

West Michigan Airport Authority

60 Geurink Boulevard, Holland, MI 49423

P (616) 368-3023

Comprising City of Zeeland, Park Township and City of Holland



West Michigan Airport Authority

Regular Meeting Agenda

February 13th, 2023

11:30 a.m. –1:00 p.m.

60 Geurink Blvd. Holland, MI 49423

<https://us06web.zoom.us/j/83777032853>

Authority Members

City of Holland

Dave Hoekstra
Scott Corbin
Charles Murray

City of Zeeland

Kevin Klynstra
Beth Blanton
Doug Barese

Park Township

Russ Sylte
Skip Keeter
Ken Brandsen

Ex-officio

Jim Storey
VACANT

1. Public Comment.
2. Approval of Agenda (Action Requested).
3. Approval of January 9th Meeting Minutes (Action Requested).
4. Approval of FBO Transfer Agreement (Action Requested).
 - A. Amended FBO Agreement
 - B. Omnibus Amendment
5. Approval of Airport Authority Strategic Plan (Action Requested).
6. Airport Board Staffing Committee: Manager's Contract (Action Requested)
7. Approval of Airport Rescue Grant Agreement: American Rescue Plan Act (ARPA) of 2021 (Action Requested).
8. FBO Progress Report: (Action Requested).
9. FBO Report: (Action Requested).
10. Financial Reports (Action Requested).
11. Manager's Update:
 - A. Update on Parcel K Closing.
 - B. Update on Hamilton Schools Project Based Learning Engagement.
 - C. Update on Work Based Learning Initiatives with local K-12 Partners.
 - D. Update on Runway De-icing Service Trials.

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12. Updates from Board.
13. Other Business:
 - A. Airport Board Photos
 - B. Airport Authority Director Vacation: February 24th through March 5th.
14. Adjourn.

Next Meeting will be held March 13th, 2023

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West Michigan Airport Authority

MEETING MINUTES

January 09, 2022

*****11:30 a.m. – 1:00 p.m.*****

60 Geurink Blvd. Holland, MI

PRESENT: Doug Barensse, Russ Sylte (Board Chair), Dave Hoekstra, Kevin Klynstra, Ken Brandsen, Skip Keeter, Beth Blanton, Scott Corbin (Co-chair), Chuck Murray

ABSENT:

OTHERS PRESENT: Aaron Thelenwood (Director), Amanda Davio VanLaar, Lynn McCammon (Treasurer), Peter Eichleay (FlightLevel), Alan Radlow (FlightLevel), Tom Postma (Lakeshore Commercial Real Estate), David Craig (West Shore Aviation)

Board Chair Sylte called the meeting to order at 11:30 a.m.

23.01.01 Public Comment.

Tom Postma of Lakeshore commercial real estate addressed the Board. He was hired by Mark Genzink regarding properties to the south of the airfield. A future crosswind runway denoted on the ALP encumbers property owned by the Genzinks, namely 100 E 64th St, which as a result has a limited amount of buildable land. He asked on behalf of Genzink family if the Airport has interest in purchasing this parcel of land or remove crosswind runway. The property has little marketable value due to the height restrictions and currently no interested buyers.

David Craig of West Shore Aviation addressed the Board, inquiring about additional efforts in clearing runway and maintaining usability during inclement winter weather events. Mr. Craig noted that there have been a few incidents throughout this winter season in which West Shore was unable to access or utilize the runway. It's noted that WMRA was able to maintain use of runway during weather conditions which rendered other nearby airports closed, including GRR. There is considerable appreciation and recognition for FlightLevel's response time and effort, however some users feel that additional equipment, training, staff, etc. may be helpful to ensure preparedness. FlightLevel plans to continue the conversation with Westshore, Metalflow, and Haworth, operators who might have experienced disruptions in service, to discuss further ideas and course of action for improvement.

Co-chair Scott Corbin proposed an amendment to the agenda to include two additional points of discussion under item 15, Other business: Item d: crosswind runway, Item e: airport managers

agreement. Co-chair Corbin made a motion to amend the agenda accordingly with support from Keeter.

Ayes: Barensen, Klynstra, Corbin, Murray, Blanton, Brandsen, Sylte, Keeter

Nays: Hoekstra

Motion carried.

23.01.02 Approval of December 12th Meeting Minutes.

Barensen made a motion, with support by Klynstra to approve the September December 12th Meeting minutes as presented. Motion carried.

23.01.03 Election of Officers (Action Requested).

Board Chair Sylte opened the floor for the nominations of Chair, Co-Chair, Secretary, and Treasurer.

- **Chairman:** Sylte nominated Corbin for the role of Chair. Corbin declined. Corbin nominated Klynstra for the role of chair.
 - **Motion:** Keeter made a motion with support from Blanton to approve the appointment of Kevin Klynstra to Board Chair.
- **Vice chair:** Blanton nominated Corbin for the role of Vice Chair.
 - **Motion:** Hoekstra made a motion with support from Brandsen to approve the appointment of Scott Corbin to the role of Vice Chair.
- **Secretary:** Sylte nominated Blanton for the role of Secretary.
 - **Motion:** Barnes made a motion with support from Corbin to approve the appointment of Beth Blanton to the role of Secretary.
- **Treasurer:** Corbin nominated City of Holland Finance Director Lynn McCammon for the role of treasurer.
 - **Motion:** Blanton made a motion with support from Murray to approve the appointment of Lynn McCammon to the role of Treasurer.

23.01.04 Status of FBO Transfer Agreement: Update

Director Thelenwood informed the Board that the Authority is still awaiting final confirmation and negotiation on the transfer agreement. The closing deadline is set for January 30th.

Barensen inquired if the next agenda item (Approval of Entity Partners Lease Transfer to Flight Level Aviation) complicates the transfer. The Authority has the understanding that the transfer of the lease will occur with the transfer of the FBO agreement and that Northern Jet is aware of the Lease Transfer Agreement. The Director has plans to meet with the Airport Authority Attorney this week to review the contract markups. Aaron meeting with legal this week to go over

markups. It is likely that a special meeting will be scheduled for the Board to review and approve the contract.

23.01.05 Approval of transfer of Entity Partners Lease to FlightLevel Aviation (Action Requested).

Entity partners, Ron and Linda Luidema, own the eastern half of FBO hangar which is leased to the fixed based operator. The Board was presented with a proposal to approve the transfer of the lease and the sale of the building to FlightLevel Aviation. As the building is on Airport Property, the Board has an obligation to approve the lease transfer and the sale in order to ensure the use of the space is for aviation purposes.

Co-chair Corbin made a motion with support from Barensen to approve the transfer of Entity Partners lease and the sale of the building to FlightLevel Aviation.

23.01.06 Approval of Resolution Supporting the Release of Parcel K from Master Lease and Related Amendment (Action Requested).

Director Thelenwood presented to the Board the last administrative function needed to close on sale of Parcel K. Following Board approval, the sale will move forward to be approved by the City of Holland.

Co-chair Corbin made a motion with support from Murray to approve the Resolution Supporting the Release of Parcel K from Master Lease and Related Amendment transfer.

23.01.07 Approval of Waiver from Insurance Requirements for 4One Air Flight School (Action Requested).

Under the current FBO agreement, an operator at the airport requires a \$5,000,000 insurance policy for general liability. This has proven to be impossible to acquire for a flight school the size of 4OneAir. The Authority's insurance broker did additional research and confirmed that no flight school with his type of single engine aircraft has that amount of coverage. The Broker proposed that individuals participating in Flight School sign a waiver beforehand and that said waiver is reviewed and approved by the Airport Authority's Attorney. Additionally she recommended 4OneAir increase passenger sublimity from 100,000 to 1,000,000. The Airport Authority Board reserves the right to reevaluate anytime or annually if the Flight school makes a change that would impact the current coverage ie. adopting more aircraft into flight, change in aircraft size, etc.

Hoekstra made a motion with support from Brandsen to approve the proposed waiver. Motion carried.

Post motion: Co-Chair Corbin suggested the Authority reviewing the contract again with the attorney to make necessary amendments to include a quarterly report with metrics that will ensure proper up to date information on flight school operations.

23.01.08 Adoption of Recoupment of Fee Policy (Action Requested).

Sustainability and Ops specialist VanLaar presented to the Board a proposal to introduce a Reimbursement for fees policy. The policy would be applied in instances where professional service fees are incurred by the Airport Authority for projects that fall outside of the Airport Authority's standard operational and airport management responsibilities. This would not be relevant in matters of enforcement of airport rules and regulations.

Sylte made a motion with support from Chuck to approve the Adoption of a Reimbursement of fee policy subject to final approval as to form by the Airport's attorney. Motion carried.

23.01.09 Review Strategic Plan (Action Requested).

Leanne Schaeffer presented the strategic plan developed by Boileau and Co. out of the Board's planning session in December. It outlines an extensive set of priorities. Members of the Board submitted that some terms on the strategic plan should be defined such as "KBIV", "FBO", and "EVOTL". The Board decided on allowing for an additional review period by committees as well as opening the plan up to the tenants and the public for review.

This item will be reviewed again at the next Board meeting. No action taken at this time.

23.01.10 Review of Fuels Standards regarding Underground Fuel Storage (No Action Requested).

Received request from Gentex on underground fuel farm last year, fuel farm was reaching the end of life and wanted to see if underground could be allowed
Done research and chatted with consultants and attn
Reviews which recommend that we enforce current fueling policy, suggestion to look at identifying a particular place for fuel farms to be located (ecological and efficient reasons)
Underground big liability and difficult to sell property with an underground farm

23.01.11 FBO Progress Report: (Action Requested).

FlightLevel CEO Peter Eichlaey provided a brief update to the board regarding maintenance operations, operational metrics, fuel sales, and aircraft operations and commended the Flight Level team on its response and effort in snow removal Commended flight level team for snow removal.

Barnes made a motion, with support by Murray to approve the FBO progress report. Motion carried.

23.01.12 FBO Report: (Action Requested).

Corbin made a motion, with support by Hoekstra to approve the FBO report. Motion carried.

23.01.13 Financial Reports (Action Requested).

Treasurer McCammon summarized the last months financial statements and outlined the current positive financial condition of the Airport Authority highlighting the half year budget mark at 49% expense, 68% revenue expected according to tax receipts.

Sylte made a motion with support by Barensen to accept the financial reports as presented. Motion carried.

23.01.14 Updates from Board.

- January meeting marks Russ Sylte's second to last meeting with the Board.
- A reminder to send director's evaluations before the next Board meeting.

23.01.15 Other Business:

A. Airport Authority Strategic Planning Session

B. Update regarding Parcel K - Looking at closing date early February

C. Update Regarding Parcel B & C Rezoning - Changes in BIL funding creates concern initially for development for North taxiway project, having discussions with MDOT about how to fill those gaps in funding and what the Authority can do to offset cost.

- D. crosswind runway-** Co-Chair Corbin proposed the Board make a decision on developing the runway or now. Sylte commented that he sees no additional revenue in developing the runway and engaged the public users in the room.
- **From the t-hangar perspective:** Anyone utilizing T-Hangar space here would be in favor of the runway. As an airport continuing to serve general recreational pilots, this population feels it's the airport's duty to develop this runway and focus on the subset of recreational pilots who would benefit from it's development.

- **FBO perspective:** very little additional fuel sale, would only benefit small piston engine aircraft
- **West shore aviation:** Would not benefit but agreed that we need to help feed the seed in general aviation.

Sylte commented that the airport conducted studies and analyzed data a couple years ago which found the development of the crosswind runway would pick up 7% of operations with general aviation—a nominal value for \$25,000,000 investment.

Co-Chair Corbin recommended reviewing the data and bringing it back to the Board after receiving more input from tenants.

E. Airport Manager's Contract- Co-chair Corbin offered to pull the current contract (up for renewal at the end of 2023) and review it's terms given his prior experience with similar tasks. He proposed developing a committee to review the contract comprised of one person from each of the member communities in addition to devising a companion evaluation document.

23.01.16 Adjourn.

Motion by Dave Hoekstra with support from Doug Barensen.

Meeting Adjourned at 1:00 p.m.

Minutes Approved: (Secretary)

Date: _____

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February 13th, 2023

Report 4

To: West Michigan Airport Authority Board.
From: Aaron Thelenwood, Authority Director
Subject: **Approval of FBO Transfer Agreement**

FlightLevel Aviation has been serving as the Fixed Base Operator (FBO) at West Michigan Regional Airport since 2021 after procuring Tulip City Air Service DBA Flyby Air Service from Terry Boer. During this time FBO Staff (Mike Krzciok) has also served as the Assistant Airport Manager.

Alan Radlo (Owner) and Peter Eichleay (President) have now decided to transfer ownership of the FBO Operation at Holland to Northern Jet Management. Under this transfer, the name of the entity on-field will be Northern Jet, and it is understood that operational and management decisions will be made by Northern Jet. Owner and CEO Charles Cox has prior experience operating Full Service FBO's as well as extensive experience managing successful Charter Operations. Northern Jet manages operations in Grand Rapids Michigan, Naples Florida, and Chicago Illinois. Staff and Board Leadership have met with Mr. Cox and are confident in his understanding of the critical role the airport plays in the local economy as well as the needs of the Airport's based tenants and transient users. Mr. Cox's experience and connections in the West Michigan aviation community run deep.

The Airport Authority has a variety of agreements and leases with FlightLevel Aviation as listed on Exhibit A of the attached Amended FBO Agreement and Omnibus Amendment. The term of the FBO Agreement will remain the same as the current FBO Agreement, running through 2041 with an option to renew, subject to approval by and at the sole discretion of the Airport Authority Board.

Additionally, there are a number of significant amendments to the FBO Agreement negotiated both by Northern Jet and the Airport Authority, which include:

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1. That the performance evaluation be completed independently by a third party consultant, agreed upon by both the Airport Authority and Northern Jet. In the event such an entity cannot be found, the Airport Authority reserves the right to determine how the evaluation will be executed. The cost of the evaluation will be split between the Airport Authority and the FBO.
2. That the evaluation period will be changed from an annual review to every 5 years, with the exception of the first two years, at which time the first evaluation will be completed.
3. The Airport Authority has significantly expanded oversight to ensure continuation of critical required on-field services.

Northern Jet has strong reputation of professionalism and dedication as well as a track record of success that demonstrates their ability to perform the services required under WMRA's current FBO/Manager agreements without issue.

Under the terms of the existing FBO Agreement, the Airport Authority must approve any sale or transfer of ownership of the FBO; however, approval by the Board cannot be unreasonably withheld.

Recommendation

The Board's Recommendation is contingent on the following conditions being met prior to execution of any final agreements:

1. Approved Transition plan is received by the Authority
2. Ownership transition occurs by established transfer date of **February 28th, 2023**
3. All relevant insurance requirements are met by Northern Jet and documented to the Authority.
4. A personal/corporate guarantee is received by the Airport Authority as described in the asset transfer agreement.
5. Legal fees and costs incurred by the Authority related to the transfer be reimbursed to the Authority.

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It is recommended:

1. That the Authority Board approve the Amended FBO Agreement and Omnibus Amendment as presented;
2. That Board Chairperson be authorized to sign the Agreements on behalf of the Authority;
3. That any substantive changes to the Agreements be brought back to the Authority for approval; and that
4. The Agreements are subject to final approval as to form by the Authority's Attorney and contingent on the conditions above having been met.
5. The Airport Authority's Attorney will provide a status update to the Board regarding the transfer at the **March 13th, 2023** Board Meeting.

Attachments:

1. Amended FBO Agreement
2. Omnibus Amendment

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AMENDED AND RESTATED

FIXED BASE OPERATOR AGREEMENT

West Michigan Regional Airport, Holland, Michigan

West Michigan Airport Authority / ARR Aviation BIV, LLC

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AMENDED AND RESTATED FIXED BASE OPERATOR AGREEMENT

THIS AMENDED AND RESTATED FIXED BASE OPERATOR AGREEMENT entered into with an effective date of the [] day of January, 2023 (the "Agreement"), by and between the WEST MICHIGAN AIRPORT AUTHORITY, a Community Airport Authority formed under Act 206 of the Public Acts of 1957 (hereinafter referred to as the "Authority") and ARR AVIATION BIV, LLC, a Michigan limited liability company, with its principal place of business located in Grand Rapids, Michigan (hereinafter referred to as the "Operator").

WITNESSETH:

On October 23, 1986, the City of Holland ("City") and Tulip City Air Service, Inc., a Michigan corporation (the "Prior Operator") entered into a Fixed Base Operator Agreement (as modified, amended, and restated from time to time, the "Prior Agreement") whereby the City and the Prior Operator agreed to permit Prior Operator to provide certain services for the operation of the Tulip Authority Airport (hereinafter referred to as the "Airport"). On November 15, 1995, the City entered into the First Amendment to the Prior Agreement whereby the term of the Prior Agreement was amended. On November 1, 2006, the City and the Operator entered into the Second Amendment to the Prior Agreement whereby the term of the Prior Agreement was amended. The City has assigned the Prior Agreement to the Authority. On December 6, 2008, the Authority and the Prior Operator agreed to extend the term of the Prior Agreement. On February 9, 2009, the Authority and the Prior Operator entered into the Fourth Amendment to the Prior Agreement, which extended the term of the Prior Agreement. On May 11, 2009, the Authority and the Prior Operator entered in to the Fifth Amendment to the Prior Agreement which extended the term of the Prior Agreement. On July 1, 2009, the Authority and the Prior Operator executed an amended Prior Agreement to provide fixed base operator services at the Airport.

On or about July 15, 2021, the Authority consented to the sale and assignment of substantially all of the assets and agreements of the Prior Operator to Operator, including the assignment of the Prior Agreement. In connection with such consent, the Authority and Operator agreed to amend the Prior Agreement to extend the term to December 31, 2041.

