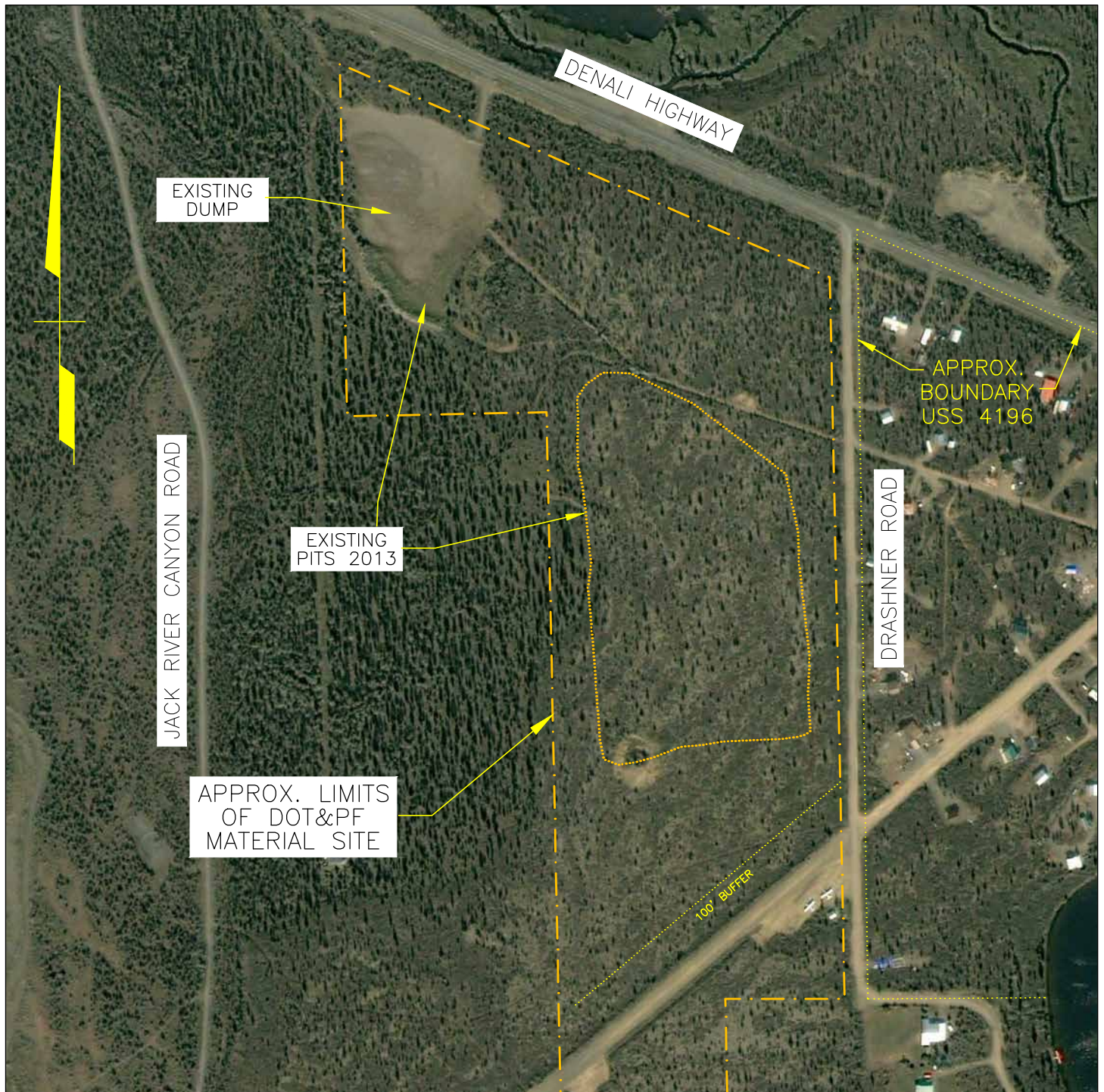
# ACTIVE - OPEN



STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES			
STATEWIDE MATERIAL SITE INVENTORY			
MS 52-2-040-2			
SCALE AS SHOWN	DESIGNED P.K.H. CHECKED C.H.R.	DRAWN P.K.H. DATE JUNE 2013	PAGE 3A



## SITE MAP



BASE MAP IS JULY 11, 2004 DIGITALGLOBE SATELLITE IMAGERY.  
THIS IS A PLANNING DOCUMENT ONLY. THE MATERIAL SITE BOUNDARIES SHOWN ON THIS  
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# ACTIVE - OPEN



STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES			
STATEWIDE MATERIAL SITE INVENTORY			
MS 52-2-040-2			
SCALE AS SHOWN	DESIGNED P.K.H. CHECKED C.H.R.	DRAWN P.K.H. DATE JUNE 2013	PAGE 3B

# STATEWIDE MATERIAL SITE INVENTORY MATERIAL SITE INSPECTION FORM

**THIS REPORT IS BASED ON A REVIEW OF EXISTING DATA AND BRIEF FIELD INSPECTIONS. THUS THE DATA CONTAINED HEREIN SHOULD BE CONSIDERED PRELIMINARY AND USED FOR PLANNING PURPOSES ONLY. USERS OF THIS DATA SHOULD VERIFY THE INFORMATION PRIOR TO USING IT FOR DESIGN OR CONSTRUCTION PURPOSES.**

**IF OTHER IS SELECTED FOR A SECTION, EXPLAIN IT IN SECTION 44. NOTES.  
IF AN ANSWER IS UNKNOWN SELECT "UNKNOWN" OR LEAVE BLANK**

1. **MS\_ID** 52-2-040-2  
Enter the full material site number e.g.. 31-3-045-2
2. **DATE\_INSPECT** 8/16/2013  
Date of field inspection
3. **FLD\_INSPEC\_ORG** ABE SCHMIDT / R&M CONSULTANTS  
Name of inspector / Organization or Company

4. **REGION** NORTHERN
5. **LOCATION** DENALI HIGHWAY  
Name of Highway Enter Name of Facility or Secondary Route Name (i.e. Kotzebue Airport, Nash Road, etc.)
6. **MILEPOST** 132  
List the closest main highway milepost
7. **NAME** Drashner Pit  
Enter commonly used name (s), e.g. Hess pit, Gobblers Knob, Midway. List all that apply separated by commas.
8. **MAINT\_DIST/STAT** District DENALI Station CANTWELL  
Highway Maintenance District and Station, for locations not on highways select other.
9. **QUAD** HEALY B-4  
U.S.G.S. Quad. Map
10. **TOWNSHIP/RANGE** T#S R#E T18S R7W &                      Meridian FM  
Section 2 & 11
11. **COOR\_UTM** ZONE 6  
NORTHING 7,028,969  
EASTING 407,343  
UTM WGS84 - Meters
12. **COOR\_STATE\_PLANE** ZONE 4  
NORTHING 3,428,254  
EASTING 1,828,545  
Alaska State Plane NAD83 - Survey Feet
13. **BOROUGH/CITY** DENALI **TAX ID NO.** NA
14. **DNR\_LAND\_USE\_PLAN** YUKON - TANANA AREA PLAN

15. **CATEGORY** (To be filled in the office)
- 15a. **CLASSIFICATION** ACTIVE
- 15b. **STATUS** OPEN

## STATEWIDE MATERIAL SITE INVENTORY MATERIAL SITE INSPECTION FORM

### 16. **POTENTIAL\_STATUS** SIGNIFICANT

Estimated quantity of material in the site at the time of inspection.

NONE	There appeared to be no useable material in the site.
LIMITED	There appeared to be less than 25,000 c.y. available within the developed site.
SIGNIFICANT	There appeared to be greater than 25,000 c.y. available within the developed site.
EXPANDABLE	There was limited material within the developed site, but there appeared to be significant material outside existing site limits.
UNDEVELOPED	The pit has not been mined/explored (used only for proposed sites).
CLOSED	There may be useable material left in the pit but it is not available.
UNKNOWN	
OTHER	The site does not fit any of the categories above. Explain in Section 44, Notes.

### 17. **PRESENT\_USERS**

17a. **PRESENT\_USER\_1** DOT&PF MAINTENANCE

17b. **PRESENT\_USER\_2** DOT&PF CONSTRUCTION

17c. **PRESENT\_USER\_3** OTHER USER

18. **PERMITTED\_ACREAGE** 56.8

Area within site permit or R.O.W. boundaries, from permit application or property plat.

19. **DEVELOPED\_ACREAGE** 18.2

Area within an existing pit, excluding spoil berms lying outside the pit, access roads etc. Explain below.

Includes existing pit and an area used as a dump in the past. Developed acreage does not include private airstrip that crosses through site.

20. **ACREAGE\_COMP\_METHOD** FROM MAP/PHOTO

Method used to determine developed acreage.

21. **EST\_QUAN\_AVAIL** 460,000 ROUGH ESTIMATE

Estimated quantity available (b.c.y.), may be based on acreage computed above plus expansion area.

Explain computation assumptions and calculations below.

Area	Developed Area	Undeveloped Area	Dump
Acres	<u>12.4</u>	<u>26.5</u>	<u>5.8</u>
Est. Depth (ft.)	<u>5</u>	<u>15</u>	<u>0</u>
Factor (b.c.y. / acre-foot)	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Est. Quant. (c.y.)	<u>62,000</u>	<u>398,000</u>	<u>0</u>

Estimated quantity assumes that the developed pit can be worked an additional 5 ft. in depth. It also assumes that the undeveloped portion of the site has an average working depth of 16 ft., including an average overburden depth of 1 ft. Estimated quantity removes the area used as a dump from all calculations. The portion of the site to the south of the airstrip including a 100 ft. buffer to the airstrip was removed from the estimated quantity calculation.

# STATEWIDE MATERIAL SITE INVENTORY

## MATERIAL SITE INSPECTION FORM

### 22. ACCESS\_TYPE EXISTING ROAD / OPEN

NONE	No access road has been built.
EXISTING ROAD / OPEN	Drivable. May have gate.
EXISTING ROAD / REVEG	Can be reopened with little effort.
EXISTING ROAD / CLOSED W/BERMS	Can be reopened with little effort.
EXISTING ACCESS / REMOVED	Can be reopened with much effort.
SNOW ROAD	Can only be accessed during winter.
ICE ROAD	Requires crossing river or lake ice in the winter.
BARGE	Material can only be moved by barge.
OTHER	The site does not fit any of the categories above. Describe in Section 44, Notes.

### 23. ACCESS\_LENGTH 200

Approx. length from edge of pit to highway/secondary route (ft.)

### 24. VEGETATION

Spruce trees to 12 in. diameter on 5 to 30-foot centers. Majority of the site contains dwarf birch and willow brush up to 5 ft. in height.

### 25. TYPE\_1 BORROW PIT 26. TYPE\_2

Dominant type

Subordinate type

General Types of Materials Available

Enter data in Type\_2 only if two types of material site available

QUARRY	Bedrock sources requiring blasting
BORROW PIT	Soils or soft bedrock (rippable), above water table
BAILING	Requires production below the water table
RIVER BAR	Sand/gravel bars in active channels

### 27. OB\_CLASS\_1 <3 FT. 28. OB\_CLASS\_2 <3 FT.

New Site or expansion Area

Existing Pit (Spoil)

A site may have both. Data should be based on actual subsurface exploration, otherwise unknown.

Estimated average depth over the area.

NONE	3 TO 6 FT.	UNKNOWN
<3 FT.	>6 FT.	OTHER

### 29. OB\_TYPE\_1 SILT 30. OB\_TYPE\_2 SPOIL

New Site or expansion Area

Existing Pit (Spoil)

A site may have both.

SILT	PEAT	SOLID WASTE	OTHER
COLLUVIUM	SPOIL	UNKNOWN	

# STATEWIDE MATERIAL SITE INVENTORY

## MATERIAL SITE INSPECTION FORM

<b>31. MAT_TYPE_1</b> Dominant type	<b>FLUVIAL</b>	<b>32. MAT_TYPE_2</b> Subordinate type
BEDROCK WEATHER. BEDROCK FLUVIAL GLACIAL COLLUVIAL EOLIAN SILT	Bedrock sources requiring blasting Bedrock sources requiring ripping Water deposited sand and gravel, includes glaciofluvial Glacial till Talus slopes, etc. Sand Dunes, etc. Silt deposits, loess, fluvial, etc.	

<b>33. PERMAFROST_1</b> New Site or Expansion Area	<b>OTHER</b>
---	--------------

<b>34. PERMAFROST_2</b> Existing Site	<b>DETECTED IN NO TEST HOLES OR PITS</b>
--	--

<b>35. GROUNDWATER</b>	Ground water was not encountered in any past test holes.
------------------------	--

## STATEWIDE MATERIAL SITE INVENTORY

### MATERIAL SITE INSPECTION FORM

**36. LITHOLOGY\_1****FLUVIAL****37. LITHOLOGY\_2**

Dominant type

Subordinate type

IGNEOUS ROCK

Undifferentiated Igneous Rocks

GRANITIC

Granite/Monzonite/Granodiorite

DIORITE/GABBRO

Diorite/Gabbro

BASALT

Dark colored fine-grained Igneous Rocks

GREENSTONE

Altered Volcanic Rocks w/green tint

METAMORPHIC ROCK

Undifferentiated Metamorphic Rocks

SCHIST/PHYLLITE

Includes rocks ranging from slate to schist

GNEISS

Includes hard schistose rocks

MARBLE

CATACLASTIC

Incl. Valdez Formation Rocks, Kenai Penn.

MÉLANGE

Incl. McHugh Formation Rocks, Kenai Penn.

SEDIMENTARY ROCK

Undifferentiated Sedimentary Rocks

CONGLOMERATE

SANDSTONE

Includes greywacke, etc.

SHALE/MUDSTONE

LIMESTONE

FLUVIAL

River and stream deposits (floodplain), includes outwash.

ALLUVIAL

Alluvial / Debris Fan deposits

GLACIOFLUVIAL

Eskers, kames, etc.

GLACIAL

Till

COLLUVIAL

Talus, etc.

EOLIAN

Sand Dunes, etc.

SILT

Loess, fluvial silts, etc.

OTHER

Explain in Section 44.

**38. MATERIAL\_CLASSIFICATION**

ASTM Classification, generally they should range from coarse to fine.

38a. GW  
38b. GP38c. GW-GM  
38d. GP-GM38e. SP-SM  
38f. \_\_\_\_\_38g. \_\_\_\_\_  
38h. \_\_\_\_\_

## STATEWIDE MATERIAL SITE INVENTORY

### MATERIAL SITE INSPECTION FORM

**39. COBBLES\_AND\_BOULDERS**

Test Boring Callout / ASTM Classification, either a. or b. and c. not both (Can use ranges i.e. 0 to 20)

39a.	CONTAINS		
39b.	Est. % by VOL.	10 to 30	(Est. From Visual Observations)
39c.	MAX. SIZE (in.)	24	(Observed Size)

**40. AGG\_TEST\_RESULTS**

Year of test or report- Test result / Year of test or report- Test Results

40a. SG APP COARSE	1990- 2.67, 2.66, 2.68
40b. SG APP FINE	1990- 2.66, 2.66, 2.66, 2.60
40c. ABSORPTION CRSE	
40d. ABSORPTION FINE	
40e. NORDIC ABRASION	
40f. L.A. ABRASION	1988- 18, 17, 17 / 1990- 18, 19, 18, 18 19, 17, 15, 17, 18 / 1998- 20
40g. DEGRADATION (T-13)	1988- 26, 35, 20 / 1990- 11, 24, 25, 17, 15, 42, 18, 15, 21 / 1994- 15 / 1998- 20
40h. NASO4 LOSS COARSE	1990- 3, 4, 10 / 1998- 6.3
40i. NASO4 LOSS FINE	1990- 3, 4, 4 / 1998- 6.5

**41. POTENTIAL\_USABILITY****CRUSHED PRODUCTS PRODUCED**

Best known potential use of the material, based on records, exploration and laboratory data.

