copy

LOCAL COOPERATION AGREEMENT

RETHERN

THE DEPARTMENT OF THE ARMY

AND

THE TOWN OF DAUPHIN ISLAND.

FOR CONSTRUCTION OF THE NAVIGATION PROJECT AT
FORT GAINES CHANNEL (GOVERNMENT CUT) AT DAUPHIN ISLAND, ALABAMA

WITNESSETH THAT:

WHEREAS, the authority for construction of the navigation project at Fort Gaines Channel (Government Cut) at Dauphin Island, Alabama (hereinafter called the "Project") is contained in Section 107 of the River and Harbor Act of 1960, Public Law 86-645, as amended; and,

whereas, construction of the Project is described in a report sutitled Detailed Project Report, prepared by the District Engineer, U. S. Army Engineer District, Mobile, Alabama, dated March 1990, and approved by the Chief of Engineers, U. S. Army, Washington, D.C., on July 9. 1990; and,

WHEREAS, the Water Resources Development Act of 1986, Public Law99-662, as amended, specifies the cost-sharing requirements applicable to
the Project; and

WHEREAS, Section 221 of the Flood Control Act of 1970, Public Law 91-611, as amended, provides that the construction of any water resources project by the Secretary of the Army shall not be commenced until each non-Federal interest has entered into a written agreement to furnish its required cooperation for the Project; and,

WHEREAS, the Local Sponsor has the authority and capability to furnish the cooperation hereinafter set forth and is willing to participate in project cost-sharing and financing in accordance with the terms of this Agreement;

NOW, THEREFORE, the parties agree as follows:

ARTICLE I - DEFINITIONS

For purposes of this Agreement:

a. The term "general navigation features of the Project" shall mean the following project features assigned to commercial navigation:

An improved navigation channel beginning at the 7-foot Billy Goat Hole anchorage basis and extending upstream 4,070 feet to the intersection with the 7-foot Dauphin Island Bay (State maintained) Channel. The Channel is to be dredged to a 6-foot depth with an additional
2-foot depth for advance maintenance and an
3additionali-foot for over-depth. Channel width is to
be an existing 40-foot bottom width, with a 1 vertical
to 3 horizontal side slope.

- b. The term "total cost of construction of general navigation facilities assigned to commercial navigation" shall mean all costs incurred by the Local Sponsor and the Government directly related to construction of the general navigation features of project. Such costs shall include, but not necessarily be limited to, actual construction costs, costs of preparation of contract plans and specifications, costs of relocations not performed by or on behalf of the Local Sponsor, costs of applicable engineering and design, supervision and administration costs, costs of contract dispute settlements or awards, and the value of lands, easaments, rights-of-way, dredged material disposal areas, and relocations or facility alterations performed by or on behalf of the Local Sponsor, but shall not include any costs for betterments, operation, repair, maintenance, replacement, or rehabilitation.
- c. The term "period of construction" shall mean the time from the advertisement of the first construction contract to the time of acceptance of the general navigation features of the Project by the Contracting Officer.
- d. The term "Contracting Officer" shall mean the District Engineer.
 U. S. Army Engineer District, Mobile, Alabama, or his designee.
- e. The term "highway" shall mean any highway, thoroughfare, roadway, street, or other public road or way.
 - f. The term "relocations" shall mean alterations, modifications,

lowering or raising in place, and/or new construction related to, but not limited to, existing: railroads, highways, bridges, railroad bridges and approaches thereto, buildings, pipelines, public utilities (such as municipal water and sanitary sewer lines, telephone lines, and storm drains), aerial utilities, cemeteries, and other facilities, structures, and improvements determined by the Government to be necessary for the construction, operation and maintenance of the Project.

- g. The term "fiscal year" shall mean one fiscal year of the United

 States Government, unless otherwise specifically indicated. The Government

 fiscal year begins on October 1 and ends on September 30.
- h. The term "involuntary acquisition" shall mean the acquisition of lands, easements, and rights-of-way by eminent domain.
- i. The term "functional portion of the Project" shall mean a completed portion of the Project as determined by the Contracting Officer to be suitable for tender to the Local Sponsor to operate and maintain in advance of completion of construction of the entire Project.