On or about the date hereof, Operator will consummate a change of control transaction whereby 100% of the ownership interests in the Operator will be held by Northern Jet BIV, LLC, a Delaware limited liability company, and a majority (51%) interest in such entity will be held by Cox Family Holdings, LLC, a Michigan limited liability company (the "Change of Control Transaction"), and a minority (49%) interest in such entity being held by one of Operator's previous owners, ARR Aviation III, LLC, a Massachusetts limited liability company.

The Authority is authorized to operate the Airport located in the City of Holland, County of Allegan, State of Michigan. Fixed base operation services are essential to the proper accommodation of general and commercial aviation at the Airport. The Authority desires to make such services available at the Airport and the Operator is qualified, ready, willing, and able to provide such services following the Change of Control Transaction. Accordingly, the Authority and Operator desire to amend and restate the Prior Agreement in its entirety pursuant to the terms hereof.

NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES AND THE MUTUAL COVENANTS OBTAINED IN THIS AGREEMENT, THE PARTIES AGREE AS FOLLOWS:

1. **Term.** The term of this Agreement shall commence on the date hereof (the “Effective Date”) and continue until December 31, 2041, unless earlier terminated under the provisions of this Agreement (the “Termination Date”).

A. **Option to Renew.** The Authority shall have the option, in its sole discretion, to renew this Agreement prior to the Termination Date. The Authority, not less than one (1) year prior to the Termination Date, shall give notice in writing to the Operator indicating its intent to renew or not to renew the Agreement. Upon receipt of the notice evidencing the intent to renew this Agreement, the Operator, within thirty (30) days thereafter, shall give notice in writing to the Authority of its desire to amend the terms and conditions of the Agreement. The Operator and the Authority shall, with due diligence, commence negotiations regarding the amended terms and conditions of the Agreement for a renewal term mutually agreeable to the Authority and the Operator. If the Authority and the Operator fail to agree on the amended terms and conditions of the Agreement within one hundred eighty (180) days of the Termination Date, the Authority shall give notice in writing to the Operator that the Agreement shall not be renewed and shall terminate as of the Termination Date.

2. **Lease of Premises.** The Authority and the Operator acknowledge that the Authority has the full and complete jurisdiction and control of the Airport and the Authority shall operate the Airport in accordance with any and all existing agreements with the City and any federal and state authority relating to the required operation of the Airport. In consideration of the covenants and agreements of the Operator and the Authority as hereinafter set forth, the Authority shall lease to Operator the premises which is depicted and described in the Lease of the airport business terminal on the attached **Exhibit A** (the “Premises” or “Property”).

Included on the Property is certain real property on which the Operator may maintain fueling facilities, storage, and conduct fueling operations. The portion of the Premises on which the fueling operations are conducted are depicted on the attached **Exhibit B**, and shall be subject to that certain Fuel Farm Lease Agreement between the Authority and the Operator (as successor by assignment to the Prior Operator), dated effective as of July 1, 2009, a copy of which is attached as **Exhibit C** (the “Fuel Farm Lease Agreement”). The Premises shall also include the following:

A. Improvements included in **Exhibit A** to be utilized in conjunction with the required and authorized services as set forth in paragraph 5(A) and (B);

B. Parking lots, driveways and landscaping used in conjunction with the improvements referenced in Paragraph A above;

C. A non-exclusive right of ingress and egress for vehicles and aircraft on all existing or future roads, taxiways, aprons, or runways to be used in connection with required and authorized services as set forth in Paragraph 5(A) and (B) hereof.

D. The Authority reserves the right to substitute and relocate designated areas of the Airport for FBO operations in accordance with expansion and development plans for the Airport.

3. **Performance Review; Strategic Planning.**

A. On the second anniversary of the Effective Date and every five years thereafter during the term of this Agreement, the performance of the Operator shall be subject to evaluation in accordance with the following criteria (the "Evaluation"):

i. Whether the Operator has paid, without material delay, all rents, charges, taxes and other amounts due under this Agreement to the Authority;

ii. Whether the Operator has performed, without material deviation or defect, all of the duties and obligations required of the Operator as set forth in paragraph five (5) and all other covenants, agreements, and understandings as set forth herein;

iii. Whether there has been a Material Adverse Change since the last Evaluation. "Material Adverse Change" for purposes of this section, shall mean a change in the financial condition of the Operator, which, has had, will have or would reasonably be expected to have a material adverse effect or development on the Operator's ability to perform its duties and obligations under this Agreement, and Operator fails to provide assurances and reasonably adequate protection regarding its future ability to perform; provided, however, that none of the following (or the results thereof) shall be taken into account, alone or in combination, in determining whether a Material Adverse Change has occurred: (i) any actual or proposed change in law, regulations, accounting rules or standards or interpretations thereof applicable to Operator; (ii) any change in international, national, regional, local or industry wide political, economic or business conditions (including financial and capital market conditions); or (iii) changes within the industry in which the business of the Operator operates;

iv. Whether new products, services, and amenities should be offered by the Operator either independently or through joint agreements with the Authority.

The Evaluation shall be performed by a nationally recognized consulting firm with experience in the aviation industry, and familiar with fixed base operations (the "Consultant"), as mutually agreed and selected by the Authority and Operator. The cost of the Evaluation shall be equally divided between the Authority and the Operator. The Operator shall provide any financial documents and additional information that may be relevant to the Evaluation and reasonably requested by the Authority or the Consultant within thirty (30) business days of receipt of such written request. In the event the Authority and Operator after reasonable and good faith efforts cannot mutually agree on the selection of a Consultant, the Authority shall have the right to select the Consultant. In the event a nationally recognized Consultant does not exist at the time of any Evaluation, the Authority

reserves the sole right to determine an alternative, objective means of completing the Evaluation.

If after completing the Evaluation the Authority reasonably determines there are material defects in the Operator's performance, the Authority shall provide written notice to the Operator of, and a ninety (90) day opportunity to cure, such material defects. During such ninety (90) day cure period, the Operator and Authority shall work together in good faith to timely cure such material defects, and the Operator shall provide updates on its efforts as reasonably requested by the Authority. Thirty (30) days following receipt of such material defect notice, the Authority, in its commercially reasonable judgment, shall have the option to implement a performance improvement plan for Operator based upon the Evaluation and uncured material defects, which performance improvement plan shall include a timeline for termination of this Agreement if Operator fails to perform. If the Authority elects to terminate this Agreement following the expiration of the ninety (90) day cure period or the expiration of the performance plan timeline, whichever is greater, then within thirty (30) days of such termination notice, a public hearing shall be held before the Authority Board to present evidence regarding the Authority's determination to terminate this Agreement. The Operator may produce any evidence to rebut the recommendations to terminate. The Authority Board shall receive a written report, including a copy of the Evaluation, and recommendation from any Committee as shall be designated to consider the termination of this Agreement. The Authority shall, upon conclusion of the public hearing, terminate or affirm the Agreement with the Operator. Findings of fact and conclusions of law shall be approved by the Authority relating to its decision to terminate or affirm.

B. In addition to the foregoing, the Authority and Operator shall meet on the fifth anniversary of the Effective Date, and every five (5) years thereafter during the term of this Agreement, to review the scope, extent, planning and direction of the Airport and its incidental operations, and the demands and strategic priorities of the Airport (the "Strategic Plan"). The Operator and Authority shall work in good faith to identify commercially reasonable opportunities, objectives, and resources that can be adopted by the parties to effect such Strategic Plan. Actions taken to implement the Strategic Plan may be taken into consideration by the Consultant in performing the following scheduled Evaluation. Additionally, the Authority shall provide a copy of its written strategic plan, as well as any amendments thereto, to the Operator, which the Operator shall review and make good faith efforts to incorporate into its ongoing implementation of the Strategic Plan. The Operator shall be invited to attend any strategic planning meetings of the Authority Board, which the Operator shall endeavor to attend.

4. Payments and Reporting Requirements.

A. Payments to the Authority.

i. In consideration of the rights and privileges granted by this Agreement, Operator shall pay to the Authority an annual operating/franchise fee, which fee is currently Twenty-Seven Thousand Four Hundred Seventy Nine and 16/100 Dollars (\$27,479.16), payable in equal monthly installments. Payments of

the monthly installments shall be paid in advance on the first day of each month, provided, if the first day of any month is not a business day, such payment shall be made on the first business day of the month.

The Authority may, in its sole and complete discretion, grant a waiver in whole or in part of the annual franchise fee to be paid by the Operator to the Authority. The granting of such waiver shall not impair the right of the Authority to reinstate the franchise fee in subsequent years in accordance with the terms and conditions of this paragraph. Any waiver of the franchise fee shall be in writing, executed by the duly authorized representative of the Authority and the Operator.

Commencing on the first anniversary of the Effective Date and each year thereafter, there shall be an adjustment to the franchise fee as hereinafter set forth (Index Adjustment). All index adjustments shall be cumulative, and shall be based upon any increase in the Consumer Price Index as published by the Bureau of Labor Statistics ("Index"). For purposes of this Agreement, the Index means the final index for all items for urban wage earners and clerical workers commodity groups for the United States as determined by the United States Department of Labor, Bureau of Statistics, or any replacement index published by the United States. The adjusted franchise fee for the twelve (12) months succeeding any adjustment and shall be the amount obtained by dividing the franchise fee in effect just prior to adjustment by the Index number for the month of June of the current year; provided, however, that in no case shall such adjustment result in a decrease in the franchise fee. Following each adjustment, the "franchise fee", as used in this Agreement, shall mean the franchise fee as most recently adjusted. Until an Index adjustment is made to the franchise fee in a calendar year, the Operator shall continue paying the franchise fee previously in effect on a timely basis. Upon notification by the Authority of the adjusted franchise fee, Operator shall immediately pay to the Authority the difference between the franchise fee paid and that which would have been due had the Index adjustment for the fiscal year been imposed at the beginning of the fiscal year and Operator shall thereafter continue paying the equal monthly installments of the adjusted franchise fee.

Should the United States Government revise its price index at any time, the parties hereto shall follow such suggestions as the government may publish for making an arithmetical change over from one Index to the other. If the Index shall cease to be published, a reasonable substitute index shall replace it for purposes of this Agreement.

ii. The Authority shall receive all land lease payments relating to all improvements and facilities at the Airport.

iii. The Authority shall be authorized to consider other fees and revenues from the operation of the Airport, including that the Operator be required to pay a percentage of the adjusted gross receipts from all business conducted and carried on by the Operator at the Airport. The term "adjusted gross receipts" as used in this Agreement shall mean the aggregate amount of all sales made, and services

performed, for cash, on credit, or otherwise, of every kind, name, and nature. Adjusted gross receipts shall also include the aggregate value of all goods, wares and merchandise received for property or services, at the selling price thereof, as if the same had been sold for cash. There shall be excluded from adjusted gross receipts the following: (i) all sales of new and used aircraft; (ii) all sales to federal (including military), state, and municipal government entities; (iii) federal, state, and municipal sales taxes, or other similar taxes, separately stated and collected from customers; and (iv) bad debts.

The Operator shall produce such financial documents, including income statements, profit and loss statements, and other similar reporting statements, as may be necessary for the Authority to determine the payment review pursuant to this subparagraph A(iii). It is hereby agreed between the Authority and the Operator, to the extent permitted by law, that the production of the financial documents required by this paragraph shall be in accordance with MCL 15.243(g) specifically providing that the production of these documents shall be exempt from the Freedom of Information Act pursuant to a promise and pledge of confidentiality by the municipality pursuant to Section 13(g) of said Act. The Authority shall provide the Operator ninety (90) days notice of revised amounts to be paid by Operator to the Authority under this subparagraph A(iii), and revised amounts to be paid by Operator to the Authority under this subparagraph A(iii) shall be recomputed not more often than once per year or increase more than five percent (5%) above what is being paid under subparagraph A(i).

iv. The Authority shall also receive and retain the following fees, payments, and charges:

- 1) Landing fees;
- 2) Fuel flowage fees pursuant to the terms and conditions of the Fuel Farm Lease Agreement;
- 3) Late fees equal to five percent (5%) of overdue payments, chargeable after ten (10) days' written notice from the Authority and opportunity to cure; and
- 4) Accrued interest at a rate equal to 1.5% per month calculated from the date a payment or reimbursement was due (without regard to any grace or cure periods) until the date on which the Operator pays such unpaid sum, plus all accrued interest thereon.

B. Payments to the Operator.

i. During the term of this Agreement, Operator shall receive and retain the following fees, payments and charges:

- 1) Hangar rentals for those facilities constructed or owned by Operator;

- 2) tie-down fees;
- 3) gasoline and fuel sales;
- 4) maintenance fees paid by third parties for services performed by the Operator.;
- 5) fees generated from sale of new and used aircraft; and
- 6) aircraft handling fees as reasonably determined by the Authority.

ii. At the commencement of this Agreement, the Operator shall file with the Authority schedules of all fees, charges, and assessments which will be charged at the Airport. The Authority shall approve all fees, charges, and assessments which are initially filed with the Authority, so long as such fees, charges and assessments are reasonable and customary for full service FBO operations in the general market area of the Airport. During each successive year of the term of this Agreement, the Operator may increase its fees, charges, and assessments for each general item of service or product sold by not more than ten percent (10%) unless approved by the Authority in advance. Any increase in fees, charges, and assessments which does not require advance approval of the Authority shall be effective fifteen (15) days after filing the amended schedules with the Authority. Subject to the foregoing, the Operator shall charge reasonable and customary prices for similar services as are charged by full service FBO operations in the general market area of the Airport.

iii. In the event the Operator requests an increase exceeding ten percent (10%) or commences charges which exceed similar fees, charges, and assessments customarily charged by full service FBO operations in the general market area of the Airport, Operator shall file such request in writing with the Authority. The Authority shall refer the request for increase to any such committee as shall be designated by the Authority to administer the request. The Authority, or such other designated committee or entity, shall accept or reject the request for an increase based upon the following criteria:

- 1) whether the increased costs documents by Operator justify the proposed increase;
- 2) whether the level of profit disclosed by the Operator for the proposed increase is reasonable and consistent with the operation of the Airport;
- 3) the effect the increase will have on the public use of the Airport;
- 4) the effect the increase will have on the private use of the Airport;

5) such additional considerations relating to the health, safety, and welfare of the Authority which the Authority deems necessary and proper for the review of the rate increase.

The Authority may demand, and the Operator shall produce, such documentation as shall be necessary in order to review the criteria of this Agreement, which shall include and shall not be limited to, profit and loss statements, pro forma statements, and the income and expense ledgers for the operation of the Airport. The decision of the Authority shall be final.

C. Monthly Reporting; Books and Records.

i. Each month during the term of this Agreement, the Operator shall report to the Authority sufficient information and data, provided such data is reasonably accessible to the Operator, and maintained in the normal course of its business, to allow the Authority Board to monitor the amount of flight activity and fuel sales occurring at the Airport.

ii. The Operator shall maintain accurate records of retail fuel sales and adjusted gross receipts derived under this Agreement, and landing and parking fees collected, for a period of three (3) years from the date the record is made. Such records shall be maintained according to generally accepted accounting principles. The Operator's records in relation to this Agreement shall be open for inspection by the Authority to show Operator is financially capable of providing the services set forth in this Agreement, upon reasonable request and during normal business hours. Such information shall be held in strict confidence and shall not be disclosed without Operator's prior written consent.

D. Annual Statement. Within one hundred twenty (120) days after the end of each calendar year, Operator shall furnish to the independent auditor of the Authority, financial statements setting forth the aggregate gross income and expenses generated by the Operator at the Airport, certified by an Officer of the Operator as to its correctness. The Authority reserves the right to audit said statement and Operator's books and records, including examination of the general ledger and all other supporting material, at such reasonable time during business hours, for the purpose of verifying reported fuel sales, adjusted gross receipts, and landing and parking fees collected.

If the audit establishes that the Operator has understated or overstated fuel sales or adjusted gross receipts or landing or parking fees collected by two percent (2%) or more, the entire expense of the audit shall be borne by the Operator. Any additional payment due from the Operator shall forthwith be paid to the Authority, with interest thereon at the rate of 1.5% per month from the date such amount originally became payable to the Authority. Any overpayment by Operator shall be credited against further payments due to the Authority. Either party may refer the results of the audit for resolution in accordance with paragraph E, below.

E. **Disputes.** In the event that any dispute may arise as to fuel sales or adjusted gross receipts, or landing or parking fees collected, the amount claimed due by Authority shall be paid forthwith and the dispute shall be submitted to a certified public accountant, agreeable to both parties, who shall determine the rights of the parties hereunder in accordance with generally accepted accounting principles. The fees due said accountant for such service shall be paid by the unsuccessful party, or in the event the determination is partially in favor of each party, the fee shall be borne equally by the parties.

5. **The Rights and Obligations of Operator.** Operator recognizes the privilege of operating a publicly funded airfield and that the Airport and Authority are subject to local, regional, state and federal laws, including rules and regulations of the Federal Aviation Administration (the "FAA"). Operator further recognizes that, in addition to operating as a private entity and independent contractor, it is contracting with the Authority to provide critical aviation services to the public which is the primary purpose of the Airport.