CONCRETE AGGREGATE PRODUCED	The site has produced concrete aggregate
PAVING AGGREGATE PRODUCED	The site has produced paving aggregate
CRUSHED PRODUCTS PRODUCED	Base, Surface Coarse, Subbase, etc. has been produced.
TYPE A AND B MATERIAL AVAILABLE	0 to 10 percent passing 200
TYPE C AVAILABLE	Compactable material
TYPE C NOT AVAILABLE	Uncompactable material (Lower Kuskokwim and Yukon River, etc.)
UNKNOWN	
OTHER	Explain in Section 44.

**42. SPECIAL\_PROBLEMS**

Special problems encountered or anticipated with use of the material, based on records, exploration and laboratory data.

ORGANIC CONTENT	The material is very difficult to compact.
HIGHLY WEATHERED GRAVEL	The gravel is highly weathered and may break down when handled.
BREAKS DOWN UNDER USE	Material breaks down on grade.
SENSITIVE TO WATER CONTENT	Material is sensitive to water content, i.e.. some glacial tills, soft bedrock.
VARIABLE MATERIAL	Deposit contains mixture of suitable and unsuitable material.
POSSIBLE CONTAMINATION	Site may be contaminated by petroleum products or hazardous materials.
CONTAINS ASBESTOS	Site contains naturally occurring asbestos.
POTENTIAL ASBESTOS	Site in area where naturally occurring asbestos is mapped.
ACID ROCK DRAINAGE	Site contains rock susceptible to producing acid rock drainage.
OTHER	Explain in Section 44, Notes.



**STATEWIDE MATERIAL SITE INVENTORY  
MATERIAL SITE INSPECTION FORM****43. RIPRAP****NOT POSSIBLE**

Class II or larger. Does not include production for erosion control riprap for ditches or culverts.

PREVIOUS PRODUCTION

There is a record of production.

POSSIBLE FURTHER INVESTIGATION NEEDED

The site is a bedrock quarry containing hard rock

NOT POSSIBLE

The site has soft rock or soil.

UNKNOWN

OTHER

Explain in Section 44, Notes.

**44. NOTES**

Note number of item being discussed.



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
Fairbanks Land Office  
516 Second Avenue  
Fairbanks, Alaska

DECISION

OCT 5 1961

RIGHT-OF-WAY GRANTED

Details of Grant

Serial number of grant Fairbanks 026125 ✓  
State of Alaska  
Name of grantee Department of Public Works  
Division of Highways  
Map showing the location and dimensions of grant:

Map designations Denali Highway (Cantwell-Paxson) - *unimproved*  
FAP-52, (6-25-60)

Date filed July 5, 1960

Permitted use by grantee Road building material site  
Section 17 of Federal Aid Highway Act of  
Authority for grant November 9, 1921 (42 Stat. 216; 23 U.S.C. 18),  
as amended  
Regulations applicable to grant:

Code reference 43 CFR, Part 244, Subparts A and G

Circular numbers 1915, 2001, 2004, 2012

Date of grant September 22, 1961

Expiration date of grant None

Rental:

Amount None

When payable by grantee

Terms and Conditions of Grant

Pursuant to the authority vested in the undersigned by Order No. 541 of the Director, Bureau of Land Management, dated April 21, 1954 (19. F.R. 2473), as amended, a right-of-way, the details of which are shown above, is hereby granted, subject to the following terms and conditions.

1. All valid rights existing on the date of the grant.
2. All regulations in the circulars specified above.
3. Filing of proof of construction within 5 years of date of the grant.
4. Further terms and conditions as follows: None

  
Daniel A. Jones  
Manager

Enclosures: 1915, 2001,  
2004, 2012

cc: Director w/map  
Case  
Reading  
BPR

FLO 201  
Rev. Sept. 1961  
(V BLM 3.8)



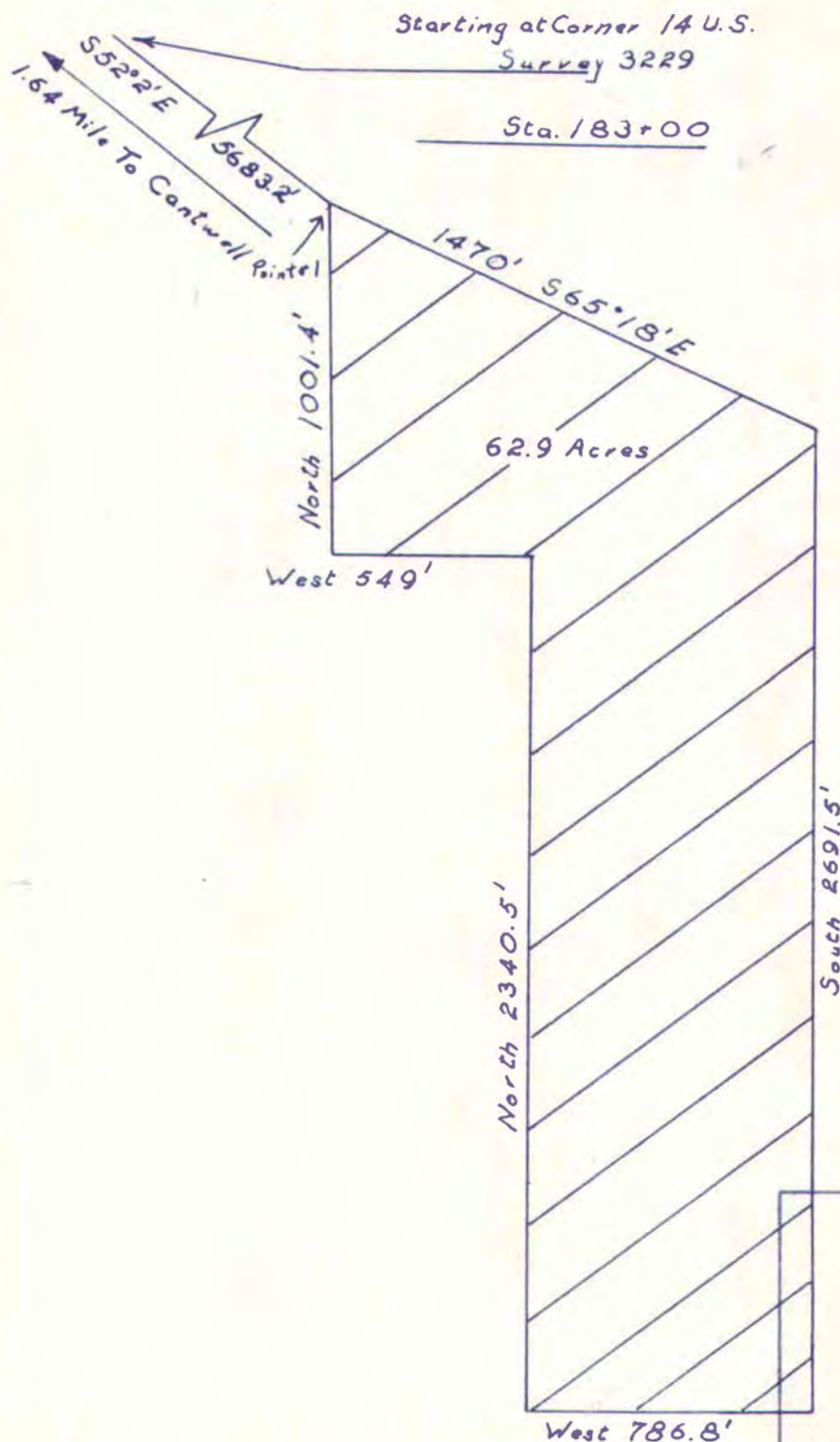
ROUTE Cantwell-PaxsonPROJECT FA-52SECTION Denali Highway

TOWNSHIP \_\_\_\_\_

RANGE \_\_\_\_\_

Unsurveyed MERIDIANQUANTITY AVAILABLE 60,000 Cu. Yrds.

PERIOD OF \_\_\_\_\_



STATE OF ALASKA  
DEPT. OF PUBLIC WORKS  
DIVISION OF HIGHWAYS

MATERIAL SITE EASEMENT

APPROVED: H. W. Duckaw

SCALE 1" = 500'

DATE: 6/25/60

FSN 013474



-2-

Cantwell-Paxson  
FAP-52

June 6, 1960

Starting at Corner 14 U. S. Survey 3229, thence S 52° 02' E 3683.2 to the point of beginning, South edge of Cantwell-Paxson Highway Right-of-Way Station 183 + 00, thence South 65° 18' East 1,470.3 feet; thence South 2691.5 feet; thence West 786.8 feet; thence North 2340.5 feet; thence West 549.0 feet; thence North 1001.4 feet to the point of beginning, containing 62.91 acres.

Yours very truly,

H. W. Johansen  
Division Engineer  
Agent for the State of Alaska

FSN 013474

## **STATEWIDE MATERIAL SITE INVENTORY**

### **MATERIAL SITE** **INSPECTION REPORT**

**Federal Project No. STP-000S(530)**  
**AKSAS Project No. 76174**

**NORTHERN PARKS HIGHWAY**

### **MS 37-2-143-2** **Panguingue Creek Pit**

November 24, 2010

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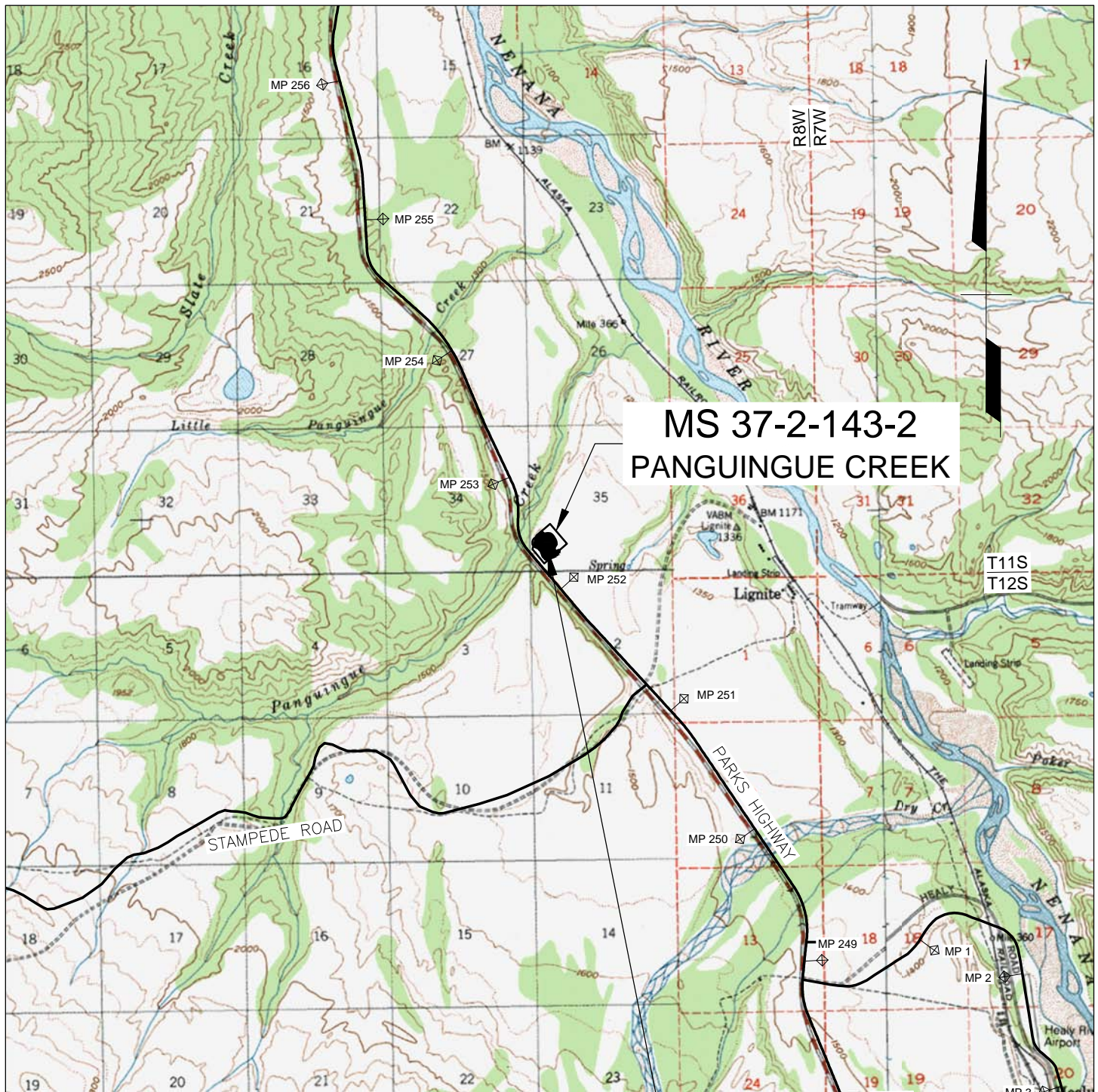
### **CATEGORY:**

#### **ACTIVE – STATUS UNKNOWN**

According to information found in the DOT&PF EDMS system in January 2009 and BLM and DNR case file abstracts, this site lies on lands owned by the State of Alaska and managed by DNR. The site was originally an indefinite right-of-way grant (F-33535) issued by BLM in 1964. Tentative approval was issued to the State of Alaska by BLM in 1967 and the land was patented (F-27761/GS 687/PA 50-2005-0328) in 2005. An indefinite FUP permit (ADL 50305) was issued to DOT&PF by DNR in 1970. It was closed in 1996 and a material sale contract (ADL 415777) was issued by DNR. The contract expired on December 31, 2006. The case file indicates that a renewal was applied for in 2007 by DOT&PF. Golden Valley Electric Association has an easement for utility lines to the east of the site (ADL 30788). The site adjoins the Parks Highway right-of-way. There is an existing access road. The site appears to contain significant quantities of sand and gravel and should be retained by DOT&PF for future use.



