



THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



CHRISTOPHER D. CLEMENT, SR.
COMMISSIONER

JEFF BRILLHART, P.E.
ASSISTANT COMMISSIONER

September 8, 2014
Bureau of Aeronautics

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, NH 03301

REQUESTED ACTION

Authorize the Department of Transportation to award a grant to the Laconia Airport Authority (Vendor Code 156889), for SBG-09-09-2014, to install a Precision Approach Path Indicator (PAPI) and to upgrade the electrical vault at the Laconia Municipal Airport. State and Federal participation in the amount of \$155,611.07 is effective upon Governor and Council approval through October 31, 2018. 94.74% Federal Funds, 5.26% General Funds.

Table with 2 columns: Funding description and Amount. Rows include FAA Projects (034-500161 New Construction) for \$151,516.07 and \$4,095.00, and a Total of \$155,611.07.

EXPLANATION

The following Federal Aviation Administration (FAA) State Block Grant has been awarded to the State of New Hampshire:

Table with 2 columns: FAA Grant Number and FAA Grant Amount. Row: 3-33-SBGP-20-2014, \$ 3,122,029.00

A total of \$147,421.00 (or 90% of the project cost) is proposed from the grants listed above for this airport development project (SBG-09-09-2014 copy attached), to install a PAPI and to upgrade the electrical vault at the Laconia Municipal Airport. This project will replace the existing Visual Approach Slope Indicator (VASI) that is obsolete and replacement parts are unavailable to repair the system. The existing VASI system slated for replacement, is currently out of service. An upgrade of the airport electrical vault, located at the terminal building, is also planned as part of this navigational aid replacement.

The cost breakdown of this project is as follows:

Administration	\$ 6,600.00
Engineering fees (Date Collection and Design Phase)	\$ 23,799.23
Resident Engineering	\$ 19,232.03
Bidding and Project Administration	\$ 11,728.88
FAA Flight Check	\$ 8,000.00
Construction (Moulison North)	\$ 94,441.00
Total	\$ 163,801.14

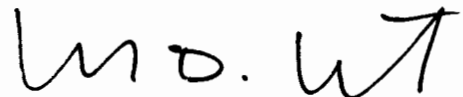
The Department of Transportation accepts the Federal Funds for this project as a pass through to the Laconia Airport Authority in accordance with RSA 422:15. State participation in the amount of \$8,190.07 (5% of this project) is also requested. The Laconia Airport Authority will participate in the amount of \$8,190.07 (5% of this project). The total cost of this airport improvement project is \$163,801.14.

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

In accordance with the FAA grant assurances C- Sponsor Certifications, Responsibility and Authority of the Sponsor, the grant funds must be immediately available for the project to execute the grant offer; therefore all funding for this project is encumbered in the first fiscal year.

Please note that the state funds are from the General Fund and have been previously approved in HB25, 2011 253:1 XIV-A and 2009 145:1 XII-A, Capital Budget.

Sincerely,



Christopher D. Clement, Sr.  
Commissioner

CDC/tls

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: September 2, 2011

State of New Hampshire Block Grant

Project No.: 3-33-SBGP-13-2011

DUNS No.: 80-859-1697

TO: State of 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 Juen 14, 2011,  
for a grant of Federal funds for a project at or associated with the State of New Hampshire  
Block Grant Program 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:

State Block Grant (FY2011, Phase III),

all as more particularly shown in the project 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, 95 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 \$541,512.00. 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
\$541,512.00	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 12, 2011, or such subsequent date as may be prescribed in writing by the FAA.

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

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

9. 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. The Sponsor agrees to request cash drawdowns on the letter of credit only when actually needed for its disbursements and to timely reporting of such disbursements as required. It is understood that failure to adhere to this provision may cause the letter of credit to be revoked.

11. Trafficking Persons:

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

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

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

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

- i. Is determined to have violated a prohibition in paragraph a.1 of this award term; or
- ii. Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either- February 19, 2008.

3. A. Associated with performance under this award; or B. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 49 CFR Part 29.

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

1. Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or

2. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either--

i. Associated with performance under this award; or

ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 49 CFR Part 29.

**c. Provisions applicable to any recipient.**

1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.

2. Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:

i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and

ii. Is in addition to all other remedies for noncompliance that are available to us under this award.

3. You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.

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**

Bry H. Reff  
Title: Manager, Airports Division,  
ACTING 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 7<sup>TH</sup> day of SEPTEMBER, 2011.

State of New Hampshire

(SEAL)

By Michael P. Pelletier  
Title: Deputy Commissioner

Attest: Diane Hartford  
Title: Administrative Asst.

DIANE L. HARTFORD  
Notary Public  
My Commission Expires May 20, 2014

**CERTIFICATE OF SPONSOR'S ATTORNEY**

I, David M. Hills, 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 Concord, N.H. this 7<sup>th</sup> day of September, 2011.

[Signature]  
Signature of Sponsor's Attorney







U.S. Department  
of Transportation  
Federal Aviation  
Administration

AVIATION BLOCK GRANT PROGRAM  
GRANT AGREEMENT  
PART I – OFFER

---

Date of Offer JUN 3 0 2014

Block Grant Number N/A

AIP Grant Number 3-33-SBGP-020-2014

DUNS Number 80-859-1697

TO: State of New Hampshire  
(herein called the "State")

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

**WHEREAS**, the State has submitted a Block Grant Application dated May 1, 2014, according to the applicable provisions of the former Federal Aviation Act of 1958, as amended and recodified, 49 U.S.C. 40101, et seq., and the former Airport and Airway Improvement Act of 1982 (AAIA), as amended and recodified, 49 U.S.C. 47101, et seq., including 47128, (herein the AAIA grant statute is referred to as "the Act".) The Block Grant Application is included as part of this Grant Agreement;

**WHEREAS**, the FAA has entered into a Block Grant Memorandum of Agreement with the State of New Hampshire for the State to carry out airport planning, development and noise program implementation projects (herein called the "projects") at airports in the State that are nonprimary airports as defined in the Act. The projects are further described in the Block Grant Application;

**NOW THEREFORE**, in consideration of the State's ratification of the Block Grant Application and the Grant Assurances dated April 3, 2014, acceptance of this Offer as hereinafter provided,

**THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, OFFERS AND AGREES** to pay the United States share of allowable costs in accomplishing projects. The maximum obligation of the United States payable under this Offer is \$3,122,029. Of this amount a minimum of \$3,122,029 must be expended for projects at airports as prescribed in the conditions.

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

### CONDITIONS

1. **Grant Amendments.** Future grant amendments may increase the foregoing maximum obligation of the United States under the provisions of Section 47108(b) of the Act.
2. **Ineligible or Unallowable Costs.** The State must not include any costs in the project that the FAA has determined to be ineligible or unallowable.
3. **Determining the Final Federal Share of Costs.** The United States' share of allowable project costs will be made in accordance with the regulations, policies and procedures of the Secretary. The FAA's 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. **Completing the Project Without Delay and in Conformance with Requirements.** The State must assure that projects are carried out and complete the project without undue delays and in accordance with this document, the regulations, policies and procedures of the Secretary. The State also agrees to comply with the Grant Assurances which are part of this agreement.
5. **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.
6. **Offer Expiration Date.** This offer will expire and the United States will not be obligated to pay any part of the costs of the projects unless this offer has been accepted by the State on or before **August 6, 2014**, or such subsequent date as may be prescribed in writing by the FAA.
7. **Improper Use of Federal Funds.** The State 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 in any projects upon which Federal funds have been expended. The State must return the recovered Federal share, including funds recovered by settlement, order, or judgment, to the Secretary. The State 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, in court or otherwise, involving the recovery of such Federal share must be approved in advance by the Secretary. For the purposes of this grant agreement, the term "Federal funds" means funds however used or disbursed by the State that were originally paid pursuant to this or any other Federal grant agreement. The State must obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds.
8. **United States Not Liable for Damage or Injury.** The United States is not responsible or liable for damage to property or injury to persons that may arise from, or be incident to, compliance with this Grant Agreement.
9. **Required Federal Provisions.** The State agrees that all subgrants will include the required federal provisions contract provisions.
10. **Nonprimary Entitlement Funds.**  
\$2,350,000 of the total maximum obligation identified on Page One of this Grant Offer are nonprimary entitlement funds.  
The State understands and agrees that these funds will be used at the locations and in the amounts listed below:

- BML, Berlin Regional, Berlin, NH, NP2014, \$150,000
- CNH, Claremont Municipal, Claremont, NH, NP2014, \$150,000
- CON, Concord Municipal, Concord, NH, NP2014, \$150,000
- 5B9, Dean Memorial, Haverhill, NH, NP2014, \$150,000
- EEN, Dillant-Hopkins, Keene, NH, NP2014, \$150,000
- LCI, Laconia Municipal, Laconia, NH, NP2014, \$150,000
- ASH, Boire Field, Nashua, NH, NP2014, \$150,000
- PSM, Portsmouth International at Pease, Portsmouth, NH, NP2014, \$1,000,000
- DAW, Skyhaven, Rochester, NH, NP2014, \$150,000
- HIE, Mount Washington Regional, Whitefield, NH, NP2014, \$150,000

Specific project funding breakdown is listed in the State's application ("Table 2 Revised – Project Funding Breakdown").

**11. State Apportionment Funds.**

\$772,029 of the total maximum obligation identified on Page One of this Grant Offer are state apportionment funds, which may be used at locations included in the State Block Grant Program for eligible projects as determined by the State.

**19. TRAFFICKING IN PERSONS.**

- A. Prohibitions: The prohibitions against trafficking in persons (Prohibitions) that apply to any entity other than a State, local government, Indian tribe, or foreign public entity, including private Sponsors, public Sponsor employees, subrecipients of private or public Sponsors (private entity) are:
1. Engaging in severe forms of trafficking in persons during the period of time that the agreement is in effect;
  2. Procuring a commercial sex act during the period of time that the agreement is in effect; or
  3. Using forced labor in the performance of the agreement, including subcontracts or subagreements under the agreement.
- B. In addition to all other remedies for noncompliance that are available to the FAA, Section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), allows the FAA to unilaterally terminate this agreement, without penalty, if a private entity –
1. Is determined to have violated the Prohibitions; or
  2. Has an employee who the FAA determines has violated the Prohibitions through conduct that is either—
    - a. Associated with performance under this agreement; or
    - b. Imputed to the Sponsor or subrecipient using 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by the FAA at 49 CFR Part 29.

**12. Ban on Texting When 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 subrecipients 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 a grant or subgrant.
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 when driving in all subgrants, contracts and subcontracts.
13. **Runway Safety Area Determination.** The State agrees not to issue any subgrant(s) to fund runway construction, reconstruction, or significant expansion that involves Federal funds until the FAA has made a Runway Safety Area Determination for that runway in accordance with FAA Order 5200.8 "Runway Safety Area Program".
14. **Suspension or Debarment.** The State must inform the FAA when the State suspends or debars a contractor, person, or entity.
15. **System for Award Management (SAM) Registration And Universal Identifier.**
- A. The System for Award Management (SAM) incorporated the Central Contractor Registration (CCR): SAM is the official United States Government system 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 SAM website (currently at <http://www.sam.gov>).
  - B. Requirement for System for Award Management (SAM): Unless the State or the subgrant recipient (subrecipient) of these Block Grant funds is exempted from this requirement under 2 CFR 25.110, the State or subrecipient must maintain the currency of its information in the SAM until the State or subrecipient submits the final financial report required under this grant, subgrant, or receives the final payment, whichever is later. This requires that the State or subrecipient 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.
  - C. Requirement for Data Universal Numbering System (DUNS) Numbers:
    1. The State must notify a potential subrecipient that it cannot receive a subgrant unless it has provided its DUNS number to the State.
    2. The State may not make a subgrant to a subrecipient unless the subrecipient has provided its DUNS number to the State.
16. **Electronic Grant Payment(s).** Unless otherwise directed by the FAA, the State must make each payment request under this agreement electronically via the Delphi Invoicing System for Department of Transportation (DOT) Financial Assistance Awardees.
17. **Reporting Subgrants and Executive Compensation.**
- A. State Reporting Requirements of Subgrants.
    1. In accordance with the Federal Funding Accountability and Transparency Act (Public Law 109-282, as amended by section 6202(a) of Public Law 110-252), the State must report each action that obligates \$25,000 or more in Federal funds for a subgrant to a subgrant recipient (subrecipient) unless the State is exempt. (More information can be found at 17 CFR 229.402(c)(2)).
    2. The State must report each subgrant to <http://www.fsr.gov>.
    3. The State must report the subgrant information no later than the end of the month following

the month in which the obligation (the subgrant) was made. (For example, if the subgrant was made on November 7, 2014, the subgrant must be reported by no later than December 31, 2014.)

