



City Hall, 215 Sycamore St.
Muscatine, IA 52761-3840
(563) 262-4141
Fax (563) 262-4142

COMMUNITY DEVELOPMENT

**Planning,
Zoning,
Building Safety,
Construction Inspection Services,
Public Health,
Housing Inspections,
Code Enforcement**

To: Mayor and City Council Members
Cc: Gregg Mandsager, City Administrator
From: Steven Boka, Director of Community Development
Date: August 18, 2011
Re: Resolution Approving a Grant Agreement – Airport Lighting Project

INTRODUCTION: The City of Muscatine was notified by the Federal Aviation Administration (FAA) that funding is available to rehabilitate runway lighting at the Muscatine Municipal Airport. This funding will allow the City to replace the direct burial conductors that have been repeatedly out of service at the airport that are associated with the lighting of runway 6/24 and the parallel taxiway for that runway.

BACKGROUND: The Municipal Airport has experienced repeated lighting outages associated with the runway lights located on runway 6/24 and the parallel taxiway serving that runway. As discussed previously with the City Council, the damage has been caused by the age of the conductors and rodents in the area. To correct this ongoing problem and keep the airport approach safe for the flying public, a program has been developed and approved that will consist of wildlife management and replacing the direct burial cable with protected conduit, updated conductors and lighting. Subsequently, plans & specifications were prepared and the project was let for bidding. On May 16th, the FAA Regional Office in Kansas City notified my office of their concurrence of award. City Council accepted the low bid of \$325,005.30 from Kimrey Electric, subject to funding availability from the FAA, on June 16, 2011. The City was notified today that a Grant Agreement has been prepared for approval by the City Council.

As with other funding authorized by the FAA, the project would be paid through a 95% federal and 5% local share

RECOMMENDATION/RATIONALE: This project has been waiting for notification of funding award by the FAA since June. To that end, Please place the attached resolution on the agenda for City Council consideration during the August 18, 2011 meeting.

BACKUP INFORMATION:

1. Resolution

RESOLUTION _____

**APPROVING THE GRANT OFFER FOR MUNICIPAL AIRPORT
IMPROVEMENTS**

(AIP Project No. 3-19-0063-15-2011)

WHEREAS, the City Council for the City of Muscatine, Iowa accepted the low bid received from Kimrey Electric on June 16, 201, subject to funding availability from the Federal Aviation Administration (FAA) for Municipal Airport Improvements known as REHABILITATE RUNWAY LIGHTING, ; and

WHEREAS, it is now necessary for this Council to authorize and direct the Mayor and City Clerk to enter into a written Grant Agreement for said project that shall be hereinafter known as AIP Project No. 3-19-0063-15-2011; and

WHEREAS, the Grant Agreement for AIP Project No. 3-19-0063-15-2011 has been examined by this Council;

NOW, THEREFORE, BE IT RESOLVED by the City Council for the City of Muscatine, Iowa, that:

1. The Grant Agreement for AIP Project No. 3-19-0063-15-2011 is hereby approved and the Mayor and City Clerk are hereby authorized and directed to enter into said agreement on behalf of this Council.

The original executed Grant Agreement shall be placed on file in the office of the City Clerk.

PASSED, APPROVED AND ADOPTED this 18th day of August 2011.

Richard W. O'Brien, Mayor

ATTEST:

Greg Mandsager, City Clerk



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1. Resolution



U.S. Department of Transportation
Federal Aviation Administration
Airports Division

GRANT AGREEMENT

Part 1 - Offer

Date of Offer

Muscatine Municipal Airport

Muscatine, Iowa

Project No. 3-19-0063-15-2011

ECHO Control Number: 69 AA 3015

DUNS Number: 080 292 048

TO: City of Muscatine, Iowa
(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 July 1, 2011, for a grant of Federal funds for a project at or associated with the Muscatine Municipal Airport/Planning Area 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:

Rehabilitate Runway Lighting

all as more particularly described in the Project Application.

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 percent (95%) 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 **\$346,251**. 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:

-0-	for planning
\$346,251	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 September 12, 2011, 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 disbursed 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. **TRAFFICKING IN PERSONS:**

a. Provisions applicable to a recipient that is a private entity.

