



U.S. Department
of Transportation
Federal Aviation
Administration

Original

GRANT AGREEMENT

PART I – OFFER

JUN 30 2005

Date of Offer

Jonesboro Municipal Airport

Airport/Planning Area

3-05-0031-013-2005

Grant No

073540288

DUNS No

TO: City of Jonesboro
(herein called the "Sponsor")

FROM: The United States of America (acting through the Federal Aviation Administration, herein called the "FAA")

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated **June 13, 2005**, for a grant of Federal funds for a project at or associated with the **Jonesboro Municipal Airport**, which Project Application, as approved by the FAA, is hereby incorporated herein and made a part hereof; and

WHEREAS, the FAA has approved a project for the Airport (or Planning Area) (herein called the "Project") consisting of the following:

Acquire Aircraft Rescue and Firefighting Vehicle; Construct Aircraft Rescue and Firefighting Building; Install Guidance Signs

all as more particularly described in the Project Application.

WHEREAS, this project will not be completed during Fiscal Year 2005; and the total United States' share of the estimated costs of the completion will be **\$1,755,316.00**.

NOW THEREFORE, pursuant to and for the purpose of carrying out the provisions of Title 49, United States Code, as amended, herein called "the Act," and in consideration of (a) the Sponsor's adoption and ratification of the representations and assurances contained in said Project Application and its acceptance of this Offer as hereinafter provided, and (b) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the assurances and conditions as herein provided, **THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES** to pay, as the United States share of the allowable costs incurred in accomplishing the Project, **ninety-five (95)** per centum thereof.

This Offer is made on and **SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:**

CONDITIONS

1. The maximum obligation of the United States payable under this Offer shall be **\$1,686,062.00**. For the purposes of any future grant amendments which may increase the foregoing maximum obligation of the United States under the provisions of Section 47108(b) of the Act, the following amounts are being specified for this purpose:
\$1,755,316.00 for airport development or noise program implementation.
2. The allowable costs of the project shall not include any costs determined by the FAA to be ineligible for consideration as to allowability under the Act.
3. Payment of the United States' share of the allowable project costs will be made pursuant to and in accordance with the provisions of such regulations and procedures as the Secretary shall prescribe. Final determination of the United States' share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.
4. The Sponsor shall carry out and complete the Project without undue delays and in accordance with the terms hereof, and such regulations and procedures as the Secretary shall prescribe, and agrees to comply with the assurances which were made part of the project application.
5. The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.
6. This offer shall expire and the United States shall not be obligated to pay any part of the costs of the project unless this offer has been accepted by the Sponsor on or before **July 28, 2005**, or such subsequent date as may be prescribed in writing by the FAA.
7. The Sponsor shall take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner in any project upon which Federal funds have been expended. For the purposes of this grant agreement, the term "Federal funds" means funds however used or dispersed by the Sponsor that were originally paid pursuant to this or any other Federal grant agreement. It shall obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. It shall return the recovered Federal share, including funds recovered by settlement, order, or judgment, to the Secretary. It shall furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such Federal share shall be approved in advance by the Secretary.
8. The United States shall not be responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this grant agreement.