4. The State must report the information about each obligating action specified in the submission instructions posted at <http://www.fsr.gov>.
- B. State Reporting Total Compensation of State Executives.
1. The State must report total compensation for each of its five most highly compensated executives for the preceding completed fiscal year, if—
    - a. the total Federal funding authorized to date under this grant is \$25,000 or more;
    - b. in the preceding fiscal year, the State received—
      - (i) 80 percent or more of the annual gross revenues from Federal grants, procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subgrants); and
      - (ii) \$25,000,000 or more in annual gross revenues from Federal grants, Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subgrants); and
      - (iii) The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)
  2. The State must report its executive total compensation:
    - a. As part of the State's registration profile at <http://www.sam.gov>.
    - b. By the end of the month following the month in which this award is made, and annually thereafter.
- C. State Reporting of Subrecipient Executive Total Compensation.
1. Unless the Subrecipient is exempt, the State must report the names and total compensation of each of its subrecipient's five most highly compensated executives for each subrecipient in the preceding completed fiscal year, if—
    - a. in the subrecipient's preceding fiscal year, the subrecipient received—
      - (i) 80 percent or more of its annual gross revenues from subgrants, Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subgrants); and
      - (ii) \$25,000,000 or more in annual gross revenues from subgrants, Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subgrants); and
      - (iii) The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)
  2. The subrecipient must report subrecipient executive total compensation:
    - a. To the State.

- b. By the end of the month following the month during which the State makes the subgrant. For example, if a subgrant is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), the subrecipient must report any required compensation information of the subrecipient by November 30 of that year.

D. Exemptions

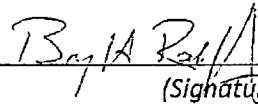
If, in the previous tax year, the State or subrecipient had gross income, from all sources, under \$300,000, it is exempt from the requirements to report:

1. Subgrants, and
  2. The total compensation of the five most highly compensated executives of any subrecipient.
20. **Exhibit A Incorporated by Reference.** The State has provided a list dated April 30, 2014 of all Exhibit "A" Property Maps for airports participating in the State Block Grant Program and is incorporated herein by reference.

---

The State's acceptance of this Offer and ratification and adoption of the Block Grant Application incorporated herein shall be evidenced by execution of this instrument by the State, as hereinafter provided, and this Offer and Acceptance comprises a Grant Agreement, as provided by the Act, constituting the contractual obligations and rights of the United States and the State with respect to the accomplishment of the projects and compliance with the grant assurances and conditions as provided herein. Such Grant Agreement will become effective upon the State's Acceptance of this Offer.

UNITED STATES OF AMERICA  
FEDERAL AVIATION ADMINISTRATION

  
(Signature)

Mr. Bryon H. Rakoff

(Typed Name)

Acting Manager, Airports Division, New England Region

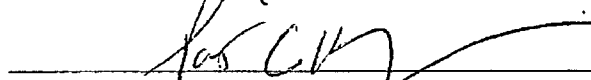
(Title)

PART II – ACCEPTANCE

The State does hereby ratify and adopt all Assurances, statements, representations, warranties, covenants, and agreements contained in the Block Grant 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 Block Grant Application.

I declare under penalty of perjury that the foregoing is true and correct.<sup>1</sup>

Executed this 2nd day of July, 2014.

  
\_\_\_\_\_  
(Signature of State's Designated Official Representative)

By: Patrick C. Herlihy  
\_\_\_\_\_  
(Typed Name of State's Designated Official Representative)

Title: Director of Aeronautics, R&T and Transit  
\_\_\_\_\_  
(Typed Title of State's Designated Official Representative)

CERTIFICATE OF STATE'S ATTORNEY

I, Brian V. Buonamano, acting as Attorney for the State do hereby certify:  
(Typed Name of State's Attorney)

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 11:31 a.m. this 11th day of July, 2014.

By   
\_\_\_\_\_  
(Signature of State's Attorney)

<sup>1</sup>Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. Section 1001 (False Statements) and could subject you to fines, imprisonment, or both.











New Hampshire Department  
of Transportation  
Bureau of Aeronautics

**GRANT AGREEMENT**

**PART I – OFFER**

---

Date of Offer	August 11, 2014
Airport/Planning Area	Laconia Municipal Airport
AIP Grant Number	SBG-09-09-2014
DUNS Number	868564758
<b>TO:</b>	City of Laconia, New Hampshire/Laconia Airport Authority (herein called the "Sponsor")
<b>FROM:</b>	<u>The State of New Hampshire</u> (acting through the New Hampshire Department of Transportation, herein called the "State")

**WHEREAS**, the Sponsor has submitted to the State a Project Application dated August 8, 2014, for a grant of Federal and State funds for a project at or associated with the Laconia Municipal Airport, which as approved by the State, is hereby included as part of this Grant Agreement; and

**WHEREAS**, the State has approved a project for the Laconia Municipal Airport (herein called the "Project") consisting of the following:

Install PAPI on Runway 8 and Upgrade Electrical Vault

which is more fully described in the Project Application.

**NOW THEREFORE**, According to the applicable provisions of the former Federal Aviation Act of 1958, as amended and recodified, 49 U.S.C. 40101, et seq., and the former Airport and Airway Improvement Act of 1982 (AAIA), as amended and recodified, 49 U.S.C. 47101, et seq., (herein the AAIA grant statute is referred to as "the Act"), the representations contained in the Project Application, and in consideration of (a) the Sponsor's adoption and ratification of the Grant Assurances dated April 3, 2014, and the Sponsor's acceptance of this Offer, and (b) the benefits to accrue to the United States, State of New Hampshire, and the public from the accomplishment of the Project and compliance with the Grant Assurances and conditions as herein provided,

**THE NEW HAMPSHIRE DEPARTMENT OF TRANSPORTATION, FOR AND ON BEHALF OF THE UNITED STATES AND THE STATE, HEREBY OFFERS AND AGREES** to pay 95 percent of the allowable costs incurred accomplishing the Project as the United States' and State's share of allowable costs incurred in accomplishing the Project.

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

## CONDITIONS

1. **Maximum Obligation.** The maximum obligation of the United States and State payable under this Offer is \$155,611.07.  
For the purposes of any future grant amendments which may increase the foregoing maximum obligation of the United States under the provisions of 49 U.S.C. § 47108(b), the following amounts are being specified for this purpose:
  - \$0.00 for planning
  - \$155,611.07 for airport development or noise program implementation
  - \$0.00 for land acquisition.
2. **Ineligible or Unallowable Costs.** The Sponsor must not include any costs in the project that the State has determined to be ineligible or unallowable under the Act.
3. **Determining the Final Federal and State Share of Costs.** The United States' and State's share of allowable project costs will be made in accordance with the regulations, policies and procedures of the Secretary. Final determination of the United States' and State's 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 and State share of costs.
4. **Completing the Project Without Delay and in Conformance with Requirements.** The Sponsor must carry out and complete the project without undue delays and in accordance with this agreement, and the regulations, policies and procedures of the United States Secretary of Transportation (herein called the "Secretary") and the State. The Sponsor also agrees to comply with the assurances which are part of this agreement.
5. **Amendments or Withdrawals before Grant Acceptance.** The State reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.
6. **Offer Expiration Date.** This offer will expire and the United States and the State will not be obligated to pay any part of the costs of the project unless this offer has been accepted by the Sponsor on or before September 12, 2014, or such subsequent date as may be prescribed in writing by the State.
7. **Improper Use of Federal and State Funds.** The Sponsor must take all steps, including litigation if necessary, to recover Federal and State funds spent fraudulently, wastefully, or in violation of Federal and State antitrust statutes, or misused in any other manner in any project upon which Federal and State funds have been expended. For the purposes of this grant agreement, the terms "Federal funds" and "State funds" means funds however used or dispersed by the Sponsor that were originally paid pursuant to this or any other State grant agreement. The Sponsor must obtain the approval of the State as to any determination of the amount of the Federal and State shares of such funds. The Sponsor must return the recovered Federal and State shares, including funds recovered by settlement, order, or judgment, to the State. The Sponsor must furnish to the State, upon request, all documents and records pertaining to the determination of the amount of the Federal and State shares 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 and State shares require advance approval by the State.
8. **United States and State Not Liable for Damage or Injury.** Neither the United States nor the State shall 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. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant shall survive the termination of this Agreement.

9. **System for Award Management (SAM) Registration And Universal Identifier.**

- A. Requirement for System for Award Management (SAM): Unless the Sponsor is exempted from this requirement under 2 CFR 25.110, the Sponsor must maintain the currency of its information in the SAM until the Sponsor submits the final financial report required under this grant, or receives the final payment, whichever is later. This requires that the 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. Requirement for Data Universal Numbering System (DUNS) Numbers
  - 1. The Sponsor must notify potential subrecipient that it cannot receive a contract unless it has provided its DUNS number to the Sponsor. A subrecipient means a consultant, contractor, or other entity that enters into an agreement with the Sponsor to provide services or other work to further this project, and is accountable to the Sponsor for the use of the Federal funds provided by the agreement, which may be provided through any legal agreement, including a contract.
  - 2. The Sponsor may not make an award to a subrecipient unless the subrecipient has provided its DUNS number to the Sponsor.
  - 3. 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 866-492-0280) or the Internet (currently at <http://fedgov.dnb.com/webform>).

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

11. **Informal Letter Amendment of AIP Projects.** If, during the life of the project, the State determines that the maximum grant obligation of the United States and the State exceeds the expected needs of the Sponsor by \$25,000 or five percent (5%), whichever is greater, the State can issue a letter to the Sponsor unilaterally reducing the maximum obligation. The State can also issue a letter to the Sponsor increasing the maximum obligation if there is an overrun in the total actual eligible and allowable project costs to cover the amount of the overrun provided it will not exceed the statutory limitations for grant amendments. If the State determines that a change in the grant description is advantageous and in the best interests of the United States and the State, the State can issue a letter to the Sponsor amending the grant description.

By issuing an Informal Letter Amendment, the State has changed the grant amount or grant description to the amount or description in the letter.

12. **Air and Water Quality.** The Sponsor is required to comply with all applicable air and water quality standards for all projects in this grant. If the Sponsor fails to comply with this requirement, the State may suspend, cancel, or terminate this grant.

13. **Financial Reporting and Payment Requirements.** The Sponsor will comply with all federal financial reporting requirements and payment requirements, including submittal of timely and accurate reports.

14. **Buy American.** Unless otherwise approved in advance by the State, 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 which funds are provided under this grant. The Sponsor will include a provision implementing Buy American in every contract.

15. **Maximum Obligation Increase For Nonprimary Airports.** In accordance with 49 U.S.C. § 47108(b), as amended, the maximum obligation of the United States and the State, 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.
16. **Audits for Public Sponsors.** The Sponsor must provide for a Single Audit in accordance with 2 CFR Part 200. The Sponsor must submit the Single Audit reporting package to the Federal Audit Clearinghouse on the Federal Audit Clearinghouse's Internet Data Entry System at <http://harvester.census.gov/facweb/>. The Sponsor must also provide one copy of the completed 2 CFR Part 200 audit to the State.
17. **Suspension or Debarment.** The Sponsor must inform the State when the Sponsor suspends or debars a contractor, person, or entity.
18. **Ban on Texting When 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 Sponsor is 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 and State governments, including work relating to a grant or subgrant.
    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 Sponsor must insert the substance of this clause on banning texting when driving in all subgrants, contracts and subcontracts.
19. **Trafficking in Persons.**
  - A. Prohibitions: The prohibitions against trafficking in persons (Prohibitions) that apply to any entity other than a State, local government, Indian tribe, or foreign public entity. This includes private Sponsors, public Sponsor employees, subrecipients of private or public Sponsors (private entity) are:
    1. Engaging in severe forms of trafficking in persons during the period of time that the agreement is in effect;
    2. Procuring a commercial sex act during the period of time that the agreement is in effect; or
    3. Using forced labor in the performance of the agreement, including subcontracts or

subagreements under the agreement.