## LOCATION MAP



U.S.G.S. QUADRANGLE: HEALY (D-4) &amp; (D-5)

GPS COORDINATES FROM GOOGLE EARTH

UTM (WGS84-METERS)  
 ZONE 6: N7,088,981 E398,057  
 AK STATE PLANE (NAD83-US SURVEY FT)  
 ZONE 4: N3,623,540 E1,788,868

# ACTIVE - STATUS UNKNOWN

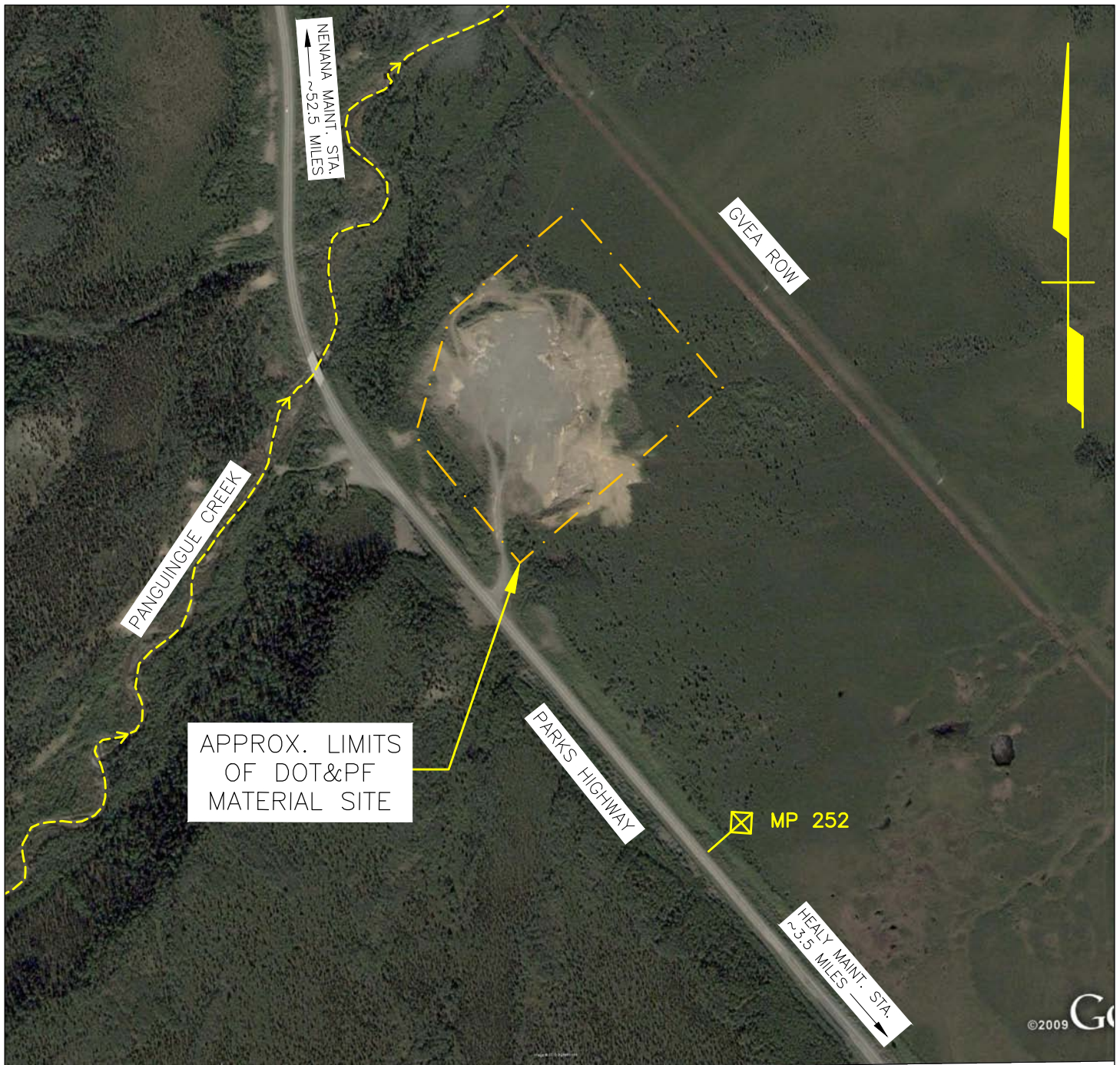


GRAPHIC SCALE IN MILES

STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES			
STATEWIDE MATERIAL SITE INVENTORY			
MS 37-2-143-2			
SCALE AS SHOWN	DESIGNED P.K.H. CHECKED C.H.R.	DRAWN J.D.N. DATE MAY 2010	PAGE 2



# SITE MAP



BASE MAP IS JUN 8, 2004 DIGITALGLOBE SATELLITE IMAGERY.  
THIS IS A PLANNING DOCUMENT ONLY. THE MATERIAL SITE BOUNDARIES SHOWN ON THIS  
DRAWING ARE APPROXIMATE. OWNERSHIP OF THE LANDS ADJACENT TO THIS SITE ARE  
UNKNOWN. THE ACCESS ROW SHOULD BE VERIFIED.

## ACTIVE - STATUS UNKNOWN



BASE MAP FROM GOOGLE EARTH PRO 7/3/2010

Prepared By:  
R&M CONSULTANTS, INC.

STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES			
STATEWIDE MATERIAL SITE INVENTORY			
MS 37-2-143-2			
SCALE AS SHOWN	DESIGNED P.K.H. CHECKED C.H.R.	DRAWN P.K.H. DATE JUNE 2010	PAGE 3A



# SITE MAP



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UNKNOWN. THE ACCESS ROW SHOULD BE VERIFIED.

## ACTIVE - STATUS UNKNOWN



GRAPHIC SCALE IN FEET

BASE MAP FROM GOOGLE EARTH PRO 7/3/2010

Prepared By:  
R&M CONSULTANTS, INC.

STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES			
STATEWIDE MATERIAL SITE INVENTORY			
MS 37-2-143-2			
SCALE AS SHOWN	DESIGNED P.K.H. CHECKED C.H.R.	DRAWN P.K.H. DATE JUNE 2010	PAGE 3B

# STATEWIDE MATERIAL SITE INVENTORY MATERIAL SITE INSPECTION FORM

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**IF OTHER IS SELECTED FOR A SECTION, EXPLAIN IT IN SECTION 44. NOTES.  
IF AN ANSWER IS UNKNOWN SELECT "UNKNOWN" OR LEAVE BLANK**

1. **MS\_ID** 37-2-143-2  
Enter the full material site number e.g.. 37-3-045-2
2. **DATE\_INSPECT** 7/22/2010  
Date of field inspection
3. **FLD INSPEC\_ORG** WILL RHODES / R&M CONSULTANTS  
Name of inspector / Organization or Company

4. **REGION** NORTHERN
5. **LOCATION** NORTHERN PARKS HIGHWAY  
Name of Highway Enter Name of Facility or Secondary Route Name  
(i.e. Kotzebue Airport, Nash Road, etc.)

6. **MILEPOST** 252.5  
List the closest main highway milepost

7. **NAME** PANGUINGUE CREEK PIT  
Enter commonly used name (s), e.g. Hess pit, Gobblers Knob, Midway. List all that apply separated by commas.

8. **MAINT\_DIST/STAT** District INTERIOR/FAIRBANKS Station HEALY  
Highway Maintenance District and Station, for locations not on highways select other.

9. **QUAD** HEALY D-5  
U.S.G.S. Quad. Map

10. **TOWNSHIP** T#S R#E T11S R8W &                      Meridian FM  
**/RANGE** Section 35

- |   |                  |          |          |                  |         |                |   |      |          |          |                  |         |                  |
|---|------------------|----------|----------|------------------|---------|----------------|---|------|----------|----------|------------------|---------|------------------|
| <p>11. <b>COOR_UTM</b></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 30%;">ZONE</td> <td><u>6</u></td> </tr> <tr> <td>NORTHING</td> <td><u>7,088,981</u></td> </tr> <tr> <td>EASTING</td> <td><u>398,057</u></td> </tr> </table> <p style="text-align: center;">UTM WGS84 - Meters</p> | ZONE             | <u>6</u> | NORTHING | <u>7,088,981</u> | EASTING | <u>398,057</u> | <p>12. <b>COOR_STATE_PLANE</b></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 30%;">ZONE</td> <td><u>4</u></td> </tr> <tr> <td>NORTHING</td> <td><u>3,623,540</u></td> </tr> <tr> <td>EASTING</td> <td><u>1,788,868</u></td> </tr> </table> <p style="text-align: center;">Alaska State Plane NAD83 - Survey Feet</p> | ZONE | <u>4</u> | NORTHING | <u>3,623,540</u> | EASTING | <u>1,788,868</u> |
| ZONE  | <u>6</u>         |          |          |                  |         |                |   |      |          |          |                  |         |                  |
| NORTHING  | <u>7,088,981</u> |          |          |                  |         |                |   |      |          |          |                  |         |                  |
| EASTING   | <u>398,057</u>   |          |          |                  |         |                |   |      |          |          |                  |         |                  |
| ZONE  | <u>4</u>         |          |          |                  |         |                |   |      |          |          |                  |         |                  |
| NORTHING  | <u>3,623,540</u> |          |          |                  |         |                |   |      |          |          |                  |         |                  |
| EASTING   | <u>1,788,868</u> |          |          |                  |         |                |   |      |          |          |                  |         |                  |

13. **BOROUGH/CITY** DENALI BOROUGH **TAX ID NO.**

14. **DNR LAND USE PLAN** YUKON-TANANA AREA PLAN

15. **CATEGORY** (To be filled in the office)

- 15a. **CLASSIFICATION** ACTIVE

- 15b. **STATUS** UNKNOWN



## STATEWIDE MATERIAL SITE INVENTORY MATERIAL SITE INSPECTION FORM

### 16. **POTENTIAL\_STATUS** SIGNIFICANT

Estimated quantity of material in the site at the time of inspection.

NONE	There appeared to be no useable material in the site.
LIMITED	There appeared to be less than 25,000 c.y. available within the developed site.
SIGNIFICANT	There appeared to be greater than 25,000 c.y. available within the developed site.
EXPANDABLE	There was limited material within the developed site, but there appeared to be significant material outside existing site limits.
UNDEVELOPED	The pit has not been mined/explored (used only for proposed sites).
CLOSED	There may be useable material left in the pit but it is not available.
UNKNOWN	
OTHER	The site does not fit any of the categories above. Explain in Section 44, Notes.

### 17. **PRESENT\_USERS**

17a. **PRESENT\_USER\_1** DOT&PF MAINTENANCE

17b. **PRESENT\_USER\_2** \_\_\_\_\_

17c. **PRESENT\_USER\_3** \_\_\_\_\_

18. **PERMITTED\_ACREAGE** 22.5

Area within site permit or R.O.W. boundaries, from permit application or property plat.

19. **DEVELOPED\_ACREAGE** 14.5

Area within an existing pit, excluding spoil berms lying outside the pit, access roads etc. Explain below.

Developed acreage includes existing pit and spoil berms, both inside and outside site limits.

20. **ACREAGE\_COMP\_METHOD** FROM MAP/PHOTO

Method used to determine developed acreage.

21. **EST\_QUAN\_AVAIL** 220,000 ROUGH ESTIMATE

Estimated quantity available (b.c.y.), may be based on acreage computed above plus expansion area.

Explain computation assumptions and calculations below.

Area	Existing Pit	Undeveloped Area	Other area
Square Ft.	628788	233010	0
Acres	14.4	5.3	0.0
Est. Depth (ft.)	5	28	0
Factor (b.c.y. / acre-foot)	1,000	1000	1,000
Est. Quant. (c.y.)	72000	148000	0

Estimates for the existing pit assume an average working depth of 5 feet. This may require moving some or all of the spoil berms. Estimates in the undeveloped area assumed an average working depth of 30 feet with 2 feet of overburden. The site is mapped in an area shown to be underlain by the Grubstake Creek and Lignite Creek Formations. These formations contain mudstone, siltstone and conglomerate and it appears that it may not be possible to deepen the existing pit more than an average 5 feet.

## STATEWIDE MATERIAL SITE INVENTORY MATERIAL SITE INSPECTION FORM

**22. ACCESS\_TYPE**EXISTING ROAD / OPEN

NONE

EXISTING ROAD / OPEN

EXISTING ROAD / REVEG

EXISTING ROAD / CLOSED W/BERMS

EXISTING ACCESS / REMOVED

SNOW ROAD

ICE ROAD

BARGE

OTHER

No access road has been built.

Drivable. May have gate.

Can be reopened with little effort.

Can be reopened with little effort.

Can be reopened with much effort.

Can only be accessed during winter.

Requires crossing river or lake ice in the winter.

Material can only be moved by barge.

The site does not fit any of the categories above. Describe in Section 44, Notes.

**23. ACCESS\_LENGTH**500

Approx. length from edge of pit to highway/secondary route (ft.)

**24. VEGETATION**

The spoil berms had begun to revegetate and were covered with scattered brush. Vegetation in the undeveloped area of the site consisted of scattered spruce to 10 inches in diameter with low brush.

**25. TYPE\_1**BORROW PIT**26. TYPE\_2**

Dominant type

Subordinate type

General Types of Materials Available

Enter data in Type\_2 only if two types of material site available

QUARRY

Bedrock sources requiring blasting

BORROW PIT

Soils or soft bedrock (rippable), above water table

BAILING

Requires production below the water table

RIVER BAR

Sand/gravel bars in active channels

**27. OB\_CLASS\_1**<3 FT.**28. OB\_CLASS\_2**OTHER

New Site or expansion Area

Existing Pit (Spoil)

A site may have both. Data should be based on actual subsurface exploration, otherwise unknown.

Estimated average depth over the area.

NONE

3 TO 6 FT.

UNKNOWN

&lt;3 FT.

&gt;6 FT.

OTHER

**29. OB\_TYPE\_1**SILT**30. OB\_TYPE\_2**SPOIL

New Site or expansion Area

Existing Pit (Spoil)

A site may have both.

SILT

PEAT

SOLID WASTE

OTHER

COLLUVIUM

SPOIL

UNKNOWN

## STATEWIDE MATERIAL SITE INVENTORY MATERIAL SITE INSPECTION FORM

31. **MAT\_TYPE\_1**

Dominant type

FLUVIAL32. **MAT\_TYPE\_2**

Subordinate type

BEDROCK	Bedrock sources requiring blasting
WEATHER. BEDROCK	Bedrock sources requiring ripping
FLUVIAL	Water deposited sand and gravel, includes glaciofluvial
GLACIAL	Glacial till
COLLUVIAL	Talus slopes, etc.
EOLIAN	Sand Dunes, etc.
SILT	Silt deposits, loess, fluvial, etc.

33. **PERMAFROST\_1**

New Site or Expansion Area

DETECTED IN MOST TEST HOLES OR PITS34. **PERMAFROST\_2**

Existing Site

DATA OUTDATED

DETECTED IN MOST TEST HOLES  
 DETECTED IN SOME TEST HOLES  
 DETECTED IN IMMEDIATE VICINITY  
 DETECTED IN NO TEST HOLES  
 DATA OUTDATED  
 UNKNOWN  
 OTHER

35. **GROUNDWATER**

No water table was noted in test holes advanced to 29 ft. during September, 1969.

# STATEWIDE MATERIAL SITE INVENTORY

## MATERIAL SITE INSPECTION FORM

**36. LITHOLOGY\_1****FLUVIAL****37. LITHOLOGY\_2**

Dominant type

Subordinate type

IGNEOUS ROCK

Undifferentiated Igneous Rocks

GRANITIC

Granite/Monzonite/Granodiorite

DIORITE/GABBRO

Diorite/Gabbro

BASALT

Dark colored fine-grained Igneous Rocks

GREENSTONE

Altered Volcanic Rocks w/green tint

METAMORPHIC ROCK

Undifferentiated Metamorphic Rocks

SCHIST/PHYLLITE

Includes rocks ranging from slate to schist

GNEISS

Includes hard schistose rocks

MARBLE

CATACLASTIC

Incl. Valdez Formation Rocks, Kenai Penn.