ARTICLE II - OBLIGATIONS OF PARTIES

a. The Government, subject to and using funds provided by the Local Sponsor and appropriated by the Congress of the United States, shall expeditiously construct the general navigation features of the Project, (including alterations or relocations of highway and railroad bridges, and approaches thereto), applying those procedures usually followed or applied in Federal Projects, pursuant to Federal laws, regulations, and policies. The Local Sponsor shall be afforded the opportunity to review and comment on all contracts, including relevant plans and specifications, prior to the

issuance of invitations for bids. The Local Sponsor also shall be afforded the opportunity to review and comment on all modifications and change orders prior to the issuance to the contractor of a Notice to Proceed. The Government will consider the comments of the Local Sponsor, but award of the contracts and performance of the work thereunder (Whether the work is performed under contract or by Government personnel) shall be exclusively within the control of the Government.

- b. The Government shall operate and maintain the general navigation features of the Project.
- c. The Local Sponsor shall provide and maintain, at its own expense, all project facilities other than those for general navigation, including dredged depths commensurate with those in related general navigation features in berthing areas and local access channels serving the general navigation features.
- d. The Local Sponsor shall provide to the Government all lands, easements, rights-of-way, including dredged material disposal areas, and perform, or assure performance of, all relocations or alterations of facilities and utilities (except relocations or alterations of highway and railroad bridges, and approaches thereto), determined by the Government to be necessary for construction, operation, or maintenance of the Project.
- e. As further specified in Article VI hereof, the Local Sponsor shall provide, during the period of construction, a cash contribution equal to the following percentages of the total cost of construction of the general navigation facilities assigned to commercial navigation:
- 10 percent of the costs attributable to the portion of the Project which has a depth not in excess of 20 feet;
 - 2. 25 percent of the costs attributable to the portion of the

Project which has a depth in excess of 20 feet but not in excess of 45 feet; and

- 3. 50 percent of the costs attributable to the portion of the Project which has a depth in excess of 45 feet.
- f. Pursuant to Section 103(c)(4) of the Water Resources Development.

 Act of 1986 (P.L. 99-662), the Local Sponsor shall provide 50 percent of the project costs allocated to recreational navigation.
- g. As further specified in Article VI hereof, the Local Sponsor shall repay with interest, over a period not to exceed 30 years following completion of the Project or separable element thereof, an additional 0 to 10 percent of the total cost of construction of general navigation facilities assigned to commercial navigation, depending on the value, as calculated under Article IV hereof, of items provided pursuant to paragraph d. of this Article. If the credit allowed for such items is less than 10 percent of the total cost of construction of general navigation facilities, the Local Sponsor shall repay a percentage of the said total cost equal to the difference between 10 percent of the total cost and the percentage of the total cost represented by the value of such items. If the credit allowed is equal to or greater than 10 percent of said total cost, the Local Sponsor shall not be required to repay any additional percentage of the total cost.
- h. No Federal funds may be used to meet the Local Sponsor share of project costs under this Agreement unless the expenditure of such funds is expressly authorized by statute as verified in writing by the granting agency.
- i. <u>Limitation on Use of Appropriated Funds to Influence Certain</u>

 Federal Contractual and Financial Transactions. In compliance with the Act

of October 23, 1989, the "Department of the Interior and Related Agencies Appropriations Act of Fiscal Year 1990", the Local Sponsor agrees that it will provide and execute the "Certification Regarding Lobbying" as attached hereto as Exhibit "B" and will comply with all applicable provisions of said Act in executing this Agreement.