A. **Required Services.** Operator is hereby granted the non-exclusive privilege to engage in and Operator agrees to engage in the Required Services, hereinafter set forth, during hours which are mutually agreeable to the Authority and the Operator to operate and maintain the Airport. In the event the Authority and the Operator cannot agree, the Authority shall establish the hours of operation for the Required Services. All Required and Authorized Services conducted by the Operator shall be solely offered and performed at the Airport unless the Authority consents to another location, and operations at the Airport are, and are to be treated as, separate from and independent of operations at other airports being serviced by the Operator. The Operator shall provide written notice to the Authority should the Operator be rendered unable or incapable of delivering any of the Required Services ("Required Services Failure"), within three (3) days of the occurrence of such Required Services Failure. For purposes of this paragraph 5(A), a Required Services Failure means an inability or incapacity that lasts or is expected to last more than ten (10) business days. Failure to timely cure a Required Services Failure shall constitute a default under this Agreement. Any person, firm or entity hired or otherwise engaged by the Operator to provide any of the Required Services must be approved in advance by the Authority. The Required Services shall be:

i. Sales and intro-plane delivery of aviation fuels, lubricants, and other related aviation products. At a minimum, the Operator shall provide an adequate supply of Aviation Jet A fuel and Aviation 100LLA gas. In the event during the term of this Agreement, the fuel for the operation of aircraft or aircraft operations generally changes, the Operator shall make such changes and modifications for new fuel products at the Airport. The Authority shall allow fuel storage facilities by third parties other than Operator during the term of this Agreement; however, all fueling facilities shall comply with the minimum standards of paragraph 5(C)(7). No fuel shall be sold by third parties for consumption by others unless they apply for fuel sale permits and are able to comply with minimum standards for fuel operations and the Authority shall restrict such fuel storage facilities to the designated third party.

ii. Apron servicing of, and assistance to, aircraft, including itinerant parking, storage and tie-down service, for both based and itinerant aircraft upon or within facilities leased to Operator or aircraft parking areas designated by the Authority.

iii. Repair and maintenance of based and transient aircraft on site at the Airport. Operator agrees to provide maintenance services for engines, airframes and accessories at the Airport in compliance with FAA regulations and requirements. Operator acknowledges that no right or privilege has been granted under the terms and conditions of this Agreement which would prevent any person, firm, or entity operating aircraft on the Airport from performing service on its own aircraft, with its own regular employees, including maintenance and repair services, nor prevent any other service provider from providing such services at the Airport, so long as such other person, firm, entity or service provider complies with minimum Operating Standards as set forth below and otherwise required by law. Notwithstanding the foregoing, no person, firm or entity shall commence maintenance and repair services at the Airport unless and until a Certificate of Insurance has been filed with the Authority in conformance with the provisions of **Exhibits F and J** hereof, relating to the levels of insurance required for its operations.

iv. Customary accommodations for the convenience of users, including pilot lounge area, informational services, direct telephone service connections to the Flight Service Station and other acceptable weather information services.

v. Equipment and trained personnel to remove disabled aircraft with a gross landing weight of twelve thousand five hundred (12,500) pounds or less from the Air Operations Area, and Operator shall perform such removal service on request. As used in this Agreement, "Air Operations Area" shall mean those portions of the Airport provided and made available by the Authority for aircraft and related operations, and shall include aircraft runways, taxiways, ramps, aprons and parking spaces, and areas directly associated therewith, which are not leased by Operator or any other tenant on the Airport.

vi. Sales of avionic and engine parts and instruments and accessories.

vii. Ramp service to a Main Terminal or other Airport locations for normal operational customer service, including loading and unloading of passengers and baggage, and providing of ramp equipment, aircraft cleaning and other services for air carriers and other persons or firms.

B. Authorized Services. In addition to the services required to be provided by Operator pursuant to Paragraph A, above, Operator is authorized, but not required, to provide the following services and to engage in the following activities:

i. Ramp service to a Main Terminal or other Airport locations for non-customary operational customer service, including loading and unloading of mail, freight and other large cargo.

ii. Special flight services, including aerial sight-seeing, aerial advertising and aerial and aerial photography.

iii. The sale of new and used aircraft.

iv. Flight training, including ground school, and supporting the flight schools of other operators at the Airport.

v. Aircraft rental.

vi. Aircraft charter operations conducted by Operator, and supporting the charter operations of transient operators at the Airport. In the instance of competitor operators on site at the Airport who require support services from Operator, such competitor operators shall enter into a service agreement with the Operator, a copy of which shall be provided to the Authority.

vii. Maintenance and operation of an FAA approved repair station for avionics - Classes I and II.

viii. Such additional authorized services as the Authority and Operator shall mutually agree. No additional authorized services shall be commenced by the Operator without the mutual agreement of the Authority. Failure to comply with this subsection shall constitute a breach of this Agreement and all revenue derived from such services by the Operator shall be paid to the Authority.

C. Operating Standards. In providing any of the Required and/or Authorized Services or activities specified in this Agreement, Operator shall operate for the use and benefit of the public and shall meet or exceed the following standards:

i. Operator shall furnish service on a fair, reasonable and non-discriminatory basis to all users of the Airport. Operator shall furnish good, prompt and efficient service adequate to meet all reasonable demands for its services at the Airport based upon reasonable customer demands, which the Operator is responsible for understanding and evaluating at all times. Operator shall charge fair, reasonable, and non-discriminatory prices for each unit of sale or service; provide, however, that Operator may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

ii. Operator shall select and appoint a full-time manager, or more than one manager who in conjunction work the equivalent of a full-time manager, of its operations at the Airport who shall be approved by the Authority. The manager(s) shall be qualified and experienced, and vested with full power and authority to act in the name of the Operator with respect to the method, manner and conduct of the operation of the fixed base services to be provided under this Agreement. The

manager(s) shall be reasonably available at the Airport during regular business hours and during the manager's or managers' absence a duly authorized subordinate shall be in charge and available at the Airport. The Consultant may review the performance of the Operator's manager(s) as part of the Evaluation process.

iii. Operator shall provide, at its sole expense, a sufficient number of employees to provide effectively and efficiently the services required or authorized in this Agreement. The number of employees shall be determined by the Operator in its sole discretion; provided, however, if, in the reasonable determination of the Authority, the Operator's staffing levels are insufficient to support operations at the Airport, the Authority shall have the right to provide a written demand to Operator, which shall include the Authority's proofs supporting its determination, that it cure such insufficient staffing levels within ninety (90) days of the date of such written demand, and the Operator shall make good faith efforts to timely cure such insufficient staffing levels. Staffing levels, including any notices provided by the Authority to the Operator regarding insufficient staffing levels and related proofs, shall be considered as part of the Evaluation.

iv. Operator shall meet all expenses and payments in connection with the use of the Premises and the rights and privileges herein granted, including taxes, permit fees, license fees, and assessments lawfully levied or assessed upon the Premises or property at any time situated therein and thereon. Operator may, however, at its sole expense and cost, contest any tax, fee or assessment as long as the contest does not jeopardize the continued airport operation.

v. Operator, and any person, firm or entity hired or otherwise engaged by the Operator, shall comply with all federal, state and local laws, rules and regulations which may apply to the conduct of the business contemplated, including rules and regulations promulgated by the Authority, and the Operator, and any person, firm or entity hired or otherwise engaged by the Operator, shall keep in effect and post in a prominent place all necessary and/or required licenses or permits.

vi. Operator shall be responsible for the maintenance and repair of the Premises and shall keep and maintain the Premises in good condition, order and repair, and shall surrender the same upon the expiration of this Agreement, in the condition in which they are required to be kept, reasonable wear and tear and damage by the elements not caused by Operator's negligence excepted. It is expressly understood and agreed that, in providing required and authorized services pursuant to this Agreement, Operator shall have the right to choose, in its sole discretion, its vendors and suppliers to the extent not prohibited by the nondiscriminatory provisions of this Agreement.

vii. During the term of this Agreement, Operator, and any person, firm, or entity hired or otherwise engaged by the Operator, desiring to engage in the following activities, shall be allowed and permitted only if the person, firm, or entity, including the Operator, complies with the following minimum operating

standards, which are delineated as follows: (i) aircraft sales (see attached **Exhibit D**); (ii) air frame, power plant repair (see attached **Exhibit E**); (iii) air craft rental (see attached **Exhibit F**); (iv) flight training (see attached **Exhibit G**); (v) aviation fuels and oil dispensing services (see attached **Exhibit H**); (vi) avionics, instrument, and propulsion repair services (see attached **Exhibit I**); (vii) air taxi services and commuter airline operations (see attached **Exhibit J**); (viii) multiple services (see attached **Exhibit K**); (ix) flying clubs (see attached **Exhibit L**).

D. **Signs.** During the term of this Agreement, Operator shall have the right, at its expense, to place in or on the Premises a sign or signs identifying Operator. Said sign or signs shall be the size, shape and design, and at a location or locations, approved by the Authority and in conformance with any overall directional graphics or sign program established by the Authority. The Authority's approval shall not be unreasonably withheld. Notwithstanding any other provision of this Agreement, said sign(s) shall remain the property of the Operator. Operator shall remove, at its expense, all lettering, signs and placards so erected on the Premises at the expiration of the terms of this Agreement.

E. **Non-Exclusive Right.** It is expressly understood that this Agreement gives no exclusive rights to the Operator to provide any or all of the services described in this Agreement. It is specifically understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right to provide aeronautical services to the public as prohibited by Section 308(a) of the Federal Aviation Act of 1958, as amended, and the Authority reserves the right to grant to others the privilege and right of conducting any one or all activities of an aeronautical nature as described herein. Notwithstanding the foregoing, to the extent that the Authority grants additional rights and privileges for operation, the Authority does covenant and agree that:

- i. It shall enforce all minimum operating standards or requirements for all aeronautical endeavors and activities conducted at the Airport;
- ii. Any other Operator or aeronautical endeavors or activities will not be permitted to operate on the Airport under rates, terms of conditions which are more favorable than those set forth in this Agreement;
- iii. It will not permit the conduct of an aeronautical endeavor or activity at the Airport except under an approved lease and operating agreement and as set forth on Exhibit C-M.

6. **Appurtenant Privileges and Responsibilities.**

A. **Use of Airport Facilities.** The Authority and the Operator acknowledge that the Authority has the full and complete jurisdiction, authority, and control of the Airport. Operator shall be entitled, in common with others so authorized, to use of all the facilities and improvements of a public nature which now are or may hereafter be connected with or appurtenant to the Airport, including the use of landing areas, runways, taxiways, navigational aids, terminal facilities and aircraft parking areas designated by the Authority.

B. **Aerial Approaches.** The Authority reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent Operator from erecting or permitting to be erected, any building or other structure on or adjacent to the Airport which, in the opinion of the Authority, would limit the usefulness of the Airport or constitute a hazard to aircraft.

7. **Leasehold Improvements.**

A. **Required Improvements - Authority.**

i. The Authority shall pay and be responsible for the capital improvements to the Airport as shall be required by state and/or federal regulations.

B. **Optional Improvements by Operator.**

i. In the event Operator desires to construct, erect, or make optional improvements to the Airport or any portion thereof which exceeds \$20,000 (an "Improvement"), Operator shall submit detailed plans and specifications to the Authority for all of the proposed Improvements. The Authority agrees that it shall either approve the plans and specification as submitted, or shall transmit proposed revisions to the Operator, within thirty (30) days of the receipt of the plans and specifications. In the event that the Authority requires revisions to the original plans and specification, the Operator shall have thirty (30) calendar days from the date of receipt of the proposed revisions to re-submit the plans and specifications for the Authority's approval. The Authority's approval of the plans and specification shall not be withheld unreasonably. Optional improvements not exceeding \$20,000.00 which Operator elects to construct, erect or make which do not require advance approval of the Authority under this subparagraph shall not violate existing FAA regulations or Airport building restrictions and standards.

ii. Upon receiving final Authority approval on the plans and specifications, the Operator shall engage one (1) or more qualified contractors to construct said Improvements. Construction shall commence and be completed in accordance with a schedule mutually agreed by Operator and the Authority. Any contractor retained by Operator to erect the Improvement shall present to the Authority certificates of insurance in accordance with the customary insurance specifications of the Authority for contractor construction on the date of the commencement of the Improvement, and shall construct the Improvement(s) in accordance with all regional, local, state and federal laws and regulations.

iii. Prior to the approval of any Improvement, the Operator shall present to the Authority a statement outlining the costs and the anticipated useful life of the Improvement. In the event this Agreement is not renewed beyond its Termination Date with the Operator, the Authority shall have the right, but not the obligation, to purchase the Improvement based upon the fair market value of the Improvement without any valuation attributable to the land on which the Improvement is located. For purposes of this paragraph, the Authority and the Operator shall select a

mutually agreeable appraiser to determine the fair market value of the Improvement utilizing the three (3) recognized approaches to value (cost, market, and income) if deemed relevant and appropriate. The cost of the appraiser shall be equally divided between the Authority and the Operator. The determination of the fair market value of the Improvement shall be determined without regard to the term of the lease on which the Improvement is located. The determination of fair market value by the agreed appraiser shall be the purchase price for the purchase of the Improvements by the Authority. Within sixty (60) days after determination of the purchase price, the Authority may elect to purchase the Improvement and shall notify the Operator in writing. The purchase price shall be paid in cash or on such terms and conditions as the Authority and the Operator shall agree (including the installment payment for Improvements).

In the event the Authority and the Operator fail to agree on a mutually acceptable appraiser, the Operator and the Authority shall each obtain its separate and respective appraisals of the Improvements, at its respective cost, utilizing the valuation methodology indicated in the prior paragraph. The purchase price for the Improvements shall be the average of the two (2) appraisals by the Authority and the Operator. The purchase of the Improvements shall be paid in cash or subject to such terms and conditions as the Authority and the Operator shall mutually agree (including the installment payment of the Improvements).

iv. Notwithstanding the foregoing, the Authority is granted the sole and complete right to reject any proposed Improvement by the Operator. The Authority may grant its approval of the Improvements conditioned upon the Operator agreeing to demolish and tear down the Improvements at the end of the useful life of the proposed Improvement, and may require adequate assurances therefore.

C. Third Party Improvements.

In the event a person other than the Operator (a "Third Party") desires to construct, erect, or make Improvements to the Airport, or any portion thereof, as set forth in paragraph (B)(i), (ii), (iii), and (iv) above, the Authority shall notify the Operator of the proposed Improvements. The Authority retains the complete and sole right to accept or reject proposed Improvements by a Third Party.

D. Notice of Improvement and FAA Approval.

Prior to the commencement of any Improvement pursuant to Paragraph 7(A), (B), or (C), the Authority, Operator, Third Party, or such designated contractor and representative shall comply with all federal, state, and local notice requirements and plan reviews of any federal, state or local agency, including but not limited to the FAA and the Michigan Aeronautical Commission (MAC). To the extent that portions of this Agreement shall govern the duration for plan review and approval,

these covenants, conditions, and agreements shall not be binding on any federal, state, or local regulatory authority, including but not limited to the FAA and MAC.

8. **Reserved.**

9. **Utilities and Special Assessments.** The Operator shall have the right to use the Airport utility service facilities (as approved by the Authority) located on the Premises at the commencement of the term of this Agreement. In addition, should Operator's operations require additional utility service facilities, the Operator shall, at its own expense, extend such facilities to the Premises. Except as otherwise provided in the lease between the Authority and Operator, special assessments which shall be levied against the Premises during the term of this Agreement shall be paid by the Authority. Special assessments levied against Operator's improvements or other property on or within the Premises, or as a result of the expansion or improvement to Operator's property, shall be paid by the Operator. The cost of connection to the public improvement shall be paid by the Operator.

The Operator agrees to pay the cost of all utilities in connection with the operation of the Airport. In the event Operator fails to pay any utility bills when due, the Authority, may, at its option, pay the same and collect from the Operator the amount so disbursed, plus interest at the rate of 1.5% per month or a fraction thereof. Failure of the Operator to pay any utility bills when due, after expiration of the applicable notice and cure period under paragraph 19(B)(ii), shall constitute a payment default under this Agreement.

10. **Insurance.** During the term of this Agreement, the Operator shall obtain and maintain, or cause to be obtained and maintained, the amounts of insurance for its operations as set forth on the attached **Exhibit M**. Except for insurance coverage relating to the real and personal property improvements, the Operator shall name the Authority as an additional insured on all policies procured pursuant to this paragraph. Notwithstanding anything to the contrary stated in this Agreement, failure of the Operator to provide required insurance coverage, upon written notice from the Authority and ten (10) day opportunity to cure, shall constitute a default under this Agreement.

The Authority shall obtain and maintain insurance coverage for the real and personal property improvements owned by the Authority, whether in existence on the date of this Agreement or erected subsequent hereto, on the Premises to the extent of their full insurable value. The Operator shall obtain and maintain insurance coverage for the real and personal property improvements owned or leased by the Operator, whether in existence on the date of this Agreement or erected subsequent hereto, on the Premises to the extent of their full insurable value. The Certificate of Insurance shall be filed with the Authority prior to commencement of any operations at the Airport by the Operator. The Certificate of Insurance shall further provide that the Authority shall receive 30 days prior written notice before the insurance coverages pursuant to this paragraph shall be amended, altered, or materially changed. Upon demand the Operator shall file copies of all policies with the Authority.

Every five (5) years during the term of this Agreement, either the Authority or the Operator shall have the right, on written notice to the other, to require that an independent insurance consultant, mutually agreeable to the Authority and the Operator, be retained to review

the insurance coverages to be provided pursuant to this paragraph to determine, based on the then-current insurance industry standards, whether the coverages are adequate. The Authority and the Operator, upon agreement with the consultant's recommendation, shall promptly implement any changes in coverage recommended by said consultant.

11. **Real Estate and Personal Property Taxes.** The Operator hereby agrees to pay all taxes, assessments, or other municipal charges levied by the City or other governmental entity on the due date thereof. Notwithstanding the prior sentence, the Operator shall have the right to contest the assessments in accordance with statute or ordinance. In the event Operator fails to pay any taxes, assessments or other municipal charges when due, the Authority, may, at its option, pay the same and collect from the Operator the amount so disbursed, plus interest at the rate of 1.5% per month or a fraction thereof. Failure of the Operator to pay any taxes, assessments or other municipal charges when due, after expiration of the applicable notice and cure period under paragraph 19(B)(ii), shall constitute a payment default under this Agreement.