MÉLANGE

Incl. McHugh Formation Rocks, Kenai Penn.

SEDIMENTARY ROCK

Undifferentiated Sedimentary Rocks

CONGLOMERATE

SANDSTONE

Includes greywacke, etc.

SHALE/MUDSTONE

LIMESTONE

FLUVIAL

River and stream deposits (floodplain), includes outwash.

ALLUVIAL

Alluvial / Debris Fan deposits

GLACIOFLUVIAL

Eskers, kames, etc.

GLACIAL

Till

COLLUVIAL

Talus, etc.

EOLIAN

Sand Dunes, etc.

SILT

Loess, fluvial silts, etc.

OTHER

Explain in Section 44.

**38. MATERIAL\_CLASSIFICATION**

ASTM Classification, generally they should range from coarse to fine.

 38a. GW  
 38b. GP

 38c. GW-GM  
 38d. GP-GM

 38e. \_\_\_\_\_ 38g. \_\_\_\_\_  
 38f. \_\_\_\_\_ 38h. \_\_\_\_\_

## STATEWIDE MATERIAL SITE INVENTORY MATERIAL SITE INSPECTION FORM

**39. COBBLES\_AND\_BOULDERS**

Test Boring Callout / ASTM Classification, either a. or b. and c. (Can use ranges i.e. 0 to 20)

39a.	CONTAINS		
39b.	Est. % by VOL.	10 to 20	(Est. From Visual Observations)
39c.	MAX. SIZE (in.)	24	(Observed Size)

**40. AGG\_TEST\_RESULTS**

Year of test or report- Test result / Year of test or report- Test Results

40a. SG APP COARSE	1969- 2.79, 2.82, 2.79 / 1996- 2.84 / 1998- 2.80
40b. SG APP FINE	1969- 2.67, 2.69, 2.70 / 1982- 2.69, 2.67 / 1996- 2.75
40c. ABSORPTION CRSE	1982- 0.01, 0.01
40d. ABSORPTION FINE	1969- 1.4, 1.2, 2.2 / 1996- 1.01
40e. NORDIC ABRASION	
40f. L.A. ABRASION	1969- 15, 16, 22 / 1982- 15, 20 / 1996- 17
40g. DEGRADATION (T-13)	1969- 72, 81 / 1982- 74, 59 / 1996- 62
40h. NASO4 LOSS COARSE	1996- 2.0 / 1998- 2.0
40i. NASO4 LOSS FINE	1996- 6.4 / 1998- 3.2

**41. POTENTIAL\_USABILITY****CRUSHED PRODUCTS PRODUCED**

Best known potential use of the material, based on records, exploration and laboratory data.

CONCRETE AGGREGATE PRODUCED	The site has produced concrete aggregate
PAVING AGGREGATE PRODUCED	The site has produced paving aggregate
CRUSHED PRODUCTS PRODUCED	Base, Surface Coarse, Subbase, etc. has been produced.
TYPE A AND B MATERIAL AVAILABLE	0 to 10 percent passing 200
TYPE C AVAILABLE	Compactable material
TYPE C NOT AVAILABLE	Uncompactable material (Lower Kuskokwim and Yukon River, etc.)
UNKNOWN	
OTHER	Explain in Section 44.

**42. SPECIAL\_PROBLEMS**

Special problems encountered or anticipated with use of the material, based on records, exploration and laboratory data.

ORGANIC CONTENT	The material is very difficult to compact.
HIGHLY WEATHERED GRAVEL	The gravel is highly weathered and may break down when handled.
BREAKS DOWN UNDER USE	Material breaks down on grade.
SENSITIVE TO WATER CONTENT	Material is sensitive to water content, i.e.. some glacial tills, soft bedrock.
VARIABLE MATERIAL	Deposit contains mixture of suitable and unsuitable material.
POSSIBLE CONTAMINATION	Site may be contaminated by petroleum products or hazardous materials.
CONTAINS ASBESTOS	Site contains naturally occurring asbestos.
POTENTIAL ASBESTOS	Site in area where naturally occurring asbestos is mapped.
ACID ROCK DRAINAGE	Site contains rock susceptible to producing acid rock drainage.
OTHER	Explain in Section 44, Notes.

**STATEWIDE MATERIAL SITE INVENTORY  
MATERIAL SITE INSPECTION FORM**

**43. RIPRAP**

**NOT POSSIBLE**

Class II or larger. Does not include production for erosion control riprap for ditches or culverts.

PREVIOUS PRODUCTION

There is a record of production.

POSSIBLE FURTHER INVESTIGATION NEEDED

The site is a bedrock quarry containing hard rock

NOT POSSIBLE

The site has soft rock or soil.

UNKNOWN

OTHER

Explain in Section 44, Notes.

**44. NOTES**

Note number of item being discussed.

28. Spoil berms were noted on the east and south edges of the existing pit.

# STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES DIVISION OF MINING, LAND AND WATER

<b>X Northern Region</b> <b>3700 Airport Way</b> <b>Fairbanks, AK</b> <b>99709</b> <b>(907) 451-2740</b>	<b>Southcentral Region</b> <b>550 W 7th Ave., Suite</b> <b>900C</b> <b>Anchorage, AK 99501-</b> <b>3577</b> <b>(907) 269-8552</b>	<b>Southeast Region</b> <b>400 Willoughby,</b> <b>#400</b> <b>Juneau, AK 99801</b> <b>(907) 465-3400</b>
--	--	--

## MATERIAL SALE CONTRACT AS 38.05.110 – 38.05.120

Issuance Date: 8/10/12      Expiration Date: 8/9/22

ADL # 418756      Federal Tax I.D. or (optional) SSN #: \_\_\_\_\_

Under AS 38.05.110-120 (Disposal of Timber and Materials) and AS 38.05.810(a) and the regulations implementing these statutes, the State of Alaska, the seller, agrees to sell and the Department of Transportation and Public Facilities, the buyer, whose address is shown in paragraph 17 of this Material Sale Contract, agrees to buy the material designated in this contract, subject to the provisions that follow:

**1. Description: Location, Material, Quantity, and Price.**

(a) The material sale area covered by this contract consists of approximately 22.5 acres. This area is designated by the boundaries shown on the attached sale area map, which is made a part of this contract, or as designated on the ground by the seller, and described as follows:

The material site is located in the Panguingue Creek Pit at milepost 252.4 to the south of the George Parks Memorial Highway. Fairbanks Meridian, Township 11 South, Range 8 West, located in the Southwest corner of Section 35, and the Southeast corner of the Southeast corner of Section 34.

(b) The material to be removed and the price are:

<u>Kind of Material</u>	<u>No. of Units</u>	<u>Unit Price *</u>	<u>Total Price*</u>
Pit Run Gravel and Sand	250,000 cy	\$0.50*	**

\* maintenance and construction of public roads and facilities.

\*\* 11 AAC 05.010(e) (16) requires state, federal and local agencies to pay for materials used in constructing, reconstructing or maintaining a public project as follows: 1) no charge for the first 5,000 cy of material to be used on a project (each year of maintenance constitutes a separate project); and 2) material in excess of 5,000 cy will be charged at the unit price listed in the annual base price schedule established under 11 AAC 71.090 (currently \$ 0.50 cy).

2. **Payments and Deposits.** No part of the materials sold under this contract may be extracted from the sale area by the buyer except in accordance with the following terms:

(a) The buyer shall remit an earnest money deposit in the amount of **N/A** (consistent with 11 AAC 71.045 or 11 AAC 71.065, and no less than \$250) along with the bid for a competitive sale contract or at the time a negotiated sale buyer signs this contract. The seller will retain the deposit to cover administrative costs incurred in offering the material sale, except that if the buyer removes and pays for at least 75% of the material volume covered by this contract, the deposit may be applied, in whole or in part, to the final payment that becomes due under this contract.

(b) Additional periodic installment payments as required in paragraph 2(c) must be made for material extracted as of the date payment becomes due but may not exceed the total purchase price.

(c) Each periodic installment payment becomes due and payable on **January 31** of each year without prior notice to the buyer, for the value of material extracted **during the calendar year of January 1 through December 31**. The installment must be based on records required in paragraph 3 of this contract and must be submitted to the seller no later than January 31 of each year.

(d) An annual report is due by January 31<sup>st</sup> of each year, without prior notice to the buyer that details the volume of material removed during the calendar year of January 1 through December 31. This report shall be filed regardless of whether material was removed during the reporting period. Failure to file the report by the deadline may result in suspension of the contract and financial penalties. A final accounting and payment for material removed, and a completion statement, must be submitted no later than **30 days following contract completion**, or when the contractor has completed removal under the contract, or following termination of the contract by the seller or by operation of law. Whether completion is satisfactory will be decided by the Director of the Division of Mining, Land and Water within 30 days after receiving the final accounting report and completion statement.

(e) If the buyer fails to make a payment provided for in this contract, the seller may, under paragraph 8(b) of this contract, order all material extraction suspended immediately. Materials extracted by the buyer during any period of suspension are considered taken in trespass and are to be charged to and paid for by the buyer at triple the unit contract price. Resumption of the lawful taking of materials may be authorized, in writing, by the Division of Mining, Land and Water only after the payments in arrears plus the penalty provided for in paragraph 2(f) have been paid.

(f) **Excess Extraction.** Material extraction in excess of the contract amount will be considered taken in trespass and at the discretion of the Director, Division of Land, charged to and paid for by the buyer at no less than triple the current unit fair market value as established periodically by the Northern Regional Office or up to three times the pecuniary gain realized by the buyer as a result of the trespass. Said trespass penalties are in addition to any other administrative or legal proceedings imposed by state law.

(g) This contract authorizes the removal and use of the specified quantity of material for the express purpose of maintenance and construction of public roads and facilities, including improvements to the Nulato Airport. Any other commercial or personal use of this material is prohibited and is subject to trespass action as listed in Stipulation # 2 (f) preceding.

(h) **Late Payment Penalty.** The greater of either the fee specified in 11 AAC 05.010 or interest at the rate set by AS 45.45.010(a) will be assessed on a past-due account until payment is received by the seller.



(i) All payments and deposits must be remitted to the Division of Mining, Land and Water and must be made payable to the Alaska Department of Revenue.

(j) Special Provisions. The following special provisions also apply to payments and deposits under this contract: (1) Should the administrative base price be changed during the term of this contract, the new price will be effective and apply to the material remaining to be extracted under this contract as of the effective date of the price adjustment.

### **3. Method of Volume Determination.**

(a) The method of volume determination for purposes of payment under this contract, along with any special provisions applicable to volume determination, is:

(1) Based on a loose cubic yard quantity as determined by an "in-place" measurement multiplied by a factor of 1.3; or,

(2) Based on a loose cubic yard quantity as determined by a daily vehicle count designating type of vehicle and vehicle capacity.

(b) The buyer shall keep accurate and up-to-date records of all materials extracted. These records are subject to verification by check measure and inspection of the buyer's books by the seller at any time without notice.

(c) All measurements are to be made by or under the direct supervision of buyer personnel acceptable to the seller, including a qualified engineer where the seller deems appropriate, with quantities certified by that person.

### **4. Operating Requirements.**

(a) Boundary Lines and Survey Monuments. No boundary mark of the sale area nor any survey line or witness tree for any survey corner or monument may be severed or removed, nor may any survey corner or monument be damaged or destroyed. Any violation of this clause requires the buyer to bear the expense of re-establishing the line, corner, or monument by a registered surveyor in a manner approved by the seller.

(b) Standard of Operations. The buyer shall properly locate the buyer's operations and buyer's improvements within the sale area, and may not commit waste, whether ameliorated or otherwise. In addition to complying with all laws, regulations, ordinances, and orders, the buyer shall maintain the land in a reasonably neat and clean condition, and shall take all prudent precautions to prevent or suppress grass, brush, or forest fires, and to prevent erosion or destruction of the land.

(c) Erosion Control and Protection of Waters. Road construction or operations in connection with this contract must be conducted so as to avoid damage to streams, lakes, or other waters and land adjacent to them. Any riparian areas that are disturbed during the course of extracting material shall be stabilized to prevent erosion in a manner that is acceptable to the seller. Stream banks and vegetated portions of gravel bars shall not be mined or otherwise disturbed. Existing shoreline vegetation shall remain undisturbed except for vehicle corridor allowance. Vegetation and materials may not be deposited into any stream or other waters. Locations and improvements necessary for stream crossings for haul roads must be approved in advance by the seller. All roads to be abandoned must be treated with measures necessary to prevent erosion in a manner acceptable to the seller. Any damage resulting from failure to perform these requirements must be repaired by the buyer to the satisfaction of the seller. Waters include waters defined in 5 AAC 95.010, Protection of Fish and Game Habitat.

(d) Fire Protection. The buyer shall take all necessary precautions for the prevention of wildfires and is responsible for the suppression, and must bear the suppression costs, of all destructive or uncontrolled fires occurring in or outside the sale area resulting from any of the buyer's operations under this contract. The buyer shall comply with all laws, regulations, and ordinances promulgated by all governmental agencies responsible for fire protection in the area.

(e) Roads. Before constructing any mainhaul, secondary or spur road across state land, the buyer shall obtain written approval of the proposed location and construction standards of the road from the seller.

(f) Supervision. The buyer shall maintain adequate supervision at all times when operations are in progress to ensure that the provisions of this contract and all applicable federal, state, and local laws, regulations, and ordinances governing the operations are enforced. At all times when operations are in progress, the buyer, or a person authorized by the buyer to assume the responsibilities imposed by this contract, shall be present on the sale area.

(g) Agents. The provisions of this contract apply with equal force upon an agent, employee, or contractor designated by the buyer to perform any of the operations relating to extraction of the materials sold under this contract. The buyer is liable for noncompliance caused by any such agent, employee, or contractor.

(h) Location. The buyer is responsible for the accurate location of operations under this contract, including any survey that may be necessary for accurate location unless otherwise specified in this contract.

(i) Access. The seller makes no representations that it will construct or maintain access to the land. Access over any route not under the seller's control is the responsibility of the buyer. The buyer agrees that any permanent access or right-of-way obtained over privately owned property will provide a permanent easement to the seller.

(j) Special Stipulations. The following special stipulations also apply to operations under this contract:

1. **Extraction Area.** This contract authorizes removal of material only from the area defined in Section 1(a) of this contract. The buyer is responsible for properly locating the material site area and the working limits within that area.
2. **Use of Material.** This contract authorizes the excavation and use of up to **250,000 cy** of material for the express purpose of ***providing material for construction and maintenance of public roads and projects.*** The buyer is required to provide DNR with records of material usage.
3. **Site Operations.** The buyer is responsible for all aspects of material extraction and transport. Any survey stakes or markers that are removed must be replaced at the buyer's expense. The work area will be maintained in a neat, clean condition, free of any solid waste, debris or litter. The disposal of hazardous substances or hydrocarbons is prohibited. After completion, expiration, or termination of the contract, the site will be left in a condition that is acceptable to the seller, and reclaimed in accordance with the approved reclamation plan.
4. **Compliance.** All operations of the buyer, including completion, must comply with the contract and with the primary operators' approved Mining and Reclamation Plans for these material sites. The Special Stipulations of the contract take precedence over the approved Mining and Reclamation plan should a contradiction exist. The buyer shall inform and ensure compliance with the provisions of this contract by its agents, employees and contractors, including subcontractors, at any level.