ARTICLE III - LANDS, FACILITIES, AND PUBLIC LAW 91-646 RELOCATION ASSISTANCE

- a. The Local Sponsor shall furnish to the Government all lands, easements, and rights-of-way, including suitable borrow and dredged material disposal areas, as may be determined by the Government to be necessary for the construction, operation, and maintenance of the Project, and shall furnish to the Government evidence supporting the Local Sponsor's legal authority to grant rights-of-entry to such lands. The necessary lands, easements, and rights-of-way may be provided incrementally, but all lands, easements, and rights-of-way determined by the Government to be necessary for work to be performed under a construction contract must be furnished prior to the advertisement of the construction contract.
- b. The Local Sponsor shall provide or pay to the Government the cost of providing all retaining dikes, wasteweirs, bulkheads, and embankments, including all monitoring features and stilling basins, that may be required at any dredged material disposal areas necessary for construction of the Project.
- c. Upon notification from the Government, the Local Sponsor shall accomplish or arrange for accomplishment at no cost to the Government all relocations (excluding railroad bridges and approaches thereto) determined by the Government to be necessary for construction of the Project.

d. The Local Sponsor shall comply with the applicable provisions of the Uniform Relocations Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, as amended by Title IV of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (Public Law 100-17), and the Uniform Regulations contained in 49 CFR Part 24, in acquiring lands, easements, and rights-of-way for construction and subsequent operation and maintenance of the Project, and inform all affected persons of applicable benefits, policies, and procedures in connection with said Act.

ARTICLE IV - VALUE OF LANDS AND FACILITIES

- a. The value of the lands, easements, and rights-of-way to be credited toward the additional 10 percent of total costs the Local Sponsor must repay pursuant to Article II.f. will be determined in accordance with the following procedures:
- 1. If the lands, easements, or rights-of-way are owned by the Local Sponsor as of the date the first construction contract for the Project is awarded, the credit shall be the fair market value of the interest provided to the Government by the Local Sponsor at the time of such award. The fair market value shall be determined by an appraisal, to be obtained by the Local Sponsor, which has been prepared by a qualified appraiser who is acceptable to both the Local Sponsor and the Government. The appraisal shall be reviewed and approved by the Government.
- 2. If the lands, easements, or rights-of-way are to be acquired by the Local Sponsor after the date of award of the first construction contract for the Project, the credit shall be the fair market value of the

shall be determined as specified in Article IV.a.l. of this Agreement. If the Local Sponsor pays an amount in excess of the appraised fair market value, it may be entitled to a credit for the excess if the Local Sponsor has secured prior written approval from the Government of its offer to purchase such interest.

- 3. If the Local Sponsor acquires more lands, easements or rights-of-way than are necessary for Project purposes, as determined by the Government, then only the value of such portions of those acquisitions as are necessary for Project purposes shall be included in total project costs and credited to the Local Sponsor's share.
- 4. Credit for lands, easements and rights-of-way in the case of involuntary acquisitions which occur within a one-year period preceding the date this Agreement is signed or which occur after the date this Agreement is signed will be based on court awards, or on stipulated settlements that have received prior Government approval.
- 5. Credit for lands, easements, or rights-of-way acquired by the Local Sponsor within a five-year period preceding the date this Agreement is signed, or any time after this Agreement is signed, will also include the actual incidental costs of acquiring the interest, e.g., closing and title costs, appraisal costs, survey costs, attorney's fees, plat maps, and mapping costs, as well as the actual amounts expended for any payment of Public Law 91-646 relocation assistance benefits provided in accordance with the obligations under this Agreement.
- b. The costs of alterations or relocations of facilities and utilities incurred by the Local Sponsor that will be credited towards the additional 10 percent of total costs which the Local Sponsor must repay

pursuant to Article II. g., of this Agreement shall be that portion of the actual costs determined as set forth below, and approved by the Government:

- l. Highways and Bridges: Only that portion of the cost as would be necessary to construct substitute bridges and highways to the design standard that the State of Alabama would use in constructing a new bridge or highway under similar conditions of geography and traffic loads.
- 2. Facilities and Utilities (including railroads): Actual relocation costs, less depreciation, less salvage value, plus the cost of removal, less the cost of betterments. With respect to betterments, new materials shall not be used in any alteration or relocation if materials of value and usability equal to those in the existing facility are available or can be obtained as salvage from the existing facility or otherwise, unless the provision of new material is more economical. If, despite the availability of used material, new material is used, where the use of such new material represents an additional cost, such cost will not be included in the Local Sponsor's cost.