12. **Indemnification.** To the extent not covered by insurance carried in favor of Operator and the Authority, Operator shall keep and hold harmless the Authority from and against any and all claims, demands, suits, judgments, costs and expenses asserted by any person or persons, including agents or employees of the Operator by reason of death or injury to persons or loss or damage to property, resulting from the Operator's operations, or anything done or omitted by the Operator, under this Agreement except to the extent that such claims, demands, suits, judgments, costs and expenses may be attributed to the acts or omissions of the Authority or its agents or employees. This covenant of indemnification by Operator shall also include reasonable attorney fees and costs incurred by the Authority in connection with the defense of any claim, action, or charge. The items of this paragraph shall not indemnify and hold harmless the Authority for its own negligence.

13. **Operator as Independent Contractor.** In conducting its business hereunder, Operator acts as an independent contractor and not as an agent of the Authority. The selection, retention, assignment, direction and payment of the operator's employees shall be the sole responsibility of Operator and the Authority shall not attempt to exercise any control over the daily performance of duties by Operator's employees.

14. **Assignment.** This Agreement, or any part thereof, may be assigned, transferred or conveyed by the Authority to the City or any other operating entity or authority, as the Authority shall determine for purposes of administering the provisions contained therein. Operator is expressly prohibited from assigning or subletting this Agreement or transferring any equity ownership in the entity of Operator without the express written consent of the Authority, which consent shall not be unreasonably or arbitrarily withheld, conditioned, or delayed.

15. **Non-Discrimination.** The Operator for itself, its heirs, personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree that in the event facilities are constructed, maintained, or otherwise operated on the Premises as described in this Agreement for a purpose for which a Department of Transportation program or activity is extended or benefits, the Operator shall maintain and operate such facility and services in compliance with all other requirements imposed pursuant to 49 CFR, Part 21,

Nondiscrimination in Federally Assisted Programs of the Department of Transportation, as said regulations may be amended.

The Operator for itself, its personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that:

A. No person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities;

B. That in the construction of any improvements on, over or under such land, and the furnishing of services thereon, no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination;

C. Operator shall use the Premises in compliance with all of the requirements imposed by or pursuant to 49 CFR, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, as said regulations may be amended.

16. **Requirements of the United States.** This Agreement shall be subject and subordinate to the provisions of any existing or future agreement between the Authority and the United States, or any agency thereof, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development or operation of the Airport; provided, however, that the Authority shall, to the extent permitted by law, use its best efforts to cause any such agreements to include provision protecting and preserving the rights of the Operator in and to the Premises, and to compensation for the taking thereof, interference therewith and damage thereto, caused by such agreement or by actions of the Authority of the United States pursuant thereto.

17. **Nondiscrimination Under Fees.** The Operator agrees to furnish the service as described in this Agreement on a fair, equal, and not-unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and no unjustly discriminatory prices for each unit or service; provided, that the Operator may be allowed to make reasonable and non-discriminatory discounts, rebates, or other similar types or price reductions to a volume purchaser.

18. **Affirmative Action.** The Operator assures that it will undertake an affirmative action program as required by 14 CFR, Part 152, Subparagraph E, to insure that no person shall, on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR, Part 152, Subpart E. The Operator assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Operator assures that it will require that its covered suborganizations provide assurances to the Operator that they, similarly, will undertake an affirmative action program, and assurances from their suborganizations, as required by 14 CFR, Part 152, Subpart E, to the same effect.

19. **Default and Termination.**

A. **Termination by the Operator.** This Agreement shall be subject to termination by the Operator in the event of any one or more of the following events:

i. The abandonment of the Airport as an airport or airfield for any type, class or category of aircraft as classified by the FAA.

ii. The default by the Authority in the performance of any of the terms, covenants or conditions of this Agreement, and the failure of the Authority to remedy, or undertake to remedy, to the Operator's satisfaction, such default for a period of thirty (30) days after receipt of notice from Operator to remedy the same.

iii. Damage to or destruction of all or a material part of the Premises or Airport facilities necessary to the operation of Operator's business which the Authority does not commence repair or reconstruction with sixty (60) days of the loss.

iv. The lawful assumption by the United States, or any authorized agency thereof, of the operation, control or use of the Airport, or any substantial part or parts thereof, in such a manner as to restrict substantially Operator from conducting business operations for a period in excess of ninety (90) days.

Upon occurrence of any of the above events, the Operator shall terminate this Agreement upon 180 days notice to the Authority.

B. **Default by the Operator.** This Agreement shall be in default in the event of any one or more of the following events:

i. The default by Operator in the performance of any term, covenant, or condition of this Agreement which imminently jeopardizes the safety and integrity of the public and Airport operations in the sole discretion and determination of the Authority upon 24 hours written notice to the Operator, and the failure of Operator to undertake to remedy the imminent danger within such 24 hours, and cure such imminent danger within no more than five (5) days, to the Authority's reasonable satisfaction, after receipt of notice from the Authority to remedy same.

ii. The default by Operator in the performance of any other material term, covenant, or condition of this Agreement, including without limitation payment of any amounts owed under this Agreement, and the failure of Operator to remedy, or undertake to remedy, to the Authority's reasonable satisfaction, such default for a period of thirty (30) days in the case of payment defaults, and for a period of ninety (90) days for any other defaults (excepting insurance defaults under paragraph 10), after receipt of notice from the Authority to remedy the same.

iii. The occurrence of a default under any other agreement between the Authority and Operator, and the failure of the Authority to cure the same within the applicable period specified in that agreement.

iv. If, after the commencement of the term of this Agreement, the Operator or its successor shall (i) be adjudicated bankrupt or adjudged to be insolvent pursuant to the provisions of any state or federal insolvency or bankruptcy law, (ii) a receiver or trustee of the property and affairs of the Operator shall be appointed, (iii) an assignment shall be made of Operator's property for the benefit of creditors or if a petition shall be filed by or against Operator seeking to have Operator adjudicated insolvent or bankrupt pursuant to the provisions of any state or federal insolvency or bankruptcy law, and such petition shall not be withdrawn and the proceedings dismissed within ninety (90) days after the filing of the Petition, or for any execution or attachment shall be issued against operator or any of Operator's property, whereby the premises (including any improvements thereon) shall be taken or occupied by someone other than the Authority, then and in such event, Authority may terminate this Agreement by written notice to the Operator, provided, however, if the Order of Court creating any of such disability shall not be final by reason of pendency of such proceedings, or appeal from such order, or if the petition shall not have been withdrawn or the proceedings dismissed within ninety (90) days of the filing of the petition, then Operator shall not have the right to terminate this Agreement as long as Operator performs its obligations hereunder. If, as a matter of law, the Authority has no right in the bankruptcy of the Operator to terminate this Agreement, then, if Operator, as debtor, or its trustee, wishes to assume this Agreement, in addition to curing or adequately assuring the cure of all defaults existing under this Agreement on Operator's part on the date of the filing of the proceedings, Operator, as debtor, or the trustee must also furnish adequate assurances of future performance under the Agreement. In a reorganization under any applicable chapter of the Bankruptcy Code, the Operator or trustee must assume this Agreement or assign it, in accordance with the provisions hereof within 120 days from the filing of the proceeding or it shall be deemed to have rejected and terminated this Agreement. Any assignment shall be subject to the proposed assignee demonstrating to the Authority its reasonable ability to comply with each and every requirement to be performed by Operator in this Agreement.

C. Termination of Agreement Upon Default. Upon the occurrence and continuance of an event of default by Operator after any applicable cure period:

i. The Authority may, at its option, elect to terminate this Agreement by giving written notice of such election to Operator. Within thirty (30) days of such termination notice, a public hearing shall be held before the Authority Board to present evidence regarding the Authority's determination to terminate this Agreement. The Operator may produce any evidence to rebut the recommendations to terminate. The Authority Board shall receive a written report, including copies of any such documentation it reasonably requests from the Operator, and recommendation from any Committee as shall be designated to consider the

termination of this Agreement. The Authority shall, upon conclusion of the public hearing, terminate or affirm the Agreement with the Operator. Findings of fact and conclusions of law shall be approved by the Authority relating to its decision to terminate or affirm a notice of election to end the term of this Agreement. If the decision to terminate is affirmed in accordance with the foregoing, this Agreement shall cease, and all rights of Operator to continue its operations shall end; provided, however, termination of the Agreement under this subparagraph (C)(i) shall not release, discharge or otherwise terminate Operator's monetary obligations to the Authority under the Agreement and Operator shall continue to otherwise be liable to the Authority as provided herein.

ii. Upon any such termination of the term of this Agreement, or at any time hereafter, the Authority may, in addition to and without prejudice to any other rights and remedies the Authority may have at law or in equity, re-enter the Premises, and recover possession thereof and dispossess Operator, its assigns and successors of the Premises in the manner prescribed by the statutes. In case of any such default, reentry, expiration and/or dispossession by summary proceedings, the Authority may re-let the Premises or any part or parts thereof, either in the name of the Authority or otherwise, for a term or terms which may, at the Authority's option, be less than or exceed the period upon which would otherwise have constituted the balance of the term of this Agreement, and may grant concessions or free rent as may be reasonable under the circumstances; or in lieu of re-letting all or any part of the Premises, the Authority may operate the same and collect rents from sub-tenants.

iii. The Operator or the legal representative of the Operator shall waive all damages for the failure of the Authority to observe and perform Operator's covenants, herein contained, any and all claims to all rental sums paid to the Authority and/or covenants to be paid, plus all other payments and all taxes, utility expenses, and insurance premiums. Any unpaid damages shall be paid by the Operator within ten (10) days after demand has been made by the Authority, and any suit brought to collect the amount of the efficiency for such period shall not prejudice in any way the right of the Authority to collect damages for any subsequent period by similar proceeding or other appropriate action. The Authority, at the Authority's option, may make such alterations, repair and/or replacements in the Premises as the Authority, in the Authority's sole judgment, considers advisable or necessary for the purpose of re-letting the Premises; and the making of such alterations, repairs and/or replacements shall not operate or be construed to release Operator from liability as aforesaid.

iv. The Authority may, at its option, institute an action for specific performance in a Court or forum having appropriate jurisdiction to enforce the provisions of this Agreement.

v. No remedy herein conferred upon the Authority shall be exclusive of any other remedy, but the same shall be cumulative and in addition to every other remedy available at law or in equity or provided elsewhere herein.

vi. In no event shall the Authority be deemed to have terminated this Agreement, or to have waived Operator's continuing performance of its obligations hereunder unless the Authority terminates this Agreement by written notice to Operator.

D. **Removal of Property.** All buildings and improvements and fixtures placed upon the Premises by the Operator shall be and remain the property of the Operator so long as this Agreement shall remain in effect. Upon termination of this Agreement, the Operator shall have the right to freely remove all aircraft, tools, equipment and trade fixtures from the Premises. Subject to Paragraph 7(B) of this Agreement, all buildings, improvements, fixtures, alterations, changes and additions to and upon the Premises shall be left in place, and shall become the property of the Authority, together with all rights therein of the Operator. To make this provision self-executing, Operator covenants and agrees that upon termination of this Agreement, subject to the foregoing, title to all improvements and fixtures, including all alterations, changes and additions to and upon the Premises shall pass to the Authority, forthwith and without the necessity of any further conveyance or assignment, if necessary, to complete such transfer, and if requested by the Authority to do so.

E. **Causes of Breach; Waiver.**

i. Neither party shall be held to be in breach of this Agreement because of any failure to perform any of its obligations hereunder if said failure is caused by or results from acts beyond the impacted party's reasonable control, including, without limitation, the following force majeure events: (a) acts of God; (b) flood, fire, earthquake or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) actions, embargoes or blockades in effect on or after the date of this Agreement; (e) action by any governmental authority; (f) national or regional emergency; (g) strikes, labor stoppages or other industrial disturbances; (h) epidemic, pandemic or similar influenza or bacterial infection (which is defined by the United States Center for Disease Control as virulent human influenza or infection that may cause global outbreak, or pandemic, or serious illness); (i) emergency state; (j) shortage of power or transportation facilities; and (k) other similar events beyond the reasonable control of the impacted party or parties.

ii. The waiver of any breach, violation or default in or with respect to the performance or observance of the covenants and conditions contained herein shall not be taken to constitute a waiver of any such subsequent breach, violation or default in or with respect to the same or any other covenant or condition hereof.

20. **Delegation of Authority.** The Authority may delegate its review and supervisory responsibilities of this Agreement to an Authority sub-committee for implementation except those portions of this Agreement specifically requiring Authority review or approval.

21. **Arbitration.** All claims or disputes arising out of or relating to this Agreement shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American

Arbitration Association then obtaining. Notice of the demand for arbitration shall be filed in writing with the other party to the Agreement and with the American Arbitration Association, and shall be made within a reasonable time after the claim or dispute has arisen. The award rendered by the arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

Except as written by consent of the person or entity sought to be joined, no arbitration arising out of or relating to the Agreement shall include, by consolidation, joinder, or in any other manner, any person or entity not a party to the Agreement, unless it is shown at the time the demand for arbitration is filed that (1) such person or entity is substantially involved in a common question or fact or law; (2) the presence of such person or entity is required if complete relief is to be accorded in the arbitration; and (3) the interest or responsibility of such person or entity in the matter is not insubstantial.

The agreement of the parties to arbitrate claims and disputes shall be specifically enforceable under the prevailing arbitration law.

Pending final decision of the arbitrator or arbitrators, the parties shall proceed diligently with the performance of their obligations under this Agreement.

22. **Miscellaneous Provisions.**

A. **Attorney's Fees.** In the event it is necessary for either party to employ an attorney to enforce the terms of this Agreement or to file an action to enforce any terms, conditions or rights under this Agreement, or defend any action, then the prevailing party in such action shall be entitled to recover from the other, all reasonable attorney's fees, costs and expenses as may be fixed by the Court, and such attorney's fees, costs, and expenses shall be made a part of any award or judgment entered.

B. **Amendment and Restatement; Entire Agreement.** This Agreement shall amend and restate in its entirety the Prior Agreement. This Agreement constitutes the entire understanding between the parties, and as of its effective date supersedes all prior or independent agreements between the parties covering the subject matter hereof. Any change or modification hereof must be in writing signed by both parties.

C. **Severability.** If a provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction, the entire Agreement shall not be void, but the remaining provision shall continue in effect as nearly as possible in accordance with the original intent of the parties.

D. **Notice.** Any notice given by one party to the other in connection with this Agreement shall be in writing and shall be hand delivered, sent by registered mail, return receipt requested, with postage and registration fees prepaid, or sent by overnight courier:

1. If to the Operator, addressed to:
ARR Aviation BIV, LLC
[]

2. If to the Authority, addressed to:
West Michigan Airport Authority
ATTENTION: Chairperson
60 Geurink Blvd.

Holland, Michigan 49423

Notices shall be deemed to have been received on the date of delivery, if by hand or overnight courier, or on the date of receipt as shown on the return receipt if sent by registered mail. The parties may change the entity and address to be notified by written notice to the other party.

E. **Headings.** The headings used in this Agreement are intended for convenience of reference only and do not define or limit the scope or meaning of any provision of this Agreement.

F. **Governing Law.** This Agreement is to be construed in accordance with the laws of the State of Michigan.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

WEST MICHIGAN AIRPORT AUTHORITY

BY: _____
Russ Syltes

TITLE: Chairperson

APPROVED AS TO FORM:

BY: _____
Ronald VanderVeen, Attorney

DATE: _____

ATTEST: _____

TITLE: _____

ARR AVIATION BIV, LLC

BY: _____

TITLE: _____

**CONSENT TO CHANGE OF CONTROL
AND
OMNIBUS AMENDMENT AGREEMENT**

This Consent to Change of Control and Omnibus Amendment Agreement (this “**Agreement**”), is made and entered into effective as of [February __], 2023 (the “**Effective Date**”), between WEST MICHIGAN AIRPORT AUTHORITY, a Michigan community airport authority formed under Act 206 of the Public Acts of 1957 (“**Authority**”), and ARR AVIATION BIV, LLC, a Michigan limited liability company (“**ARR**”).

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BACKGROUND

A. The Authority and ARR are parties to the following agreements and documents, (collectively, the “**Operative Documents**”):

(i) Fixed Base Operator Agreement, dated July 1, 2009, between the Authority and ARR (as successor by assignment to Tulip City Air Service, Inc.) (as modified and amended from time to time, the “**FBO Agreement**”);

(ii) Airport Maintenance Agreement, dated July 1, 2009, between the Authority and ARR (as successor by assignment to Tulip City Air Service, Inc.) (as modified and amended from time to time, the “**Maintenance Agreement**”);

(iii) Fuel Farm Lease Agreement, dated July 1, 2009, between the Authority and ARR (as successor by assignment to Tulip City Air Service, Inc.) (as modified and amended from time to time, the “**Fuel Farm Agreement**”);

(iv) Airport Manager Agreement, dated July 1, 2009, between the Authority and ARR (as successor by assignment to Tulip City Air Service, Inc.) (as modified and amended from time to time, the “**Airport Manager Agreement**”);

(v) Land Lease, dated February 17, 1992, between the Authority (as successor by assignment to the City of Holland) and ARR (as successor by assignment to Tulip City Air Service, Inc.) (as modified and amended from time to time, the “**Storage Lease Agreement**”);

(vi) Land Lease, dated June 16, 2022, between the Authority and ARR (as modified and amended from time to time, the “**Parking Lease Agreement**”);

(vii) Land Lease, dated June 30, 2015, between the Authority and ARR (as successor by assignment to Tulip City Air Service, Inc.) (as modified and amended from time to time, the “**Terminal Lease Agreement**”, and together with the Maintenance Agreement, Fuel Farm Agreement, Airport Manager Agreement, Storage Lease Agreement, and Parking Lease Agreement, collectively, the “**Subject Documents**”). The Subject Documents are attached as **Exhibit A**.