- B. In addition to all other remedies for noncompliance that are available to the State, Section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), allows the State to unilaterally terminate this agreement, without penalty, if a private entity –
1. Is determined to have violated the Prohibitions; or
  2. Has an employee who the State determines has violated the Prohibitions through conduct that is either—
    - a. Associated with performance under this agreement; or
    - b. Imputed to the Sponsor or subrecipient using 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by the FAA at 49 CFR Part 29.
20. **Exhibit A Included with Grant Application.** The Exhibit “A” updated April 1, 2008, submitted with the project application is made a part of this grant agreement.
21. **Availability of Funds.** Notwithstanding anything in this agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of those funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this agreement immediately upon giving the Sponsor notice of such termination. In any event neither the State nor United States shall be required to transfer funds from any other grant, program or account in the event funds under this grant are reduced or become unavailable.
22. **Effective Date.** If the date for commencement precedes the Effective Date, all services performed by the Sponsor between the commencement date and the Effective Date shall be performed at the sole risk of the Sponsor and in the event that this Agreement does not become effective, the State shall be under no obligation to pay the Sponsor for any costs incurred or services performed; however that if this Agreement becomes effective all costs incurred prior to the effective date shall be paid under the terms of this Agreement.
23. **Assignment of Interest.** The Sponsor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the State. None of the Services shall be delegated or subcontracted by the Sponsor without the prior written consent of the State.
24. **Entire Agreement.** This agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understanding both written and verbal relating hereto.
25. **Insurances.** The sponsor shall, at its sole expense, and shall require any subcontractor or assignee, to obtain and maintain in force, an insurance policy or policies designating the State as an additional insured, with the following insurance:
- A. comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per incident; and
  - B. The policies described in this section shall be the standard form employed in the State of New Hampshire, issued by underwriters acceptable to the State, and authorized to do business in the State of New Hampshire. Each policy shall contain a clause prohibiting cancellation or modifications of the policy earlier than 10 days after written notice thereof has been received by

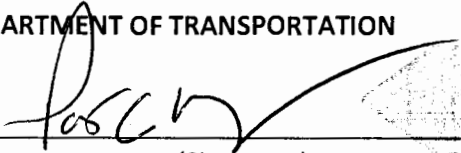
the State.

26. **Public Meeting.** By signing this form, the Sponsor certifies that the Sponsor has complied with any public meeting requirement for acceptance of this grant, including, if applicable, NH RSA 31:95-b.
27. **Airport-owned visual or electronic navigation aids in project:** The Sponsor agrees that it will:
  - 1) Provide for the continuous operation and maintenance of any navigational aid funded under this grant agreement during the useful life of the equipment;
  - 2) Prior to commissioning, assure the equipment meets the FAA's standards; and
  - 3) Remove, relocate, lower, mark, or light each obstruction to obtain a clear approach as indicated in the 14 CFR part 77 aeronautical survey.



The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, as provided by the Act, constituting the contractual obligations and rights of the State and the Sponsor with respect to the accomplishment of the Project and compliance with the assurances and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's and the New Hampshire Governor and Council's acceptance of this Offer.

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF TRANSPORTATION

  
\_\_\_\_\_  
**SIG  
HER**

(Signature)

Patrick C. Herlihy

(Typed Name)

Director, Division of Aeronautics, Rail & Transit

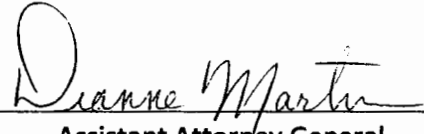
(Title)

**Attorney General:** This is to certify that the above Agreement has been reviewed by this office, and is approved as to form and execution.

Dated:

9/22/14

By:



Assistant Attorney General

**Secretary of State:** This is to certify that the Governor and Council on \_\_\_\_\_ approved this Agreement.

Dated:

By:

Secretary of State

Attest:

(Title)

**PART II – ACCEPTANCE**

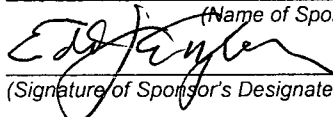
The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer and does hereby accept this Offer and by such acceptance agrees to comply with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

Executed this 25<sup>th</sup> day of August, 2014.

(SEAL)

City of Laconia/Laconia Airport Authority

*(Name of Sponsor)*



*(Signature of Sponsor's Designated Official Representative)*

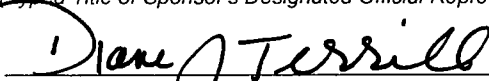
By: Edward Engler

*(Typed Name of Sponsor's Designated Official Representative)*

Title: Mayor, City of Laconia & chair, Laconia Airport Authority

*(Typed Title of Sponsor's Designated Official Representative)*

Attest:



*(Signature of Witness)*

By:

Diane J. Terrill, Airport Manager

*(Typed Name and Title of Witness)*

**CERTIFICATE OF SPONSOR'S ATTORNEY**

I, Paul T. Fitzgerald, 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 Laconia, New Hampshire this 27<sup>th</sup> day of August, 2014.

By:



*(Signature of Sponsor's Attorney)*

**CERTIFICATE OF VOTE**

I, Mary Reynolds, do hereby certify that I am the City Clerk of the City of Laconia, a municipality in the state of New Hampshire, county of Belknap, in the United States of America.

I do further certify that Edward Engler is the Mayor of the City of Laconia and Chair of the Laconia Airport Authority and is duly authorized by the by-laws and laws of the State of New Hampshire to execute and deliver for on behalf of the municipality any contracts with the State of New Hampshire. This authority was given during an official meeting of the City Council of the City of Laconia on the following date: August 25, 2014.

I further certify that such authority has not been repealed, rescinded, or amended.

IN WITNESS WHEREOF, I have hereunto set my hand and attached the seal of the City of Laconia on this 27 day of August, 2014.



Signature

SEAL

\_\_\_\_\_  
City Clerk

Title of Signatory

NOTARY STATEMENT

As Notary Public, registered in the state of New Hampshire, county of Belknap upon this date August 27, 2014, appeared before me Mary Reynolds, the above signed officer personally appeared Mary Reynolds, who acknowledged herself to be the City Clerk of the City of Laconia, New Hampshire, and that being authorized to do so, she executed the foregoing instrument for the purposes therein contained, by signing by herself in the name of the City of Laconia, New Hampshire. In witness whereof, I hereunto set my hand and official seal.

Lindsey Allen  
Signature of Notary

Lindsey Allen  
Name of Notary or Justice of the Peace

SEAL

12/19/17  
Date of Expiration of Commission)

LINDSEY R. ALLEN, Notary Public  
My Commission Expires Dec. 19, 2017.



ace usa

ACE USA
Energy Centre
1100 Poydras Street
Suite 2150
New Orleans LA 70163

504 310-3600 main
504 310-3610 fax
www.ace-ina.com

August 29, 2014

ACE PROPERTY & CASUALTY INSURANCE COMPANY

CERTIFICATE OF INSURANCE (PAGE 1 OF 2)

THIS CERTIFICATE OF INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY, AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THE CERTIFICATE DOES NOT AMEND, EXTEND, OR ALTER THE COVERAGE AFFORDED BY THE POLICY BELOW.

THIS IS TO CERTIFY that the Insured set forth below is at this date insured with ACE PROPERTY & CASUALTY INSURANCE COMPANY as indicated under the Policy described in the following schedule.

DESCRIPTIVE SCHEDULE

Named Insured: Laconia Airport Authority and The City of Laconia
Address: 65 Aviation Drive, Gilford, New Hampshire 03249
Policy Number: AAP N00975655 011
Policy period: From: March 5, 2014 to: March 5, 2017 ( both dates at 12.01 am LST)
Location: Laconia Municipal Airport (FAA Identifier: LCI), Laconia, New Hampshire
Type: Airport Owners and Operators Liability insurance
Limits of insurance: Bodily Injury, Personal Injury/Advertising Injury and Property Damage combined \$10,000,000 each occurrence/offense, subject to the following limitations:
Products-Completed Operations Aggregate Limit..... \$10,000,000
Personal Injury and Advertising Injury Aggregate Limit . \$10,000,000
Malpractice Aggregate Limit ..... \$10,000,000
Hangarkeepers Limit Any One Occurrence..... \$10,000,000
Hangarkeepers Limit Any One Aircraft.. \$10,000,000

Deductible: \$1,000 applicable ONLY to Hangarkeepers Liability

Additional Agreement: With respect to Project #SBG-09-09-2014: Install PAPI on Runway 8 and Upgrade Electrical Vault. WHO IS AN INSURED is amended by endorsement to include as an insured person or organization the Certificate Holder shown on Page 2 of this Certificate of Insurance as an insured, but only with respect to liability to which the insurance provided under the above Policy applies that is caused, in whole or in part, by the Named Insured's acts or omissions or the acts or omissions of those acting on the Named Insured's behalf in the performance of the Named Insured's "airport operations".



ace usa

August 29, 2014

**ACE PROPERTY & CASUALTY INSURANCE COMPANY**  
**CERTIFICATE OF INSURANCE (PAGE 2 OF 2)**

This certificate is issued at the request of the following **Certificate Holder**:

**State of New Hampshire, Department of Transportation**  
**P. O. Box 483**  
**Concord, New Hampshire 03302-0483**

**With respect to Project #SBG-09-09-2014: Install PAPI on Runway 8 and Upgrade Electrical Vault.**

This Certificate of Insurance neither affirmatively nor negatively amends, alters, or extends the coverages afforded by the policy described on page 1 of this Certificate of Insurance. Aggregate limits shown may have been reduced by paid claims. We have made provision to provide the Certificate Holder with thirty (30) days prior written notice in the event of cancellation of the above described policy, except that such notice will be ten (10) days for non payment of premium, or such shorter periods as may be required by the automatic termination, review and cancellation provisions of the Extended Coverage - War, Hi-jacking and Other Perils Endorsement and the Nuclear Risks Exclusion Clause, if they form part of the policy.

A handwritten signature in black ink, appearing to read 'Roddy McMullen', written over a horizontal line.

By \_\_\_\_\_  
Roddy McMullen, Executive Underwriter  
(Authorized Representative)







**NOTEPAD:**

HOLDER CODE STATE26  
INSURED'S NAME Steven J Smith Assoc., Inc.

STEVE-6  
OP ID: CL

PAGE 2  
DATE 08/14/14

10 days notice of cancellation will be given per the policy provisions.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**AVENUES BUSINESSOWNERS DELUXE PLATINUM ARCHITECTS  
AND ENGINEERS BROADENING ENDORSEMENT**

This endorsement modifies insurance provided under the following:  
 BUSINESSOWNERS COVERAGE FORM  
 BUSINESSOWNERS LIABILITY SPECIAL BROADENING ENDORSEMENT

**SUMMARY OF COVERAGE LIMITS**

This is a summary of the Coverages and Limits provided by the Deluxe Platinum Architects and Engineers Broadening Endorsement form which is included on this policy. No coverage is provided by this summary. Refer to sections A. and B. to determine the actual coverages and limits provided.