5. **Water Quality.** The buyer shall comply with the State of Alaska water quality standards pursuant to 18 AAC 70, including discharge standards when conducting material washing operations.
6. **Reclamation.**  
Upon completion, expiration, or termination of the contract, the site will be left in a condition that is acceptable to the Division of Mining, Land and Water and reclaimed in accordance with the approved Mining and Reclamation plan. Reclamation shall be to the standards of the Division and shall include repair of access roads to and within the site, disposal of remaining stockpiles, other procedures that will be used to stabilize and reclaim the area and any other site specific measures that may be necessary. During the term of the contract, mining activities shall occur as described in the buyer's DNR-approved Mining and Reclamation plan. The use of explosives is prohibited without the written approval of the Authorized Officer who will confer with the Department of Fish and Game.
7. **Fill.** No construction material, fill, or any other debris shall be stockpiled within pit boundaries. Stockpiled material and/or overburden shall not be placed in wetlands.
8. **Alaska Historic Preservation Act.** The buyer will consult the Alaska Heritage Resources Survey (907) 269-8721 so that known historic, archaeological and paleontological sites may be avoided. The Alaska Historic Preservation Act (AS 41.35.200) prohibits the appropriation, excavation, removal, injury or destruction of any state-owned historic, prehistoric (paleontological) or archaeological site without a permit from the commissioner. Should any sites be discovered during the course of field operations, activities that may damage the site will cease and the Office of History and Archaeology in the Division of Parks and Outdoor Recreation (907) 269-8721 and will be notified immediately. Alaska Statute also prohibits the removal or disturbing of human remains or burial artifacts (AS 11.46.482(3)(B)). If human remains are discovered, immediately contact the Alaska State Troopers and the Office of History and Archaeology.
9. **Change of Address.** Any change of address must be submitted in writing to the Authorized Officer.
10. **Vehicle Maintenance.** Vehicle maintenance will be performed only over an effective impermeable barrier. Equipment fueling and lubing operations will not occur within 100-feet of Panguingue Creek, any drainage channels, or wetland.
11. **Fuel and Hazardous Substances.** Secondary containment shall be provided for fuel or hazardous substances.
  - a. **Container marking.** All independent fuel and hazardous substance containers shall be marked with the contents and the permittee's or contractor's name using paint or a permanent label.
  - b. **Fuel or hazardous substance transfers.** Secondary containment or a surface liner must be placed under all container or vehicle fuel tank inlet and outlet points, hose connections, and hose ends during fuel or hazardous substance transfers. Appropriate spill response equipment must be on hand during any transfer or handling of fuel or hazardous substances to respond to a spill of up to five gallons. Trained personnel shall attend transfer operations at all times. Vehicle refueling shall not occur within the annual floodplain or tidelands.
  - c. **Storing containers within 100 feet of waterbodies.** Containers with a total capacity larger than 55 gallons, which contain fuel or hazardous substances, shall **NOT** be stored within 100 feet of a waterbody.

- d. **Exceptions.** The Authorized Officer may under unique or special circumstances grant exceptions to this stipulation on a case-by-case basis. Requests for exceptions should be made to the Authorized Officer.

- e. **Definitions.**

**"Containers"** means any item that is used to hold fuel or hazardous substances. This includes tanks, drums, double-walled tanks, portable testing facilities, fuel tanks on small equipment such as light plants and generators, flow test holding tanks, slop oil tanks, bladders, and bags. Manifolder tanks or any tanks in a series must be considered as single independent containers. Vehicles, including mobile seismic tanks, are not intended to be included under this definition.

**"Hazardous substances"** are defined under AS 46.03.826(5) as (a) an element or compound which, when it enters the atmosphere, water, or land, presents an imminent and substantial danger to the public health or welfare, including fish, animals, or vegetation; (b) oil; or (c) a substance defined as a hazardous substance under 42 U.S.C. 9601(14).

**"Secondary containment"** means an impermeable diked area or portable impermeable containment structure capable of containing 110 percent of the volume of the largest independent container. Double-walled tanks do not qualify as secondary containment unless an exception is granted for a particular tank.

**"Surface liner"** means any safe, non-permeable container (e.g., drips pans, fold-a-tanks, etc.) designed to catch and hold fluids for the purpose of preventing spills. Surface liners should be of adequate size and volume based on worst-case spill risk.

- 12. **Potential Processing Activities and Other Authorizations.** The issuance of this authorization does not alleviate the necessity of the purchaser to obtain authorizations required by other agencies for this activity. Any asphalt processing or related activities and associated structures will not be allowed without prior approval from DNR, the Department of Environmental Conservation and other agencies that require authorizations from the buyer.

- 13. **Spill Notification.** The permittee shall notify the Department of Natural Resources of all spills that must be reported under 18 AAC 75.300 under timelines of 18.AAC 75.300. These requirements can be found at the following website:  
<http://www.dec.state.ak.us/spar/spillreport.htm#requirements>.

All fires and explosions must be reported to DNR immediately. The DNR 24 hour spill report number is (907) 451-2678; the fax number is (907) 451-2751. The DEC oil spill report number is (800) 478-9300. DNR and DEC shall be supplied with all follow-up incident reports.

- 14. **Destruction of Markers.** All survey monuments, witness corners, reference monuments, mining claim posts, bearing trees, and un-surveyed lease corner posts shall be protected against damage, destruction and obliteration. The permittee shall notify the Authorized Officer of any damaged, destroyed or obliterated markers and shall reestablish the markers at the permittee's expense in accordance with accepted survey practices of the Division of Land.

- 15. **Timber Salvage.** Marketable timber (6" DBH and larger) will be salvaged. The timber will be hand felled or felled by other means acceptable to the State Area Forester. The timber will be limbed, topped at 4" diameter and stacked in an accessible area not susceptible to flood water. The stacked logs will remain with the state. Timber salvage operations are to be coordinated with the Area Forester (907) 451-2601. No salvage of timber is required if approved in writing by the Area Forester.

16. **Highway Buffer.** Measuring from the centerline of the highway, a 300 foot buffer shall be maintained from the edge of the right-of-way to maintain or enhance scenic views along the highway. This vegetation buffer shall not be disturbed or destroyed.
17. **Excess Extraction.** Material extraction in excess of the contract amount will be considered taken in trespass and at the discretion of the Director of the Division, charged to and paid for by the buyer at no less than triple the unit contract price or up to three times the pecuniary gain realized by the buyer as a result of the trespass. Said trespass penalties are in addition to any other administrative or legal proceedings imposed by the state.
18. **Fuel Storage.** If fuel storage in excess of that contained in vehicle and equipment fuel tanks is planned for this material site by either DOT/PF or its contractors, then a separate authorization shall be obtained from DNR.
19. **Asphalt Removal.** Any waste asphalt shall be removed and appropriately disposed of in accordance with 18 AAC 75 and 18 AAC 78. DOT/PF shall coordinate with the Department of Environmental Conservation Solid Waste Management (907) 451-2135. A plan for the waste asphalt removal from the site shall be submitted to DNR by DOT/PF ***prior to material extraction.***

5. **Improvements and Occupancy.**

(a) Any improvements or facilities including crushers, mixing plants, buildings, bridges, roads, etc., constructed by the buyer in connection with this sale and within the sale area must be in accordance with plans approved by the seller.

(b) The buyer must, within 60 days after contract completion or termination of the contract by the seller or by operation of law, remove the buyer's equipment and other personal property from the sale area. After removal, the buyer must leave the land in a safe and clean condition that is acceptable to the seller. If the buyer can demonstrate undue hardship, the time for removal of the improvements under this paragraph may be extended at the seller's discretion.

(c) If any of the buyer's property having an appraised value in excess of \$10,000, as determined by the seller, is not removed within the time allowed, that property may, upon 30 days' notice to the buyer, be sold at public auction under the direction of the seller. The proceeds of the sale will inure to the buyer after satisfaction of the expense of the sale and deduction of all amounts then owed to the seller. If there are no other bidders at the sale, the seller may bid on the property, and the seller will acquire all rights, both legal and equitable, that any other purchaser could acquire through a sale and purchase.

(d) If any of the buyer's property having an appraised value of \$10,000 or less, as determined by the seller, is not removed within the time allowed, title to that property automatically vests in the seller.

(e) Special provisions, if any, applicable to improvements and occupancy under this contract are listed in paragraph 4(j) of this contract.

6. **Inspection.**

(a) The seller must be accorded access, at all times, to the sale area and to the books and records of the buyer, the buyer's contractors, and any sub-contractors relating to operations under this contract for purposes of inspection to assure the faithful performance of the provisions of this contract and other lawful requirements.

(b) At all times when construction or operations are in progress, the buyer shall have a representative readily available to the area of operations who is authorized to receive, on behalf of the buyer, any notices and instructions given by the seller in regard to performance under this contract, and to take appropriate action as is required by this contract.

**7. Termination and Suspension.**

(a) The seller may terminate the buyer's rights under this contract if the buyer breaches the contract and fails to correct this breach within 30 days after written notice of the breach and an opportunity to be heard.

(b) If the buyer fails to comply with any of the provisions of this contract, the seller may shut down the buyer's operations upon issuance of written notice, until corrective action, as specified by the seller in its notice, is taken. If this corrective action is not taken within 30 days after written notice is served upon the buyer, the seller may terminate the contract under paragraph 8(a) of this contract. The buyer's failure to take immediate corrective action when ordered to remedy dangerous conditions or unwarranted damage to natural resources may be corrected by the seller to prevent danger or additional damage. Any cost incurred by the seller as a result of this corrective action, or by the buyer's failure to take corrective action, must be paid by the buyer.

(c) This contract may also be terminated by mutual agreement of both parties on terms agreed to in writing by both parties.

**8. Reservations.** The seller reserves the right to permit other compatible uses, including the sale of materials, on the land in the sale area if the seller determines that those uses will not unduly impair the buyer's operations under this contract. Under AS 38.05.125 the seller further expressly reserves to itself, and its successors, forever,

- (a) all oil, gas, coal, ores, minerals, fissionable materials, geothermal resources, and fossils of every kind, that may be in or upon the land described above, or any part of it; and
- (b) the right to explore the land for oil, gas, coal, ores, minerals, fissionable materials, geothermal resources, and fossils; and
- (c) the right to enter by itself or its agents, attorneys, and servants on the land, or any part of it, at any time for the purpose of opening, developing, drilling, and working mines or wells on this or other land and taking out and removing from it all oil, gas, coal, ores, minerals, fissionable materials, geothermal resources, and fossils; and
- (d) the right by itself or its agents, attorneys, and servants at any time (1) to construct, maintain, and use all buildings, machinery, roads, pipelines, power lines, and railroads; (2) to sink shafts, drill wells, and remove soil; and (3) to occupy as much of the land as may be necessary or convenient for these purposes; and
- (e) generally all rights to and control of the land, that are reasonably necessary or convenient to make beneficial and efficient the complete enjoyment of the property and rights that are expressly reserved.

**9. Inclusion of Applicable Laws and Regulations.** The buyer shall comply with all laws and regulations applicable to operations under this contract, including the provisions of AS 27.19 and 11 AAC 97 regarding mining reclamation, the provisions of AS 41.15 for wildfire prevention and control, the provisions of AS 38.05.110 - 38.05.120, material sale regulations 11 AAC 71, state fish and game regulations pertaining to the protection of wildlife and wildlife habitat, and state regulations pertaining to safety, sanitation, and the use of explosives. These laws and regulations are, by this reference, made a part of this contract, and a violation of them is cause for termination or

suspension of this contract in addition to any penalties prescribed by law. These laws and regulations control if the terms of this contract are in conflict with them in any regard.

10. **Assignment**. This contract may not be assigned by the buyer without the seller's prior written consent to the assignment.

11. **Permits**. Any permits necessary for operations under this contract must be obtained by the buyer before commencing those operations.

12. **Passage of Title**. All right, title and interest in or to any material included in the contract shall remain in the State until it has been paid for; provided, however, that the right, title and interest in or to any material that has been paid for but not removed from the sale area by the buyer within the period of the contract or any extension thereof as provided for in this contract shall vest in the seller.

13. **Expiration and Extension**. This contract expires on the date stated at the top of the contract unless an extension is granted by the seller in accordance with 11 AAC 71.210 (material sale regulations).

14. **Warranties**. This sale is made without any warranties, express or implied, as to quantity, quality, merchantability, profitability, or fitness for a particular use, of the material to be extracted from the area under contract.

15. **Valid Existing Rights**. This contract is entered into and made subject to all valid existing rights, including easements, rights-of-way, reservations, or other interests in land, in existence on the date the contract is entered into.

16. **Notices**. All notices and other writings required or authorized under this contract must be made by certified mail, postage prepaid, to the parties at the following address:

To the Seller: Alaska Division of Mining, Land and Water  
3700 Airport Way  
Fairbanks, Alaska 99709-4699

To the Buyer: Department of Transportation & Public Facilities  
2301 Peger Road  
Fairbanks, AK 99709

17. **Integration and Modification**. This contract, including all laws and documents that by reference are incorporated in it or made a part of it, contains the entire agreement between the parties.

This contract may not be modified or amended except by a document signed by both parties to this contract. Any amendment or modification that is not in writing, signed by both parties, and notarized, is of no legal effect.

18. **Severability of Clauses of Sale Contract**. If any provision of this contract is adjudged to be invalid, that judgment does not affect the validity of any other provision of this contract, nor does it constitute any cause of action in favor of either party as against the other.



19. **Construction.** Words in the singular number include the plural, and words in the plural number include the singular.

20. **Headings.** The headings of the numbered paragraphs in this contract shall not be considered in construing any provision of this contract.

21. **"Extracted," "Extraction."** In this contract, use of the terms "extracted" and "extraction" encompasses the severance or removal, as well as extraction, by the buyer of any materials covered by this contract.

22. **Waiver.** No agent, representative or employee of the seller has authority to waive any provision of this contract unless expressly authorized to do so in writing by the director of the Division of Mining, Land and Water.

BY SIGNING THIS CONTRACT, the State of Alaska, as seller, and the buyer, agree to be bound by its provisions as set out above.

BUYER:

Robert Bennett 8/9/12  
Department of Transportation & Public Facilities

SELLER: STATE OF ALASKA

Chris Milles  
Director, Division of Mining, Land and Water

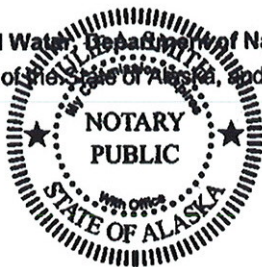
STATE OF ALASKA

4<sup>TH</sup> Judicial District

)  
) ss.  
)

THIS IS TO CERTIFY that on August 10, 2012, before me appeared  
Chris Milles, known by me to be the representative of the Division of Mining,

Land and Water Department of Natural Resources, who executed this Material Sale Contract on behalf of the State of Alaska, and who is fully authorized by the State to do so.