B. ARR has informed the Authority that it intends to consummate a change of control transaction (“**Change of Control Transaction**”) pursuant to the terms and conditions set forth in that certain Unit Purchase Agreement, dated October 24, 2022 (the “**Purchase Agreement**”), a copy of which has been provided to and reviewed by the Authority.

C. The Authority and ARR now desire to acknowledge and affirm the Change of Control Transaction and amend certain provisions of the Operative Documents, in accordance with and as limited by the following Agreement terms.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing, and of the terms and conditions set forth herein, the parties hereto agree as follows:

1. Consent to Change of Control. In accordance with the terms and conditions of the Operative Documents, and pursuant to that certain [Resolution dated _____, 2023], the Authority hereby consents to the Change of Control Transaction; provided, however, nothing in this Agreement makes the Authority a party to the Purchase Agreement or otherwise bound by any terms or conditions set forth in the Purchase Agreement, and nothing in the Purchase Agreement or any other document executed by the parties to the Change of Control Transaction diminishes, alters or otherwise affects the Authority’s or any other Governmental Body’s rights under the Operative Documents (except as amended herein) or applicable law.

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2. FBO Agreement. The FBO Agreement shall be amended and restated in its entirety in the form attached hereto as **Exhibit B** (the “**Amended and Restated FBO Agreement**”). In the event any terms of the Subject Documents contradict or otherwise cannot be read in conformity with the Amended and Restated FBO Agreement, the terms of the Amended and Restated FBO Agreement shall control.

3. Amendments to the Subject Documents. All Subject Documents are hereby amended as follows:

(a) by providing that all references therein to “Tulip City Air Service, Inc., a Michigan corporation,” “Tulip City,” “TCAS,” or similar, shall mean “ARR Aviation BIV, LLC, a Michigan limited liability company”;

(b) by providing that all references therein to the term “Fixed Base Operator Agreement,” “FBO Agreement,” or similar, shall mean the Amended and Restated FBO Agreement, as the same may be further modified or amended from time to time; and

(c) by providing that the notice information for ARR be updated to the following:

ARR Aviation BIV, LLC



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4. Amendments to Maintenance Agreement. The Maintenance Agreement is hereby amended as follows:

(a) Section 1 (Term of Agreement), is amended and restated in its entirety as follows:

“The Term of this Agreement shall commence on the first day of July 2009, and shall be fully completed and terminated on December 31, 2041 (“Term”). The Term of this Agreement shall be subject to early termination in the event the FBO Agreement between the Authority and ARR is terminated.”

(b) Exhibit B shall be deleted in its entirety and replaced with the replacement “Exhibit B” attached hereto as Schedule 1.

5. Amendments to Airport Manager Agreement. The Airport Manager Agreement is hereby amended as follows:

(a) Section 1 (Term of Agreement), is amended and restated in its entirety as follows:

“The Term of this Agreement shall commence on the first day of July 2009, and shall be fully completed and terminated on December 31, 2041 (“Term”). This Agreement may also be terminated upon 60 days notice by either party.”

(b) Section 3 (Compensation to be Paid by Authority to ARR), shall be amended to replace the first sentence thereof with the following:

“During the Term of this Agreement, ARR shall bill the Authority for the provision of services contained herein for the personnel assigned by ARR at the hourly rate schedule which is attached to this Agreement as Exhibit B, which hourly rates shall be reviewed no less than annually and adjusted as agreed in good faith by the Authority and ARR.”

(c) Exhibit B shall be deleted in its entirety and replaced with the replacement “Exhibit B” attached hereto as Schedule 2.

6. Amendments to the Storage Lease Agreement. The Storage Lease Agreement is hereby amended as follows:

(a) Section 2 (Term), is amended to extend the term to December 31, 2041.

(b) Section 4 (Rental), is amended to provide for a current base rental rate of \$[] per square foot; it being understood that the size of the Premises (as defined therein) is [47,080.53] square feet. Nothing in this Agreement removes or otherwise changes the method of annual rental adjustment set forth in Section 4, except that the

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Rental Adjustment Date shall hereafter occur on each annual anniversary of the Effective Date.

7. Amendments to the Terminal Lease Agreement. The Terminal Lease Agreement is hereby amended as follows:

(a) Section 2 (Base Rent), is amended to provide for a current Base Rent of \$[] per square foot; it being understood that the size of the Premises (as defined therein) is [1,953] square feet. Nothing in this Agreement removes or otherwise changes the method of annual rental adjustment set forth in Section 2, except that the annual rent adjustment date shall hereafter occur on each annual anniversary of the Effective Date.

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8. Entire Agreement. This Agreement contains the entire agreement of the parties in connection with the subject matter of this Agreement and cannot be changed or terminated orally.

9. Counterparts. This Agreement may be executed in counterparts, each of which when so executed and delivered will be deemed an original, and all of such counterparts together will constitute but one and the same agreement. Facsimile copies of signatures will be treated as original signatures for all purposes.

10. Subject Documents Continue. Except as expressly modified or amended by the terms of this Agreement, all of the other terms and conditions of the Subject Documents and documents and instruments executed in connection therewith remain in full force and effect and are hereby ratified, confirmed and approved. If there is an express conflict between the terms of this Agreement and the terms of any Subject Documents, the terms of this Agreement will govern and control.

11. Governing Law. This Agreement is to be construed in accordance with the laws of the State of Michigan.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first written above

AUTHORITY:

WEST MICHIGAN AIRPORT AUTHORITY

By: _____

Its:

ARR:

ARR AVIATION BIV, LLC,
a Michigan limited liability company

By: Northern Jet BIV, LLC, a Michigan limited liability company
Its: Sole Member

By: _____
Charles R. Cox
Its: Authorized Signatory

CDPC COMMENTS – 12/28/2022

EXHIBIT A

Subject Documents

EXHIBIT B

Form of Amended and Restated FBO Agreement

[Attached.]

SCHEDULE 1

Exhibit B

Airport Maintenance Fee Schedule as of [REDACTED], 2022

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Service	Rate per Hour¹
Snow Plowing/Pick up truck	
Tractor with Loader	
Tractor with Brush/Grass Mower	
60 Inch Finish Lawn Mower	
All Hand Mowing	
Large Commercial Snowplow trucks	
Snowblower	
All general labor for report of airport owned buildings, lighting, ILS, MALSR, GS, etc.	
All additional equipment required that is not available at the airport	Actual cost plus 10% for handling

¹ NTD: To be confirmed.

SCHEDULE 2

Exhibit B

Airport Manager Fee Schedule

[REDACTED], 2022 – [REDACTED]

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Airport Manager:

\$[REDACTED] per hour

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+ [REDACTED] benefits

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+ [REDACTED] overhead

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\$[REDACTED] per hour total

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Support Staff:

\$[REDACTED] per hour

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+ [REDACTED] benefits

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+ [REDACTED] overhead

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\$[REDACTED] per hour total

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VALUE STATEMENTS



ECONOMIC GROWTH

We drive business forward. We advocate for West Michigan businesses and their growth in the global economy.



STEWARDSHIP

Our community depends on us to be good stewards of the resources entrusted to us.



PARTNERSHIP

We value partnerships within the aviation industry and with community businesses, schools, organizations and residents.



EXCELLENCE

With beautiful facilities, well-maintained runways and an unwavering commitment to safety, pilots and patrons choose us for the best flight experience.



INNOVATION

We are leading innovation in aviation for an airport our size. Other airports look to us to see what's next.

MISSION

The West Michigan Airport Authority will provide the public with state-of-the-art global air access to strengthen the local economy and improve the area's quality of life.

10 YEAR VISION

Complete: June 30, 2033

The airport will be known & recognized as a destination to the community.

The Airport Authority will have additional supporting communities. By 2033, Holland Township, Zeeland Township, Laketown Township, and Fillmore Township will financially support WMRA with millage funding.

WMRA will grow total operations to 100,000 per year. Operations will include both fuel and EV powered flights. [~70,000 Fuel Operations per year and 30,000 EV Operations per year]

KBIV will continue to have a single runway with supporting EVtol Infrastructure.

KBIV will be the airport of choice for services including maintenance, charter & flight school. We will have two 2-tier FBOs and supporting single service FBOs. The authority will own key equipment and manage maintenance operations.

KBIV will support a diverse group of aviation related businesses including manufacturing, commercial applications and services within the North Business Park development.

KBIV will be a trade talent pipeline for the aviation industry with on-site educational partnerships.

KBIV will have air taxi services available. KBIV will capture 50% of leisure travel and ~100% of business travel from the lakeshore. Our facility will be able to support increased travel with amenities like ground travel and on-site restaurants.

The United States Coast Guard will have an established presence on-site and offer resident emergency services. We will have homeland security and customs on premise.

3 YEAR VISION

Complete: June 30, 2026

By Summer of 2026, our five person team will work with two tier-3, full-service FBO's to provide excellent service to all WMRA users.

With over 45,000 operations, we will exceed the "National" aviation requirements.

The North Business Park will be half-developed with three buildings including hangars, aviation manufacturing and spec space.

After completing our feasibility study, the authority's ALP will include a verti-port.

Our supporting municipalities will include 5 local areas: City of Holland, City of Zeeland, Park Township, Holland Township, and Zeeland Township. Both Holland Township and Zeeland Township will be on the 2024 election ballot.

Local residents and small businesses will have flight options available through air taxi services.

WMRA will have educational resources and partners on-site.

1 YEAR PRIORITIES

Complete: June 30, 2024

1. Stabilize FBO Services
2. Get operations back to and maintained at National GA Designation Level
3. Increase operations to 40,000 (July 1st, 2023- June 30th, 2024)
4. Increase staffing- 2 FTE
5. Flight school established
6. Establish a KPI Dashboard for monitoring metrics
7. North Taxi Lane construction complete
8. Millage campaign for additional municipalities in full swing for November ballot
9. Complete Baseline Feasibility study for EVtol
10. Community engagement & visioning process ½ way complete
11. Established clear directions for North Business Park Taskforce
12. Complete on-ground transportation study
13. Identify targeted goals for diversifying revenues on field
14. Letter of Intent with Educational Partner

COMPARATIVE AIRPORTS

We've selected 11 comparative airports to watch as we continue to plan for the growth, sustainability and prosperity of West Michigan Regional Airport.

Cherry Capital Airport
Traverse City, MI

Muskegon County Airport
Muskegon, MI

Oakland/Troy Airport
Waterford Township, MI

Willow Run Airport
Ypsilanti, MI

Chicago Executive Airport
Chicago, IL

Waukesha County Airport
Waukesha, WI

Punta Gorda Airport
Punta Gorda, FL

COMPARATIVE COMMUNITY AIRPORTS

Burke Lakefront Airport
Cleveland, OH

Delaware County Regional Airport
Muncie, IN

John C. Tune Airport
Nashville, TN

Pitt-Greenville Airport
Greenville, NC

STRENGTHS

Excellent facilities
Community support
Located within a strong, growing community
Strong staff and management
Community engagement
Strong financial outlook
Room for growth
Collaboration and partnerships
Board efficiency
Foster & promote competition
Innovative and invested tenants

OPPORTUNITIES

Grow the airport
Partner with growing companies in our region
Innovation
EVTOL
Diversify FBO & responsibilities
Diversify funding
Donor engagement
Flight school
Education partnerships

WEAKNESSES

Current FBO relationship
Funding diversity
Lack of maintenance
Funding constraints
Lack of ground transportation to and from airport
Community awareness
Staffing needs
Limited with international travel

THREATS

Reclassification
FBO/ poor partnership performance
Funding changes: federal, state & local
Technology changes
Pilot shortage
Aviation interest dropping
Cybersecurity/terrorism
Loss of current user
Fuel prices
Economy & inflation
Supply chain issues
Awareness



**WEST MICHIGAN
REGIONAL AIRPORT**

West Michigan Airport Authority

60 Geurink Boulevard, Holland, MI 49423
P (616) 510-2332

Comprising City of Zeeland, Park Township and City of Holland



February 13th, 2023

REPORT 6

To: West Michigan Airport Authority Board.
From: Scott Corbin, Board Co-Chair.
Subject: **Airport Manager's Contract**

Airport Authority Board of Directors,

The following is a recommendation to move ahead with the development of a contract and a companion evaluation document before mid-year 2023. At the January 2023 Airport Authority Board Meeting, the Board indicated its support of a process to begin reviewing the Director agreement before the current agreement expires. The current Airport Manager's employment contract is set to expire on December 31, 2023.

It is being proposed the Board approve creation of a committee to review and make recommendations back to the Airport Authority, regarding the Airport Authority Director's employment contract. This committee will be made up of three Airport Authority Board Members and additional subject matter experts. The three board members who have agreed to serve on this committee are Vice Chairperson, Scott Corbin from the City of Holland, Beth Blanton from the City of Zeeland, and Ken Branson from Park Twp. The committee will request the assistance of our attorney Ron VanderVeen to provide legal advice as we go through this process. In addition, the City of Holland has agreed to lend the assistance of Ms. Jennifer Orme, and Lynn McCammon to assist as subject matter experts. I anticipate this will be a similar process as developing the Holland City Managers contract and would take approximately three (3) one-hour meetings to accomplish. I plan on starting to meet with members of this committee the week of February 20, 2023. While Ms. McCammon is contracted to assist the Airport Authority with fiscal services, Ms. Orme is not. The City of Holland is requesting reimbursement of Ms. Orme's time.

This committee will be ad-hoc and will serve so long as the contract is under review.

Committee's Work:

- Use the current WMAA Director employment contract and/or appropriate template(s) to draft language in the best interest of the Airport Authority.

The West Michigan Airport Authority will provide the public with state-of-the-art global air access to strengthen the local economy and improve the area's quality of life.

West Michigan Airport Authority

60 Geurink Boulevard, Holland, MI 49423

P (616) 510-2332

Comprising City of Zeeland, Park Township and City of Holland



- To use a similar structured process and documents used for the Holland City Managers evaluation, as the guide for soliciting feedback from Airport Authority Board Members.
- The Committee Chairperson prior to the expiration of any such contract would distribute evaluations to board members, and then the staff/legal council may assimilate those into one final document for board review and deliberation.

City of Holland staff responsibilities:

- Work with an existing contract for the WMAA Director, and ensure the contract covers the current responsibilities and expectations of the Airport Authority.
- Gather comp wage data for comparable airport positions.
- Provide the evaluation, contract, and wage data to support the committee chairperson and the committee to negotiate and finalize a new contract.
- City staff may assist in assimilating evaluations into one final document for board review and deliberation.

Recommendation

It is recommended that the Board:

- 1) Approve the appointment of three Authority Board Members (Beth Blanton, Ken Brandsen, Scott Corbin) to a Special Ad Hoc Committee to review, and edit the Airport Managers employment contract for an undetermined period.
- 2) Permit the use of subject matter experts to assist in the development and implementation of such contract with services not to exceed \$2,000.
- 3) Authorize the Airport Director and Finance officer to make the appropriate budget adjustments.

The West Michigan Airport Authority will provide the public with state-of-the-art global air access to strengthen the local economy and improve the area's quality of life.

West Michigan Airport Authority

60 Geurink Boulevard, Holland, MI 49423
P (616) 510-2332

Comprising City of Zeeland, Park Township and City of Holland



February 13th, 2023

REPORT 7

To: West Michigan Airport Authority Board.
From: Amanda VanLaar, Sustainability and Operations Specialist
Subject: **Approval of Airport Rescue Grant Agreement: American Rescue Plan Act (ARPA) of 2021**

In early 2021 The American Rescue Plan Act was signed awarding \$8 billion in economic assistance to eligible U.S airports. To distribute these funds, the FAA established the Airport Rescue Grants with fund allocations designed to provide key supplemental revenues to offset negative impacts of Corona Virus Pandemic. Of the total funds, \$100 million was allocated to non-primary commercial service and general aviation airports. These funds have finally become available and authorized by the state for use by the eligible airports.

Under this program, the West Michigan Regional Airport Authority has been allocated \$148,000. Similar to the CARES Act and CRSSA funds previously received by the airport, these funds can be used to pay for any standard airport operating expenses, including "personnel, cleaning, sanitization, janitorial services, combating the spread of pathogens at the airport, and debt service payments".

As with CARES Act and CRSSA funds, the Authority will be responsible for maintaining detailed records outlining how the funds were utilized, and funds will be distributed on a reimbursement basis. Airport Authority staff will work closely with the City of Holland's Treasurer and her staff to main accurate records are maintained and reports are submitted in a timely manner to MDOT.

Recommendation

It is recommended that the Airport Authority Board approve the ARPA Grant Agreement, as presented.

Airport Rescue Grant Agreement

American Rescue Plan Act (ARPA) of 2021

Subgrant # BIV-13222

The Michigan Department of Transportation, acting as a Federal Aviation Administration (FAA) Block Grant Program Participant, has executed FAA ARPA Grant number 3-26-SBGP-132-2022. This Block Grant outlines specific requirements, terms, conditions, and assurances required of the Michigan Department of Transportation and any subordinate grant recipients.

This ARPA Agreement shall convey the specific requirements, terms, conditions, and assurances contained in FAA ARPA Grant number 3-26-SBGP-132-2022 to

West Michigan Airport Authority, Holland

hereafter referred to as “the SPONSOR” as a subgrant recipient of funds. FAA ARPA Grant number 3-26-SBGP-132-2022 is attached to this ARPA Agreement.