1. You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not -

- i. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
- ii. Procure a commercial sex act during the period of time that the award is in effect; or
- iii. Use forced labor in the performance of the award or subawards under the award.

2. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity -

- i. Is determined to have violated a prohibition in paragraph a.1 of this award term; or
- ii. Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either
 - A. Associated with performance under this award; or
 - B. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 49 CFR Part 29.

b. Provision applicable to a recipient other than a private entity. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity -

- 1. Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or
- 2. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either -
 - i. Associated with performance under this award; or
 - ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 49 CFR Part 29.

c. Provisions applicable to any recipient.

- 1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.
- 2. Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:
 - i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
 - ii. Is in addition to all other remedies for noncompliance that are available to us under this award.
- 3. You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.

d. Definitions. For purposes of this award term:

- 1. "Employee" means either:

- i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or
 - ii. Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.
- 2. "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
- 3. "Private entity":
 - i. Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.
 - ii. Includes:
 - A. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).
 - B. A for-profit organization.
- 4. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102)

10. **CENTRAL REGION ECHO GRANT PAYMENTS:** The sponsor agrees to:

- a. Comply with the Central Region ECHO Grant Payment Request Guidelines and Procedures (see AIP Sponsor Guide, Section 1500 Grant Payments) and
- b. Request cash drawdowns on the ECHO system only when actually needed for reimbursement of eligible project costs and
- c. Submit timely reports of such disbursements as required.

It is understood that failure to adhere to this provision may cause revocation of the ECHO Control Number.

11. **BUY AMERICAN:** 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. **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.

13. **LETTER AMENDMENT - DEVELOPMENT:** It is mutually understood and agreed that if, during the life of the project, the FAA determines that the grant amount exceeds the expected needs of the sponsor the grant amount can be unilaterally reduced by letter from FAA advising of the budget change. Conversely, if there is an overrun in the eligible project costs, FAA may increase the grant to cover that amount of the overrun not to exceed the statutory fifteen (15%) percent

limitation and will advise the sponsor by letter of the increase. Upon issuance of either of the aforementioned letters, the maximum obligation of the United States is adjusted to the amount specified.

14. **PLANS & SPECIFICATIONS APPROVED:** It is understood and agreed by and between the parties hereto that any reference herein or in the aforesaid Application for Federal Assistance, dated July 1, 2011, to plans and/or specifications shall refer to the plans and/or specifications as approved by the FAA on April 8, 2011.
15. **RUNWAY PROTECTION ZONES:** The Sponsor agrees to take the following actions to maintain and/or acquire a property interest, satisfactory to the FAA, in the Runway Protection Zones:
 - a. **Existing Fee Title Interest in the Runway Protection Zone:** The Sponsor agrees to prevent the erection or creation of any structure or place of public assembly in the Runway Protection Zone, except for NAVAIDS that are fixed by their functional purposes or any other structure approved by the FAA. Any existing structures or uses within the Runway Protection Zone will be cleared or discontinued unless approved by the FAA.
 - b. **Existing Easement Interest in the Runway Protection Zone:** The Sponsor agrees to take any and all steps necessary to ensure that the owner of the land within the designated Runway Protection Zone will not build any structure in the Runway Protection Zone that is a hazard to air navigation or which might create glare or misleading lights or lead to the construction of residences, fuel handling and storage facilities, smoke generating activities, or places of public assembly, such as churches, schools, office buildings, shopping centers, and stadiums.
 - c. **Future Interest in the Runway Protection Zone:** The Sponsor agrees that it will acquire fee title or less-than-fee interest in the Runway Protection Zones for runways that presently are not under its control within 5 years of this Grant Agreement. Said interest shall provide the protection noted in above Subparagraphs a and b.

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

(Name) _____
(Title) Manager, Airports Division Central Region

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 _____ day of _____, 20____.

City of Muscatine, Iowa
(Name of Sponsor)

By _____
(Sponsor's Designated Official Representative)

(SEAL)

Attest: _____
Title _____

Title: _____

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 Iowa. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor relating thereto, and find that acceptance thereof 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 _____, 20____.

Signature of Sponsor's Attorney