ARTICLE V - CONSTRUCTION PHASING AND MANAGEMENT

- a. To provide for consistent and effective communication between the Local Sponsor and the Government during the period of construction, the Local Sponsor and the Government shall appoint representatives to coordinate on acheduling, plans, specifications, modifications, contract costs, and other matters relating to construction of the Project. The Local Sponsor will be informed of any changes in cost estimates.
- b. The representatives appointed above shall meet as necessary during the term of Project construction and shall make such recommendations as they deem warranted to the Contracting Officer.

c. The Contracting Officer shall consider the recommendations of the representatives in all matters relating to the construction of the navigation features of the Project, but the Contracting Officer, having ultimate responsibility for construction of the Project, has complete discretion to accept, reject, or modify the recommendations.

ARTICLE VI - METHOD OF PAYMENT

- a. The Local Sponsor shall provide, during the period of construction, cash payments required to meet its obligations under Article II of this Agreement. Total project costs are presently estimated to be \$236,500.00. In order to meet its cash payment requirements, the Local Sponsor must provide a cash contribution presently estimated to be \$43,200.00. The dollar amounts set forth in this Article are based upon the Government's best estimates which will reflect projection of costs, price level changes, and anticipated inflation. Such cost estimates are subject to adjustments based upon cost actually incurred and are not to be construed as the total financial responsibilities of the Government and the Local Sponsor.
- b. The required cash contribution shall be provided as follows: 30 calendar days prior to the award of the first construction contract, the Government shall notify the Local Sponsor of the Local Sponsor's estimated share of project costs, including its share of costs attributable to the Project incurred prior to the initiation of construction. Within 15 calendar days thereafter, the Local Sponsor shall provide the Government the full amount of the required contribution by delivering a check payable to "FAO, USAED, Mobile" to the Contracting Officer representing the

Government. In the event that total project costs are expected to exceed the estimate given at the outset of construction, the Government shall immediately notify the Local Sponsor of the additional contribution the Local Sponsor will be required to make to meet its share of the revised estimate. Within 45 calendar days thereafter, the Local Sponsor shall provide the Government the full amount of the additional required contribution.

ARTICLE VII - DISPUTES

Before any party to this Agreement may bring suit in any court concerning an issue relating to this Agreement, such party must first seek in good faith to resolve the issue through negotiation or through other forms of nonbinding alternative dispute resolution mutually acceptable to the parties.

ARTICLE VIII - OPERATION, MAINTENANCE, AND REHABILITATION

- a. After the Government has turned the completed Project, or a functional portion of the Project, over to the Local Sponsor, the Local Sponsor shall operate and maintain all portions of the Project, except for general navigation features and aids to navigation, in accordance with regulations or directions prescribed by the Government.
- b. The Local Sponsor hereby gives the Government a right to enter, at reasonable times and in a reasonable manner, upon land which it owns or controls for access to the Project for the purpose of inapection, and, if necessary, for the purpose of completing, operating, maintaining,

repairing, replacing, or rehabilitating the Project. If an inspection shows that the Local Sponsor for any reason is failing to fulfill its obligation under this Agreement without receiving prior written approval from the Government, the Government will send a written notice to the Local Sponsor. If the Local Sponsor persists in such failure for 30 calendar days after receipt of the notice, then the Government shall have a right to enter, at reasonable times and in a reasonable manner, upon lands the Local Sponsor owns or controls for access to the Project for the purpose of completing, operating, maintaining, repairing, replacing or rehabilitating the Project. No completion, operation, maintenance, repair, replacement, or rehabilitation by the Government shall operate to relieve the Local Sponsor of responsibility to meet its obligations as set forth in this Agreement, or to preclude the Government from pursuing any other remedy at law or equity to assure faithful performance pursuant to this Agreement.

ARTICLE IX - RELEASE OF CLAIMS

The Local Sponsor shall hold and save the Government free from all damages arising from the construction, operation, and maintenance of the Project, except for damages due to the fault or negligence of the Government or its contractors.