The maximum obligation payable to the SPONSOR is \$148,000. The SPONSOR may use these funds to prevent, prepare for, and respond to the coronavirus disease 2019 (COVID-19) pandemic. ARPA Grant subgrant recipients shall follow the FAA's Policy and Procedures Concerning the Use of Airport Revenues ("Revenue Use Policy"), 64 Federal Register 7696 (64 FR 7696), as amended by 78 Federal Register 55330 (78 FR 55330). The Revenue Use Policy defines permitted uses of airport revenue. In addition to the detailed guidance in the Revenue Use Policy, the funds received under 3-26-SBGP-132-2022 or any associated subgrants may not be used for any purpose not related to the airport.

The SPONSOR shall upload each payment request to MDOT's ProjectWise software. Each request shall include the following information:

- a) 2023 ARPA Operational Funding Reimbursement Request Form
- b) Summary Sheet (if multiple items are included)

Once completed payment requests are received, MDOT will review, process, and submit the request to FAA via the Delphi Invoicing System.

In addition to all specific requirements, terms, conditions, and assurances contained in FAA ARPA Grant Number 3-26-SBGP-132-2022, the Sponsor shall ensure strict adherence to the following audit requirements:

1. The SPONSOR will establish and maintain accurate records, in accordance with generally accepted accounting principles, of all expenses incurred for which payment is sought or made

under this Agreement (RECORDS). Separate accounts will be established and maintained for all costs incurred under this Agreement.

2. The SPONSOR will maintain the RECORDS for at least six (6) years from the date of final payment made by MDOT under this Agreement. In the event of a dispute with regard to allowable expenses or any other issue under this Agreement, the SPONSOR will thereafter continue to maintain the RECORDS at least until that dispute has been finally decided and the time for all available challenges or appeals of that decision has expired.

3. MDOT or its representative may inspect, copy, scan, or audit the RECORDS at any reasonable time after giving reasonable notice.

4. If any part of the work is subcontracted, the SPONSOR will assure compliance with sections (1), (2), and (3) above for all subcontracted work.

5. The SPONSOR agrees that the costs reported to MDOT for this Agreement will represent only those items that are properly chargeable in accordance with this Agreement which includes the FAA ARPA Grant number 3-26-SBGP-132-2022 attached to this ARPA Agreement. The SPONSOR also certifies that it has read the Agreement terms and has made itself aware of the applicable laws, regulations, and terms of this Agreement that apply to the reporting of costs incurred under the terms of this Agreement.

6. In the event that an audit performed by or on behalf of MDOT indicates an adjustment to the costs reported under this Agreement or questions the allowability of an item of expense, MDOT will promptly submit to the SPONSOR a Notice of Audit Results and a copy of the audit report, which may supplement or modify any tentative findings verbally communicated to the SPONSOR at the completion of an audit.

Within sixty (60) days after the date of the Notice of Audit Results, the SPONSOR will (a) respond in writing to the responsible Bureau of MDOT indicating whether or not it concurs with the audit report, (b) clearly explain the nature and basis for any disagreement as to a disallowed item of expense, and (c) submit to MDOT a written explanation as to any questioned or no opinion expressed item of expense (RESPONSE). The RESPONSE will be clearly stated and will provide any supporting documentation necessary to resolve any disagreement or questioned or no opinion expressed item of expense. Where the documentation is voluminous, the SPONSOR may supply appropriate excerpts and make alternate arrangements to make that documentation available for review by MDOT in a convenient and reasonable way. The RESPONSE will refer to and apply the language of the Agreement. The SPONSOR agrees that failure to submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes MDOT to finally disallow any items of questioned or no opinion expressed cost.

MDOT will make its decision with regard to any Notice of Audit Results and RESPONSE within one hundred twenty (120) days after the date of the Notice of Audit Results. If MDOT

determines that an overpayment has been made to the SPONSOR, the SPONSOR will repay that amount to MDOT or reach agreement with MDOT on a repayment schedule within thirty (30) days after the date of an invoice from MDOT. If the SPONSOR fails to repay the overpayment or reach agreement with MDOT on a repayment schedule within the thirty (30) day period, the SPONSOR agrees that MDOT will deduct all or a portion of the overpayment from any funds then or thereafter payable by MDOT to the SPONSOR under this Agreement or any other agreement or payable to the SPONSOR under the terms of 1951 PA 51, as applicable. Interest will be assessed on any partial payments or repayment schedules based on the unpaid balance at the end of each month until the balance is paid in full. The assessment of interest will begin thirty (30) days from the date of the invoice. The rate of interest will be based on the Michigan Department of Treasury common cash funds interest earnings. The rate of interest will be reviewed annually by MDOT and adjusted as necessary based on the Michigan Department of Treasury common cash funds interest earnings. The SPONSOR expressly consents to this withholding or offsetting of funds under those circumstances, reserving the right to file a lawsuit in the Court of Claims to contest MDOT's decision only as to any item of expense the disallowance of which was disputed by the SPONSOR in a timely filed RESPONSE.

The Sponsor agrees to comply with all portions of this grant Agreement.

Sponsor:

Authorized Sponsor Signatory: _____

Authorized Sponsor Signatory (Printed): _____

Date: _____

MDOT Signatory: _____

MDOT Signatory Printed: _____

Date: _____



U.S. Department
of Transportation
Federal Aviation
Administration

AIRPORT RESCUE GRANT STATE BLOCK GRANT AGREEMENT

Part I - Offer

Federal Award Offer Date February 4, 2022

Airport Rescue State
Block Grant No. 3-26-SBGP-132-2022

Unique Entity Identifier 805340361

TO: State of Michigan
(herein called the "State")

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

WHEREAS, the FAA has entered into a State Block Grant Program (SBGP) Memorandum of Agreement (MOA) with the State for the administration of Airport Improvement Program (AIP) Grant funds for airport planning, development, and noise program implementation projects conforming to 49 U.S.C Chapters 471 and 475, as permitted under 49 U.S.C. § 47128 at non-primary airports in the State (covered airports);

WHEREAS, the State, as an approved SBGP participant, has the administrative responsibility to administer AIP Grant funds for Sponsors of covered airports;

WHEREAS, the State has submitted to the FAA an Airport Rescue State Block Grant Application dated November 8, 2021, for a grant of Federal funds at or associated with the State of Michigan, which is included as part of this Airport Rescue State Block Grant Agreement;

WHEREAS, the FAA has made an Airport Rescue State Block Grant Offer and the State has accepted the terms of FAA's Airport Rescue State Block Grant Offer;

WHEREAS, in consideration of the promises, representations and assurances provided by the State, the FAA has approved the Airport Rescue State Block Grant Application to provide Airport Rescue State Block Grant funds (herein called the "State Block Grant" or "Airport Rescue State Block Grant") to the State for the covered airports identified herein;

WHEREAS, this Airport Rescue State Block Grant is provided in accordance with the American Rescue Plan Act (“ARP Act”, or “the Act”), Public Law 117-2, as described below, to provide eligible covered airports in Michigan participating in the SBGP described above, with funding for costs related to operations, personnel, cleaning, sanitization, janitorial services, combating the spread of pathogens at the airport, and debt service payments;

WHEREAS, this Airport Rescue State Block Grant allocates specific amounts to covered airports, which are named herein and derived by legislative formula (See Section 7102 of the Act); and

WHEREAS, the purpose of this Airport Rescue State Block Grant is to prevent, prepare for, and respond to the coronavirus pandemic. Funds provided under this Airport Rescue State Block Grant Agreement must be used only for purposes directly related to the covered airports and shall be provided to such covered airports using subgrants, which include the terms, conditions, and assurances attached hereto. Such purposes can include the reimbursement of an airport’s operational expenses or debt service payments in accordance with the limitations prescribed in the Act. Airport Rescue State Block Grant funds may be used to reimburse airport operational expenses directly related to covered airports in Michigan incurred no earlier than January 20, 2020.

Airport Rescue State Block Grant funds also may be used to reimburse a Sponsor’s payment of debt service where such payments occur on or after March 11, 2021. Funds provided under this Airport Rescue State Block Grant Agreement will be governed by the same principles that govern “airport revenue.” New airport development projects not directly related to combating the spread of pathogens may not be funded with this Grant. Funding under this Grant for airport development projects to combat the spread of pathogens will be reallocated using an addendum to this Agreement for identified and approved projects.

NOW THEREFORE, in accordance with the applicable provisions of the ARP Act, Public Law 117-2, the representations contained in the Grant Application, and in consideration of (a) the State’s acceptance of this Offer; and, (b) the benefits to accrue to the United States and the public from the accomplishment of the Grant and in compliance with the conditions as herein provided,

THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay 100% percent of the allowable costs incurred as a result of and in accordance with this Airport Rescue State Block Grant Agreement.

Assistance Listings Number (Formerly CFDA Number): 20.106

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

CONDITIONS

1. **Maximum Obligation.** The maximum obligation of the United States payable under this Offer is \$2,767,000.

The following amounts represent the calculations of the maximum total obligations per covered airport available under the provisions of the American Relief Plan Act, Section 7102, and the FAA State Block Grant Program:

\$2,767,000	Non-Primary	KW2022
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LOCID	Airport Name	City	Service Level	Role	Non-Primary Allocation
ADG	Lenawee County	Adrian	GA	Local	\$32,000
35D	Padgham Field	Allegan	GA	Local	\$32,000
AMN	Gratiot Community	Alma	GA	Local	\$32,000
ARB	Ann Arbor Municipal	Ann Arbor	GA	Regional	\$59,000
Y93	Atlanta Municipal	Atlanta	GA	Basic	\$22,000
BAX	Huron County Memorial	Bad Axe	GA	Local	\$32,000
BTL	W K Kellogg	Battle Creek	GA	Regional	\$59,000
3CM	James Clements Municipal	Bay City	GA	Local	\$32,000
SJX	Beaver Island	Beaver Island	GA	Basic	\$22,000
ACB	Antrim County	Bellaire	GA	Local	\$32,000
BEH	Southwest Michigan Regional	Benton Harbor	GA	Regional	\$59,000
RQB	Roben-Hood	Big Rapids	GA	Local	\$32,000
6Y1	Bois Blanc Island	Bois Blanc Island	GA	Basic	\$22,000
CAD	Wexford County	Cadillac	GA	Local	\$32,000
CFS	Tuscola Area	Caro	GA	Local	\$32,000
CVX	Charlevoix Municipal	Charlevoix	GA	Local	\$32,000
FPK	Fitch H Beach	Charlotte	GA	Local	\$32,000
SLH	Cheboygan County	Cheboygan	GA	Local	\$32,000
48D	Clare Municipal	Clare	GA	Local	\$32,000
OEB	Branch County Memorial	Coldwater	GA	Local	\$32,000
DET	Coleman A Young Municipal	Detroit	GA	Regional	\$59,000
ONZ	Grosse Ile Municipal	Detroit/Grosse Ile	R	Local	\$32,000
C91	Dowagiac Municipal	Dowagiac	GA	Local	\$32,000
DRM	Drummond Island	Drummond Island	GA	Basic	\$22,000
FKS	Frankfort Dow Memorial Field	Frankfort	GA	Local	\$32,000
FFX	Fremont Municipal	Fremont	GA	Local	\$32,000
GLR	Gaylord Regional	Gaylord	GA	Local	\$32,000
GDW	Gladwin Zettel Memorial	Gladwin	GA	Local	\$32,000
3GM	Grand Haven Memorial Airpark	Grand Haven	GA	Local	\$32,000
4D0	Abrams Municipal	Grand Ledge	GA	Local	\$32,000
GOV	Grayling AAF	Grayling	GA	Basic	\$22,000
6D6	Greenville Municipal	Greenville	GA	Local	\$32,000
C04	Oceana County	Hart/Shelby	GA	Local	\$32,000
9D9	Hastings	Hastings	GA	Local	\$32,000
JYM	Hillsdale Municipal	Hillsdale	GA	Basic	\$22,000
BIV	West Michigan Regional	Holland	GA	National	\$148,000
HTL	Roscommon County - Blodgett Memorial	Houghton Lake	GA	Local	\$32,000
OZW	Livingston County Spencer J Hardy	Howell	R	Regional	\$59,000

Y70	Ionia County	Ionia	GA	Local	\$32,000
IWD	Gogebic-Iron County	Ironwood	CS	Local	\$32,000
JXN	Jackson County-Reynolds Field	Jackson	GA	Regional	\$59,000
13C	Lakeview-Griffith Field	Lakeview	GA	Local	\$32,000
D95	Dupont-Lapeer	Lapeer	GA	Local	\$32,000
LDM	Mason County	Ludington	GA	Local	\$32,000
MCD	Mackinac Island	Mackinac Island	GA	Basic	\$22,000
MBL	Manistee Co-Blacker	Manistee	GA	Local	\$32,000
ISQ	Schoolcraft County	Manistique	GA	Basic	\$22,000
77G	Marlette Township	Marlette	GA	Local	\$32,000
RMY	Brooks Field	Marshall	GA	Local	\$32,000
TEW	Mason Jewett Field	Mason	GA	Local	\$32,000
MNM	Menominee Regional	Menominee	GA	Local	\$32,000
IKW	Jack Barstow	Midland	GA	Local	\$32,000
51M	Oscoda County Dennis Kauffman Memorial	Mio	GA	Basic	\$22,000
TTF	Custer	Monroe	GA	Local	\$32,000
MOP	Mount Pleasant Municipal	Mount Pleasant	GA	Local	\$32,000
Y47	Oakland Southwest	New Hudson	R	Local	\$32,000
ERY	Luce County	Newberry	GA	Basic	\$22,000
3TR	Jerry Tyler Memorial	Niles	GA	Local	\$32,000
OGM	Ontonagon County - Schuster Field	Ontonagon	GA	Basic	\$22,000
OSC	Oscoda-Wurtsmith	Oscoda	GA	Local	\$32,000
RNP	Owosso Community	Owosso	GA	Local	\$32,000
1D2	Canton-Plymouth-Mettetal	Plymouth	R	Local	\$32,000
PTK	Oakland County International	Pontiac	R	National	\$148,000
PHN	St Clair County International	Port Huron	R	Regional	\$59,000
PZQ	Presque Isle County	Rogers City	GA	Basic	\$22,000
D98	Romeo State	Romeo	R	Local	\$32,000
HYX	Saginaw County H W Browne	Saginaw	GA	Local	\$32,000
Y83	Sandusky City	Sandusky	GA	Local	\$32,000
LWA	South Haven Area Regional	South Haven	GA	Local	\$32,000
8D4	Paul C Miller-Sparta	Sparta	GA	Regional	\$59,000
83D	Mackinac County	St. Ignace	GA	Basic	\$22,000
IRS	Kirsch Municipal	Sturgis	GA	Local	\$32,000
HAI	Three Rivers Municipal Dr Haines	Three Rivers	GA	Local	\$32,000
VLL	Oakland/Troy	Troy	R	Regional	\$59,000
Y31	West Branch Community	West Branch	GA	Local	\$32,000
42C	White Cloud	White Cloud	GA	Basic	\$22,000
					\$2,767,000

2. **Grant Performance.** This Airport Rescue State Block Grant Agreement is subject to the following Federal award requirements:
 - a. The Period of Performance:
 1. Shall start on the date the State formally accepts this Grant Agreement, and is the date signed by the last State signatory to the Agreement. The end date of the Period of Performance is 4 years (1,460 calendar days) from the date of acceptance. The Period of Performance end date shall not affect, relieve, or reduce State obligations and assurances that extend beyond the closeout of this Grant Agreement.
 2. Means the total estimated time interval between the start of an initial Federal award and the planned end date, which may include one or more funded portions, or budget periods. (2 Code of Federal Regulations (CFR) § 200.1)
 - b. The Budget Period:
 1. For this Airport Rescue State Block Grant is 4 years (1,460 calendar days) and follows the same start and end date as the Period of Performance provided in Paragraph a.1. Pursuant to 2 CFR § 200.403(h), a State or covered airport Sponsor may charge to the Grant only allowable costs incurred during the budget period.
 2. Means the time interval from the start date of a funded portion of an award to the end date of that funded portion during which the State or covered airport Sponsor is authorized to expend the funds awarded, including any funds carried forward or other revisions pursuant to § 200.308.
 3. All subawards issued by the State to covered airport Sponsors under this Airport Rescue State Block Grant Agreement shall be subject to the Budget Period defined in this Agreement.
 - c. Close out and Termination.
 1. Unless the FAA authorizes a written extension, the State must submit all Grant closeout documentation and liquidate (pay-off) all obligations incurred under this award no later than 120 calendar days after the end date of the Period of Performance. If the Sponsor does not submit all required closeout documentation within this time period, the FAA will proceed to close out the Grant within one year of the Period of Performance end date with the information available at the end of 120 days. (2 CFR § 200.344)
 2. The FAA may terminate this Airport Rescue State Block Grant, in whole or in part, in accordance with the conditions set forth in 2 CFR § 200.340, or other Federal regulatory or statutory authorities as applicable.
3. **Requirements for Subgrants.** The State must include the following in all subgrants issued to Sponsors under this Airport Rescue State Block Grant and require compliance by the Sponsors of the covered airports included in this Airport Rescue State Block Grant Agreement:
 - a. The terms and conditions attached to this Airport Rescue State Block Grant Agreement;
 - b. The Airport Rescue State Block Grant Assurances and Sponsor Assurances attached to this Airport Rescue State Block Grant Agreement; and

- c. All information required by 2 CFR § 200.332.
4. **Unallowable Costs.** The State and covered airport Sponsors shall not seek reimbursement for any costs that the FAA has determined to be unallowable under the ARP Act.
 5. **Indirect Costs - State and Sponsor.** The Sponsor may charge indirect costs under this award by applying the indirect cost rate identified in the Airport Rescue State Block Grant Application or subgrant issued to a Sponsor by the State under this Grant Agreement, as accepted by the FAA, to allowable costs for State and Sponsor direct salaries and wages only.
 6. **Final Federal Share of Costs.** The United States' share of allowable Airport Rescue State Block Grant costs is 100% as allocated herein to covered airports.
 7. **Completing the Grant without Delay and in Conformance with Requirements.** The State must carry out and complete the Airport Rescue State Block Grant without undue delays and in accordance with this Airport Rescue State Block Grant Agreement, the ARP Act, and the regulations, policies, standards, and procedures of the Secretary of Transportation ("Secretary"). The State must require the same of Sponsors in all subgrants issued under this Airport Rescue State Block Grant Agreement. Pursuant to 2 CFR § 200.308, the State agrees, and will require Sponsors agree, to report to the FAA any disengagement from funding eligible expenses under the Airport Rescue State Block Grant that exceeds three months or a 25 percent reduction in time devoted to the Grant, and request prior approval from FAA. The report must include a reason for the stoppage. The State agrees and will require Sponsors agree to comply with the attached assurances, which are part of this Agreement and any addendum that may be attached hereto at a later date by mutual consent. These assurances, conditions, and any addendums apply to subgrants issued under this Airport Rescue State Block Grant as provided for in Condition 3
 8. **Amendments or Withdrawals before Grant Acceptance.** The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the State.
 9. **Offer Expiration Date.** This offer will expire and the United States will not be obligated to pay any part of the costs unless this offer has been accepted by the State on or before February 15, 2022, or such subsequent date as may be prescribed in writing by the FAA.
 10. **Improper Use of Federal Funds.** The State and Sponsor must 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, including uses that violate this Airport Rescue State Block Grant Agreement, the ARP Act, or other provision of applicable law. For the purposes of this Airport Rescue State Block Grant Agreement, the term "Federal funds" means funds however used or dispersed by the State or Sponsor that were originally paid pursuant to this or any other Federal grant agreement(s). The State and Sponsor must return the recovered Federal share, including funds recovered by settlement, order, or judgment, to the Secretary. The State and Sponsor must 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 State or Sponsor, in court or otherwise, involving the recovery of such Federal share require advance approval by the Secretary.
 11. **United States Not Liable for Damage or Injury.** The United States is not responsible or liable for damage to property or injury to persons which may arise from, or relate to this Airport Rescue State Block Grant Agreement and subgrants issued under this Agreement, including but not limited to,

any action taken by the State or a Sponsor related to or arising from, directly or indirectly, this Airport Rescue State Block Grant Agreement.