<b>A</b>	<b>Section I – Property Scheduled Coverages</b>	<b>Limit</b>	<b>Page</b>
1	Accounts Receivable Off Premises or In Transit Accounts Receivable On Premises	\$250,000 \$250,000	2
2	Backup or Overflow of a Sewer, Drain or Sump	\$25,000	3
3	Brands and Labels	Included	3
4	Business Income and Extra Expense from Dependent Properties	\$50,000	4
5	Business Income Billable Hours Option	\$25,000	5
6	Business Income Extension from Websites	\$50,000 / 7 days	5
7	Civil Authority	4 weeks; 24 hour waiting period	6
8	Claims Expense	\$10,000	6
9	Computer Equipment Computer Equipment In Transit or Off Premises Computer Equipment – Newly Acquired or Constructed Property	Included \$100,000 \$100,000	7
10	Computer Fraud and Funds Transfer Fraud	\$10,000	7
11	Consequential Loss to Stock	Included	8
12	Contractual Penalties	\$25,000	8
13	Covered Property – Amended Building Definition	Included	9
14	Employee Dishonesty Including ERISA Compliance	\$25,000	9
15	Expediting Expenses	\$25,000	9
16	Extended Business Income	90 days	10
17	Fine Arts	\$100,000	10
18	Fire Department Service Charge	\$25,000	10
19	Fire Extinguisher Systems Recharge	\$25,000	11
20	Forgery and Alteration	\$25,000	11
21	Garages, Storage Buildings and Other Appurtenant Structures	\$50,000	11
22	Hired Auto – Physical Damage	\$50,000	11
23	Identity Theft Expenses	\$15,000	12
24	Interruption of Computer Operations Interruption of Computer Operations – Off Premises	\$500,000 \$25,000/\$50,000	14
25	Laptop Computer Coverage Worldwide	\$10,000	15
26	Marring and Scratching	Included	15
27	Money and Securities – Inside the Premises Money and Securities – Outside the Premises	\$25,000 \$25,000	16
28	Money Orders and Counterfeit Paper Currency	\$25,000	16
29	Newly Acquired or Constructed Property	180 days	16
30	Newly Acquired Business Income	\$500,000	16
31	Non-owned Detached Trailers	\$5,000	16
32	Ordinance or Law – Demolition Cost and Increased Cost of Construction	\$25,000	17
33	Ordinance or Law (Tenant's Improvement Extension)	Included	17

Includes copyrighted material of Insurance Services Office, Inc. with its permission



<b>A</b>	<b>Section I – Property Scheduled Coverages</b>	<b>Limit</b>	<b>Page</b>
34	Ordinance or Law – Increased Period of Restoration	\$50,000	18
35	Outdoor Property	\$25,000	19
36	Personal Effects	\$25,000	19
37	Personal Property in Transit	Included	19
38	Personal Property Off Premises	\$50,000	19
39	Precious Metal Theft Payment Changes	\$25,000	19
40	Preservation of Property	90 days	19
41	Preservation of Property – Expense	\$25,000	19
42	Salesperson's Samples	\$25,000	20
43	Temporary Relocation of Property	\$25,000	20
44	Tenant Building Insurance - When Lease Requires You Provide Insurance	\$25,000	20
45	Tenant Sign	Included	20
46	Transit Business Income and Extra Expense	\$50,000	21
47	Utility Services – Direct Damage Utility Services – Business Income	\$25,000 \$25,000	21
48	Valuable Papers and Records Off Premises or In Transit Valuable Papers and Records On Premises	\$100,000 \$100,000	22
49	Virus and Hacking Coverage	\$100,000	22
50	Worldwide Property Off Premises	\$50,000	22

<b>B.</b>	<b>Section II – Liability Changes</b>	<b>Limit</b>	<b>Page</b>
1	Additional Insured by Contract, Agreement or Permit – Amended		22
2	Additional Insured by Contract, Agreement or Permit – Primary and Non-contributory		23
3	Aggregate Limit of Insurance (Per Project)		23
4	Broadened Damage to Premises Rented to You	See Limit on Declarations	23
5	Limits of Insurance – Medical Expenses	\$10,000	24
6	Newly Acquired or Formed Organizations	180 days	24
7	Nonowned Watercraft	75 feet	24
8	Who Is An Insured – Unnamed Joint Venture		24

## COVERAGES

- I. This endorsement amends coverage provided under the Businessowners Coverage Form through new coverages and broader coverage grants.
- II. This coverage is subject to the provisions applicable to the Businessowners Coverage Form, including Deductibles, except as provided below.
- III. If any of the property covered by this endorsement is also covered under other provisions of this endorsement, or of the policy this endorsement is made a part of, in the event of loss or damage, you may choose only one of these coverages to apply to that loss.

In this event, the most we will pay is the limit that applies to the coverage you select. The limits of other potentially applicable coverages may not be combined to attain a higher limit.

- IV. We provide no Business Income; Extended Business Income; Extra Expense; or Business Income / Extra Expense from Dependent Properties coverage for any of the coverages included as part of this endorsement unless specifically stated, and then only to the extent provided for within that Scheduled or Blanket Coverage's provisions.

### A. SCHEDULED COVERAGES

#### 1. Accounts Receivables



Under **Section I – Property A. 6. Coverage Extensions, f. Accounts Receivables**, paragraph (2) is replaced by the following:

- (2) The most we will pay under this Coverage Extension for loss or damage in any one "occurrence" at the described premises is \$250,000, unless a higher Limit of Insurance for accounts receivable is shown in the Additional Property Coverage Schedule.

For accounts receivable while at a bank or savings institution, within your living quarters or the living quarters of your partners or any "employee" having use and custody of the property, at the described premises or in transit between any of these places, the most we will pay is \$250,000.

**2. Backup or Overflow from a Sewer, Drain or Sump**

Under **Section I – Property A. 5. Additional Coverages**, the following is added:

**gg. Backup or Overflow of Sewers, Drains or Sumps**

- (1) We will pay for damage or loss to Covered Property at the described premises, solely caused by or resulting from water or waterborne material carried or moved by water that backs up or overflows or that is otherwise discharged from a sewer, drain, sump or sump pump.
- (2) For purposes of this Additional Coverage only, under **Section B. 1. Exclusions**, exclusion **g.(3)** is deleted.
- (3) The most we will pay under this Additional Coverage for loss or damage to Covered Property at a premises described in the Declarations is \$25,000 per "occurrence". This Additional Coverage does not increase the Limits of Insurance.

**(4) Special Limitations**

**THIS IS NOT FLOOD  
INSURANCE OR  
PROTECTION FROM AN**

**INUNDATION OF SURFACE WATER, HOWEVER CAUSED.**

In supplement to **B. Exclusions, 1.g. Water**, of the Businessowners Coverage Form, the following applies to this coverage:

This coverage is intended to provide insurance for damage by backup or overflow of sewers, drains or sumps when such event is a localized incident and not part of a general, widespread flood water event.

We will not pay for loss or damage to property when the backup or overflow of a sewer, drain or sump is itself caused by any flood or general flooding conditions – including but not limited to those enumerated under exclusion **g. Water**.

Flood and flooding conditions also means surface water or other inundation of water, whether caused directly or indirectly by weather conditions, or due to overflow or breach of dams, levees, canals, retaining structures of any kind, or other structure designed to, at least in part, restrain or redirect water or any combination of the foregoing; overflow or redirection of streams, ponds, lakes, oceans or other bodies of water, or their spray, whether driven by wind or not and whether or not caused directly or indirectly by weather conditions, or any combination of the foregoing.

All portions of the above definition apply whether or not the cause of the back up can be traced to the fault of man, including that of a third party.

**3. Brands and Labels**

Under **Section I – Property A. 6. Coverage Extensions**, the following is added:

**k. Brands and Labels**

If Covered Property that has a brand or label is damaged by a Covered Cause of Loss, and we elect to take all or any part of the property at an agreed or appraised value, you may





elect to extend the insurance that applies to your Business Personal Property to pay expenses incurred to:

Stamp salvage on the property or its container, if the stamp will not physically damage the property; or

Remove the brand or label, if doing so will not physically damage the property or its container, and re-label the merchandise or its containers to comply with the law.

Payment of these expenses is included within the applicable Limit of Insurance.

**4. Loss of Business Income and Extra Expense from Dependent Properties**

Under **Section I - Property A. 5. Additional Coverages, m. Business Income from Dependent Properties**, the heading and paragraph (1) are deleted and replaced by the following:

**I. Loss of Business Income and Extra Expense from Dependent Properties**

**Business Income from Dependent Properties**

(1) We will pay for the actual loss of Business Income (not including **Extended Business Income**), you sustain due to direct physical loss or damage at the premises of a "dependent property" caused by or resulting from a Covered Cause of Loss.

The most we will pay under this Additional Coverage is \$50,000 per "occurrence", regardless of the number of "dependent properties" affected.

The "dependent property" must be located in the coverage territory.

The following is added after item m.(7) of **Business Income and Extra Expense from Dependent Properties**:

**Extra Expense from Dependent Properties**

(1) We will pay the necessary Extra Expense you incur, that you would not have incurred had there been no direct physical loss of or damage at the premises of a "dependent property" caused by or resulting from any Covered Cause of Loss.

The incurred expense must be related to your business activities As provided in Paragraph (2) below and deal with your actions to assist your own business activities. We will not pay any expenses incurred that directly or indirectly serve to speed, or otherwise assist, recovery of an affected dependent property.

The most we will pay under this Additional Coverage is \$50,000 per "occurrence", regardless of the number of "dependent properties" affected.

The "dependent property" must be located in the coverage territory.

(2) Extra Expense means expense incurred by you:

(a) To avoid or minimize the "suspension" of business and to continue "operations", or

(b) To minimize the "suspension" of business if you cannot continue "operations",

due to covered loss of or damage to a "dependent property" or properties.

(3) We will only pay for Extra Expense that occurs within 12 consecutive months immediately following the date of direct physical loss or damage to the dependent property.

(4) The Extra Expense coverage period, as stated in paragraph (3), does not include any increased period required due to the enforcement of any ordinance or law that:

(a) Regulates the construction, use or repair, or requires the tearing down of any property; or

(b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

(5) The following also apply to this Additional Coverage:

(a) Extra Expense, item g.(4); and

(b) **Section I - Property, 5. Additional Coverages, f. Loss of Business Income, paragraph (4) Resumption of Operations, paragraph (b).**



The expiration date of this policy will not reduce the Extra Expense coverage period.

#### **5. Business Income – Billable Hours Option**

Under **Section I – Property E. Property Loss Conditions** of the Businessowners Coverage Form, paragraph 5., the following is added:

i. A covered loss under the Business Income and Extra Expense coverage may be adjusted on the following basis at your option:

- (1) You may choose to have your Business Income loss paid on a billable hours basis.
- (2) If you choose to elect this optional loss settlement method for loss caused by any one "occurrence", it will not be necessary to calculate lost Business Income and Extra Expense as required under Additional Coverages f. and g. of the Businessowners Coverage Form.
- (3) If you choose this option, under **Section I – Property, A.5. Additional Coverages**, paragraph (c) under f. **Loss of Business Income**, is replaced with the following:

(c) Business Income means the:

- (1) The income that would have been generated from billable hours normally charged by you to your clients for services performed by you or your employees if no physical loss or damage occurred; and
- (2) Other income of your business that would have been incurred if no physical loss or damage occurred, and

(3) Continuing normal operating expenses incurred.

(4) The most we will pay for loss of business income under the billable hours option in any one "occurrence" is \$25,000.

