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THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



CHRISTOPHER D. CLEMENT, SR.
COMMISSIONER

JEFF BRILLHART, P.E.
ASSISTANT COMMISSIONER

September 28, 2012
Bureau of Aeronautics

His Excellency, Governor John H. Lynch
and the Honorable Council
State House
Concord, NH 03301

REQUESTED ACTION

Authorize the Department of Transportation to award a grant to the City of Lebanon (Vendor Code 177422), AIP-47, for Phase II, to permit, design and construct the removal of airport obstruction lights and to install hazard beacons at the Lebanon Municipal Airport. State and Federal participation in the amount of \$480,630.00 is effective upon Governor and Council approval through October 31, 2016. 97.30% Federal Funds, 2.70% General Funds.

Funding is available as follows:

FY 2013

04-96-96-960030-0997

FAA Projects

034-500151 Bonded Expenses

\$480,630.00

EXPLANATION

A Federal Aviation Administration (FAA) grant has been awarded for \$467,640.00 (copy attached), which represents 90% of the funding for Phase II, to permit, design and construct the removal of airport obstruction lights (approximately 40 lights) and to install two hazard beacons at the Lebanon Municipal Airport. Tree obstructions adjacent to Runway 7-25 are being removed by the airport as part of a non-federal project (Phase 1). Phase II will remove the airport obstruction lights that denote the former tree line warning pilots of the tree obstructions. The obstruction lights will be replaced with two hazard beacons to mark the remaining trees in that location near the runway. Additionally, the design of a new perimeter fence and ground grading improvements will be included in this project, but will not be constructed as part of this grant. The construction costs are based on estimates.

The Department of Transportation accepts the Federal Funds for this project as a pass through to the City of Lebanon in accordance with RSA 422:15. State participation in the amount of \$12,990.00 (2½% of this project) is also requested. The City of Lebanon will participate in the amount of \$38,970.00 (7½% of this project). The total cost of this airport improvement project is \$519,600.00.

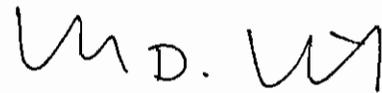
The cost breakdown of this project is as follows:

Sponsor Administration	\$ 5,000.00
Engineering Design (permitting, obstruction light removal, hazard beacon installation, fence installation, and grading)	\$109,800.00
Resident Engineering (obstruction light removal, and hazard beacon installation)	\$ 14,800.00
Construction (obstruction light removal and hazard beacon installation)	<u>\$390,000.00</u>
Total	\$519,600.00

In the event that the federal funds are no longer available, General Funds will not be requested to support this program.

Please note that the state funds are from the General Fund and have been previously approved in HB25, 2011 253:1 XIV-A Capital Budget.

Sincerely,



Christopher D. Clement, Sr.
Commissioner

CDC/tlsl

Attachment:



U.S. Department
of Transportation
**Federal Aviation
Administration**

New England Region

12 New England Executive Park
Burlington, Massachusetts 01803

**GRANT AGREEMENT
Part 1 - Offer**

Date of Offer: August 17, 2012

Lebanon Municipal Airport

Project No.: 3-33-0010-047-2012

DUNS No.: 17-036-9318

TO: City of Lebanon, New Hampshire
(herein called the "Sponsor")

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

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated July 30, 2012,
for a grant of Federal funds for a project at or associated with the Lebanon Municipal
Airport which Project Application, as approved by the FAA, is hereby incorporated herein and
made a part hereof; and

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

Phase II Design of Obstruction Removal; and Replace Existing Obstruction Lights
with Hazard Beacons,

all as more particularly shown in the project of application.

NOW THEREFORE, pursuant to and for the purpose of carrying out the provisions of the Title 49, United States Code, herein called Title 49 U.S. C., and in consideration of (a) the Sponsor's adoption and ratification of the representations and assurances contained in said Project Application and its acceptance of this Offer as hereinafter provided, and (b) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the assurances and conditions as herein provided, **THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES** to pay, as the United States share of the allowable costs incurred in accomplishing the Project, 90 percent of such costs.

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

Conditions

1. The maximum obligation of the United States payable under this offer shall be \$467,640.00. For the purposes of any future grant amendments which may increase the foregoing maximum obligation of the United States under the provisions of Section 47108(b) of the Title 49 U.S.C., the following amounts are being specified for this purpose.

\$00.00	for planning
\$467,640.00	for airport development or noise program implementation.

2. The allowable costs of the project shall not include any costs determined by the FAA to be ineligible for consideration as to allowability under Title 49 U.S.C.

3. Payment of the United States share of the allowable project costs will be made pursuant to and in accordance with the provisions of such regulations and procedures as the Secretary shall prescribe. Final determination of the United States share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.

4. The sponsor shall carry out and complete the Project without undue delays and in accordance with the terms hereof, and such regulations and procedures as the Secretary shall prescribe, and agrees to comply with the assurances which were made part of the project application.