12. System for Award Management (SAM) Registration and Unique Entity Identifier (UEI).

- a. Requirement for System for Award Management (SAM): Unless the State or Sponsor is exempted from this requirement under 2 CFR 25.110, the State and Sponsor must maintain the currency of its information in SAM until the State and Sponsor submit the final financial report required under this Airport Rescue State Block Grant, or receive the final payment, whichever is later. This requires that the State and Sponsor review and update the information at least annually after the initial registration and more frequently if required by changes in information or another award term. Additional information about registration procedures may be found at the SAM website (currently at <http://www.sam.gov>).
- b. Unique entity identifier (UEI) means a 12-character alpha-numeric value used to identify a specific commercial, nonprofit, or governmental entity. A UEI may be obtained from SAM.gov at <https://sam.gov/SAM/pages/public/index.jsf>.

13. Electronic Grant Payment(s). Unless otherwise directed by the FAA, the State and Sponsor must make each payment request under this agreement electronically via the Delphi eInvoicing System for Department of Transportation (DOT) Financial Assistance Awardees.

14. Air and Water Quality. The State and Sponsor are required to comply with all applicable air and water quality standards for all projects in this grant. If the State and Sponsor fail to comply with this requirement, the FAA may suspend, cancel, or terminate this Agreement and any subgrants issued under this Airport Rescue State Block Grant Agreement.

15. Financial Reporting and Payment Requirements. The State and Sponsor will comply with all Federal financial reporting requirements and payment requirements, including submittal of timely and accurate reports.

16. Buy American. Unless otherwise approved in advance by the FAA, in accordance with 49 United States Code (U.S.C.) § 50101, the State and Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured goods produced outside the United States to be used for any project for which funds are provided under this grant. The State and Sponsor will include a provision implementing Buy American in every contract and subcontract issued under this Airport Rescue State Block Grant.

17. Audits for Sponsors. (State will select appropriate option for Sponsor in subgrant)

PRIVATE SPONSORS. When the period of performance has ended, the State must require private Sponsors provide a copy of an audit of any subgrants issued under this Airport Rescue State Block Grant, prepared in accordance with accepted standard audit practices, to the applicable Airports District Office or Regional Office.

PUBLIC SPONSORS. The State must require Sponsors provide for a Single Audit or program-specific audit in accordance with 2 CFR Part 200. The State or Sponsor must submit the audit reporting package to the Federal Audit Clearinghouse on the Federal Audit Clearinghouse's Internet Data Entry System at <http://harvester.census.gov/facweb/>. Upon request of the FAA, the State and Sponsors shall provide one copy of the completed audit to the FAA.

18. Suspension or Debarment. The State must:

- a. Immediately disclose to the FAA whenever the State:

1. Learns a Sponsor has entered into a covered transaction with an ineligible entity; or
 2. Suspends or debars a contractor, person, or entity.
- b. Include a provision in all subgrants issued under this Airport Rescue State Block Grant Agreement that requires Sponsors entering into a “covered transaction” as defined by 2 CFR § 180.200, to:
1. Verify the non-Federal entity is eligible to participate in this Federal program by:
 - A. Checking the excluded parties list system (EPLS) as maintained within the System for Award Management (SAM) to determine if the non-Federal entity is excluded or disqualified; or
 - B. Collecting a certification statement from the non-Federal entity attesting the entity is not excluded or disqualified from participating; or
 - C. Adding a clause or condition to covered transactions attesting the individual or firm is not excluded or disqualified from participating; and
 2. Require prime contractors to comply with 2 CFR § 180.330 when entering into lower-tier transactions (e.g., subgrants and subcontracts).
- c. Insert this clause on suspension or debarment in all subgrants, contracts, and subcontracts that result from this Airport Rescue State Block Grant and require compliance by all Sponsors receiving funds under this Agreement.

19. Ban on Texting While Driving.

- a. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the State and Sponsors receiving subgrants under this Grant are encouraged to:
1. Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messaging while driving when performing any work for, or on behalf of, the Federal government, including work relating to this Airport Rescue State Block Grant or subgrant funded by this Grant.
 2. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:
 - A. Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and
 - B. Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.
- b. The State must insert the substance of this clause on banning texting while driving in all subgrants, contracts, and subcontracts funded by this Airport Rescue State Block Grant.

20. Trafficking in Persons.

- a. The State, as the recipient, the State’s employees, and Sponsors using funds provided under this Airport Rescue State Block Grant, including Sponsors, Sponsors’ employee, and subgrant recipients’ employees may not –

1. Engage in severe forms of trafficking in persons during the period of time that this Airport Rescue State Block Grant Agreement and subgrant agreements are in effect;
 2. Procure a commercial sex act during the period of time that this Airport Rescue State Block Grant Agreement and subgrant agreements are in effect; or
 3. Use forced labor in the performance of this Airport Rescue State Block Grant Agreement and subgrant agreements.
- b. The FAA, as the Federal awarding agency, may unilaterally terminate this Airport Rescue State Block Grant Agreement, without penalty, if the State or a Sponsor that is a private entity –
1. Is determined to have violated a prohibition in paragraph a. of this Airport Rescue State Block Grant Agreement term; or
 2. Has an employee who is determined by the agency official authorized to terminate the Airport Rescue State Block Grant Agreement to have violated a prohibition in paragraph a. of this Airport Rescue State Block Grant term through conduct that is either –
 - A. Associated with performance under this Airport Rescue State Block Grant; or
 - B. Imputed to any and all Sponsor as subrecipients of funds under this Airport Rescue State Block Grant 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 Government-wide Debarment and Suspension (Nonprocurement),” as implemented by the FAA at 2 CFR Part 1200.
- c. The State and Sponsors must inform the FAA immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a. of this Grant condition during this Airport Rescue State Block Grant Agreement.
- d. The FAA's right to terminate unilaterally that is described in paragraph a. of this Grant condition:
1. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. § 7104(g)), and
 2. Is in addition to all other remedies for noncompliance that are available to the FAA under this Airport Rescue State Block Grant.

21. Employee Protection from Reprisal.

- a. Prohibition of Reprisals —
1. In accordance with 41 U.S.C. § 4712, an employee of the State, Sponsor, or other subgrantee may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in sub-paragraph (a)(2) of this Grant condition, information that the employee reasonably believes is evidence of:
 - i. Gross mismanagement of a Federal grant;
 - ii. Gross waste of Federal funds;
 - iii. An abuse of authority relating to implementation or use of Federal funds;
 - iv. A substantial and specific danger to public health or safety; or
 - v. A violation of law, rule, or regulation related to a Federal grant.
 2. Persons and bodies covered: The persons and bodies to which a disclosure by an employee is covered are as follows:

- i. A member of Congress or a representative of a committee of Congress;
 - ii. An Inspector General;
 - iii. The Government Accountability Office;
 - iv. A Federal employee responsible for oversight or management of a grant program at the relevant agency;
 - v. A court or grand jury;
 - vi. A management official or other employee of the Sponsor, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct; or
 - vii. An authorized official of the Department of Justice or other law enforcement agency.
3. **Submission of Complaint** — A person who believes that they have been subjected to a reprisal prohibited by paragraph a. of this Airport Rescue State Block Grant Agreement may submit a complaint regarding the reprisal to the Office of Inspector General (OIG) for the U.S. Department of Transportation.
 4. **Time Limitation for Submittal of a Complaint** — A complaint may not be brought under this subsection more than three years after the date on which the alleged reprisal took place.
 5. **Required Actions of the Inspector General** — Actions, limitations, and exceptions of the Inspector General's office are established under 41 U.S.C. § 4712(b).
 6. **Assumption of Rights to Civil Remedy** — Upon receipt of an explanation of a decision not to conduct or continue an investigation by the Office of Inspector General, the person submitting a complaint assumes the right to a civil remedy under 41 U.S.C. § 4712(c).
22. **Limitations.** Nothing provided herein shall be construed to limit, cancel, annul, or modify the terms of any Federal grant agreement(s), including all terms and assurances related thereto, that have been entered into by the State and the FAA and the State and Sponsor prior to the date of this Airport Rescue State Block Grant Agreement.
 23. **Face Coverings Policy.** The State and Sponsor agree to implement a face-covering (mask) policy to combat the spread of pathogens. This policy must include a requirement that all persons wear a mask, in accordance with Centers for Disease Control (CDC) and Transportation Security Administration (TSA) requirements, as applicable, at all times while in all public areas of the airport property, except to the extent exempted under those requirements. This special condition requires the State and Airport Sponsor continue to require masks until [Executive Order 13998, Promoting COVID-19 Safety in Domestic and International Travel](#), is no longer effective.

SPECIAL CONDITIONS FOR USE OF AIRPORT RESCUE STATE BLOCK GRANT FUNDS

CONDITIONS FOR EQUIPMENT -

1. **Equipment or Vehicle Replacement.** The State agrees and will require Sponsors agree that when using funds provided by this Grant to replace equipment, the proceeds from the trade-in or sale of such replaced equipment shall be classified and used as airport revenue.
2. **Equipment Acquisition.** The State agrees and will require Sponsors agree that for any equipment acquired with funds provided by this Grant, such equipment shall be used solely for purposes directly related to combating the spread of pathogens at the airport.

3. **Low Emission Systems.** The State agrees and will require Sponsors agree that vehicles and equipment acquired with funds provided in this Grant:
 - a. Will be maintained and used at the airport for which they were purchased; and
 - b. Will not be transferred, relocated, or used at another airport without the advance consent of the FAA.

The State agrees and will require Sponsors further agree to that it will maintain annual records on individual vehicles and equipment, project expenditures, cost effectiveness, and emission reductions.

CONDITIONS FOR UTILITIES AND LAND -

4. **Utilities Proration.** For purposes of computing the United States' share of the allowable airport operations and maintenance costs, the allowable cost of utilities incurred by the State or Sponsor, as applicable, to operate and maintain airport(s) included in this Airport Rescue State Block Grant must not exceed the percent attributable to the capital or operating costs of the airport.
5. **Utility Relocation in Grant.** The State understands and agrees, and will require Sponsors understand and agree that:
 - a. The United States will not participate in the cost of any utility relocation unless and until the State or Sponsor, as applicable, has submitted evidence satisfactory to the FAA that the State or Sponsor is legally responsible for payment of such costs;
 - b. FAA participation is limited to those utilities located on-airport or off-airport only where the State or Sponsor, as applicable, has an easement for the utility; and
 - c. The utilities must serve a purpose directly related to the Airport for which the subgrant is made under this Airport Rescue State Block Grant.

The State's acceptance of this Offer and ratification and adoption of the Airport Rescue State Block Grant Application incorporated herein shall be evidenced by execution of this instrument by the State. The Offer and Acceptance shall comprise an Airport Rescue State Block Grant Agreement, as provided by the ARP Act, constituting the contractual obligations and rights of the United States and the State with respect to this Grant and all subgrants. The effective date of this Airport Rescue State Block Grant Agreement is the date the last signatory of the State signs the acceptance of this Offer.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

Dated February 4, 2022

**UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION**



Stephanie R. Swann (Feb 4, 2022 13:22 EST)

(Signature)

Stephanie R. Swann

(Typed Name)

Deputy Manager, Detroit ADO

(Title of FAA Official)

AIRPORT RESCUE GRANT ASSURANCES

AIRPORT SPONSORS

A. General.

1. These Airport State Block Grant Assurances are required to be submitted as part of the application by Sponsors receiving funds under the provisions of the American Rescue Plan Act of 2021 ("ARP Act," or "the Act"), Public Law 117-2. As used herein, the term "public agency Sponsor" means a public agency with control of a public-use airport; the term "private Sponsor" means a private owner of a public-use airport; and the term "Sponsor" includes both public agency Sponsors and private sponsors.
2. Upon Sponsor's acceptance of a subgrant offer under an Airport Rescue State Block Grant offer by the State, these assurances are incorporated into and become part of any subgrant issued under an Airport Rescue State Block Grant Agreement.

B. Sponsor Certification.

The Sponsor hereby assures and certifies, with respect to this subgrant awarded under an Airport Rescue State Block Grant that:

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds for this subgrant issued under an Airport Rescue State Block Grant including but not limited to the following:

FEDERAL LEGISLATION

- a. 49 U.S.C. Chapter 471, as applicable.
- b. Davis-Bacon Act — 40 U.S.C. 276(a), et. seq.
- c. Federal Fair Labor Standards Act — 29 U.S.C. 201, et. seq.
- d. Hatch Act — 5 U.S.C. 1501, et. seq.²
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et. seq.
- f. National Historic Preservation Act of 1966 — Section 106 — 16 U.S.C. 470(f).
- g. Archeological and Historic Preservation Act of 1974 — 16 U.S.C. 469 through 469c.
- h. Native Americans Grave Repatriation Act — 25 U.S.C. Section 3001, et. seq.
- i. Clean Air Act, P.L. 90-148, as amended.
- j. Coastal Zone Management Act, P.L. 93-205, as amended.
- k. Flood Disaster Protection Act of 1973 — Section 102(a) — 42 U.S.C. 4012a.
- l. Title 49, U.S.C., Section 303, (formerly known as Section 4(f)).
- m. Rehabilitation Act of 1973 — 29 U.S.C. 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin).

- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.), prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 — 42 U.S.C. 6101, et. seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968 — 42 U.S.C. 4151, et. seq.
- s. Power plant and Industrial Fuel Use Act of 1978 — Section 403- 2 U.S.C. 8373.
- t. Contract Work Hours and Safety Standards Act — 40 U.S.C. 327, et. seq.
- u. Copeland Anti-kickback Act — 18 U.S.C. 874.1.
- v. National Environmental Policy Act of 1969 — 42 U.S.C. 4321, et. seq.
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended.
- x. Single Audit Act of 1984 — 31 U.S.C. 7501, et. seq.²
- y. Drug-Free Workplace Act of 1988 — 41 U.S.C. 702 through 706.
- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252).

EXECUTIVE ORDERS

- a. Executive Order 11246 – Equal Employment Opportunity.
- b. Executive Order 11990 – Protection of Wetlands.
- c. Executive Order 11998 – Flood Plain Management.
- d. Executive Order 12372 – Intergovernmental Review of Federal Programs.
- e. Executive Order 12699 – Seismic Safety of Federal and Federally Assisted New Building Construction.
- f. Executive Order 12898 – Environmental Justice.
- g. Executive Order 14005 – Ensuring the Future Is Made in All of America by All of America's Workers.

FEDERAL REGULATIONS

- a. 2 CFR Part 180 – OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
- b. 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.^{3,4}
- c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment.
- d. 28 CFR Part 35 – Discrimination on the Basis of Disability in State and Local Government Services.
- e. 28 CFR § 50.3 – U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964.
- f. 29 CFR Part 1 – Procedures for predetermination of wage rates.¹

- g. 29 CFR Part 3 – Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.¹
- h. 29 CFR Part 5 – Labor standards provisions applicable to contracts covering Federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).¹
- i. 41 CFR Part 60 – Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally assisted contracting requirements).¹
- j. 49 CFR Part 20 – New restrictions on lobbying.
- k. 49 CFR Part 21 – Nondiscrimination in Federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964.
- l. 49 CFR Part 23 – Participation by Disadvantage Business Enterprise in Airport Concessions.
- m. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Program.
- n. 49 CFR Part 27 – Nondiscrimination on the Basis of Disability in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.¹
- o. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities conducted by the Department of Transportation.
- p. 49 CFR Part 30 – Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors.
- q. 49 CFR Part 32 – Government-wide Requirements for Drug-Free Workplace (Financial Assistance).
- r. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).
- s. 49 CFR Part 41 – Seismic safety.

