



U.S. Department  
of Transportation  
**Federal Aviation  
Administration**

Federal Aviation Administration  
Southwest Region, Airports Division  
Arkansas/Oklahoma Airports Development Office

Fort Worth, Texas 76193-0630

May 22, 2006

The Honorable Doug Formon  
Mayor of Jonesboro  
P.O. Box 1845  
Jonesboro, AR 72403

Dear Mayor Formon:

The Federal Aviation Administration (FAA) is enclosing two copies of the Multi-Year Grant Offer for Airport Improvement Program (AIP) Project No. 3-05-0033-014-2006 at Jonesboro Municipal Airport. The governing body of the Sponsor must pass a resolution to accept, your attorney must certify, and **you must execute the Grant Offer by June 26, 2006, to be valid.** After execution, please return the Grant Offer marked original to us. The second copy is for your files.

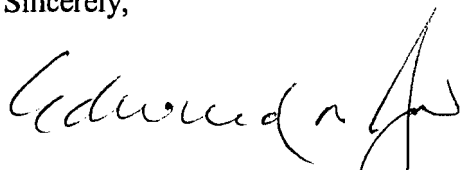
Please note that Grant Condition No. 4 requires you to complete the project without undue delay to promote better stewardship of limited AIP funds.

We further direct your attention to Condition No. 13. Under this grant and all future grants, your airport is authorized to use the Letter of Credit (LOC) method for securing reimbursements directly from the Federal Treasury for completed work. In accordance with the LOC process established last year, we no longer need to review and process interim project payments, but will monitor your progress from weekly Construction Progress Reports (FAA Form 5370-1) and quarterly LOC Federal Cash Transactions Report (Standard Form 272). When you complete your project, your program manager will need your statement and distribution of the project costs to close this project.

Until the FAA closes the grant, we ask that you make an LOC draw for incurred project expenses every 30 days. Also, we must receive an LOC "Federal Cash Transactions Report" by October 31 for all amassed grant costs through September 30 to promote a Federal fiscal year-end grant accounting.

We sincerely value your cooperation in these efforts and look forward to working with you to complete this important project.

Sincerely,

A handwritten signature in black ink, appearing to read "Edward N. Agnew". The signature is fluid and cursive, with a large, stylized initial "E".

Edward N. Agnew  
Manager, Arkansas/Oklahoma  
Airport Development Office

Enclosure (2)

cc:

Mr. John Knight, Director  
Arkansas Department of Aeronautics  
Adams Field, One Airport Drive, 3rd Floor  
Little Rock, AR 72202