ARTICLE X - HAZARDOUS SUBSTANCES

a. After execution of this Agreement and upon direction by the Contracting Officer, the Local Sponsor shall perform, or cause to be

performed, such environmental investigations as are determined necessary
by the Government to identify the existence of any hazardous substances
regulated under the Comprehensive Environmental Response, Compensation and
Liability Act (CERCLA), 42 USC 9601-9675, on lands to be provided to the
Government by the Local Sponsor for construction, operation, and
maintenance of the Project. All actual costs incurred by the Local
Sponsor which are properly allowable and allocable to performance of any
such environmental investigations shall be included in total project costs
and cost shared as a construction cost in accordance with Section 101 of
Public Law 99-662.

- b. In the event it is discovered through an environmental investigation or other means that any lands, essements, rights-of-way, or disposal areas to be acquired for the Project contain any hazardous substances regulated under CERCLA, the Local Sponsor shall provide prompt notice to the Government and shall not proceed with the acquisition of such lands, essements, rights-of-way, or disposal areas until so directed by the Government.
- c. The Government shall, after consultation with the Local Sponsor, but in its sole discretion, determine whether to initiate construction of the Project, or if already in construction, to continue with construction of the Project, or to terminate construction of the Project for the convenience of the Government in any case where hazardous substances regulated under CERCLA are found to exist. Should the Government determine to proceed or continue with construction after considering any liability that may arise under CERCLA, the Local Sponsor shall be solely responsible for any and all necessary cleanup and response costs, to include the costs of any studies and investigations necessary to determine

shall not be considered a part of total project costs as defined in this Agreement. In the event the Local Sponsor fails to provide any funds necessary to pay for cleanup and response costs or to otherwise discharge its responsibilities under this paragraph upon direction by the Government, the Government may either terminate or suspend work on the Project or proceed with further work as provided in Article IVI, as set forth below.

- d. The Local Sponsor and the Government shall consult with each other under the Construction Phasing and Management Article of this Agreement to assure that responsible parties bear all necessary cleanup and response costs as defined in CERCLA. Any decision made pursuant to paragraph c of this Article shall not relieve any party from any liability that may arise under CERCLA.
- e. The Local Sponsor shall operate, maintain, repair, replace, and rehabilitate the Project in a manner so that liability will not arise under CERCLA.

ARTICLE XI - MAINTENANCE OF RECORDS

a. The Government and the Local Sponsor shall keep books, records, documents, and other evidence pertaining to costs and expenses incurred pursuant to this Agreement to the extent and in such detail as will properly reflect total project costs. The Government and the Local Sponsor shall maintain such books, records, documents, and other evidence for a minimum of three years after completion of construction of the Project and resolution of all relevant claims arising therefrom, and shall

nake available at their offices at reasonable times, such books, records, documents, and other evidence for inspection and sudit by authorized representatives of the parties to this Agreement.

b. The Local Sponsor shall prepare maps of all lands, easements and rights-of-way obtained by it for construction of the Project. Upon completion of the Project, the Local Sponsor shall provide the Government a copy of said maps-

ARTICLE XII - FEDERAL AND STATE LAWS

In acting under its rights and obligations hereunder, the Local Sponsor agrees to comply with all applicable Federal and State laws and regulations, including Section 601 of Title VI of the Civil Rights Act of 1964 (Public Law 88-352) and Department of Defense Directive 5500.II issued pursuant thereto and published in Part 300 of Title 32, Code of Federal Regulations, as well as Army Regulation 600-7, entitled "Nondiscrimination on the Basis of Handicap in Programs and Activities Assisted or Conducted by the Department of the Army."

ARTICLE XIII - RELATIONSHIP OF PARTIES

The parties to this Agreement act in an independent capacity in the performance of their respective functions under this Agreement, and neither party is to be considered the officer, agent, or employee of the other.

