

GRANT COOPERATIVE AGREEMENT

FINANCIAL ASSISTANCE AWARD

AWARD PERIOD

60 months from date of approval

RECIPIENT NAME

City of Jonesboro

AWARD NUMBER

08-01-04307

STREET ADDRESS

515 West Washington Avenue

FEDERAL SHARE OF COST

\$ 1,600,000

CITY, STATE, ZIP CODE

Jonesboro, Arkansas 72401

RECIPIENT SHARE OF COST

\$ 1,600,000

AUTHORITY

Public Works and Economic Development Act of 1965, as amended (42 U.S.C. § 3121 et seq.)

TOTAL ESTIMATED COST

\$ 3,200,000

CFDA NO. AND PROJECT TITLE


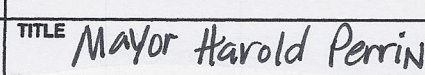
11.300 PW & ED Facilities Assistance - Construction of a rail spur and road improvements

BUREAU	FUND	FCFY	PROJECT-TASK	ORGANIZATION	OBJECT CLASS

This Award approved by the Grants Officer is issued in triplicate and constitutes an obligation of Federal funding. By signing the three documents, the Recipient agrees to comply with the Award provisions checked below and attached. Upon acceptance by the Recipient, two signed Award documents shall be returned to the Grants Officer and the third document shall be retained by the Recipient. If not signed and returned without modification by the Recipient within 30 days of receipt, the Grants Officer may unilaterally terminate this Award.

- Department of Commerce Financial Assistance Standard Terms and Conditions
- Special Award Conditions
- Line Item Budget
- 15 CFR Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Nonprofit, and Commercial Organizations
- 15 CFR Part 24, Uniform Administrative Requirements for Grants and Agreements to State and Local Governments
- OMB Circular A-21, Cost Principles for Educational Institutions
- OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments
- OMB Circular A-122, Cost Principles for Nonprofit Organizations
- 48 CFR Part 31, Contract Cost Principles and Procedures
- OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations
- Other(s): EDA Standard Terms and Conditions for Construction Projects

(October 2007, as amended on December 13, 2007)

SIGNATURE OF DEPARTMENT OF COMMERCE GRANTS OFFICER 	TITLE Pedro R. Garza, Regional Director	DATE Nov 17 2008
TYPED NAME AND SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL 	TITLE Mayor Harold Perrin	DATE

U.S. DEPARTMENT OF COMMERCE
ECONOMIC DEVELOPMENT ADMINISTRATION

SPECIAL AWARD CONDITIONS

For Public Works and Development Facilities under the Public Works and Economic Development Act (PWEDA) of 1965, as amended, this Award Number 08-01-04307 to the City of Jonesboro, Arkansas supports the work described in the Recipient's application dated August 5, 2008, which is incorporated into this award by reference. Where the terms of this award and proposal differ, the terms of this award shall prevail.

RECIPIENT/ADDRESS:

City of Jonesboro
515 West Washington Avenue
Jonesboro, Arkansas 72401

GRANT ADMINISTRATOR/ADDRESS:

Pedro R. Garza
Regional Director
Austin Regional Office
U.S. Department of Commerce
Economic Development Administration
504 Lavaca Street, Suite 1100
Austin, Texas 78701-2858
Telephone (512) 381-8174

AREA DIRECTOR/PHONE NUMBER:

Sharon T. Frerking, Area Director
Telephone (512) 381-8176

PROJECT ENGINEER/PHONE NUMBER:

Trisha Korbas
Telephone (512) 381-8170

I. TOTAL AUTHORIZED BUDGET:

EDA Contribution	\$1,600,000	(50.0%)
Non-Federal Contribution	<u>1,600,000</u>	<u>(50.0%)</u>
Total Project Costs	\$3,200,000	(100.0%)

II. DETAILED BUDGET INVOLVING CONSTRUCTION

<u>LINE ITEMS</u>	<u>PROPOSED</u>	<u>APPROVED</u>	
Admin. & Legal Expenses	\$	\$ 1,000	(1)
Land, Structures & ROW			
Relocation Expenses & Payments			
Architectural & Engineering Fees	106,000	106,000	
Other Architectural & Engr. Fees			
Project Inspection Fees	25,790	25,000	(1)
Site Work	110,000	110,000	
Demolition and Removal			
Construction	2,958,210	2,958,000	(1)
Equipment			
Miscellaneous	_____	_____	
SUBTOTAL	\$3,200,000	\$3,200,000	
Contingencies	_____	_____	
TOTAL PROJECT COSTS	\$3,200,000	\$3,200,000	

Explanation of Changes:

- (1) Reclassified a total of \$1,000 from the Project Inspection Fees and Construction line items to the Administrative & Legal Expenses line item to cover potential costs.

III. ADDITIONAL TERMS:

1. **PROJECT DEVELOPMENT TIME SCHEDULE:** The Recipient agrees to the following project development time schedule:

Time allowed after approval of Financial Assistance Award for:
Return of executed Financial Assistance Award 30 days
Start of Construction 24 months
Construction period 36 months

Project closeout: All project closeout documents, including final financial information and any required program reports, shall be submitted to the Government not more than 90 days after the date the Recipient accepts the completed project from the contractor(s).

The Recipient shall pursue diligently the development of the project so as to ensure completion of the project and submission of closeout documents within this time schedule. Moreover, the Recipient shall notify the Government in writing of any event which could delay substantially the achievement of the project within the prescribed time limits. The Recipient further acknowledges that failure to meet the development time schedule may result in the Government's taking action to terminate the award in accordance with the regulation set forth at 15 CFR 24.43 (53 Federal Register 8048-9, 8102, March 11, 1988).

