

DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

GRANT AGREEMENT

Part 1-Offer

Date of Offer SEP 23 1981

Redlands Municipal

Airport

Project No. 5-06-0195-03

Contract No. DTFA08-81-C-20023

TO: City of Redlands, California
(herein referred to as the "Sponsor")

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

WHEREAS, the Sponsor has submitted to the FAA a Project Application (herein called an Application for Federal Assistance) dated August 4, 1981, for a grant of Federal funds for a project for development of the Redlands Municipal Airport (herein called the "Airport"), together with plans and specifications for such project, which Application for Federal Assistance, as approved by the FAA is hereby incorporated herein and made a part hereof; and

WHEREAS, the FAA has approved a project for development of the Airport (herein called the "Project") consisting of the following-described airport development:

Land acquisition, airport development (approx. 17.5 acres); overlay and mark westerly portion of Runway 8/26 (approx. 1,300' x 75'); install MRL Runway 8/26 (approx. 4,560 l.f.); overlay and mark easterly portion of parallel taxiway (approx. 2,100' x 40'); install retroreflective taxiway markers; install VASI-II Runway 8; grade runway safety area; overlay apron (approx. 4,500 s.y.).

all as more particularly described in the property map and plans and specifications incorporated in the said Application for Federal Assistance.

NOW THEREFORE, pursuant to and for the purpose of carrying out the provisions of the Airport and Airway Development Act of 1970, as amended (49 U.S.C. 1701 et seq.), and in consideration of (a) the Sponsor's adoption and ratification of the representations and assurances contained in said Application for Federal Assistance, 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 the operation and maintenance of the Airport 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, 90.00 percentum of said allowable costs.

This Offer is made on and subject to the following terms and conditions:

1. The maximum obligation of the United States payable under this Offer shall be \$552,600.00
2. The Sponsor shall:
 - a. begin accomplishment of the Project within thirty (30) calendar days after acceptance of this Offer or such longer time as may be prescribed by the FAA, with failure to do so constituting just cause for termination of the obligations of the United States hereunder by the FAA;
 - b. carry out and complete the Project without undue delay and in accordance with the terms hereof, the Airport and Airway Development Act of 1970, as amended, and the Regulations of the FAA (14 CFR Part 152) in effect as of the date of acceptance of this Offer; which Regulations are hereinafter referred to as the "Regulations";
 - c. carry out and complete the Project in accordance with the plans and specifications and property map, incorporated herein, as they may be revised or modified with the approval of the FAA;
 - d. submit all financial reports on an accrual basis and if records are not maintained on an accrual basis, reports may be based on analysis or records or best estimates as required by the Regulations;
 - e. monitor performance under the Project to assure that time schedules are being met, projected work units by time periods are being accomplished, and that other performance goals are being achieved as established by the Regulations.

3. 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 Regulations.
4. Payment of the United States share of the allowable project costs will be made pursuant to and in accordance with the provisions of the Regulations. 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. The grant closeout requirements will be in accordance with the Regulations.
5. The sponsor shall operate and maintain the airport as provided in the Application for Federal Assistance incorporated herein and specifically covenants and agrees in accordance with its Assurance 20 in Part V of said Application for Federal Assistance, and Section 30 of the Airport and Airway Development Act, as amended, that in its operation and the operation of all facilities thereof, neither it nor any person or organization occupying space or facilities thereon will discriminate against any person by reason of race, color, creed, national origin or sex in the use of the facilities provided for the public on the airport.
6. The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the sponsor.
7. 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 September 30, 1981 or such subsequent date as may be prescribed in writing by the FAA.
8. The sponsor agrees to comply with the Part V, Assurances, attached to this offer which replaces the Part V, Assurances, that accompanied the project application.

9. The Sponsor hereby agrees and covenants that any and all flood insurance coverage required by the Flood Disaster Protection Act of 1973 (P.L. 93-234), with respect to the buildings and/or personal property to be constructed and/or acquired under this project will be purchased prior to the acquisition or construction of any insurable interest and shall be maintained during the useful life of such buildings or personal property.
10. It is understood and agreed that no part of the Federal share of an airport development project for which a grant is made under the Airport and Airway Development Act of 1970, as amended (49 U.S.C. 1701 et seq.), or under the Federal Airport Act, as amended (49 U.S.C. 1101 et seq.), shall be included in the rate base in establishing fees, rates, and charges for users of the airport.
11. The Sponsor hereby agrees that it will incorporate or cause to be incorporated into any contract in excess of \$10,000.00 for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee the following Equal Opportunity clause:

During the performance of this contract, the contractor agrees as follows:

- a. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, sex or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

- b. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- c. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- d. The contractor will comply with all provisions of Executive Order 11246 of 24 September 1965, and of the rules and regulations, and relevant orders of the Secretary of Labor.
- e. The contractor will furnish all information and reports required by Executive Order 11246 of September 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- f. In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further government contractors or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of 24 September 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 1965, or by rules, regulations, or orders of the Secretary of Labor, or as otherwise provided by law.