9. **MAXIMUM OBLIGATION INCREASE FOR NONPRIMARY AIRPORTS:** In accordance with Section 47108(b) of the Act, as amended, the maximum obligation of the United States, as stated in Condition No. 1 of this Grant Offer:
- a. May not be increased for a planning project;
 - b. May be increased by not more than 15 percent for development projects;
 - c. May be increased by not more than 15 percent or by an amount not to exceed 25 percent of the total increase in allowable costs attributable to the acquisition of land or interests in land, whichever is greater, based on current credible appraisals or a court award in a condemnation proceeding.
10. **INFORMAL LETTER AMENDMENT OF AIP GRANTS:** It is mutually understood and agreed that if, during the life of the Grant, the FAA determines that the maximum grant obligation of the United States exceeds the expected needs of the Sponsor by \$25,000.00 or five percent (5%), whichever is greater, the maximum obligation of the United States can be unilaterally reduced by letter from the FAA advising of the budget change. Conversely, if there is an overrun in the total actual eligible and allowable project costs, FAA may increase the maximum grant obligation of the United States to cover the amount of the overrun not to exceed the statutory percent limitation and will advise the Sponsor by letter of the increase. It is further understood and agreed that if, during the life of the Grant, the FAA determines that a change in the grant description is advantageous and in the best interests of the United States, the change in grant description will be unilaterally amended by letter from the FAA. Upon issuance of the aforementioned letter, either the grant obligation of the United States is adjusted to the amount specified or the grant description is amended to the description specified.
11. **BUY AMERICAN REQUIREMENT:** Unless otherwise approved by the FAA, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for airport development or noise compatibility for which funds are provided under this grant. The Sponsor will include in every contract a provision implementing this special condition.
12. **AIR AND WATER QUALITY:** Approval of the project(s) included in this agreement is conditioned on the Sponsor's compliance with applicable air and water quality standards in accomplishing project construction. Failure to comply with this requirement may result in suspension, cancellation, or termination of Federal assistance under this agreement.
13. **FOR SPONSORS USING LETTER OF CREDIT:** The Sponsor agrees to request cash drawdowns on the letter of credit only when actually needed for its disbursements and to timely reporting of such disbursements as required. It is understood that failure to adhere to this provision may cause the letter of credit to be revoked. .
14. **PAVEMENT MAINTENANCE MANAGEMENT PROGRAM:** For a project to replace or reconstruct pavement at the airport, the Sponsor shall implement an effective airport pavement maintenance management program as is required by the Airport Sponsor Assurance Number C-11. The Sponsor shall use such program for the useful life of any pavement constructed, reconstructed, or repaired with Federal financial assistance at the airport. As a minimum, the program must conform with the provisions outlined below:

Pavement Maintenance Management Program

An effective pavement maintenance management program is one that details the procedures to be followed to ensure that proper pavement maintenance, both preventive and repair, is performed. An airport sponsor may use any form of inspection program it deems appropriate. The program must, as a minimum, include the following:

- a. **Pavement Inventory.** The following must be depicted in an appropriate form and level of detail:
- (1) Location of all runways, taxiways, and aprons;
 - (2) Dimensions;
 - (3) Type of pavement, and;
 - (4) Year of construction or most recent major rehabilitation.

For compliance with the Airport Improvement Program assurances, pavements that have been constructed, reconstructed, or repaired with federal financial assistance shall be so depicted.

b. **Inspection Schedule.**

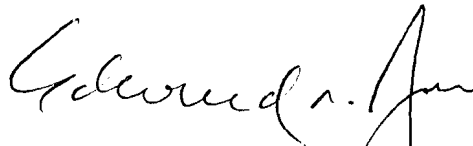
- (1) **Detailed Inspection.** A detailed inspection must be performed at least once a year. If a history of recorded pavement deterioration is available, i.e., Pavement Condition Index (PCI) survey as set forth in Advisory Circular 150/5380-6, "Guidelines and Procedures for Maintenance of Airport Pavements," the frequency of inspections may be extended to three years.
 - (2) **Drive-By Inspection.** A drive-by inspection must be performed a minimum of once per month to detect unexpected changes in the pavement condition.
- c. **Record Keeping.** Complete information on the findings of all detailed inspections and on the maintenance performed must be recorded and kept on file for a minimum of five years. The types of distress, their locations, and remedial action, scheduled or performed, must be documented. The minimum information to be recorded is listed below:
- (1) Inspection date,
 - (2) Location,
 - (3) Distress types, and
 - (4) Maintenance scheduled or performed.

For drive-by inspections, the date of inspection and any maintenance performed must be recorded.

- d. **Information Retrieval.** An airport sponsor may use any form of record keeping it deems appropriate, as long as the information and records produced by the pavement survey can be retrieved to provide a report to the FAA as may be required.
- e. **Reference.** Refer to Advisory Circular 150/5380-6, "Guidelines and Procedures for Maintenance of Airport Pavements," for specific guidelines and procedures for maintaining airport pavements and establishing an effective maintenance program. Specific types of distress, their probable causes, inspection guidelines, and recommended methods of repair are presented.