2. **FINANCIAL ASSISTANCE AWARD:** This Financial Assistance Award, subject to the other Special Award Conditions and the EDA Standard Terms and Conditions--Construction Program, dated October 2007, as amended on December 12, 2007, shall constitute an obligation to make such award. If the Recipient fails to affirm its intention to use the award in accordance with the terms and conditions of this Financial Assistance Award, it will be terminated without further cause. By signing and returning two of the three original Financial Assistance Award documents within 30 calendar days from receipt, the Recipient hereby affirms that it intends to use the award in accordance with the terms and conditions as above-referenced.
3. **EVIDENCE OF GOOD TITLE:** Prior to initial disbursement, the Recipient shall furnish evidence satisfactory to the Government of a good and merchantable title, free of all mortgages or other foreclosable liens, and/or equivalency of title to all land, rights-of-way and easements necessary for the completion of the project, or of a long-term leasehold interest in accordance with 13 CFR 314, except when a mortgage waiver has been granted by the Assistant Secretary or his/her designee.
4. **ARCHITECT/ENGINEERING AGREEMENT:** Prior to the initial disbursement of funds by EDA, the Recipient shall submit to the Government for approval an Architect/Engineer agreement that meets the requirements of Section I of the EDA publication, "Requirements for Approved Projects," as well as the competitive procurement standards of Department of Commerce Regulations at 15 CFR 24 or 15 CFR Part 14, as applicable. The fee for basic architect/engineer services shall be a lump sum or an agreed maximum and no part of the fees for other services shall be based upon a cost-plus-a-percentage-of-cost or a cost using a multiplier.

5. **NON-FEDERAL SHARE:** In affirming this Award, the Recipient certifies that the non-Federal share of project costs is committed and is available as needed for the project, that the non-Federal share is from sources which can be used as match for the EDA project, and that the non-Federal share will not affect ownership of, or title to, the project facilities. The Recipient further acknowledges that, prior to award of any construction contracts, it will be required to provide evidence satisfactory to the Government that all funds necessary to complete the project are available. Any substitution of the non-Federal share shall be submitted in writing and approved by EDA.
6. **REPORT ON UNLIQUIDATED OBLIGATIONS:** All recipients of an EDA grant award of more than \$100,000 whose grant has not been fully disbursed as of the end of each reporting period are required to submit a financial report to EDA annually on the status of unreimbursed obligations. The report will provide information on the amount of allowable project expenses that have been incurred by the Recipient but not claimed for reimbursement as of the end of the reporting period. The report will be as of September 30 of each year and must be submitted annually until the final grant payment is made to EDA. The report shall be submitted to EDA no later than October 30 of each year. Noncompliance with this requirement will result in the suspension of EDA grant disbursements. Standard Form 269A, Financial Status Report, will be used for this purpose. Instructions for completing and filing the report will be furnished to the recipient at least 60 days before the report is due.
7. **DELAYED CONSTRUCTION START:** If significant construction (as determined by EDA) is not commenced within two years of approval of the project or by the date estimated for start of construction in the grant award (or the expiration of any extension granted in writing by EDA), whichever is later, the EDA grant will be automatically suspended and may be terminated if EDA determines, after consultation with the grant recipient, that construction to completion cannot reasonably be expected to proceed promptly and expeditiously.
8. **ASAP REQUIREMENTS:** EDA shall make award payments related to this Financial Assistance Award using the Department of Treasury's Automated Standard Application for Payments (ASAP) system. The Recipient shall furnish documentation to EDA as required by the ASAP system including, but not limited to, the Recipient Identification Number and the Requestor Identification Number. Basic information and specified requirements related to the ASAP system can be obtained via the Treasury Department's website at www.fms.treas.gov/asap <<http://www.fms.treas.gov/asap>>.
9. **GOVERNMENT PERFORMANCE AND RESULTS ACT OF 1993 (GPRA) REPORTING REQUIREMENTS - PERFORMANCE MEASURES:** The Recipient agrees to report on program performance measures and program outcomes in such form and at such intervals as may be prescribed by EDA in compliance with the Government Performance and Results Act of 1993. Performance measures and reporting requirements that apply to program activities funded by this investment will be provided in a separate GPRA information collection document. EDA will advise Recipients in writing within a reasonable period prior to the time of submission of the reports, and in the event that there are any modifications in the performance measures.

10. **PROHIBITION OF ATTORNEY'S OR CONSULTANT'S FEES:** Grant funds must not be used directly or indirectly to pay for attorney's or consultant's fees in connection with securing or obtaining grants and contracts for projects funded under PWEDA.
11. **PROPERTY MANAGEMENT STANDARDS:** In affirming this Award, the Recipient acknowledges its responsibility to assure that the real property acquired or improved by this Award is used only for the authorized and specific purpose of an industrial park in order to sell, lease, or otherwise convey parcels of the improved property to serve that purpose in accordance with 13 CFR, Part 314.

Since the authorized purpose of the project is to construct facilities to serve privately owned industrial or commercial parks or sites for sale or lease, such ownership, sale or lease is permitted so long as EDA requirements continue to be met. EDA requires evidence that the private party has title to the park or site prior to such sale or lease, and conditions the award of project assistance upon assurances by the private party relating to the sale or lease that EDA determines are necessary to assure consistency with the project purposes.

12. **FLOODPLAIN REQUIREMENT:** Prior to advertisement for bids, the Recipient shall furnish evidence satisfactory to the Government that the proposed rail spur and road are elevated to one foot or more above the 100-year floodplain.