- g. The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of 24 September 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions, for noncompliance; provided, however, that in the event a contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

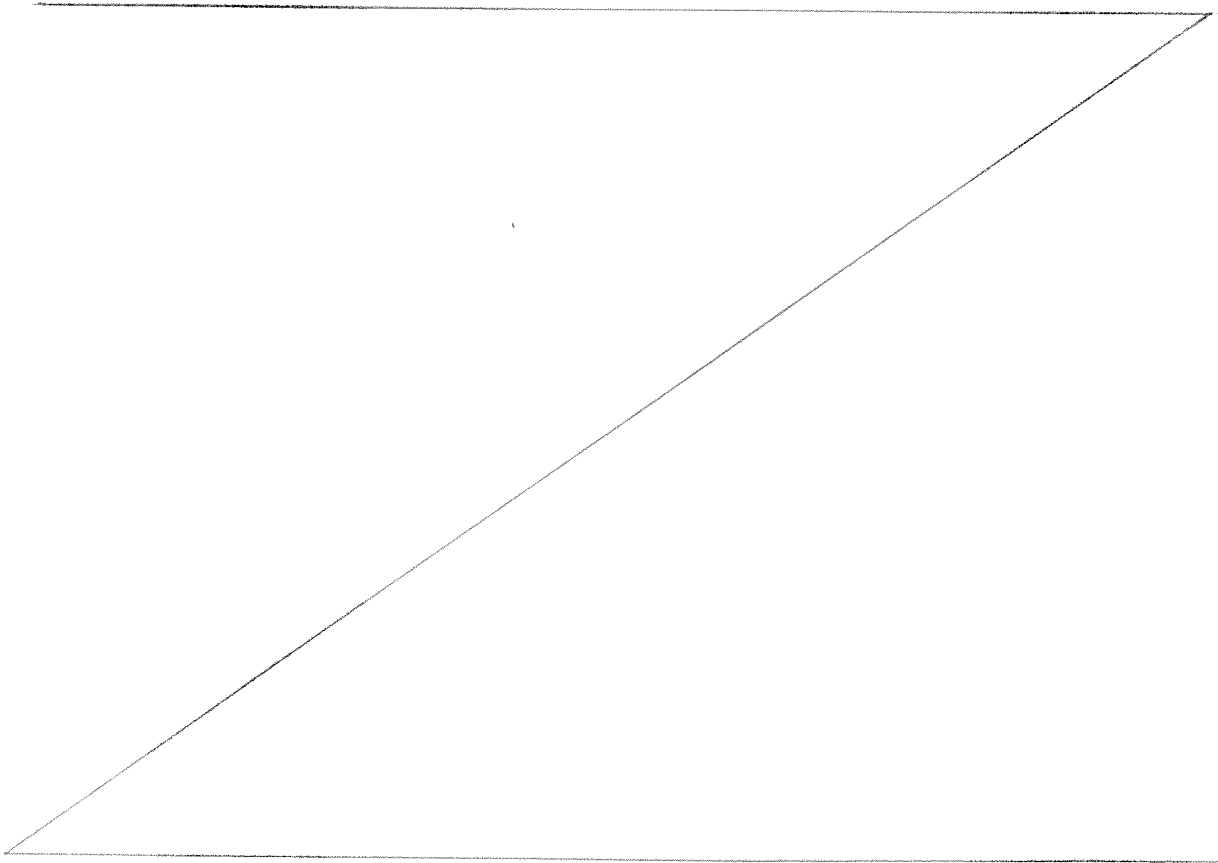
12. The Sponsor will submit for FAA approval a Minority Business Enterprise Program as required by 49 CFR Part 23 Section 23.41(a) no later than 90 days after the date of this Agreement rather than prior to the Grant as specified in 23.41(b). All other requirements in Part 23 become effective as applicable upon execution of this Grant.
13. Pursuant to Paragraph 27, Part V, Assurances, of the Application dated August 4, 1981, the Sponsor hereby covenants and agrees to furnish the Federal Government without cost, within four months after written request therefor, such estates or interests in such lands or rights in buildings as are deemed necessary by FAA for the construction and operation on the airport of the structures or facilities set forth below, provided the respective areas of land and/or buildings deemed adequate by FAA for such purposes are available without the necessity for removing or relocating other facilities and are within the geographic boundaries of the airport at the time request therefor is made by the FAA; together with rights of ready access in and to such areas or buildings for construction, occupancy and use and the right to connect to existing utilities and to be furnished the utility services required to the extent of available capacity at no more than prevailing rates. The facilities or structures involved and the maximum area of land, or rights in building, the Sponsor is obligated to furnish as follows:

Remote Transmitter/Receiver - approximately 1 acre.