The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, as provided by the Act, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and compliance with the assurances and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

**UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION**



(Signature)

Edward N. Agnew

(Typed Name)

**Manager, AR/OK Airports Development
Office**

(Title)

PART II - ACCEPTANCE

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer and does hereby accept this Offer and by such acceptance agrees to comply with all of the terms and conditions in this Offer and in the Project Application.

Executed this 6th day of July, 2005.

CERTIFICATE OF SPONSOR'S ATTORNEY

I, _____, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Arkansas. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the Act. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at _____ this day of _____, 2005.

By _____
(Signature of Sponsor's Attorney)

PART II PROJECT APPROVAL INFORMATION SECTION A

Item 1.
Does this assistance request require State, local, regional, or other priority rating? Name of Governing Body _____
Priority Rating _____
 Yes No

Item 2.
Does this assistance request require State, or local advisory, educational or health clearances? Name of Agency or Board _____
(Attach Documentation)
 Yes No

Item 3.
Does this assistance request require clearinghouse review in accordance with OMB Circular A-95? (Attach Comments)
Submitted June 8, 2005
 Yes No

Item 4.
Does this assistance request require State, local, regional or other planning approval? Name of Approving Agency _____
Date _____
 Yes No

Item 5.
Is the proposed project covered by an approved comprehensive plan? Check one: State
Local
Regional
Location of plan Airport Master Plan
 Yes No

Item 6.
Will the assistance requested serve a Federal installation? Name of Federal Installation _____
Federal Population benefiting from Projects _____
 Yes No

Item 7.
Will the assistance requested be on Federal land or installation? Name of Federal Installation _____
Location of Federal Land _____
Percent of Project _____
 Yes No

Item 8.
Will the assistance requested have an impact or effect on the environment? See instruction for additional information to be provided.
 Yes No

Item 9.
Will the assistance requested cause the displacement of individuals families, business, or farms? Number of:
Individuals _____
Families _____
Businesses _____
Farms _____
 Yes No

Item 10.
Is there other related Federal assistance on this project previous, pending, or anticipated? See instructions for additional information to be provided.
 Yes No

*State character of property interest in each area and list and identify for each all exceptions, encumbrances, and adverse interests of every kind and nature, including liens, easements, leases, etc. The separate areas of land need only be identified here by the area numbers shown on the property map.

PART II - SECTION C (SECTION B OMITTED)

The Sponsor hereby represents and certifies as follows:

1. Compatible Land Use. - The Sponsor has taken the following actions to assure compatible usage of land adjacent to or in the vicinity of the airport:

The airport is located within the city limits of Jonesboro. The City, will exercise it's authority to prevent non-compatible land use.

2. Defaults. - The Sponsor is not in default on any obligation to the United States or any agency of the United States government relative to the development, operation, or maintenance of any airport, except as stated herewith:

None

3. Possible Disabilities. - There are not facts or circumstances (including the existence of effective or proposed leases, use agreements or other legal instruments affecting use of the Airport or the existence of pending litigation or other legal proceedings) which in reasonable probability might make it impossible for the Sponsor to carry out and complete the Project or carry out the provisions of Part V of this Application, either by limiting its legal or financial ability or otherwise, except as follows:

None

4. Land. - (a) The Sponsor holds the following property interest in the following areas of land* which are to be developed or used as part of or in connection with the airport, subject to the following exceptions, encumbrances, and adverse interests, all of which areas are identified on the property map designated as Exhibit "A".

(See Exhibit "A") - as attached.

*State character of property interest in each area and list and identify for each all exceptions, encumbrances, and adverse interests of every kind and nature, including liens, easements, leases, etc. The separate areas of land need only be identified here by the area numbers shown on the property map.

PART II - SECTION C (Continued)

The Sponsor further certifies that the above is based on a title examination by a qualified attorney or title company and that such attorney or title company has determined that the Sponsor holds the above property interests.