ARTICLE XIV - OFFICIALS NOT TO BENEFIT

No manher or delegate to the Congress, or resident commissioner, shall be admitted to any share or part of this Agreement, or to any benefit that may arise therefrom.

ARTICLE XV - COVENANT AGAINST CONTINGENT FEES

The Local Sponsor warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bone fide established commercial or selling agencies maintained by the Local Sponsor for the purpose of securing business. For breach or violation of this warranty, the Government shall have the right to annul this Agreement without liability, or, in its discretion, to add to the Agreement or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

ARTICLE XVI - TERMINATION OR SUSPENSION

a. If at any time the Local Sponsor fails to make the payments required under this Agreement, the Secretary of the Army shall terminate or suspend work on the Project until the Local Sponsor is no longer in arrears, unless the Secretary of the Army determines that continuation of work on the Project is in the interest of the United States or is necessary in order to satisfy agreements with any other non-Federal

interests in connection with the Project. Any delinquent payment shall be charged interest at a rate, to be determined by the Secretary of the Treasury lequal to 150 per centum of the average bond equivalent rate of the 13-week Treasury bills auctioned immediately prior to the date on which such payment became delinquent, or auctioned immediately prior to the beginning of each additional 3-month period if the period of delinquency exceeds 3 months.

b. If the Government fails to receive annual appropriations for the Project in amounts sufficient to meet project expenditures for the then-current or upcoming fiscal year, the Government shall so notify the Local Sponsor. After 60 calendar days either party may elect without penalty to terminate this Agreement pursuant to that Article or to defer future performance hereunder; however, deferral of future performance under this Agreement shall not affect existing obligations or relieve the parties of liability for any obligation previously incurred. In the event that either party elects to terminate this Agreement pursuant to this Article, both parties shall conclude their activities relating to the Project and proceed to a final accounting in accordance with Article VI. of this Agreement. In the event that either party elects to defer future performance under this Agreement pursuant to this Article, such deferral shall remain in effect until such time as the Government receives sufficient appropriations or until either party elects to terminate this Agreement.

ARTICLE XVII - NOTICES

a. All notices, requests, demands, and other communications required or permitted to be given under this Agreement shall be deemed to have been-

duly given if in writing and delivered personally, given by propaid telegrams or mailed by first-class (postage-prepaid), registered, or certified mail, as follows:

- If to the Local Sponeors:

P. O. Box 610

Dauphin Island, Alabama 36528

If to the Government:

P. O. Box 2288

Mobile, Alabama 36628-0001

- b. A party may change the address to which such communications and to be directed by giving written notice to the other in the manner provided in this Article.
- c. Any notice, request, demand, or other communication made pursuant to this Article shall be deemed to have been received by the addressee at such time as it is personally delivered or seven calendar days after it is mailed, as the case may be.

ARTICLE XVIII - CONFIDENTIALITY

To the extent permitted by the law governing each party, the agree to maintain the confidentiality of exchanged information with requested to do so by the providing party.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, .. which shall become affective upon the date it is signed by the Assistant Secretary of the Army (Civil Works) District Engineer, Mobile District, U. S. Army Corps of Engineers.

THE DEPARTMENT OF THE ARMY

TOWN OF DAUPHIN ISLAND

Dennis W. Heuer Corps of Engineers

DATE: Cugist 22

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CERTIFICATION OF AUTHORITY

Attorney for the TOWN OF DAUPHIN ISLAND; that said Town of Dauphin Island is a legally constituted public entity with full authority and legal capability to perform the terms of the Agreement between it and the Department of the Army in connection with the Fort Gaines Channel Project and to pay damages, if necessary, in the event of the failure to perform, in accordance with Section 221 of Public Law 91-611, and that the Mayor, Dall Andrew , who has executed this Agreement on behalf of the Town of Dauphin Island, has acted within his/her statutory authority.

IN WITNESS WHEREOF, I have made and executed this certification this 12 day of AUSUST, 1991.

John M Ty Son

EXHIBIT "A"

CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief thatt

- (1) 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 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.
- (2) 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 agency, & 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.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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 section 1352, title 31, U.S. Code. 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.