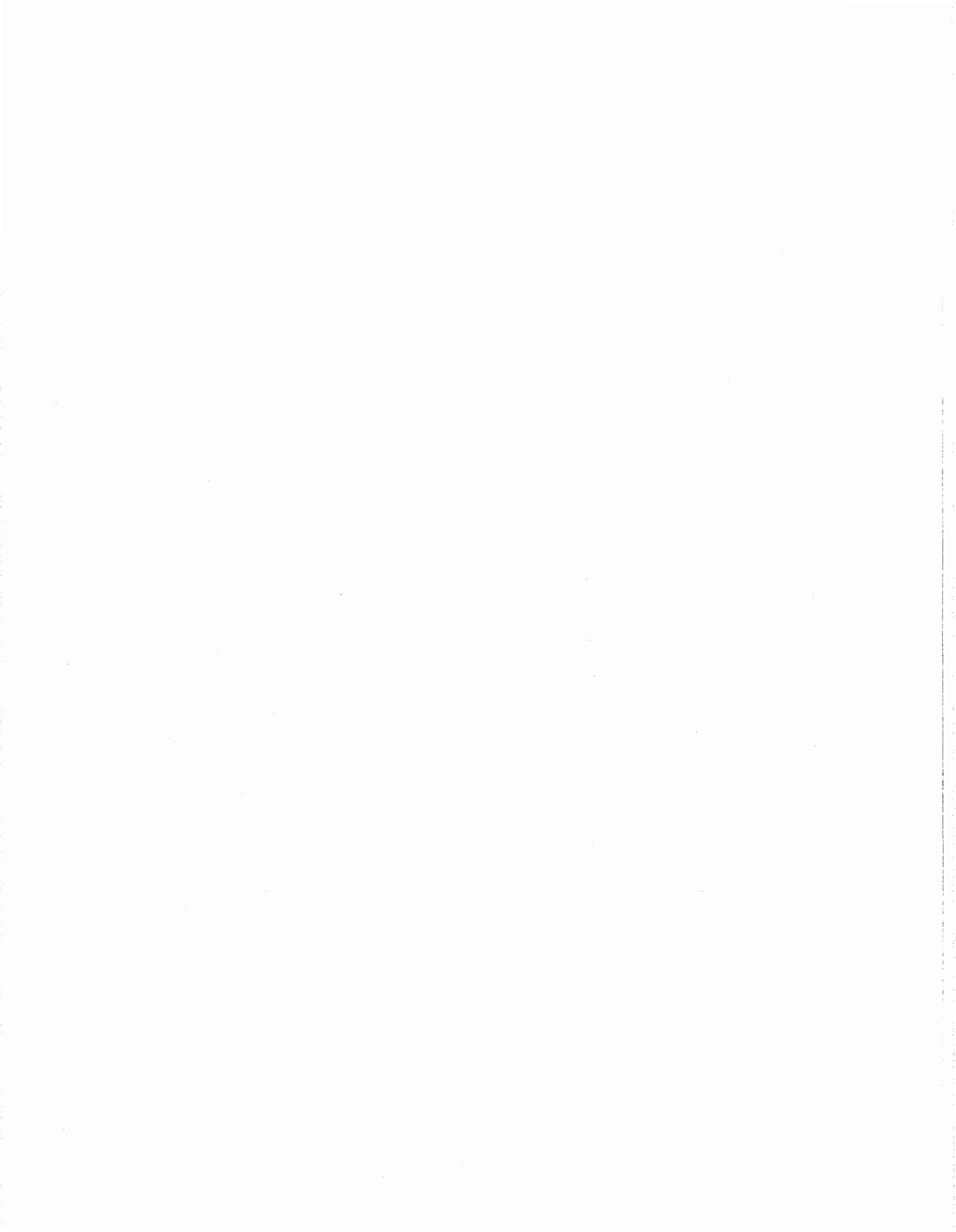
(5) For any "occurrence", the two available methods for adjusting and calculating business income and extra expense loss may not be combined. When the alternative billable hours approach described above is selected, you are not entitled to make claim for loss exceeding \$25,000 on an actual loss sustained basis.

#### **6. Business Income from Websites**

Under **Section I – Property A. 5. Additional Coverages**, the following is added:

##### **hh. Business Income from Websites**

- (1) You may extend this insurance to apply to a "suspension" of "operations" caused by direct physical loss or damage to property that you depend on for "web site and communications services" from a Covered Cause of Loss.
- (2) We will not pay for any loss of Business Income you incur during the first 12 hours that immediately follows the time when you first discovered the Covered Cause of Loss. This Waiting Period does not apply to Extra Expense.
- (3) The most we will pay for the actual loss of Business Income and necessary and reasonable Extra Expense in any one "occurrence" under this Additional Coverage is \$50,000



and only for the 7-day period immediately following the Covered Cause of Loss.

- (4) Coverage does not apply to Websites unless there is a duplicate or back-up copy of your Web Page stored at a location that is at least 1,000 feet away from the premises of the vendor that provides "web site and communications services".

(5) "Web Site and Communication Services" means:

(a) Internet access, e-mail, web hosting, value added network services and application software services at the premises of others; or

(b) Network and router infrastructure services, including cable and wireless, located more than 1,000 feet from the described premises.

This Additional Coverage is not subject to the Limits of Insurance under **Section I – Property**.

## 7. Civil Authority

Under **Section I – Property, A.5. Additional Coverages, Paragraph i. Civil Authority**, is replaced with the following:

### i. Civil Authority

When Loss of Business Income Coverage is provided under this policy:

We will pay for the actual loss of Business Income (not including **Extended Business Income**), you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to property within 1 mile of the described premises, caused by or resulting from any Covered Cause of Loss.

The coverage for Business Income will begin 24 hours after the time of

that action and will apply for a period of up to three consecutive weeks after coverage begins.

The coverage for necessary Extra Expense will begin immediately after the time of that action and ends:

- (1) 4 consecutive weeks after the time of that action; or
- (2) When your Business Income coverage ends;

whichever is later.

The definitions of Business Income and Extra Expense contained in the Business Income and Extra Expense Additional Coverages also apply to this Civil Authority Additional Coverage. The Civil Authority Additional Coverage is not subject to the Limits of Insurance of **Section I – Property**.

## 8. Claims Expense

Under **Section I – Property A. 6. Coverage Extensions, j. Inventory and Loss Appraisal is deleted and replaced with:**

### j. Claims Expense

(1) We will pay all reasonable expenses you incur at our request to assist us in:

- (a) The investigation of a claim;
- (b) The determination of the amount of loss, such as taking inventory; or
- (c) The cost of preparing specific loss documents and other supporting exhibits.

(2) We will not pay for expense:

- (a) Incurred to perform your duties in the event of a loss under **Section E. Property Loss Conditions**;
- (b) To prove that loss or damage is covered;
- (c) Billed by or payable to independent or public adjusters, attorneys or similar entities sponsored by them;
- (d) To prepare claims not covered by this policy; or
- (e) Incurred under any appraisal provision within the policy

(3) The most we will pay under this coverage extension \$10,000.



- (4) The deductible does not apply to this Coverage Extension.

#### 9. Computer Equipment

- (a) Under **Section I – Property, A.5. Additional Coverages**, Paragraph (4) under r. **Computer Equipment** is replaced with the following:

- (4) The most we will pay for any loss under this Additional Coverage for the Covered Property listed in (1)(a – d) above, is the Limit of Insurance shown in the Declarations for Business Personal Property at the described premises.

This Additional Coverage does not increase the applicable Limit of Insurance shown for Business Personal Property. **Section I - Property. Exclusions B.1.b. and B.1.g.** do not apply to this Additional Coverage.

- (b) Under **Section I – Property A.5. Additional Coverages**, r. **Computer Equipment**, the following is added to paragraph (4):

The most we will pay for direct physical loss or damage to Covered Property listed in (1)(a –d) in any one occurrence while in transit or at a premises other than the described premises is \$100,000.

- (c) Under **Section I – Property A.5. Additional Coverages**, r. **Computer Equipment**, the following is added to paragraph (4):

The most we will pay for property listed in (1)(a – d) in any one "occurrence" for such property that you newly acquire is \$100,000.

With respect to newly acquired property under this Additional Coverage, coverage will end when any of the following occurs:

- (a) The policy expires;  
(b) 180 days after you acquire the property listed in (1)(a – d);

- (c) You report values to us.

#### 10. Computer Fraud and Funds Transfer Fraud

Under **Section I – Property A.5. Additional Coverages**, the following is added:

#### ii. Computer Fraud and Funds Transfer Fraud

- (1) The Computer Fraud And Funds Transfer Fraud Coverage Limit shown below is the most we will pay for loss of and damage to "money", "securities" and "other property" following and directly related to the use of any computer to fraudulently cause a transfer of that property from inside the described premises, bank or savings institution:

- (a) To a person (other than a messenger) outside those premises; or

- (b) To a place outside those premises.

- (2) The most we will pay for loss of "money" and "securities" resulting directly from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "money" and "securities" from your "transfer account" is \$10,000 per "occurrence" regardless of the number of "fraudulent instructions" involved.

- (3) The following exclusion is added to Paragraph **A.5.s.(5) Money And Securities** Additional Coverage:

- (d) Or damage to "money" and "securities" following and directly related to the use of any computer to fraudulently cause a transfer of that property from inside the described premises, bank or savings institution:

1. To a person (other than a messenger) outside those premises; or

2. To a place outside those premises.

- (4) The following are added to Paragraph **G. Property Definitions**:





33. "Fraudulent instruction" means:

(a) An electronic, telegraphic, cable, teletype, telefacsimile or telephone instruction which purports to have been transmitted by you, but which was in fact fraudulently transmitted by someone else without your knowledge or consent;

(b) A written instruction (other than those described in Paragraph A.5.k.) issued by you, which was forged or altered by someone other than you without your knowledge or consent or which purports to have been issued by you, but was in fact fraudulently issued without your knowledge or consent; or

(c) An electronic, telegraphic, cable, teletype, telefacsimile, telephone or written instruction initially received by you which purports to have been transmitted by an employee but which was in fact fraudulently transmitted by someone else without your or the employee's knowledge or consent.

34. "Other property" means any tangible property other than "money" and "securities" that has intrinsic value but does not include any property excluded under this policy.

35. "Transfer account" means an account maintained by you at a financial institution from which you can initiate the transfer, payment or delivery of "money" and "securities":

(a) By means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly through an electronic funds transfer system; or

(b) By means of written instructions (other than those described in Paragraph A.5.k.) establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic funds transfer system.

#### 11. Consequential Loss to Stock

Under Section I – Property A.6. Coverage Extensions, the following is added:

##### I. Consequential Loss to Stock

(1) You may extend the insurance that applies to your Business Personal Property to apply to the reduction in value of the remaining parts of "stock" in the process of manufacture that are physically undamaged but are unmarketable as a completed product because of direct physical loss or damage from a Covered Cause of Loss to other parts of covered "stock" in process of manufacture at the described premises.

(2) However, when replacement of the lost or damaged "stock" will avoid or reduce a consequential loss as provided in (1) above, coverage will apply only to the extent that consequential loss remains after the remanufacture or securing of the lost or damaged "stock".

(3) Payment under this Coverage Extension is included within the applicable Limit of Insurance.

#### 12. Contractual Penalties

Under Section I - Property A.6. Coverage Extensions, the following is added:



**m. Contractual Penalties**

You may extend your Business Income coverage to apply to penalties that are imposed by a written contract between you and your customers. These penalties must:

- (1) Result from your failure to timely deliver your product according to contract terms;
- (2) Result from direct physical loss or damage by a Covered Cause of Loss; and
- (3) Have been paid to your customer.

The most we will pay under this Extension is \$25,000.

**13. Covered Property – Amended Building Definition**

(a) Under **Section I – Property, A. Coverage, 1. Covered Property**, the following is added to Paragraph a.:

(9) Foundations of buildings, structures, machinery or boilers if their foundations are below:

- (a) The lowest basement floor; or
- (b) The surface of the ground, if there is no basement;

(10) Retaining walls that are not part of a building;

(11) Underground pipes, flues or drains;

(12) Fences.

(b) Under **Section I – Property, A. Paragraph 2. Property Not Covered**, Paragraphs o., r., and s. are deleted.

(c) We will not pay for loss or damage to retaining walls that are used in whole or in part, to contain water.

(d) Under **Section I – Property A.5. Additional Coverages**, paragraph y. **Fences and Walls** is replaced with the following:

**y. Walls**

(1) When caused by or resulting

from a Covered Cause of Loss, we will pay for direct physical loss to walls, other than retaining walls, whether or not attached to buildings or other structures, which you own at the described premises.

(2) This Additional Coverage is available only when a Limit of Insurance is shown in the Declarations for Buildings.

(3) The most we will pay for any loss under this Additional Coverage is \$2,500.

(4) This Additional Coverage is not subject to the Limits of Insurance of **Section I – Property**.

(e) Under **Section I – Property A.2. Property Not Covered**, Paragraph h. is replaced with the following:

h. Outdoor walls, other than retaining walls, trees, shrubs or plants, all except as provided in the:

- (1) Outdoor Property Coverage Extension; or
- (2) Walls Additional Coverage;

**14. Employee Dishonesty Including ERISA Compliance.**

Under **Section I – Property A.5. Additional Coverages, p. Employee Dishonesty**, paragraph (3) is replaced by the following:

(3) The most we will pay for loss or damage in any one "occurrence" is \$25,000 or the amount shown in the Additional Property Coverage Schedule. The amount payable under this Additional Coverage is not subject to the Limits of Insurance for **Section I – Property**.