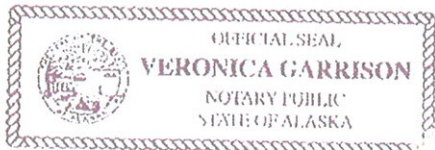


Julie A. Smith  
Notary Public in and for the State of Alaska  
My commission expires: with office

STATE OF ALASKA

4th Judicial District )  
ss. )

THIS IS TO CERTIFY that on August 9, 2012, before me appeared John F. Bennett, known by me to be the person named in and who executed this Material Sale Contract and acknowledged voluntarily signing it as buyer.



Veronica Garrison  
Notary Public in and for the State of Alaska  
My commission expires: with office

GENERAL  
MINING & RECLAMATION PLAN  
GUIDELINES  
MS 37-2-143-2

A. General Information

This material source is located west of the Parks Highway at Milepost 252.5 in Sections 34 and 35, Township 11 South, Range 8 West, Fairbanks Meridian. Alluvial gravel is available at this site.

This material source has been permitted to the Department of Transportation and Public Facilities since 1970. The majority of the source has been developed. Willow, birch and spruce are present in the area, some more than 6 inches in diameter. Overburden is 1 to 3 feet in thickness; the surface organic layer is up to half a foot thick.

B. Mining Plan

This useable area of the site has historically been scraped. Because that equals approximately one cell, the source will not be divided into cells. Use will continue as usual.

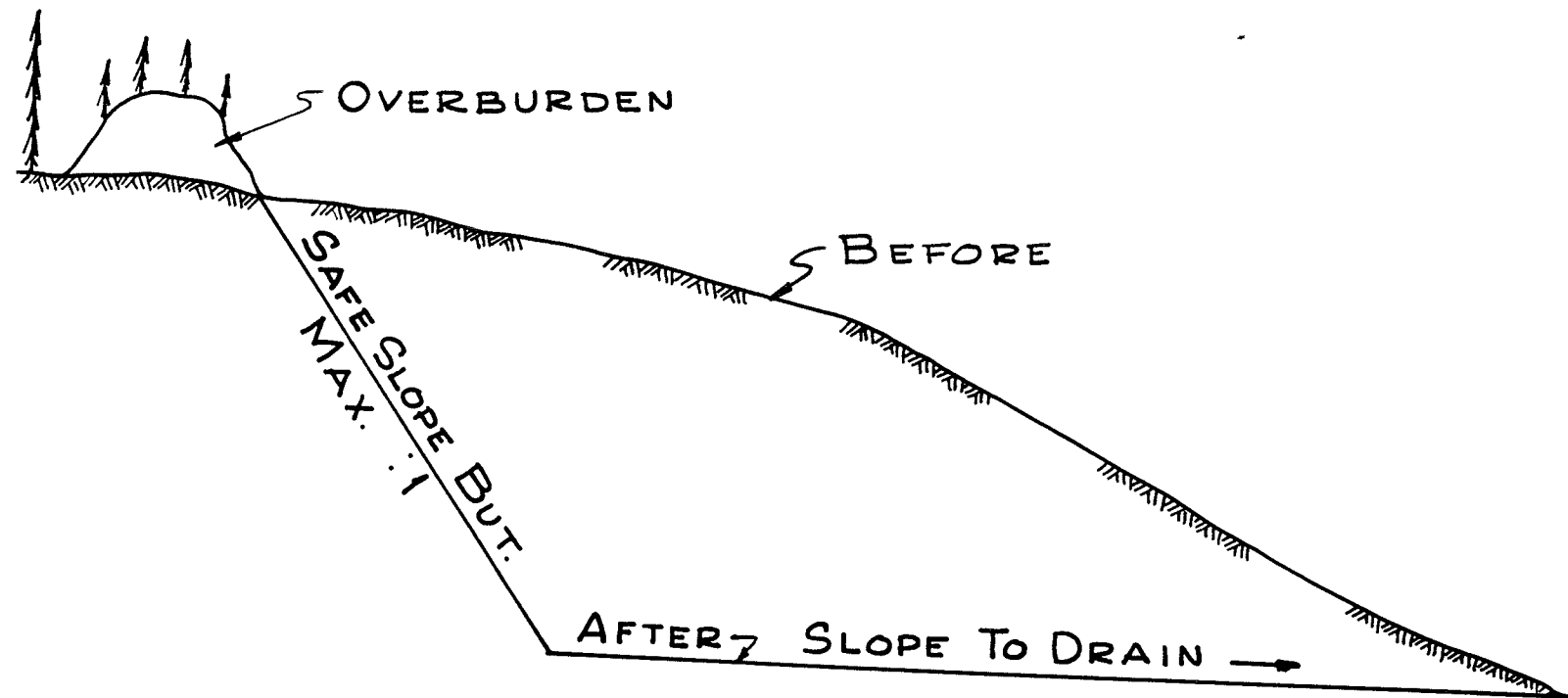
Present development has not reached a water table. Side slopes should be left at 1.5:1 after any excavation for stability.

Overburden will be stockpiled separately for reclamation purposes.

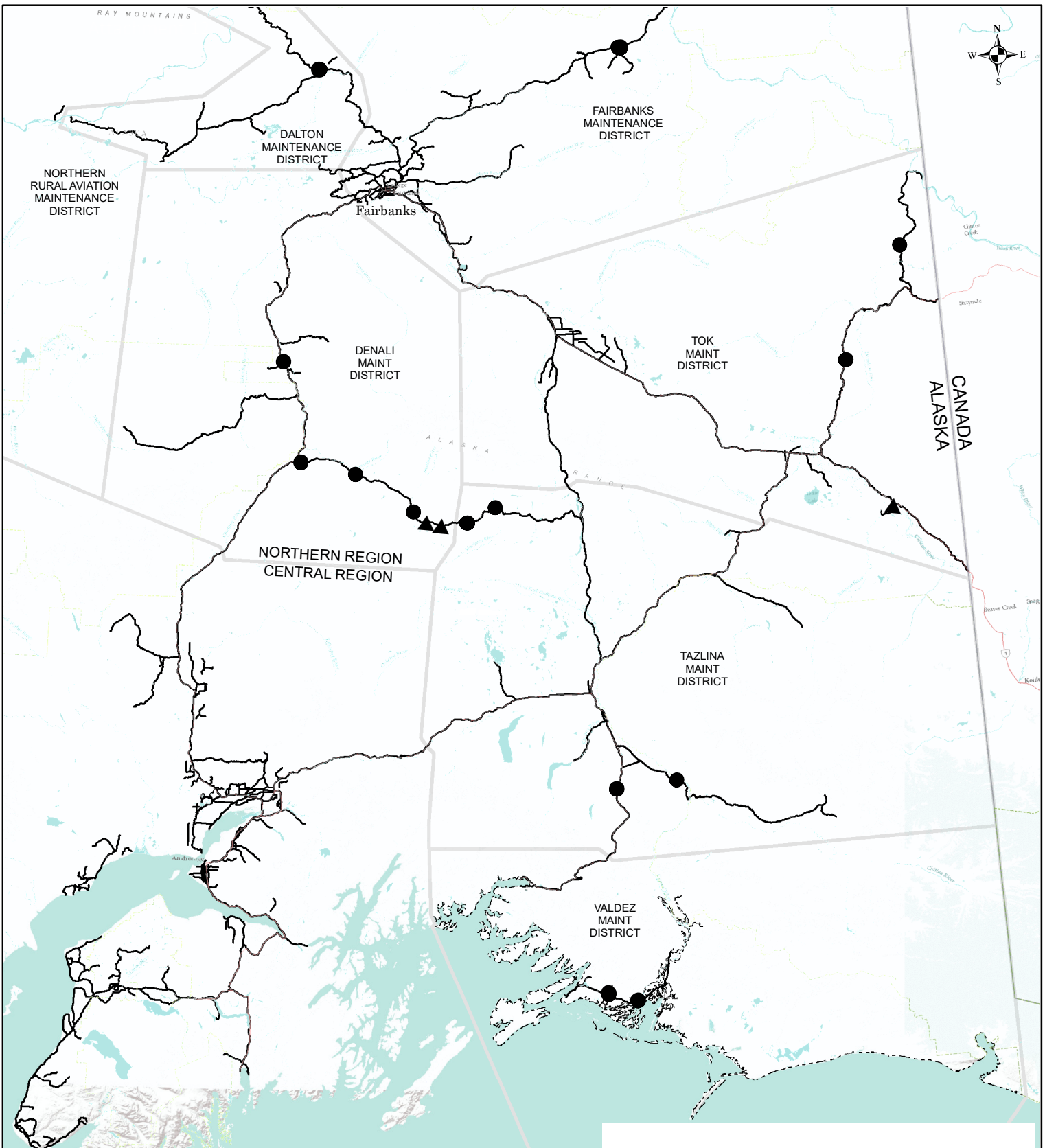
C. General Reclamation Plan

Stockpiled overburden will be spread over the pit floor when the site is no longer useful for material extraction or stockpiling. The site floor should be sloped to drain.

# MINING PLAN CROSS SECTION TYPICAL



MS 37-2-143-2



### Legend

- Aggregate Work Sites
- ▲ Stockpile Only
- DOT&PF Road Sys
- NR Maint Dist
- - - State Border
- - - Regional Boundary

0 40 80 160 Miles

STATE OF ALASKA  
Department of Transportation and Public Facilities  
2301 Peger Road Fairbanks, AK 99709

### NR FFY22 AGGREGATE STOCKPILING SITES

DATE: February 2022

FIGURE 1 / 18









Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community



### Legend

-  Pit Boundary
-  Work Area
-  DOT&PF Road System

0 0.0375 0.075 0.15 Miles



STATE OF ALASKA  
Department of Transportation and Public Facilities  
2301 Peger Road Fairbanks, AK 99709

### NR AGGREGATE PROGRAM PARKS MILE 252.2 37-2-143-2

DATE: February 2022

FIGURE 4 / 18





Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community



### Legend

- Pit Boundary
- Work Area
- DOT&PF Road System

0 0.05 0.1 0.2 Miles

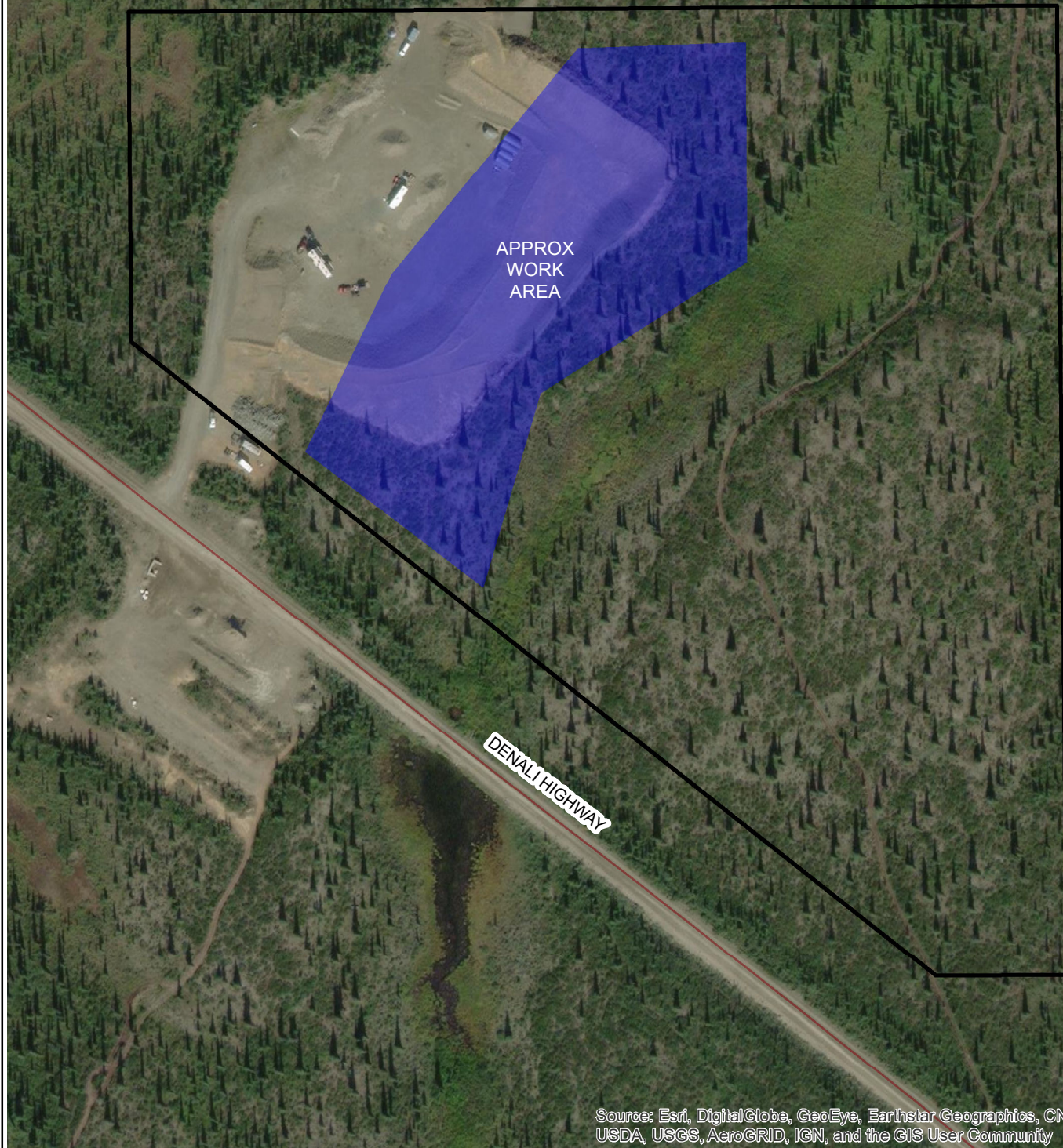
STATE OF ALASKA  
Department of Transportation and Public Facilities  
2301 Peger Road Fairbanks, AK 99709

### NR AGGREGATE PROGRAM DENALI MILE 132 52-2-040-2

DATE: February 2022

FIGURE 5 / 18





Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community



### Legend

- Work Area
- Pit Boundry
- DOT&PF Road System

0 0.03 0.06 0.12 Miles

STATE OF ALASKA  
Department of Transportation and Public Facilities  
2301 Peger Road Fairbanks, AK 99709

**NR AGGREGATE PROGRAM**  
**DENALI MILE 109 52-2-086-2**

DATE: February 2022

FIGURE 6 / 18





Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community



### Legend

- Work Area
- Pit Boundry
- DOT&PF Road System

0 0.0175 0.035 0.07 Miles

STATE OF ALASKA  
Department of Transportation and Public Facilities  
2301 Peger Road Fairbanks, AK 99709

**NR AGGREGATE PROGRAM**  
**DENALI MILE 79 52-2-089-2**

DATE: February 2022

FIGURE 7 / 18





DENALI HWY

APPROX  
STOCKPILE  
AREA

Source: Esri,  
DigitalGlobe, GeoEye, IGN, and the GIS User Community



## Legend

— DOT&PF Road System

0 0.0075 0.015 0.03 Miles

STATE OF ALASKA  
Department of Transportation and Public Facilities  
2301 Peger Road Fairbanks, AK 99709

## NR AGGREGATE PROGRAM DENALI MILE 71 PULLOUT STOCKPILE AREA ONLY

DATE: February 2022

FIGURE 8 / 18



STATE OF ALASKA  
DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES  
**REQUIRED CONTRACT PROVISIONS**  
**for**  
**FEDERAL-AID (FHWA) CONSTRUCTION CONTRACTS**

FHWA-1273 -- Revised May 1, 2012  
Supplement , Cargo Preference Act – Effective February 15, 2016

**REQUIRED CONTRACT PROVISIONS**  
**FEDERAL-AID CONSTRUCTION CONTRACTS**

- I. General
- II. Nondiscrimination
- III. Nonsegregated Facilities
- IV. Davis-Bacon and Related Act Provisions
- V. Contract Work Hours and Safety Standards Act Provisions
- VI. Subletting or Assigning the Contract
- VII. Safety: Accident Prevention
- VIII. False Statements Concerning Highway Projects
- IX. Implementation of Clean Air Act and Federal Water Pollution Control Act
- X. Compliance with Governmentwide Suspension and Debarment Requirements
- XI. Certification Regarding Use of Contract Funds for Lobbying

**ATTACHMENTS**

A. Employment and Materials Preference for Appalachian Development Highway System or Appalachian Local Access Road Contracts (included in Appalachian contracts only)

**I. GENERAL**

1. Form FHWA-1273 must be physically incorporated in each construction contract funded under Title 23 (excluding emergency contracts solely intended for debris removal). The contractor (or subcontractor) must insert this form in each subcontract and further require its inclusion in all lower tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services).