FOOTNOTES TO AIRPORT RESCUE GRANT SPONSOR ASSURANCE B

- ¹ These laws do not apply to airport planning Sponsors.
- ² These laws do not apply to private Sponsors.
- ³ Cost principles established in 2 CFR Part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.
- ⁴ Audit requirements established in 2 CFR Part 200 subpart F are the guidelines for audits.

SPECIFIC ASSURANCES

Specific assurances required to be included in grant and subgrant agreements by any of the above laws, regulations, or circulars are incorporated by reference in this Grant Agreement.

1. Purpose Directly Related to the Airport.

It certifies that the reimbursement sought is for a purpose directly related to the airport.

2. Responsibility and Authority of the Sponsor.

- a. Public Agency Sponsor:

It has legal authority to apply for this Grant, and to finance and carry out the proposed grant; that an official decision has been made by the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this Grant and to finance and carry out the proposed Grant and comply with all terms, conditions, and assurances of this Grant Agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Good Title.

It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.

4. Preserving Rights and Powers.

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Grant Agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish, or modify any outstanding rights or claims of right of others which would interfere with such performance by the Sponsor. This shall be done in a manner acceptable to the Secretary.
- b. If the Sponsor is a private Sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with this Grant Agreement.
- c. If an arrangement is made for management and operation of the airport by any agency or person other than the Sponsor or an employee of the Sponsor, the Sponsor will reserve sufficient rights and authority to insure that the airport will be operated and maintained in accordance Title 49, United States Code, the regulations, and the terms and conditions of this Grant Agreement.

5. Consistency with Local Plans.

Any project undertaken by this Grant Agreement is reasonably consistent with plans (existing at the time of submission of the Airport Rescue State Block Grant application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

6. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where any project undertaken by this Grant Agreement may be located.

7. Consultation with Users.

In making a decision to undertake any airport development project undertaken by this Grant Agreement, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

8. Pavement Preventative Maintenance.

With respect to a project undertaken by this Grant Agreement for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed, or repaired with Federal financial assistance at the airport, including Airport Rescue State Block Grant funds provided under this Grant Agreement. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

9. Accounting System, Audit, and Record Keeping Requirements.

- a. It shall keep all Grant accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this Grant, the total cost of the Grant in connection with which this Grant is given or used, and the amount or nature of that portion of the cost of the Grant supplied by other sources, and such other financial records pertinent to the Grant. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.
- b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this Grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a Sponsor relating to the disposition of the proceeds of a Grant or relating to the Grant in connection with which this Grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

10. Minimum Wage Rates.

It shall include in all contracts in excess of \$2,000 for work on the airport funded under this Grant Agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

11. Veteran's Preference.

It shall include in all contracts for work on any airport development project funded under this Grant Agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam-era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in Section 47112 of Title 49, United States Code. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

12. Operation and Maintenance.

- a. The airport and all facilities which are necessary to serve the aeronautical users of the Airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, State, and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes.

It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the Sponsor will have in effect arrangements for:

1. Operating the airport's aeronautical facilities whenever required;
 2. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
 3. Promptly notifying airmen of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the Sponsor.
- b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

13. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

14. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft.

15. Exclusive Rights.

The Sponsor shall not grant an exclusive right to use an air navigation facility on which this Grant has been expended. However, providing services at an airport by only one fixed-based operator is not an exclusive right if—

1. it is unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide the services; and
2. allowing more than one fixed-based operator to provide the services requires a reduction in space leased under an agreement existing on September 3, 1982, between the operator and the airport.

16. Airport Revenues.

- a. This Grant shall be available for any purpose for which airport revenues may lawfully be used to prevent, prepare for, and respond to coronavirus. Funds provided under this Airport Rescue State Block Grant Agreement will only be expended for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport(s) subject to this agreement and all applicable addendums for costs related to operations, personnel, cleaning, sanitization, janitorial services, combating the spread of pathogens at the airport, and debt service payments as prescribed in the Act.

- b. For airport development, 49 U.S.C. § 47133 applies.

17. Reports and Inspections.

It will:

- a. Submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;
- b. In a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
 - 1. all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
 - 2. all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

18. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein, or rights in buildings of the Sponsor as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

19. Airport Layout Plan.

- a. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, it will keep up to date at all times an airport layout plan of the airport showing:
 - 1. boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the Sponsor for airport purposes and proposed additions thereto;
 - 2. the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities;
 - 3. the location of all existing and proposed non-aviation areas and of all existing improvements thereon; and
 - 4. all proposed and existing access points used to taxi aircraft across the airport's property boundary. Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The Sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.
- b. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, if a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport

and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary (1) eliminate such adverse effect in a manner approved by the Secretary; or (2) bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport Sponsor.

20. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any activity conducted with, or benefiting from, funds received from this Grant.

- a. Using the definitions of activity, facility, and program as found and defined in §§ 21.23 (b) and 21.23 (e) of 49 CFR Part 21, the Sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by or pursuant to these assurances.
- b. Applicability
 1. Programs and Activities. If the Sponsor has received a grant (or other Federal assistance) for any of the Sponsor's program or activities, these requirements extend to all of the Sponsor's programs and activities.
 2. Facilities. Where it receives a grant or other Federal financial assistance to construct, expand, renovate, remodel, alter, or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.
 3. Real Property. Where the Sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of, real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

- c. Duration

The Sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the Sponsor, or any transferee for the longer of the following periods:

1. So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
2. So long as the Sponsor retains ownership or possession of the property.

- d. Required Solicitation Language

It will include the following notification in all solicitations for bids, Requests for Proposals for work, or material under this Grant and in all proposals for agreements, including airport concessions, regardless of funding source:

"The [State to Insert Name of Sponsor], in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that for any contract entered into pursuant to this

advertisement, disadvantaged business enterprises and airport concession disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”

e. Required Contract Provisions.

1. It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the DOT, and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT Acts and regulations.
2. It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
3. It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a Sponsor.
4. It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin, creed, sex, age, or handicap as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the Sponsor with other parties:
 - i. For the subsequent transfer of real property acquired or improved under the applicable activity, grant, or program; and
 - ii. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, grant, or program.
 - iii. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.
 - iv. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

21. Foreign Market Restrictions.

It will not allow funds provided under this Grant to be used to fund any activity that uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

22. Policies, Standards and Specifications.

It will carry out any project funded under an Airport Rescue State Block Grant in accordance with policies, standards, and specifications approved by the Secretary including, but not limited to, current FAA Advisory Circulars for AIP projects, as of November 8, 2021.

23. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

24. Disadvantaged Business Enterprises.

The Sponsor shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the Sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs or the requirements of 49 CFR Parts 23 and 26. The Sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The Sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement.

Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the Sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1936 (31 U.S.C. 3801).

25. Acquisition Thresholds.

The FAA deems equipment to mean tangible personal property having a useful life greater than one year and a per-unit acquisition cost equal to or greater than \$5,000. Procurements by micro-purchase means the acquisition of goods or services for which the aggregate dollar amount does not exceed \$10,000, unless authorized in accordance with 2 CFR § 200.320. Procurement by small purchase procedures means those relatively simple and informal procurement methods for securing goods or services that do not exceed the \$250,000 threshold for simplified acquisitions.

View the most current Series 150 Advisory Circulars (ACs) for Airport Projects at http://www.faa.gov/airports/resources/advisory_circulars and http://www.faa.gov/regulations_policies/advisory_circulars



U.S. Department
of Transportation

**Federal Aviation
Administration**

FAA Form 5100-135, Certification and Disclosure Regarding Potential Conflicts of Interest – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Burden Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.



Certification and Disclosure Regarding Potential Conflicts of Interest Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

Title 2 CFR § 200.112 and § 1201.112 address Federal Aviation Administration (FAA) requirements for conflict of interest. As a condition of eligibility under the Airport Improvement Program (AIP), sponsors must comply with FAA policy on conflict of interest. Such a conflict would arise when any of the following have a financial or other interest in the firm selected for award:

- a) The employee, officer or agent,
- b) Any member of his immediate family,
- c) His or her partner, or
- d) An organization which employs, or is about to employ, any of the above.

Selecting "yes" represents sponsor or sub-recipient acknowledgement and confirmation of the certification statement. Selecting "No" represents sponsor or sub-recipient disclosure that it cannot fully comply with the certification statement. If "No" is selected, provide support information explaining the negative response as an attachment to this form. This includes whether the sponsor has established standards for financial interest that are not substantial or unsolicited gifts are of nominal value (2 CFR § 200.318(c)). The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance.

Certification Statements

1. The sponsor or sub-recipient maintains a written standards of conduct governing conflict of interest and the performance of their employees engaged in the award and administration of contracts (2 CFR § 200.318(c)). To the extent permitted by state or local law or regulations, such standards of conduct provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the sponsor's and sub-recipient's officers, employees, or agents, or by contractors or their agents.

☐ Yes ☐ No
2. The sponsor's or sub-recipient's officers, employees or agents have not and will not solicit or accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements (2 CFR § 200.318(c)).

☐ Yes ☐ No

3. The sponsor or sub-recipient certifies that it has disclosed and will disclose to the FAA any known potential conflict of interest (2 CFR § 1200.112).

☐ Yes ☐ No

Attach documentation clarifying any above item marked with "no" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and have the explanation for any item marked "no" is correct and complete.

Executed on this _____ day of _____, 2022.
(Day) (Month)

Name of Sponsor: _____

Printed/Typed Name of Sponsor's Authorized Official: _____

Printed/Typed Title of Sponsor's Authorized Official: _____

Signature of Sponsor's Authorized Official: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.



U.S. Department
of Transportation

**Federal Aviation
Administration**

FAA Form 5100-130, Drug-Free Workplace – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Burden Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.



Drug-Free Workplace Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General requirements on the drug-free workplace within federal grant programs are described in 2 CFR part 182. Sponsors are required to certify they will be, or will continue to provide, a drug-free workplace in accordance with the regulation. The AIP project grant agreement contains specific assurances on the Drug-Free Workplace Act of 1988.

Certification Statements

Except for certification statements below marked as not applicable (N/A), this list includes major requirements of the construction project. Selecting "yes" represents sponsor acknowledgement and confirmation of the certification statement. The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. A statement has been or will be published prior to commencement of project notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the sponsor's workplace, and specifying the actions to be taken against employees for violation of such prohibition (2 CFR § 182.205).

☐ Yes ☐ No ☐ N/A

2. An ongoing drug-free awareness program (2 CFR § 182.215) has been or will be established prior to commencement of project to inform employees about:
 - a. The dangers of drug abuse in the workplace;
 - b. The sponsor's policy of maintaining a drug-free workplace;
 - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

☐ Yes ☐ No ☐ N/A

3. Each employee to be engaged in the performance of the work has been or will be given a copy of the statement required within item 1 above prior to commencement of project (2 CFR § 182.210).

☐ Yes ☐ No ☐ N/A

4. Employees have been or will be notified in the statement required by item 1 above that, as a condition employment under the grant (2 CFR § 182.205(c)), the employee will:

- a. Abide by the terms of the statement; and
- b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.

☐ Yes ☐ No ☐ N/A

5. The Federal Aviation Administration (FAA) will be notified in writing within 10 calendar days after receiving notice under item 4b above from an employee or otherwise receiving actual notice of such conviction (2 CFR § 182.225). Employers of convicted employees must provide notice, including position title of the employee, to the FAA (2 CFR § 182.300).

☐ Yes ☐ No ☐ N/A

6. One of the following actions (2 CFR § 182.225(b)) will be taken within 30 calendar days of receiving a notice under item 4b above with respect to any employee who is so convicted:

- a. Take appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; and
- b. Require such employee to participate satisfactorily in drug abuse assistance or rehabilitation programs approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency.

☐ Yes ☐ No ☐ N/A

7. A good faith effort will be made, on a continuous basis, to maintain a drug-free workplace through implementation of items 1 through 6 above (2 CFR § 182.200).

☐ Yes ☐ No ☐ N/A

Site(s) of performance of work (2 CFR § 182.230):

Location 1

Name of Location:

Address:

Location 2 (if applicable)

Name of Location:

Address:

Location 3 (if applicable)

Name of Location:

Address:

Attach documentation clarifying any above item marked with "no" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

Executed on this _____ day of _____, 2022.
(Day) (Month)

Name of Sponsor: _____

Printed/Typed Name of Sponsor's Authorized Official: _____

Printed/Typed Title of Sponsor's Authorized Official: _____

Signature of Sponsor's Authorized Official: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.



U.S. Department of
Transportation

**Federal Aviation
Administration**

FAA Form 5100-134, Selection of Consultants – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Burden Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.



Selection of Consultants

Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General requirements for selection of consultant services within federal grant programs are described in 2 CFR §§ 200.317-200.326. Sponsors may use other qualifications-based procedures provided they are equivalent to standards of Title 40 chapter 11 and FAA Advisory Circular 150/5100-14, Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects.

Certification Statements

Except for certification statements below marked as not applicable (N/A), this list includes major requirements of the construction project. Selecting “yes” represents sponsor acknowledgement and confirmation of the certification statement. The term “will” means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. Sponsor acknowledges their responsibility for the settlement of all contractual and administrative issues arising out of their procurement actions (2 CFR § 200.318(k)).
☐ Yes ☐ No ☐ N/A
2. Sponsor procurement actions ensure or will ensure full and open competition that does not unduly limit competition (2 CFR § 200.319).
☐ Yes ☐ No ☐ N/A
3. Sponsor has excluded or will exclude any entity that develops or drafts specifications, requirements, or statements of work associated with the development of a request-for-qualifications (RFQ) from competing for the advertised services (2 CFR § 200.319).
☐ Yes ☐ No ☐ N/A
4. The advertisement describes or will describe specific project statements-of-work that provide clear detail of required services without unduly restricting competition (2 CFR § 200.319).
☐ Yes ☐ No ☐ N/A

5. Sponsor has publicized or will publicize a RFQ that:
- a. Solicits an adequate number of qualified sources (2 CFR § 200.320(d)); and
 - b. Identifies all evaluation criteria and relative importance (2 CFR § 200.320(d)).
- ☐ Yes ☐ No ☐ N/A
6. Sponsor has based or will base selection on qualifications, experience, and disadvantaged business enterprise participation with price not being a selection factor (2 CFR § 200.320(d)).
- ☐ Yes ☐ No ☐ N/A
7. Sponsor has verified or will verify that agreements exceeding \$25,000 are not awarded to individuals or firms suspended, debarred or otherwise excluded from participating in federally assisted projects (2 CFR §180.300).
- ☐ Yes ☐ No ☐ N/A
8. A/E services covering multiple projects: Sponsor has agreed to or will agree to:
- a. Refrain from initiating work covered by this procurement beyond five years from the date of selection (AC 150/5100-14); and
 - b. Retain the right to conduct new procurement actions for projects identified or not identified in the RFQ (AC 150/5100-14).
- ☐ Yes ☐ No ☐ N/A
9. Sponsor has negotiated or will negotiate a fair and reasonable fee with the firm they select as most qualified for the services identified in the RFQ (2 CFR § 200.323).
- ☐ Yes ☐ No ☐ N/A
10. The Sponsor's contract identifies or will identify costs associated with ineligible work separately from costs associated with eligible work (2 CFR § 200.302).
- ☐ Yes ☐ No ☐ N/A
11. Sponsor has prepared or will prepare a record of negotiations detailing the history of the procurement action, rationale for contract type and basis for contract fees (2 CFR §200.318(i)).
- ☐ Yes ☐ No ☐ N/A
12. Sponsor has incorporated or will incorporate mandatory contract provisions in the consultant contract for AIP-assisted work (49 U.S.C. Chapter 471 and 2 CFR part 200 Appendix II)
- ☐ Yes ☐ No ☐ N/A
13. For contracts that apply a time-and-material payment provision (also known as hourly rates, specific rates of compensation, and labor rates), the Sponsor has established or will establish:
- a. Justification that there is no other suitable contract method for the services (2 CFR §200.318(j));
 - b. A ceiling price that the consultant exceeds at their risk (2 CFR §200.318(j)); and
 - c. A high degree of oversight that assures consultant is performing work in an efficient manner with effective cost controls in place 2 CFR §200.318(j)).
- ☐ Yes ☐ No ☐ N/A

14. Sponsor is not using or will not use the prohibited cost-plus-percentage-of-cost (CPPC) contract method. (2 CFR § 200.323(d)).

☐ Yes ☐ No ☐ N/A

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Executed on this _____ day of _____, 2022.
(Day) (Month)

Name of Sponsor: _____

Printed/Typed Name of Sponsor's Authorized Official: _____

Printed/Typed Title of Sponsor's Authorized Official: _____

Signature of Sponsor's Authorized Official: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

WMAA MONTHLY FBO REPORT

West Michigan Regional Airport FBO Report FlightLevel BIV January 2023

Total Fuel Gallons Delivered		Current Month Jan 2023	One Year Ago Jan 2022	Fiscal Year To Date 01/01/23-12/31/23	F/Y to Date Compared 01/01/22-12/31/22	
Avgas		607	1,692			
Jet Fuel		24,944	27,860			
Total Gallons Delivered		25,551	29,552	25,551	29,552	-4001

Transplant/Ambulance Flights	0
Wings Of Mercy Operations	0
Freight Flights From/To Holland	5
Freight Weight	4,470
Number of Parts if Known	21 skids & 24 boxes