**15. Expediting Expenses**

Under **Section I – Property A.5. Additional Coverages**, the following is added:

**jj. Expediting Expenses**

1. When a Covered Cause of Loss occurs to Covered Property, we will pay for the reasonable and necessary



additional expenses you incur to:

- (a) Make temporary repairs;
  - (b) Expedite permanent repair or replacement of damaged property; or
  - (c) Provide training on replacement machines or equipment.
- (2) The most we will pay for loss under this Additional Coverage is \$25,000 per "occurrence".
- (3) The amount payable under this Additional Coverage is not subject to **Section I – Limits of Insurance**.

#### 16. Extended Business Income

Under **Section 1 – Property A.5 Additional Coverages, f. Business Income** paragraph (2) **Extended Business Income** is replaced with the following:

##### (2) Extended Business Income

- (a) If no Business Income Coverage is provided under this policy, then there is no Extended Business Income Coverage afforded under this policy.
- (b) If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:
  - (1) Begins on the date covered property except finished stock is actually repaired, rebuilt or replaced (to the extent necessary to resume operations) and "operations" are resumed; and
  - (2) Ends on the earlier of:
    - (i) The date you could restore your "operations", with reasonable speed, to the level which would generate the Business Income amount that would have existed if no direct physical loss or damage had occurred; or

- (ii) The later of 90 consecutive days or the number of consecutive days shown in the Additional Property Coverage Schedule for this Additional Coverage after the date determined in (2)(b) above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

- (c) Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

#### 17. Fine Arts

Under **Section I – Property A.5. Additional Coverages, x. Fine Arts**, paragraph (2) and (4) are replaced by the following:

- (2) Regardless of the number of insured locations affected, the most we will pay per "occurrence" under this Additional Coverage is \$100,000.
- (4) Exclusions B.1.b., B.1.e., B.1.g., 2.a., and 2.c. do not apply to this Additional Coverage.

Under **Section I – Property G. Definitions**, Paragraph 13. is replaced with the following:

13. "Fine Arts" means architectural models, paintings, etchings, pictures, tapestries, rare art glass, art glass windows, valuable rugs, statuary, sculptures, "antique" furniture, "antique" jewelry, bric-a-brac, porcelains, and similar property of rarity, historical value, or artistic merit.

#### 18. Fire Department Service Charge

Under **Section I – Property A.5. Additional Coverages, c. Fire Department Service Charge** is deleted and replaced with:

##### c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$25,000 for your



liability for fire department services unless a higher Limit of Insurance is shown in the Declarations if:

- (1) Assumed by contract or agreement prior to the loss; or
- (2) Required by local ordinance.

This Additional coverage is not subject to the Limits of Insurance of **Section I – Property**.

#### **19. Fire Extinguisher Systems Recharge**

Under **Section I – Property A.5. Additional Coverages**, paragraph **o. Fire Extinguisher Systems Recharge Expense**, is replaced with the following:

##### **o. Fire Extinguisher Systems Recharge Expense**

- (1) When caused by or resulting from a Covered Cause of Loss, we will pay:
  - (a) The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged on or within 1000 feet of the described premises; and
  - (b) For loss or damage to Covered Property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or a fire extinguishing system.
- (2) No coverage will apply if the fire extinguishing system is discharged during installation or testing or due to the maintenance of equipment.
- (3) The most we will pay under this Additional Coverage is \$25,000 in any one "occurrence". The deductible does not apply to these expenses.

#### **20. Forgery and Alteration**

Under **Section I – Property A.5. Additional Coverages**, **k. Forgery and Alteration**, paragraph (5) is replaced by the following:

- (5) The most we will pay for any loss,

including legal expenses, under this Additional Coverage is \$25,000.

#### **21. Garages, Storage Buildings and Other Appurtenant Structures**

Under **Section I – Property, A.6. Coverage Extensions**, paragraph **h. Garages, Storage Buildings and Other Appurtenant Structures**, is replaced with the following:

##### **h. Garages, Storage Buildings and Other Appurtenant Structures**

You may extend the insurance that applies to Building to apply to garages, storage buildings and other appurtenant structures, including, but not limited to, swimming pools; spas; and the associated equipment within 1000 feet of the described premises.

The most we will pay for loss or damage under this Extension is \$50,000 at each described premises regardless of the number of buildings or structures affected.

#### **22. Hired Auto – Physical Damage**

Under **Section I - Property A. 5. Additional Coverages**, the following is added:

##### **kk. Hired Auto – Physical Damage**

- (1) We will pay for loss to an "auto" you lease, hire or rent. For purposes of this Additional Coverage, "employees", officers, members and directors are insured when the "auto" is leased, hired or rented for travel on a short term basis but only with respect to the conduct of the insured's business. This does not include any "auto" you lease, hire or rent from any of your "employees", partners or members of their households.

We will pay for loss to a covered "auto" or its equipment caused by:

##### **(a) Comprehensive coverage**

From any cause except:

- (i) The covered "auto's" collision with another object; or
- (ii) The covered "auto's" overturn.





**(b) Collision coverage**

Caused by:

- (i) The covered "auto's" collision with another object; or
- (ii) The covered "auto's" overturn.

**(2) Under Section I - Property A. 2., the following replaces Property Not Covered:**

**Property Not Covered**

We will not pay for loss to any of the following:

- (a) Any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity.
  - (b) Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
  - (c) Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.
  - (d) Any electronic equipment, without regard to whether this equipment is permanently installed, that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound.
- (3) For insurance provided by this Additional Coverage, under Section B. Exclusions, only the following exclusions apply:**
- (a) Paragraph B. 1. d., Nuclear Hazard; and
  - (b) Paragraph B. 1. f., War and Military Action.

The following additional exclusions will apply to this Additional Coverage:

**(a) False Pretense**

We will not pay for loss to a covered "auto" caused by or resulting from someone causing you to voluntarily part with it by trick or scheme or under false pretenses; or

**(b) We will not pay for loss caused by or resulting from:**

Wear and tear; freezing; mechanical or electrical breakdown; blowouts, punctures or other road damage to tires.

**(4) Section C. Limits of Insurance** is replaced by the following:

The most we will pay for loss to any one covered "auto" is the lesser of:

- (a) The actual cash value of the damaged or stolen property as of the time of loss;
- (b) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
- (c) \$50,000.

**(5) Under Section D. Deductibles, paragraph 5. the following is added:**

A \$1,000 deductible applies to the following Additional Coverage:

- f. **Hired Auto – Physical Damage**

**(6) Under Section G. Definitions, the following is added:**

"Auto" means, a land motor vehicle, trailer or semitrailer.

The amount payable under this Additional Coverage is not subject to the Limits of Insurance for **Section I – Property.**

This coverage is provisional and excess to any other valid insurance whether collectible or not.

**23. Identity Theft Expense**

Under **Section I – Property A. Coverage, 5. Additional Coverages,** the following is added:



## II. Identity Theft Expense

- (1) We will pay for "Expenses" incurred by an "Insured Person" as a direct result of any one "Identity Theft" first discovered or learned of by such "Insured Person" during the policy period.

Any act or series of acts committed by one or more persons, or in which such persons are aiding and abetting others against an "Insured Person", is considered to be one "Identity Theft" even if a series of acts continues into subsequent policy period(s).

- (2) With respect to this Additional Coverage:

(a) "Expenses" means:

- (i) Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;

- (ii) Costs of certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit agencies;

- (iii) Lost income resulting from:

- (aa) Time taken off work to complete fraud affidavits; or

- (bb) Meeting or talking to law enforcement agencies, credit agencies or legal counsel.

- (iv) Loan application fees for reapplying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information;

- (v) Reasonable attorney fees to:

- (aa) Defend lawsuits brought against an "Insured Person" by merchants, financial institutions or their collection agencies;

- (bb) Remove any criminal or civil judgments wrongly entered against an "Insured Person"; or

- (cc) Challenge the accuracy or completeness of any information in a consumer credit report;

- (vi) Charges for long distance telephone calls due to "Identity theft" to:

- (aa) Merchants;

- (bb) Law enforcement agencies;

- (cc) Financial institutions or other similar credit grantors; or

- (dd) Credit agencies

- (vii) Reasonable fees for professional financial advice or professional credit advice.

The most we will pay for "expenses" under Paragraph (2) (a) is \$5,000, subject to a maximum of \$200 per day.

- (b) For purposes of this Additional Coverage, "Identity Theft" means:

The act of knowingly transferring or using, without lawful authority, a means of identification of an "Insured Person" with the intent to commit, or to aid or abet another to commit, any



unlawful activity that constitutes a violation of Federal law or a felony under any applicable state or local law; and

(c) "Insured Person" means:

(i) For sole proprietorships: The individual who is the sole proprietor of the Named Insured shown in the Declarations;

(ii) For partnerships: Any individual that is a partner of the Named Insured shown in the Declarations;

(iii) For corporations or any other type of organization: The Chief Executive Officer, and any individual who has an ownership interest of at least 20% of the Named Insured, shown in the Declarations.

(3) The following additional exclusions apply to this Additional Coverage:

We will not pay for:

(a) Expenses incurred due to any fraudulent, dishonest or criminal acts by:

(i) An "Insured Person";

(ii) Any person aiding or abetting an "Insured Person"; or

(iii) Any authorized representative of an "Insured Person";

whether acting alone or in collusion with others; or

(b) Loss other than "Expenses". Account balances which arise out of fraudulent or unauthorized charges would be one example of loss other than "Expenses".

(4) Regardless of the amount of the deductible for Covered Property shown in the Declarations, the most we will deduct from any

claim for "Expenses" under this Additional Coverage for any one "Identity Theft" is \$250.

(5) The most we will pay under this Additional Coverage for all "Expenses" arising out of all "Identity Theft" against an "Insured Person" incurred in any one policy year, regardless of the number of "Identity Thefts" involved, is \$15,000 unless a higher Limit of Insurance is shown in the Declarations.

(6) In order for coverage to be provided under this Additional coverage, you must send to us, within 60 days after our request, receipts, bills or other records that support your claim for "Expenses" under "Identity Theft" coverage.

#### 24. Interruption of Computer Operations

Under Section I – Property A.5. Additional Coverages, ff. Interruption of Computer Operations, paragraph (3) is replaced by the following:

(3) The most we will pay under this Additional Coverage – Interruption Of Computer Operations for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved is:

(a) \$500,000 unless a higher Limit of Insurance is shown in the Declarations. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.



(b) \$25,000 in any one "occurrence" for interruptions covered under paragraphs (1) and (2) above for loss arising out of a Covered Cause of Loss occurring away from the described premises. This per "occurrence" limit applies regardless of the number of premises involved.

(c) \$50,000 for all losses arising out of interruptions covered under paragraphs (1) and (2) that arise out of a Covered Cause of Loss occurring away from the described premises during each separate 12 month period of this policy.

#### 25. Laptop Computer Coverage Worldwide

Under **Section I – Property A. 5. Additional Coverages**, the following is added:

#### mm. Worldwide Laptop Computer Coverage

(1) We will pay for loss or damage caused by or resulting from a Covered Cause of Loss to laptop computers, palm held or similar portable computers, and their accessories, while anywhere in the world – including while in transit.

(2) This coverage is provided when the property is owned by you or owned by others when in your, or your employees, care, custody or control - subject to **Loss Payment Property Loss Condition** paragraph E.5.d.(3)(b).

(3) Regardless of the number of lost or damaged items listed in (1) above, the most we will pay per "occurrence", including actual loss of Business Income you sustain and necessary Extra Expense you incur, is \$10,000. The amount payable under this Additional Coverage is not subject to the Limits of Insurance for **Section I Property**.

(4) We will not pay for loss or damage to the items listed in (1) above when caused by, resulting from, or arising out of

theft or unexplained loss when the property is baggage checked with a carrier for transit.

(5) **Limitations**, item b. does not apply to this Additional Coverage.

(6) The provisions for Business Income loss will be governed by the terms of **Additional Coverage – f. Loss of Business** except:

(a) Requirements that loss occur within 1000 feet or at the described premises under f.(1) are suspended for this coverage; and

(b) The following items do not apply to this Additional Coverage:

1. f.1.c.(2);

2. f.(2) Extended Business Income; and

3. f.(3)(c)

(7) The provisions for Extra Expense loss will be governed by the terms of **Additional Coverage – g. Extra Expense** except:

(a) Requirements that loss occur within 1000 feet or at the described premises under g.(1) and (2) are suspended for this coverage.