However, it is agreed and understood that the rights of the United States to cost free areas obtained under unexpired Grant Agreement with the Sponsor are extended for twenty years from the date of this Grant Agreement. Furthermore, the responsibility for paying the cost of relocating any facilities located in such cost free areas shall be made in accordance with Advisory Circular 150/5300-7B, FAA Policy on Facility Relocations Occasioned by Airport Improvements or Changes.

14. It is understood and agreed by and between the parties hereto that this Grant Offer is made and accepted upon the basis of preliminary plans and specifications; and the parties hereby covenant and agree that within 120 calendar days from the date of acceptance of this Grant Offer the Sponsor shall furnish final plans and specifications to the FAA and that no construction work will be commenced hereunder nor will there be any advertisement for bids for accomplishment of such work until the said final plans and specifications have been approved by the FAA; and the parties do hereby further covenant and agree that any reference made in this Grant Offer or in the aforesaid Project Application to plans and specifications shall be considered as having reference to said final plans and specifications as so approved.
15. It is hereby understood and agreed by and between the parties hereto that the United States will not make nor be obligated to make any payments involving Parcel 8 as shown on the property map attached hereto and identified as Exhibit "A" until the Sponsor has submitted evidence that it has acquired a fee title or such lesser property interest as may be found satisfactory to the FAA in and to said parcel or any portion thereof for which grant payment is sought subject to no liens, encumbrances, reservations or exceptions which in the opinion of the FAA might create an undue risk of interference with the use and operation of the airport.

16. By its acceptance hereof, the Sponsor covenants and agrees that with respect to Parcel 8 as shown on Exhibit "A", it will clear any of said parcel acquired in fee of any existing structures, prior to final payment under the project and that it will neither erect nor permit the erection of any permanent structures therein except those required for aids to air navigation or those which may be specifically approved by the FAA; further, if a lesser interest other than fee is acquired in said parcel, the Sponsor agrees it will clear said parcel of any existing structure or any natural growth which constitutes an obstruction to air navigation within the standards established by Part 77 of the Federal Aviation Regulations; and further, the Sponsor covenants that it will control the subsequent erection of structures and control natural growth to the extent necessary to prevent the creation of obstructions within said standards.
17. It is understood and agreed by and between the parties hereto that Federal participation in that portion of the development described on Page 1 hereof, relating to airport lighting, is predicated upon the Sponsor's operating plan concerning the use and operation of such airport lighting, dated August 4, 1981, which plan is incorporated herein and made a part hereof.



The Sponsor's acceptance of this Offer and ratification and adoption of the Application for Federal Assistance incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and said Offer and Acceptance shall comprise a Grant Agreement, as provided by the Airport and Airway Development Act of 1970, as amended, constituting the obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and the operation and maintenance of the Airport. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer and shall remain in full force and effect throughout the useful life of the facilities developed under the Project but in any event not to exceed twenty years from the date of said acceptance.

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION
WESTERN REGION

By..... *Robert C. Bloom*
ROBERT C. BLOOM
(Title)

Chief, Southern Airports Field Office

Part II - Acceptance

The City of Redlands, California, does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements contained in the Application for Federal Assistance and incorporated materials referred to in the foregoing Offer and does hereby accept said Offer and by such acceptance agrees to all of the terms and conditions thereof.

Executed this 24th day of September, 1981.

..... CITY OF REDLANDS, CALIFORNIA

(Name of Sponsor)

By..... *Gregory A. Maschke*

Title..... Mayor, City of Redlands

(SEAL)

Attest: *Gregory A. Maschke*

Title: City Clerk, City of Redlands

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Dallas Holmes, acting as Attorney for the City of Redlands (herein referred to as the "Sponsor") do hereby certify:

That I have examined the foregoing Grant Agreement and the proceedings taken by said Sponsor relating thereto, and find that the Acceptance thereof by said Sponsor has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the State of California and the Regulations and further that, in my opinion, said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Riverside, CA this 24th day of September, 1981.

By..... *Dallas Holmes*

Title..... Best, Best & Krieger

City Attorney

City of Redlands