The applicable requirements of Form FHWA-1273 are incorporated by reference for work done under any purchase order, rental agreement or agreement for other services. The prime contractor shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Form FHWA-1273 must be included in all Federal-aid design-build contracts, in all subcontracts and in lower tier subcontracts (excluding subcontracts for design services, purchase orders, rental agreements and other agreements for supplies or services). The design-builder shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Contracting agencies may reference Form FHWA-1273 in bid proposal or request for proposal documents, however, the Form FHWA-1273 must be physically incorporated (not referenced) in all contracts, subcontracts and lower-tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services related to a construction contract).

2. Subject to the applicability criteria noted in the following sections, these contract provisions shall apply to all work performed on the contract by the contractor's own organization and with the assistance of workers under the contractor's

immediate superintendence and to all work performed on the contract by piecework, station work, or by subcontract.

3. A breach of any of the stipulations contained in these Required Contract Provisions may be sufficient grounds for withholding of progress payments, withholding of final payment, termination of the contract, suspension / debarment or any other action determined to be appropriate by the contracting agency and FHWA.

4. Selection of Labor: During the performance of this contract, the contractor shall not use convict labor for any purpose within the limits of a construction project on a Federal-aid highway unless it is labor performed by convicts who are on parole, supervised release, or probation. The term Federal-aid highway does not include roadways functionally classified as local roads or rural minor collectors.

**II. NONDISCRIMINATION**

The provisions of this section related to 23 CFR Part 230 are applicable to all Federal-aid construction contracts and to all related construction subcontracts of \$10,000 or more. The provisions of 23 CFR Part 230 are not applicable to material supply, engineering, or architectural service contracts.

In addition, the contractor and all subcontractors must comply with the following policies: Executive Order 11246, 41 CFR 60, 29 CFR 1625-1627, Title 23 USC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), Title VI of the Civil Rights Act of 1964, as amended, and related regulations including 49 CFR Parts 21, 26 and 27; and 23 CFR Parts 200, 230, and 633.

The contractor and all subcontractors must comply with: the requirements of the Equal Opportunity Clause in 41 CFR 60-1.4(b) and, for all construction contracts exceeding \$10,000, the Standard Federal Equal Employment Opportunity Construction Contract Specifications in 41 CFR 60-4.3.

Note: The U.S. Department of Labor has exclusive authority to determine compliance with Executive Order 11246 and the policies of the Secretary of Labor including 41 CFR 60, and 29 CFR 1625-1627. The contracting agency and the FHWA have the authority and the responsibility to ensure compliance with Title 23 USC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), and Title VI of the Civil Rights Act of 1964, as amended, and related regulations including 49 CFR Parts 21, 26 and 27; and 23 CFR Parts 200, 230, and 633.

The following provision is adopted from 23 CFR 230, Appendix A, with appropriate revisions to conform to the U.S. Department of Labor (US DOL) and FHWA requirements.

**1. Equal Employment Opportunity:** Equal employment opportunity (EEO) requirements not to discriminate and to take affirmative action to assure equal opportunity as set forth under laws, executive orders, rules, regulations (28 CFR 35, 29 CFR 1630, 29 CFR 1625-1627, 41 CFR 60 and 49 CFR 27)

and orders of the Secretary of Labor as modified by the provisions prescribed herein, and imposed pursuant to 23 U.S.C. 140 shall constitute the EEO and specific affirmative action standards for the contractor's project activities under this contract. The provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) set forth under 28 CFR 35 and 29 CFR 1630 are incorporated by reference in this contract. In the execution of this contract, the contractor agrees to comply with the following minimum specific requirement activities of EEO:

a. The contractor will work with the contracting agency and the Federal Government to ensure that it has made every good faith effort to provide equal opportunity with respect to all of its terms and conditions of employment and in their review of activities under the contract.

b. The contractor will accept as its operating policy the following statement:

"It is the policy of this Company to assure that applicants are employed, and that employees are treated during employment, without regard to their race, religion, sex, color, national origin, age or disability. Such action shall include: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship, pre-apprenticeship, and/or on-the-job training."

**2. EEO Officer:** The contractor will designate and make known to the contracting officers an EEO Officer who will have the responsibility for and must be capable of effectively administering and promoting an active EEO program and who must be assigned adequate authority and responsibility to do so.

**3. Dissemination of Policy:** All members of the contractor's staff who are authorized to hire, supervise, promote, and discharge employees, or who recommend such action, or who are substantially involved in such action, will be made fully cognizant of, and will implement, the contractor's EEO policy and contractual responsibilities to provide EEO in each grade and classification of employment. To ensure that the above agreement will be met, the following actions will be taken as a minimum:

a. Periodic meetings of supervisory and personnel office employees will be conducted before the start of work and then not less often than once every six months, at which time the contractor's EEO policy and its implementation will be reviewed and explained. The meetings will be conducted by the EEO Officer.

b. All new supervisory or personnel office employees will be given a thorough indoctrination by the EEO Officer, covering all major aspects of the contractor's EEO obligations within thirty days following their reporting for duty with the contractor.

c. All personnel who are engaged in direct recruitment for the project will be instructed by the EEO Officer in the contractor's procedures for locating and hiring minorities and women.

d. Notices and posters setting forth the contractor's EEO policy will be placed in areas readily accessible to employees, applicants for employment and potential employees.

e. The contractor's EEO policy and the procedures to implement such policy will be brought to the attention of

employees by means of meetings, employee handbooks, or other appropriate means.

**4. Recruitment:** When advertising for employees, the contractor will include in all advertisements for employees the notation: "An Equal Opportunity Employer." All such advertisements will be placed in publications having a large circulation among minorities and women in the area from which the project work force would normally be derived.

a. The contractor will, unless precluded by a valid bargaining agreement, conduct systematic and direct recruitment through public and private employee referral sources likely to yield qualified minorities and women. To meet this requirement, the contractor will identify sources of potential minority group employees, and establish with such identified sources procedures whereby minority and women applicants may be referred to the contractor for employment consideration.

b. In the event the contractor has a valid bargaining agreement providing for exclusive hiring hall referrals, the contractor is expected to observe the provisions of that agreement to the extent that the system meets the contractor's compliance with EEO contract provisions. Where implementation of such an agreement has the effect of discriminating against minorities or women, or obligates the contractor to do the same, such implementation violates Federal nondiscrimination provisions.

c. The contractor will encourage its present employees to refer minorities and women as applicants for employment. Information and procedures with regard to referring such applicants will be discussed with employees.

**5. Personnel Actions:** Wages, working conditions, and employee benefits shall be established and administered, and personnel actions of every type, including hiring, upgrading, promotion, transfer, demotion, layoff, and termination, shall be taken without regard to race, color, religion, sex, national origin, age or disability. The following procedures shall be followed:

a. The contractor will conduct periodic inspections of project sites to insure that working conditions and employee facilities do not indicate discriminatory treatment of project site personnel.

b. The contractor will periodically evaluate the spread of wages paid within each classification to determine any evidence of discriminatory wage practices.

c. The contractor will periodically review selected personnel actions in depth to determine whether there is evidence of discrimination. Where evidence is found, the contractor will promptly take corrective action. If the review indicates that the discrimination may extend beyond the actions reviewed, such corrective action shall include all affected persons.

d. The contractor will promptly investigate all complaints of alleged discrimination made to the contractor in connection with its obligations under this contract, will attempt to resolve such complaints, and will take appropriate corrective action within a reasonable time. If the investigation indicates that the discrimination may affect persons other than the complainant, such corrective action shall include such other persons. Upon completion of each investigation, the contractor will inform every complainant of all of their avenues of appeal.

**6. Training and Promotion:**

a. The contractor will assist in locating, qualifying, and increasing the skills of minorities and women who are applicants for employment or current employees. Such efforts should be aimed at developing full journey level status employees in the type of trade or job classification involved.

b. Consistent with the contractor's work force requirements and as permissible under Federal and State regulations, the contractor shall make full use of training programs, i.e., apprenticeship, and on-the-job training programs for the geographical area of contract performance. In the event a special provision for training is provided under this contract, this subparagraph will be superseded as indicated in the special provision. The contracting agency may reserve training positions for persons who receive welfare assistance in accordance with 23 U.S.C. 140(a).

c. The contractor will advise employees and applicants for employment of available training programs and entrance requirements for each.

d. The contractor will periodically review the training and promotion potential of employees who are minorities and women and will encourage eligible employees to apply for such training and promotion.

**7. Unions:** If the contractor relies in whole or in part upon unions as a source of employees, the contractor will use good faith efforts to obtain the cooperation of such unions to increase opportunities for minorities and women. Actions by the contractor, either directly or through a contractor's association acting as agent, will include the procedures set forth below:

a. The contractor will use good faith efforts to develop, in cooperation with the unions, joint training programs aimed toward qualifying more minorities and women for membership in the unions and increasing the skills of minorities and women so that they may qualify for higher paying employment.

b. The contractor will use good faith efforts to incorporate an EEO clause into each union agreement to the end that such union will be contractually bound to refer applicants without regard to their race, color, religion, sex, national origin, age or disability.

c. The contractor is to obtain information as to the referral practices and policies of the labor union except that to the extent such information is within the exclusive possession of the labor union and such labor union refuses to furnish such information to the contractor, the contractor shall so certify to the contracting agency and shall set forth what efforts have been made to obtain such information.

d. In the event the union is unable to provide the contractor with a reasonable flow of referrals within the time limit set forth in the collective bargaining agreement, the contractor will, through independent recruitment efforts, fill the employment vacancies without regard to race, color, religion, sex, national origin, age or disability; making full efforts to obtain qualified and/or qualifiable minorities and women. The failure of a union to provide sufficient referrals (even though it is obligated to provide exclusive referrals under the terms of a collective bargaining agreement) does not relieve the contractor from the requirements of this paragraph. In the event the union referral practice prevents the contractor from meeting the obligations pursuant to Executive Order 11246, as amended, and these special provisions, such contractor shall immediately notify the contracting agency.

**8. Reasonable Accommodation for Applicants / Employees with Disabilities:** The contractor must be familiar with the requirements for and comply with the Americans with Disabilities Act and all rules and regulations established there under. Employers must provide reasonable accommodation in all employment activities unless to do so would cause an undue hardship.

**9. Selection of Subcontractors, Procurement of Materials and Leasing of Equipment:** The contractor shall not discriminate on the grounds of race, color, religion, sex, national origin, age or disability in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor shall take all necessary and reasonable steps to ensure nondiscrimination in the administration of this contract.

a. The contractor shall notify all potential subcontractors and suppliers and lessors of their EEO obligations under this contract.

b. The contractor will use good faith efforts to ensure subcontractor compliance with their EEO obligations.

#### **10. Assurance Required by 49 CFR 26.13(b):**

a. The requirements of 49 CFR Part 26 and the State DOT's U.S. DOT-approved DBE program are incorporated by reference.

b. The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the contracting agency deems appropriate.

**11. Records and Reports:** The contractor shall keep such records as necessary to document compliance with the EEO requirements. Such records shall be retained for a period of three years following the date of the final payment to the contractor for all contract work and shall be available at reasonable times and places for inspection by authorized representatives of the contracting agency and the FHWA.

a. The records kept by the contractor shall document the following:

(1) The number and work hours of minority and non-minority group members and women employed in each work classification on the project;

(2) The progress and efforts being made in cooperation with unions, when applicable, to increase employment opportunities for minorities and women; and

(3) The progress and efforts being made in locating, hiring, training, qualifying, and upgrading minorities and women;

b. The contractors and subcontractors will submit an annual report to the contracting agency each July for the duration of the project, indicating the number of minority, women, and non-minority group employees currently engaged in each work classification required by the contract work. This information is to be reported on [Form FHWA-1391](#). The staffing data should



represent the project work force on board in all or any part of the last payroll period preceding the end of July. If on-the-job training is being required by special provision, the contractor will be required to collect and report training data. The employment data should reflect the work force on board during all or any part of the last payroll period preceding the end of July.

### III. NONSEGREGATED FACILITIES

This provision is applicable to all Federal-aid construction contracts and to all related construction subcontracts of \$10,000 or more.

The contractor must ensure that facilities provided for employees are provided in such a manner that segregation on the basis of race, color, religion, sex, or national origin cannot result. The contractor may neither require such segregated use by written or oral policies nor tolerate such use by employee custom. The contractor's obligation extends further to ensure that its employees are not assigned to perform their services at any location, under the contractor's control, where the facilities are segregated. The term "facilities" includes waiting rooms, work areas, restaurants and other eating areas, time clocks, restrooms, washrooms, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing provided for employees. The contractor shall provide separate or single-user restrooms and necessary dressing or sleeping areas to assure privacy between sexes.

### IV. DAVIS-BACON AND RELATED ACT PROVISIONS

This section is applicable to all Federal-aid construction projects exceeding \$2,000 and to all related subcontracts and lower-tier subcontracts (regardless of subcontract size). The requirements apply to all projects located within the right-of-way of a roadway that is functionally classified as Federal-aid highway. This excludes roadways functionally classified as local roads or rural minor collectors, which are exempt. Contracting agencies may elect to apply these requirements to other projects.

The following provisions are from the U.S. Department of Labor regulations in 29 CFR 5.5 "Contract provisions and related matters" with minor revisions to conform to the FHWA-1273 format and FHWA program requirements.

#### 1. Minimum wages

a. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph 1.d. of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph 1.b. of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

b. (1) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(i) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(ii) The classification is utilized in the area by the construction industry; and

(iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(2) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(3) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Wage and Hour Administrator for

determination. The Wage and Hour Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(4) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs 1.b.(2) or 1.b.(3) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

c. Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

d. If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

## 2. Withholding

The contracting agency shall upon its own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract, or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the contracting agency may, after written notice to the contractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

## 3. Payrolls and basic records

a. Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that

the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

b.(1) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the contracting agency. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the contracting agency for transmission to the State DOT, the FHWA or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the contracting agency..

(2) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(i) That the payroll for the payroll period contains the information required to be provided under §5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under §5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(ii) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(iii) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed,

as specified in the applicable wage determination incorporated into the contract.

(3) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph 3.b.(2) of this section.