#### 26. Marring and Scratching

Under **Section I - Property A. 6. Coverage Extensions**, the following is added:

#### n. Marring and Scratching

We will pay for loss or damage to Covered Property at the described premises due to sudden and accidental marring and scratching of:

(1) Your "stock";

(2) Your printing plates; and

(3) Property of others that is in your care, custody or control.

This Cause of Loss does not apply to:

(1) Property at other than the described premises; and

(2) Property in transit





Payment under this Extension is included within your Business Personal Property Limit of Insurance.

#### **27. Money and Securities**

Under **Section I – Property, A.5. Additional Coverages**, paragraphs (2)(a) and (2)(b) under **s. Money & Securities**, are replaced with the following:

- (2) The most we will pay for loss in any one "occurrence" is:
- (a) \$25,000 or the amount shown in the Additional Property Coverage Schedule Inside the Premises for "money" and "securities" while:
    - (i) In or on the described premises; or
    - (ii) Within a bank or savings institution in the coverage territory; and
  - (b) \$25,000 or the amount shown in the Additional Property Coverage Schedule Outside the Premises for "money" and "securities" while at any other location listed in (1) above and while in the coverage territory.

This additional coverage is not subject to the Limits of Insurance **Section I – Property**.

#### **28. Money Orders and Counterfeit Paper Currency**

Under **Section I – Property A. 5. Additional Coverages, j. Money Orders and Counterfeit Paper Currency** is replaced by the following:

We will pay for loss resulting directly from your having accepted in good faith, in exchange for merchandise, "money" or services:

- (1) Money orders issued by any post office, express company or bank that are not paid upon presentation; or
- (2) "Counterfeit" paper currency that is acquired during the regular course of business.

Regardless of the number of insured locations involved, the most we will pay per "occurrence" under this Additional Coverage is \$25,000. Payment for loss

is included within the applicable Limit of Insurance.

#### **29. Newly Acquired or Constructed Property:**

Under **Section I – Property A.6. Coverage Extensions**, paragraph (4)(b) is replaced with the following:

- (b) 180 days after you acquire the property or begin construction of that part of the building that would qualify as covered property; or

#### **30. Newly Acquired or Constructed Property – Business Income and Extra Expense**

Under **Section I – Property A.6. Coverage Extensions**, paragraph (3)(a) is replaced with the following:

You may extend the insurance that applies to Business Income and Extra Expense to apply to property at any location you acquire. The most we will pay for loss or damage under this Extension is \$500,000 at each premise.

#### **31. Non-owned Detached Trailers**

Under **Section I – Property, A.6. Coverage Extensions**, the following is added:

##### **o. Non-owned Detached Trailers**

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:

- (a) The trailer is used in your business;

- (b) The trailer is in your care, custody or control at the premises described in the Declarations; and

- (c) You have a contractual responsibility to pay for loss or damage to the trailer.

- (2) We will not pay for any loss or damage that occurs:

- (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized



conveyance is in motion;

- (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.
- (3) The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations. This Coverage Extension is not subject to the Limits of Insurance under **Section I – Property.**
- (4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.
- (5) For purposes of this Coverage Extension only, under **Section I – Property, A. Coverage, Paragraph c. of 2. Property Not Covered** is replaced with the following:
  - c. Automobiles, vehicles, trailers, except as provided in this Coverage Extension for Non-Owned Detached Trailers or other self-propelled machines that are subject to motor vehicle registration.

### **32. Ordinance or Law – Demolition Cost and Increased Cost of Construction**

Under **Section I – Property, A.5. Additional Coverages, paragraph I. Ordinance or Law, (5) Loss Payment,** paragraph (v) is replaced with the following:

- (v) The most we will pay for loss under Demolition Cost and Increased Cost of Construction for each described building insured under this coverage form is \$25,000 or the amount shown in the Additional Property Coverage Schedule. If a damaged building(s) is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for each damaged

building is \$25,000 or the amount shown in the Additional Property Coverage Schedule.

### **33. Ordinance or Law (Tenant's Improvements Extension)**

Under **Section I – Property A. 5. Additional Coverages, I. Ordinance or Law,** paragraph (1) is replaced by the following:

- (1) This Additional Coverage applies only:
  - When a Limit of Insurance for Business Personal Property for the affected building, or buildings, is shown on the Declarations; and then only when Business Personal Property is insured on a replacement cost basis.
- (2) This extension is provisional and excess to any other valid insurance for tenant's improvements and betterments whether collectible or not.

Under **Section I – Property A. 5. Additional Coverages, I. Ordinance or Law, section (5) Loss Payment -** paragraph (c) is replaced by the following:

- (c) The most we will pay, for the total of all covered losses for Demolition Cost and Increased Cost of Construction is the Limit of Insurance shown below. Subject to this combined Limit of Insurance, the following loss payment provisions apply:
  - (i) For Demolition Cost, we will not pay for more than the amount you actually spend to demolish and clear the site of the described premises.
  - (ii) With respect to the Increased Cost of Construction:
    - (1) We will not pay for the increased cost of construction:
      - a. Until the property is actually repaired or replaced, at the same or another premises; and



b. Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years.

(iii) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.

(iv) If the ordinance or law requires relocation to another premise, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.

(v) The most we will pay for loss under Demolition Cost and Increased Cost of Construction for each described building insured under this policy is \$25,000 or the amount shown in the Additional Property Coverage Schedule.

If a damaged building(s) is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage for each damaged building is \$25,000 or the amount shown in the Additional Property Coverage Schedule.

Regardless of the number of locations insured or buildings involved, the most we will pay for loss under Demolition Cost and Increased Cost of Construction for tenant's improvements and betterments for each described premises insured under this coverage form is \$25,000 or the amount shown in the Additional Property Coverage Schedule.

**This Additional Coverage** is not subject to the Limits of Insurance of **Section I – Property**.

#### **34. Ordinance or Law – Increased Period of Restoration**

Under **Section I – Property, A.5. Additional Coverages**, the following is

added to **I. Ordinance or Law**, under Paragraph **(4) Coverage**:

(d) If a Covered Cause of Loss occurs to property at the premises described in the Declarations, coverage is extended to include the amount of actual and necessary loss you sustain during the increased period of "suspension" of "operations" caused by or resulting from the enforcement of any ordinance or law that:

(1) Regulates the construction or repair of any property;

(2) Requires the tearing down of parts of any property not damaged by a Covered Cause of Loss; and

(3) Is in force at the time of loss.

However, coverage is not extended under this endorsement to include loss caused by or resulting from the enforcement of any ordinance or law which requires:

(1) The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or

(2) Any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

(e) The most we will pay for loss under Ordinance or Law – Increased Period of Restoration is \$50,000 for each described building insured under this coverage form or the amount shown in the Additional Property Coverage Schedule. If a damaged building(s) is covered on a blanket Limit of Insurance which applies to more than one building or



item of property, then the most we will pay for Ordinance or Law – Increased Period of Restoration for each described building is \$50,000.

The Ordinance or Law – Increased Period of Restoration coverage is not subject to the Limits of Insurance of **Section I – Property**.

### 35. Outdoor Property

Under **Section I – Property A. 6. Coverage Extensions, c. Outdoor Property, paragraph (4)** is replaced by the following:

- (4) Regardless of the number of insured locations involved, the most we will pay for loss or damage under this Extension is \$25,000 per “occurrence”, but not more than \$1,000 for any one tree, shrub or plant, or \$2,000 for any one antenna or satellite dish.

### 36. Personal Effects

Under **Section I – Property A. 6. Coverage Extensions, d. Personal Effects**, the last paragraph is replaced by the following:

The most we will pay for loss or damage under this Extension is \$25,000 at each described premises.

### 37. Personal Property in Transit

Under **Section I – Property A. 6. Coverage Extensions, i. Personal Property in Transit, paragraph (5)** is replaced by the following:

- (5) The most we will pay for loss or damage under this Coverage Extension is the Limit of Insurance for Business Personal Property shown in the Declarations.

### 38. Personal Property Off Premises

Under **Section I – Property A.6. Coverage Extensions, Paragraph b. Personal Property Off Premises**, is replaced with the following:

#### b. Personal Property Off Premises

- (1) You may extend the insurance that applies to Business Personal Property while:
- (a) Temporarily at a location you do not own, lease or operate; or

(b) At any fair, trade show or exhibition.

- (2) The most we will pay for loss or damage under this Coverage Extension is \$50,000 per “occurrence” or the amount shown in the Additional Property Coverage Schedule, whichever is greater.

### 39. Precious Metal Theft Payment Changes

Under **Section I – Property A.4. Limitations, Paragraph c.** is replaced with the following:

- c. For loss or damage by “theft”, the following types of property are covered only up to the limits shown:
- (1) \$10,000 for furs, fur garments and garments trimmed with fur.
- (2) \$10,000 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones. This limit does not apply to jewelry and watches worth \$250 or less per item.
- (3) \$25,000 for bullion, gold, silver, platinum and other precious alloys or metals.

### 40. Preservation of Property

Under **Section I – Property, A.5. Additional Coverages, paragraph b. Preservation of Property**, is replaced with the following:

- b. If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss of or damage to that property:
- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 90 days after the property is first moved.

This Additional Coverage does not increase the applicable Limit of Insurance.

### 41. Preservation of Property – Expense





Under **Section I – Property, A.5. Additional Coverages**, the following is added:

**nn. Preservation of Property - Expense**

- (1) If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay your expenses to move or store the Covered Property.
- (2) This coverage applies for 90 days after the property is first moved, but does not extend past the date on which this policy expires.
- (3) The most we will pay under this Additional Coverage is \$25,000 or the limit shown in the Amended Limits of Insurance Endorsement. This Additional Coverage is not subject to **Section I – Limits of Insurance**.

**42. Salesperson's Samples**

Under **Section I - Property A. 5. Additional Coverages, z. Salesperson's Samples**, paragraph (2) is replaced by the following:

- (2) The most we will pay for any loss under this Additional Coverage is \$25,000 per "occurrence". This Additional Coverage is not subject to the Limits of Insurance of **Section I – Property**.

**43. Temporary Relocation of Property**

Under **Section I – Property, A.5. Additional Coverages**, the following is added:

**oo. Temporary Relocation of Property**

- (1) We will pay for loss of or damage to Covered Property from a Covered Cause of Loss while it is away from the described premises, if it is being stored temporarily at a location you do not own, lease or operate while the described premises is being renovated or remodeled.

- (2) This coverage applies for 90 days after the property is first moved, but does not extend past the date on which this policy expires.

- (3) The most we will pay under this Additional Coverage is \$25,000. This Additional Coverage is not subject to **Section I – Limits of Insurance**.

**44. Tenant Building Insurance – When Lease Requires You Provide Insurance**

Under **Section I – Property A. 5. Additional Coverages**, the following is added:

**oo. Tenant Building Insurance – When Lease Requires You Provide Insurance**

- (1) When a Limit of Insurance for Business Personal Property and when caused by a Covered Cause of Loss, we will pay for direct physical loss or damage to a described building under this policy and in your care, custody or control for which you have a written contractual responsibility to insure.
- (2) Regardless of the number of described buildings affected, the most we will pay per insured location under this Additional Coverage is \$25,000 per "occurrence".

**45. Tenant Sign**

Under **Section I – Property A. 5. Additional Coverages, t. Tenant Signs**, is replaced by the following:

- (1) When caused by or resulting from a Covered Cause of Loss, we will pay for direct physical loss of or damage to all tenant signs at the described premises:
  - (a) Owned by you; or
  - (b) Owned by others but in your care, custody or control.
- (2) The most we will pay for loss or damage in any one "occurrence" is



the Limit of Insurance for Business Personal Property shown in the Declarations.

- (3) This Additional Coverage is available only when the Named Insured is a tenant and a Limit of Insurance is shown in the Declarations Page for Business Personal Property.
- (4) This Additional Coverage does not increase the Business Personal Property Limits of Insurance.

