

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is entered into as of the 3rd day of September, 2013 between the ALABAMA GULF COAST RECOVERY COUNCIL, an unincorporated nonprofit association under the laws of the State of Alabama (the "AGCRC"), and the ALABAMA DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES, an agency of the State of Alabama (the "Department").

Purpose

This MOU is entered into for the purpose of documenting the understanding and agreement of the parties with respect to the administration of the work of the AGCRC pertaining to funds allocated to the State of Alabama under the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (the "RESTORE Act") and to the execution of the duties of the AGCRC under the RESTORE Act.

Basis for Agreement

The RESTORE Act and the Bylaws of the AGCRC contemplate, among other things:

1. That funds allocated to the State of Alabama under the RESTORE Act shall be administered and disbursed by the AGCRC.
2. That the AGCRC will prepare and submit plans for the expenditure of certain of the allocated funds.
3. That the AGCRC will develop a multiyear implementation plan for the use of allocated funds.
4. That the administrative duties of the AGCRC must be performed by public officials and employees that are subject to the ethics laws of the State of Alabama.
5. That a portion of the allocated funds, not to exceed three percent (3%), will be available for the payment of the administrative costs of complying with the RESTORE Act.
6. That the Department of the Treasury will provide regulations/guidance for the implementation of the RESTORE Act including, but not limited to, regulations/guidance related to availability of funds for payment and/or reimbursement for costs and expenses incurred by the Department.

The Department is familiar with the requirements of the RESTORE Act and with other sources of funding for potential projects, including the National Resource Damage Assessment process ("NRDA") and the National Fish and Wildlife Foundation Gulf Environmental Benefit Fund ("NFWF"), and is well-positioned to coordinate funding of projects from the best possible sources.

There is as yet no funding available for distribution under the RESTORE Act, and the State of Alabama, through the Department, is willing to assume costs of acting as the administrator for the AGCRC until such time as funding is available and thereafter to the extent funding for administrative expense is not adequate for the purpose until such time as this MOU is terminated.

Duties of the Department

During the term of this MOU, the Department shall provide services to the AGCRC including, but not limited to, the following:

Fiduciary Agent:

- Receive/assist in preliminary screening of all funding assistance applications
- Assist AGCRC in the selection of projects
- Receive/process/oversee all reimbursement requests for approved projects
- Oversee the audit process of selected projects
- Ensure the AGCRC adheres to all reporting regulations, as promulgated under the RESTORE Act

Outreach:

- Responsible for all public notices/distribution of official communications
- Facilitate all public meeting sessions, including but not limited to: meeting logistics; documenting proceedings; maintaining public records
- Media and community liaison
- Administration of the official AGCRC website

Administrative Functions:

- Oversee the establishment of an office in Coastal Alabama / administrative support
- Oversee procurement/receivables and payables
- Hiring of Executive Director (and any successor) and outside contractors (with input from AGCRC)
- Hiring administrative staff, as appropriate

Responsibility of AGCRC

The AGCRC shall have overall responsibility for compliance with the RESTORE Act, developing appropriate recovery plans, and determining projects to be funded. The Department's functions as Administrator shall in all cases be subject to review, oversight and approval of the AGCRC. The parties shall establish such working procedures and policies as shall be necessary and appropriate to govern day-to-day activities of the Department in carrying out its duties hereunder.

Term


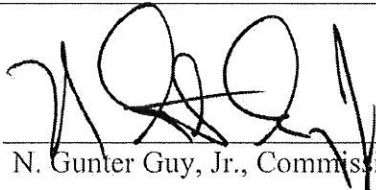
This MOU shall remain in effect until terminated by one of the parties. Either party may terminate this MOU upon sixty (60) days' notice, given in writing and, if to the AGCRC, to each member thereof, and if to the Department, to its Commissioner.

No Compensation; Reimbursement of Expenses

The Department will receive no compensation for serving as Administrator. The Department will be entitled to reimbursement of expenses, however, in accordance with the following:

- (a) Reimbursement shall be permitted only to the extent permitted by, and in accordance with, the RESTORE Act and regulations promulgated thereunder;
- (b) No expenses shall be reimbursed except out of RESTORE Act funds available to the AGCRC for that purpose;
- (c) Expenses reimbursed shall include:
 - Actual out-of-pocket expenses paid to third parties, including charges by consultants, travel expense, public outreach expenses;
 - Salaries and benefits, or an allocated portion of salaries and benefits of employees, the executive director and other staff any of whom perform activities for the benefit of the AGCRC;
 - Rent paid to third parties or, in the case of use of space owned by the State, charges for use determined in a manner consistent with charges to other State agencies;
- (d) Pending availability of funding under the RESTORE Act and thereafter, the Department shall submit for approval monthly statements for expenses incurred and shall retain such records and information as may be necessary to document expenses in compliance with the RESTORE Act and regulations and procedures promulgated thereunder.

Executed and delivered as of the date first above written:

ALABAMA GULF COAST RECOVERY COUNCIL	ALABAMA DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
By:  Robert Bentley, Governor As Chairman	By:  N. Gunter Guy, Jr., Commissioner