(b) The Sponsor will acquire within a reasonable time, but in any event prior to the start of any construction work under the Project, the following property interest in the following areas of land* on which such construction work is to be performed, all of which areas are identified on the aforementioned property map designated as Exhibit "A":

None

(c) The Sponsor will acquire within a reasonable item, and if feasible prior to the completion of all construction work under the Project, the following property interest in the following areas of land* which are to be developed or used as part of or in connection with the Airport as it will be upon completion of the Project, all of which areas are identified on the aforementioned property map designated as Exhibit "A":

None

5. Exclusive Rights. - There is no grant of an exclusive right for the conduct of any aeronautical activity at any airport owned or controlled by the Sponsor except as follows:

None

PART III - BUDGET INFORMATION - CONSTRUCTION
SECTION A - GENERAL

Federal Domestic Assistance Catalog No. 20-106Functional or Other Breakout AIP

SECTION B - CALCULATION OF FEDERAL GRANT

Cost Classification	Use only for revisions		Total Amount Required
	Latest Approved Amount	Adjustment + or (-)	
1. Administrative expense	\$	\$	2,800
2. Preliminary expense			22,100
3. Land, structures, right-of-way			
4. Architectural engineering basic fees			158,300
5. Other architectural engineering fees			25,000
6. Project inspection fees			65,000
7. Land development			
8. Relocation expenses			
9. Relocation payments to individuals and businesses			
10. Demolition and removal (tree and structure clearing)			
11. Construction and project improvement			1,562,252.75
12. Equipment			
13. Miscellaneous (Construction Materials Testing)			13,000
14. Total (Lines 1 through 13)			1,848,452.75
15. Estimated income (if applicable)			
16. Net Project Amount (line 14 minus 15)			1,848,452.75
17. Less: Ineligible Exclusions			751
18. Add: Contingencies			
19. Total Project Amt. (excluding rehabilitation grants)			1,847,701.75
20. Federal Share requested of line 19			1,755,316.00
21. Add rehabilitation grants requested (100 percent)			
22. Total Federal grant requested (lines 20 & 21)			1,755,316.00
23. Grantee share			
24. Other shares			92,385.00
25. Total Project (Lines 22, 23 & 24)			\$ 1,847,701.00

SECTION C - EXCLUSIONS

Classification	Ineligible for Participation (1)	Excluded from Contingency Provision (2)
26.		
a.	\$	\$
b.		
c.		
d.		
e.		
f.		
g.		
h.		
TOTALS	\$	\$

SECTION D - PROPOSED METHOD OF FINANCING NON-FEDERAL SHARE

27. Grantee Share	\$ 0.00
a. Securities	
b. Mortgages	
c. Appropriations (by applicant)	
d. Bonds	
e. Tax Levies	
f. Non Cash	
g. Other (explain)	
h. TOTAL - grantee share	0.00
28. Other Shares	
a. State	92,385.00
b. Other	
c. Total other shares	92,385.00
29. TOTAL	\$ 92,385.00

SECTION E - REMARKS

The following documents are attached hereto and incorporated herein:

1. Title VI Assurances
2. Property Map – Exhibit “A” attached.

The following documents are incorporated herein by reference:

1. Plans & Specifications approved by the FAA.

PART IV PROGRAM NARRATIVE (Attach - See Instructions)

Jonesboro Municipal Airport

Airfield Rescue and Firefighting (ARFF) Building Construction, ARFF Vehicle, and Airfield Signage

Program Narrative

This application is submitted in support of the proposed construction of an Airfield Rescue and Firefighting Building, ARFF vehicle, and new airfield signage. This project is intended to help the Jonesboro Airport meet the FAA's requirements for a Part 139 airport. The three primary components of this project are as follows:

1. **Construct ARFF Building and Sitework.** The Jonesboro Municipal Airport will construct an ARFF building to meet the requirements of Part 139. This will greatly enhance the safety of the airport due to much improved emergency response times. The facility will be located on site near the terminal building.
2. **ARFF Vehicle.** The airport will acquire an ARFF Vehicle meeting the requirements of Part 139. A quad-agent system will also be specified on the vehicle to enhance the capability of the vehicle to extinguish fires.
3. **Construct Airfield Signage.** The existing airfield does not meet the Part 139 requirements for signage, and most of the components are in poor condition. The entire system will be replaced with a new system of base-mounted signs. An Airport Certification Manual was also completed as a part of this project, and has been submitted to the FAA for approval. The included signage layout plan in that document has already been approved by the FAA, and served as the basis for the airfield signage construction plans.