5. The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the sponsor.

6. This offer shall expire and the United States shall not be obligated to pay any part of the costs of the project unless this offer has been accepted by the sponsor on or before September 4, 2012, or such subsequent date as may be prescribed in writing by the FAA.

7. The sponsor shall take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner in any project upon which Federal funds have been expended. For the purposes of this grant agreement, the term "Federal funds" means funds however used or disbursed by the sponsor that were originally paid pursuant to this or any other Federal grant agreement. It shall obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. It shall return the recovered Federal share, including funds recovered by settlement, order or judgment, to the Secretary. It shall furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the sponsor, in court or otherwise, involving the recovery of such Federal share shall be approved in advance by the Secretary.

8. The United States shall not be responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this grant agreement.

9. Buy American Requirement: Unless otherwise approved by the FAA, the sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for airport development or noise compatibility for which funds are provided under this grant. The Sponsor will include in every contract a provision implementing this special condition.

10. Central Contractor Registration and Universal Identifier Requirements:

A. Requirement for Central Contractor Registration (CCR)

Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

B. Requirement for Data Universal Numbering System (DUNS) Numbers

If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.
2. May not make a subaward to an entity unless the entity has provided its DUNS number to you.

C. Definitions

For purposes of this award term:

1. Central Contractor Registration (CCR means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the CCR Internet site (currently at <http://www.ccr.gov>).

2. Data Universal Numbering System

(DUNS) number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).

3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:

- a. A Governmental organization, which is a State, local government, or Indian Tribe;
- b. A foreign public entity;
- c. A domestic or foreign nonprofit organization;
- d. A domestic or foreign for-profit organization; and
- e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

4. Subaward:

a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. 210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations"). A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

5. Subrecipient means an entity that:

- a. Receives a subaward from you under this award; and
- b. Is accountable to you for the use of the Federal funds provided by the subaward.
- c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

11. It is mutually understood and agreed that if, during the life of the project, the FAA determines that the maximum grant obligation of the United States exceeds the expected needs of the Sponsor by \$25,000.00 or five percent (5%), whichever is greater, the maximum obligation of the United States can be unilaterally reduced by letter from the FAA advising of the budget change. Conversely, if there is an overrun in the total actual eligible and allowable project costs, FAA may increase the maximum grant obligation of the United States to cover the amount of the overrun not to exceed the statutory percent limitation and will advise the Sponsor by letter of the increase. It is further understood and agreed that if, during the life of the project, the FAA determines that a change in the grant description is advantageous and in the best interests of the United States, the change in grant description will be unilaterally amended by letter from the FAA. Upon issuance of the aforementioned letter, either the grant obligation of the United States is adjusted to the amount specified or the grant description is amended to the description specified.

12. In accordance with Section 47108(b) of the Act, as amended, the maximum obligation of the United States, as stated in Condition No. 1 of this Grant Offer:

- a. may not be increased for a planning project;
- b. may be increased by not more than 15 percent for development projects;
- c. may be increased by not more than 15 percent or by an amount not to exceed 25 percent of the total increase in allowable costs attributable to the acquisition of land or interests in land, whichever is greater, based on current credible appraisals or a court award in a condemnation proceeding.

13. The FAA, in tendering this offer on behalf of the United States, recognizes the existence of an agency relationship between the City of Lebanon, New Hampshire, as principal, and the New Hampshire Aeronautics Commission, as agent, created by an Agreement of Agency dated June 5, 1979, which is incorporated herein by reference, and the sponsor agrees that said Agency Agreement will not be amended, modified, or terminated without the prior written approval of FAA.

14. It is understood and agreed by and between the parties hereto that the United States shall not participate in the cost of any utility relocation unless and until the Sponsor has submitted evidence satisfactory to the FAA that the Sponsor is legally responsible for payment of such costs. FAA participation will be limited to those utilities located on private right-of-way or utilities that exclusively serve the Airport.

15. **GRANTS ISSUED ON ESTIMATES:** It is understood and agreed by and between the parties hereto that this Grant Offer is made and accepted based on estimates for all construction; and the parties hereby covenant and agree that within 60 days from the date of acceptance of this Grant Offer, the Sponsor shall receive bids for all construction contained within the grant description.

The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, as provided by Title 49 U.S.C., constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and compliance with the assurances and conditions as provided herein. Such Grant Agreement shall be effective upon the Sponsor's acceptance of this Offer.

**UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION**

Bryce Raff
Title: Acting Manager, Airports Division,
New England Region

Part II - Acceptance

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

Executed this 30th day of August, 2012.

City of Lebanon, New Hampshire

By [Signature]
Title: City Manager

(SEAL)

Attest: [Signature]
Title: Notary Public

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Shawn M. Tanguay, acting as Attorney for the Sponsor do hereby certify:

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

Dated at Lebanon NH this 30th day of August, 2012.

[Signature]
Signature of Sponsor's Attorney