(4) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

c. The contractor or subcontractor shall make the records required under paragraph 3.a. of this section available for inspection, copying, or transcription by authorized representatives of the contracting agency, the State DOT, the FHWA, or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the FHWA may, after written notice to the contractor, the contracting agency or the State DOT, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

#### 4. Apprentices and trainees

##### a. Apprentices (programs of the USDOL).

Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice.

The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed.

Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination.

In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

##### b. Trainees (programs of the USDOL).

Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration.

The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration.

Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed.

In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

c. Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity

requirements of Executive Order 11246, as amended, and 29 CFR part 30.

d. Apprentices and Trainees (programs of the U.S. DOT).

Apprentices and trainees working under apprenticeship and skill training programs which have been certified by the Secretary of Transportation as promoting EEO in connection with Federal-aid highway construction programs are not subject to the requirements of paragraph 4 of this Section IV. The straight time hourly wage rates for apprentices and trainees under such programs will be established by the particular programs. The ratio of apprentices and trainees to journeymen shall not be greater than permitted by the terms of the particular program.

**5. Compliance with Copeland Act requirements.** The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

**6. Subcontracts.** The contractor or subcontractor shall insert Form FHWA-1273 in any subcontracts and also require the subcontractors to include Form FHWA-1273 in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

**7. Contract termination: debarment.** A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

**8. Compliance with Davis-Bacon and Related Act requirements.** All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

**9. Disputes concerning labor standards.** Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

**10. Certification of eligibility.**

a. By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

b. No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

c. The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

**V. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT**

The following clauses apply to any Federal-aid construction contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by 29 CFR 5.5(a) or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

**1. Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

**2. Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in paragraph (1.) of this section, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1.) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1.) of this section.

**3. Withholding for unpaid wages and liquidated damages.** The FHWA or the contracting agency shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2.) of this section.

**4. Subcontracts.** The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1.) through (4.) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1.) through (4.) of this section.

**VI. SUBLETTING OR ASSIGNING THE CONTRACT**

This provision is applicable to all Federal-aid construction contracts on the National Highway System.

1. The contractor shall perform with its own organization contract work amounting to not less than 30 percent (or a greater percentage if specified elsewhere in the contract) of the total original contract price, excluding any specialty items designated by the contracting agency. Specialty items may be performed by subcontract and the amount of any such specialty items performed may be deducted from the total original contract price before computing the amount of work required to be performed by the contractor's own organization (23 CFR 635.116).

a. The term "perform work with its own organization" refers to workers employed or leased by the prime contractor, and equipment owned or rented by the prime contractor, with or without operators. Such term does not include employees or equipment of a subcontractor or lower tier subcontractor, agents of the prime contractor, or any other assignees. The term may include payments for the costs of hiring leased employees from an employee leasing firm meeting all relevant Federal and State regulatory requirements. Leased employees may only be included in this term if the prime contractor meets all of the following conditions:

- (1) the prime contractor maintains control over the supervision of the day-to-day activities of the leased employees;
- (2) the prime contractor remains responsible for the quality of the work of the leased employees;
- (3) the prime contractor retains all power to accept or exclude individual employees from work on the project; and
- (4) the prime contractor remains ultimately responsible for the payment of predetermined minimum wages, the submission of payrolls, statements of compliance and all other Federal regulatory requirements.

b. "Specialty Items" shall be construed to be limited to work that requires highly specialized knowledge, abilities, or equipment not ordinarily available in the type of contracting organizations qualified and expected to bid or propose on the contract as a whole and in general are to be limited to minor components of the overall contract.

2. The contract amount upon which the requirements set forth in paragraph (1) of Section VI is computed includes the cost of material and manufactured products which are to be purchased or produced by the contractor under the contract provisions.

3. The contractor shall furnish (a) a competent superintendent or supervisor who is employed by the firm, has full authority to direct performance of the work in accordance with the contract requirements, and is in charge of all construction operations (regardless of who performs the work) and (b) such other of its own organizational resources (supervision, management, and engineering services) as the contracting officer determines is necessary to assure the performance of the contract.

4. No portion of the contract shall be sublet, assigned or otherwise disposed of except with the written consent of the contracting officer, or authorized representative, and such consent when given shall not be construed to relieve the contractor of any responsibility for the fulfillment of the contract. Written consent will be given only after the contracting agency has assured that each subcontract is

evidenced in writing and that it contains all pertinent provisions and requirements of the prime contract.

5. The 30% self-performance requirement of paragraph (1) is not applicable to design-build contracts; however, contracting agencies may establish their own self-performance requirements.

**VII. SAFETY: ACCIDENT PREVENTION**

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

1. In the performance of this contract the contractor shall comply with all applicable Federal, State, and local laws governing safety, health, and sanitation (23 CFR 635). The contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions as it determines, or as the contracting officer may determine, to be reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of the work covered by the contract.

2. It is a condition of this contract, and shall be made a condition of each subcontract, which the contractor enters into pursuant to this contract, that the contractor and any subcontractor shall not permit any employee, in performance of the contract, to work in surroundings or under conditions which are unsanitary, hazardous or dangerous to his/her health or safety, as determined under construction safety and health standards (29 CFR 1926) promulgated by the Secretary of Labor, in accordance with Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3704).

3. Pursuant to 29 CFR 1926.3, it is a condition of this contract that the Secretary of Labor or authorized representative thereof, shall have right of entry to any site of contract performance to inspect or investigate the matter of compliance with the construction safety and health standards and to carry out the duties of the Secretary under Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C.3704).

**VIII. FALSE STATEMENTS CONCERNING HIGHWAY PROJECTS**

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

In order to assure high quality and durable construction in conformity with approved plans and specifications and a high degree of reliability on statements and representations made by engineers, contractors, suppliers, and workers on Federal-aid highway projects, it is essential that all persons concerned with the project perform their functions as carefully, thoroughly, and honestly as possible. Willful falsification, distortion, or misrepresentation with respect to any facts related to the project is a violation of Federal law. To prevent any misunderstanding regarding the seriousness of these and similar acts, Form FHWA-1022 shall be posted on each Federal-aid highway project (23 CFR 635) in one or more places where it is readily available to all persons concerned with the project:

18 U.S.C. 1020 reads as follows:

"Whoever, being an officer, agent, or employee of the United States, or of any State or Territory, or whoever, whether a person, association, firm, or corporation, knowingly makes any false statement, false representation, or false report as to the character, quality, quantity, or cost of the material used or to be used, or the quantity or quality of the work performed or to be performed, or the cost thereof in connection with the submission of plans, maps, specifications, contracts, or costs of construction on any highway or related project submitted for approval to the Secretary of Transportation; or

Whoever knowingly makes any false statement, false representation, false report or false claim with respect to the character, quality, quantity, or cost of any work performed or to be performed, or materials furnished or to be furnished, in connection with the construction of any highway or related project approved by the Secretary of Transportation; or

Whoever knowingly makes any false statement or false representation as to material fact in any statement, certificate, or report submitted pursuant to provisions of the Federal-aid Roads Act approved July 1, 1916, (39 Stat. 355), as amended and supplemented;

Shall be fined under this title or imprisoned not more than 5 years or both."

#### **IX. IMPLEMENTATION OF CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT**

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

By submission of this bid/proposal or the execution of this contract, or subcontract, as appropriate, the bidder, proposer, Federal-aid construction contractor, or subcontractor, as appropriate, will be deemed to have stipulated as follows:

1. That any person who is or will be utilized in the performance of this contract is not prohibited from receiving an award due to a violation of Section 508 of the Clean Water Act or Section 306 of the Clean Air Act.

2. That the contractor agrees to include or cause to be included the requirements of paragraph (1) of this Section X in every subcontract, and further agrees to take such action as the contracting agency may direct as a means of enforcing such requirements.

#### **X. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION**

This provision is applicable to all Federal-aid construction contracts, design-build contracts, subcontracts, lower-tier subcontracts, purchase orders, lease agreements, consultant contracts or any other covered transaction requiring FHWA approval or that is estimated to cost \$25,000 or more – as defined in 2 CFR Parts 180 and 1200.

##### **1. Instructions for Certification – First Tier Participants:**

a. By signing and submitting this proposal, the prospective first tier participant is providing the certification set out below.

b. The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this

covered transaction. The prospective first tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective first tier participant to furnish a certification or an explanation shall disqualify such a person from participation in this transaction.

c. The certification in this clause is a material representation of fact upon which reliance was placed when the contracting agency determined to enter into this transaction. If it is later determined that the prospective participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the contracting agency may terminate this transaction for cause of default.

d. The prospective first tier participant shall provide immediate written notice to the contracting agency to whom this proposal is submitted if any time the prospective first tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

e. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180 and 1200. "First Tier Covered Transactions" refers to any covered transaction between a grantee or subgrantee of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a grantee or subgrantee of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

f. The prospective first tier participant agrees by submitting this proposal 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 entering into this transaction.

g. The prospective first tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions," provided by the department or contracting agency, entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the \$25,000 threshold.

h. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the Excluded Parties List System website (<https://www.epls.gov/>), which is compiled by the General Services Administration.



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

j. Except for transactions authorized under paragraph (f) 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 may terminate this transaction for cause or default.

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## **2. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – First Tier Participants:**

a. The prospective first tier participant certifies to the best of its knowledge and belief, that it and its principals:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;

(2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (a)(2) of this certification; and

(4) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

b. Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

### **2. Instructions for Certification - Lower Tier Participants:**

(Applicable to all subcontracts, purchase orders and other lower tier transactions requiring prior FHWA approval or estimated to cost \$25,000 or more - 2 CFR Parts 180 and 1200)

a. By signing and submitting this proposal, the prospective lower tier is providing the certification set out below.

b. 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.

c. 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 by reason of changed circumstances.

d. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180 and 1200. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations. "First Tier Covered Transactions" refers to any covered transaction between a grantee or subgrantee of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a grantee or subgrantee of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

e. The prospective lower tier participant agrees by submitting this proposal 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.

f. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the \$25,000 threshold.

g. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the Excluded Parties List System website (<https://www.epls.gov/>), which is compiled by the General Services Administration.

h. 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 participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

i. Except for transactions authorized under paragraph e 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.

\* \* \* \* \*

**Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Participants:**

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 participating in covered transactions 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.

\* \* \* \* \*

**XI. CERTIFICATION REGARDING USE OF CONTRACT FUNDS FOR LOBBYING**

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts which exceed \$100,000 (49 CFR 20).

1. The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

2. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

3. The prospective participant also agrees by submitting its bid or proposal that the participant shall require that the language of this certification be included in all lower tier subcontracts, which exceed \$100,000 and that all such recipients shall certify and disclose accordingly.

## **ATTACHMENT A - EMPLOYMENT AND MATERIALS PREFERENCE FOR APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM OR APPALACHIAN LOCAL ACCESS ROAD CONTRACTS**

This provision is applicable to all Federal-aid projects funded under the Appalachian Regional Development Act of 1965.

1. During the performance of this contract, the contractor undertaking to do work which is, or reasonably may be, done as on-site work, shall give preference to qualified persons who regularly reside in the labor area as designated by the DOL wherein the contract work is situated, or the subregion, or the Appalachian counties of the State wherein the contract work is situated, except:

a. To the extent that qualified persons regularly residing in the area are not available.

b. For the reasonable needs of the contractor to employ supervisory or specially experienced personnel necessary to assure an efficient execution of the contract work.

c. For the obligation of the contractor to offer employment to present or former employees as the result of a lawful collective bargaining contract, provided that the number of nonresident persons employed under this subparagraph (1c) shall not exceed 20 percent of the total number of employees employed by the contractor on the contract work, except as provided in subparagraph (4) below.

2. The contractor shall place a job order with the State Employment Service indicating (a) the classifications of the laborers, mechanics and other employees required to perform the contract work, (b) the number of employees required in each classification, (c) the date on which the participant estimates such employees will be required, and (d) any other pertinent information required by the State Employment Service to complete the job order form. The job order may be placed with the State Employment Service in writing or by telephone. If during the course of the contract work, the information submitted by the contractor in the original job order is substantially modified, the participant shall promptly notify the State Employment Service.

3. The contractor shall give full consideration to all qualified job applicants referred to him by the State Employment Service. The contractor is not required to grant employment to any job applicants who, in his opinion, are not qualified to perform the classification of work required.

4. If, within one week following the placing of a job order by the contractor with the State Employment Service, the State Employment Service is unable to refer any qualified job applicants to the contractor, or less than the number requested, the State Employment Service will forward a certificate to the contractor indicating the unavailability of applicants. Such certificate shall be made a part of the contractor's permanent project records. Upon receipt of this certificate, the contractor may employ persons who do not normally reside in the labor area to fill positions covered by the certificate, notwithstanding the provisions of subparagraph (1c) above.

5. The provisions of 23 CFR 633.207(e) allow the contracting agency to provide a contractual preference for the use of mineral resource materials native to the Appalachian region.

6. The contractor shall include the provisions of Sections 1 through 4 of this Attachment A in every subcontract for work which is, or reasonably may be, done as on-site work.

## **SUPPLEMENT to Form FHWA -1273 CARGO PREFERENCE ACT REQUIREMENTS**

This provision requires compliance with the Cargo Preference Act (CPA) and its implementing regulations in 46 CFR 381 for all Federal Aid Projects awarded after February 15, 2016.

In accordance with 46 CFR 381.7, the following language must be physically incorporated in each construction contract funded under Title 23 (excluding emergency contracts solely intended for debris removal). The contractor (or subcontractor) must insert this form in each subcontract and further require its inclusion in all lower tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services).

The applicable requirements of 46 CFR 381.7 are incorporated by reference for work done under any purchase order, rental agreement or agreement for other services. The prime contractor shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

(a) Agreement Clauses. Use of United States-flag vessels:

(1) Pursuant to Pub. L. 664 (43 U.S.C. 1241(b)) at least 50 percent of any equipment, materials or commodities procured, contracted for or otherwise obtained with funds granted, guaranteed, loaned, or advanced by the U.S. Government under this agreement, and which may be transported by ocean vessel, shall be transported on privately owned United States-flag commercial vessels, if available.

(2) Within 20 days following the date of loading for shipments originating within the United States or within 30 working days following the date of loading for shipments originating outside the United States, a legible copy of a rated, 'on-board' commercial ocean bill-of-lading in English for each shipment of cargo described in paragraph (a)(1) of this section shall be furnished to both the Contracting Officer (through the prime contractor in the case of subcontractor bills-of-lading) and to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590."

(b) Contractor and Subcontractor Clauses. Use of United States-flag vessels: The contractor agrees—

(1) To utilize privately owned United States-flag commercial vessels to ship at least 50 percent of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners, and tankers) involved, whenever shipping any equipment, material, or commodities pursuant to this contract, to the extent such vessels are available at fair and reasonable rates for United States-flag commercial vessels.

(2) To furnish within 20 days following the date of loading for shipments originating within the United States or within 30 working days following the date of loading for shipments originating outside the United States, a legible copy of a rated, 'on-board' commercial ocean bill-of-lading in English for each shipment of cargo described in paragraph (b) (1) of this section to both the Contracting Officer (through the prime contractor in the case of subcontractor bills-of-lading) and to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590.

(3) To insert the substance of the provisions of this clause in all subcontracts issued pursuant to this contract."