

RESOLUTION NO. 34-2007

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF BENSON, ARIZONA, TO ACCEPT THE UNITED STATES OF AMERICA FEDERAL AVIATION ADMINISTRATION GRANT FOR IMPROVMENTS AT THE BENSON MUNICIPAL AIRPORT (AIP 3-04-0077-11)

WHEREAS, the City of Benson has submitted to the Federal Aviation Administration Project Application dated July 31, 2007 for a grant of Federal funds for a project at or associated with the Benson Municipal Airport/Planning Area for Construct Parking Lot Phase 1; Install Taxiway A Lighting; Install Weather Report Equipment; and

WHEREAS, the City of Benson has been awarded a grant in the amount of \$654,486.00 by the Federal Aviation Administration for Construct Parking Lot Phase 1; Install Taxiway A Lighting; Install Weather Report Equipment.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Benson, that the City hereby accepts the Federal Aviation Administration grant in the amount of \$654,486.00, a copy of which is attached hereto as Exhibit "A," for Construct Parking Lot Phase 1; Install Taxiway A Lighting; Install Weather Report Equipment; and the Mayor is hereby directed to execute said agreement on behalf of the City of Benson

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF BENSON, ARIZONA, this 10th day of September, 2007.



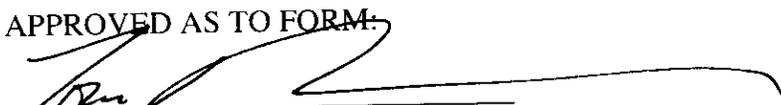
MARK M. FENN, Mayor

ATTEST:



VICKI L. VIVIAN, City Clerk

APPROVED AS TO FORM:



THOMAS A. BENAVIDEZ, Interim City Attorney



U.S. Department
of Transportation

**Federal Aviation
Administration**

**GRANT AGREEMENT
Part I - Offer**

Date of Offer: August 7, 2007

Benson Municipal Airport/Planning Area

Project No. 3-04-0077-11

Duns No. 60-813-5042

TO: City of Benson
(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 Project Application dated July 31, 2007 for a grant of Federal funds for a project at or associated with the Benson Municipal Airport/Planning Area which Project Application, as approved by the FAA, is hereby incorporated herein and made part hereof; and

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

Construct Parking Lot -Phase 1; Install Taxiway A Lighting (MITL);
Install Weather Report Equipment (AWOS III)

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, 95 percent of those eligible project costs.

The 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 \$654,486.00.

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:

\$	0.00	for planning
\$	654,486.00	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 September 11, 2007 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. Buy American Requirement. Unless otherwise approved by the FAA, it 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.

10. 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.
11. Approval of the project 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.
12. It is mutually understood and agreed that if, during the life of the project, 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 project, 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.
13. 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 grant;
 - b. may be increased by not more than 15 percent for development grants;
 - c. may be increased by not more than 15 percent or by the 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 court award in a condemnation proceeding.
14. Please note that this Grant Offer may be funded all or in part, with funds from the Small Airport Fund.

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**

Ruber C. Cabalbag
Ruber C. Cabalbag
Asst. Manager, Los Angeles Airport District Office

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 10th day of September, 2007.

City of Benson

(Name of Sponsor)

Mark M. Frnn
(Signature of Sponsor's Designated Official Representative)

By: Mark M. Frnn
(Typed Name of Sponsor's Designated Official Representative)

Title: Mayor
(Typed Title of Sponsor's Designated Official Representative)

(SEAL)

Attest: Vicki & Vivian

Title: City Clerk

CERTIFICATE OF SPONSOR'S ATTORNEY

Thomas Benavidez, 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 Arizona. 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 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 Pima County this 11th day of September, 2007.

Thomas Benavidez
(Signature of Sponsor's Attorney)