#### 46. Transit Business Income and Extra Expense

Under Section I - Property A. 6. Coverage Extensions, the following is added:

##### p. Transit Business Income and Extra Expense

You may extend your Business Income or Extra Expense coverages to apply to the actual loss of Business Income (not including **Extended Business Income**) or Extra Expense you sustain due to direct physical loss or damage to Covered Property "in transit" caused by or resulting from a Covered Cause of Loss.

The most we will pay for loss under this Extension is \$50,000.

#### 47. Utility Services

Under Section I - Property A.5. Additional Coverages, cc. Utility Services, paragraphs (1), (2) and (3) are replaced by the following:

- (1) We will pay for loss of or damage to Covered Property caused by the interruption of service to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to property not on the described premises that provides the services shown below in paragraph (3). The most we will pay for any loss under this Additional Coverage is \$25,000.
- (2) We will pay for loss of Business Income (not including **Extended Business Income**) or Extra Expense caused by the interruption of service at the described

premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to property not on the described premises that provides the services shown below in paragraph (3).

We will only pay for loss you sustain after the first 24 hours following the direct physical loss or damage to the property described above. The most we will pay for any loss under this Additional Coverage is \$25,000.

#### (3) Services:

(a) Water Supply Services, meaning the following types of property supplying water to the described premises:

- (i) Pumping stations; and
- (ii) Water mains.

(b) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- (i) Communication transmission lines, including optic fiber transmission lines;
- (ii) Coaxial cables; and
- (iii) Microwave radio relays except satellites.

The above includes overhead transmission lines.

(c) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:

- (i) Utility generating plants;
- (ii) Switching stations;
- (iii) Substations;
- (iv) Transformers; and
- (v) Transmission lines,

The above includes overhead transmission lines.



The definitions of Business Income and Extra Expense contained in the Business Income and Extra Expense Additional Coverages also apply to this Utility Services Additional Coverage.

#### **48. Valuable Papers and Records**

Under **Section I – Property A. 6. Coverage Extensions, e. Valuable Papers and Records**, paragraph (3) is replaced with the following:

- (3) The most we will pay under this Coverage Extension for loss or damage to "valuable papers and records" in any one "occurrence" at the described premises is \$100,000, unless a higher Limit of Insurance for "valuable papers and records" is shown in the Additional Property Coverage Schedule.

For "valuable papers and records" while at a bank or savings institution, within your living quarters or the living quarters of your partners or any "employee" having use and custody of the property, at the described premises or in transit between any of these places, the most we will pay is \$100,000.

#### **49. Virus and Hacking Coverage**

Under **Section I – Property, A.5. Additional Coverages**, paragraphs (5) and (6) under **ee. Virus and Hacking Coverage**, are replaced with the following:

- (5) The most we will pay for loss of or damage to computer "hardware" or "software" in any one occurrence under this Additional Coverage is \$5,000. The most we pay for all covered losses to computer "hardware" or "software" under this Additional Coverage during each separate 12-month period of this policy is \$100,000.
- (6) The most we will pay under this Additional Coverage –Virus and Hacking for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved, is

\$100,000, unless a higher Limit of Insurance is shown in the Declarations. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in, but not after, that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

#### **50. Worldwide Property Off Premises**

Under **Section I - Property A. 6. Coverage Extensions**, the following is added:

##### **q. Worldwide Property Off Premises**

You may extend the insurance that applies to Business Personal Property to apply to Covered Business Personal Property other than "money" and "securities", "valuable papers and records" or accounts receivable, while it is temporarily outside the coverage territory, while "in transit" or on airborne transportation carriers for the purpose of exhibition, service or repair caused by or resulting from a Covered Cause of Loss.

The most we will pay for loss under this Coverage Extension is \$50,000 per "occurrence". The amount payable under this Coverage Extension is not subject to the Limits of Insurance of Section I - Property.

#### **B. SECTION II - LIABILITY**

Paragraphs 1. through 7. amend coverage provided under **Section II – Liability**.

##### **1. Additional Insured by Contract, Agreement or Permit – Amended**

For purposes of the coverage provided by this endorsement, **Additional Insured by Contract, Agreement or Permit b. (6)** of the Businessowners Liability Special Broadening Endorsement is replaced by the following:

This provision does not apply to:

- (6) All professional liability as an architect or engineer arising out of



any construction agreement or activities under which any insured or anyone acting on any insured's behalf provides or provided service, advice, expertise or work. Construction includes, but is not limited to, the plan, conception, design, build, construct, assembly, development, safety, erection, formation, reconstruct, rehabilitation, repair, or any improvement made to real property. Construction also includes the hiring, supervision or management of any of these activities. However, this exclusion does not apply to liability arising out of an insured's presence at a jobsite that was not caused by professional activities listed in the above paragraph.

**2. Additional Insured by Contract, Agreement or Permit – Primary and Non-contributory**

- a. For purposes of the coverage provided by this endorsement the following is added to paragraph H. 2.a. of **SECTION III – COMMON POLICY CONDITIONS:**

However, this insurance will be considered primary to and non-contributory with, any other insurance issued directly to a person or organization added as an additional insured under **Additional Insured by Contract, Agreement or Permit** if you specifically agree, in a written contract or agreement, that this insurance must be primary to, and non-contributory with, such other insurance. This insurance will then be applied as primary insurance for damages for "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies and that are incurred by such person or organization, and we will not share those damages with such other insurance.

- b. For purposes of the coverage provided by this endorsement the following is added to paragraph H. 2.b. of **SECTION III – COMMON POLICY CONDITIONS:**

This insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis that is available to you for your participation in any past or present "unnamed joint venture".

This insurance is excess over and will not share on any basis with any insurance you may have that provides coverage for your professional services.

**3. Aggregate Limit of Insurance (Per Project)**

- a. For purposes of the coverage provided by this endorsement, **D. Liability and Medical Expenses Limits of Insurance** under **Section II – Liability** is amended by adding the following:

The General Aggregate Limit under **D. Liability and Medical Expenses Limits of Insurance** applies separately to each of "your projects" or each location listed in the Declarations.

- b. For purposes of the coverage provided by this endorsement **F. Liability And Medical Expenses Definitions** under **Section II - Liability** is amended by adding the following:

"Your project" means:

- i. Any premises, site or location at, on, or in which "your work" is not yet completed; and
- ii. Does not include any location listed in the Declarations.

**4. Broadened Damage to Premises Rented To You**

For purposes of the coverage provided by this endorsement, the final paragraph of **Section II – Liability, B. Exclusions, 1. Applicable to Business Liability Coverage**, is replaced by the following:

For purposes of the coverage provided by this endorsement the final paragraph of **B. Exclusions** of **SECTION II –**





**LIABILITY, A. Coverages, 1. Business Liability** is replaced by the following:

Exclusions **c, d, e, f, g, h, i, k, l, m, n** and **o** do not apply to damage to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **D. Liability and Medical Expenses Limits of Insurance**.

**5. Limits of Insurance – Medical Expenses**

For purposes of the coverage provided by this endorsement, under **Section II – Liability, D. Liability and Medical Expenses Limits of Insurance, Paragraph 2.** is replaced with the following:

2. The most we will pay for the sum of all damages because of all:

- a. "Bodily injury", "property damage" and medical expenses arising out of any one "occurrence"; and
- b. "Personal and advertising injury" sustained by any one person or organization;

are the Liability limit and the Medical Expenses limit, respectively, shown in the Declarations. But the most we will pay for all medical expenses because of "bodily injury" sustained by any one person is \$10,000 or the Medical Expenses limit shown in the Declarations, whichever is greater.

**6. Newly Acquired or Formed Organizations**

For purposes of the coverage provided by this endorsement, under **Section II – Liability, Paragraph 3.a. of C. Who Is An Insured** is replaced by the following:

- a. Coverage under this provision is afforded only until the 180<sup>th</sup> day after you acquire or form the organization or the end of the policy period, whichever is earlier.

**7. Nonowned Watercraft**

For purposes of the coverage provided by this Endorsement, under **Section II – Liability, B. Exclusions 1. Applicable**

to **Business Liability Coverage**, under **g. Aircraft, Auto or Watercraft**, paragraph (2) is replaced with the following:

(2) A watercraft you do not own that is:

- (a) Less than 75 feet long; and
- (b) Not being used to carry persons or property for a charge;

**8. Who is an Insured – Unnamed Joint Venture**

a. For purposes of the coverage provided by this endorsement the last paragraph of **Section II – Liability, C. Who Is An Insured** is replaced by the following:

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations. But this does not apply to you, for your participation in any past or present "unnamed joint venture", or if that person or organization is otherwise an additional insured under paragraph **d. Additional Insureds – Unnamed Joint Venture** below.

b. For purposes of the coverage provided by this endorsement **C. Who is an Insured** is amended to include the following:

**Additional Insureds – Unnamed Joint Venture:**

You, as an insured for your participation in any past or present "unnamed joint venture". However, you are not an insured if the "unnamed joint venture" has:

- (1) Direct employees; or
- (2) Owns, rents, or leases any real or personal property.

No other member or partner, or their spouses, of any past or present "unnamed joint venture" is an insured.



c. For purposes of the coverage provided by this endorsement **F. Liability And Medical Expenses Definitions** under **Section II - Liability** is amended by adding the following:

a. "Unnamed joint venture" means any joint venture in which you are a member or partner where:

i. Each and every one of your co-ventures in that joint venture is an architectural, engineering or surveying firm; and

ii. That joint venture is not named in the Declarations.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NOTICE OF CANCELLATION TO DESIGNATED ENTITY(S)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
 COMMERCIAL PROPERTY COVERAGE PART  
 BUSINESS AUTO COVERAGE FORM  
 BUSINESSOWNERS COVERAGE FORM

**SCHEDULE**

Name of Designated Entity Mailing Address or Email Address	Number Days Notice
STATE OF NEW HAMPSHIRE DEPT OF TRANSPORTATION 7 HAZEN DR., PO BOX 483 CONCORD, NH 03302	45

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

If we cancel this policy for any reason other than nonpayment of premium, we will give written notice of such cancellation to the Designated Entity(s) shown in the Schedule. Such notice may be delivered or sent by any means of our choosing. The notice to the Designated Entity(s) will state the effective date of cancellation.

Unless otherwise noted in the Schedule above, such notice will be provided to the Designated Entity(s) no

more than the number of days in advance of the effective date of cancellation that we are required to provide to the Named Insured for such cancellation.

Such notice of cancellation is solely for the purpose of informing the Designated Entity(s) of the effective date of cancellation and does not grant, alter, or extend any rights or obligations under this policy.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**  
**NEW HAMPSHIRE CHANGES**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

**SCHEDULE**

Premises Number	Building Number	Total Limit Of Insurance Permitted On The Building
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

**A. The following are added to Section I - Property:**

**1. Other Insurance On Buildings**

- a. You are permitted to have other insurance that covers buildings at the premises described in the Declarations. The total Limit of Insurance on any building, including the Property Limit of Insurance for this policy, is limited to the amount shown in the Schedule or in the Declarations as applicable to this endorsement.
- b. If you have other insurance on any building exceeding the amount shown in the Schedule or in the Declarations, coverage under this policy will be automatically suspended for that building. Suspension will occur regardless of whether you can collect on that other insurance or not.

**2. Policy Value**

New Hampshire law states as follows:

- a. If a building insured for a specified amount, whether under a separate policy or under a policy also covering other buildings, is totally destroyed by fire or lightning without criminal fault on the part of the insured or his assignee, the sum for which such building is insured shall be taken to be the value of the insured's interest therein unless overinsurance thereon was fraudulently obtained.

- b. If an insured building is only partially destroyed by fire or lightning, the insured shall be entitled to the actual loss sustained, not exceeding the sum insured.
- c. Nothing contained in Paragraph 2.a. or 2.b. of this section shall be construed as prohibiting the use of coinsurance, or agreed amount.
- d. When a building is insured not for a specified amount but under a blanket form with one amount covering two or more buildings or one or more buildings and personal property, the provisions of Paragraph 2.a. of this section shall not apply.

**B. Section II - Liability is amended as follows:**

- 1. Paragraph B.1.g. Exclusions is replaced by the following:

**g. Aircraft, Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".





d. Vehicles, whether self-propelled or not, on which are permanently mounted:

- (1) Power cranes, shovels, loaders, diggers or drills; or
- (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in Paragraphs a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

- (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
- (2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in Paragraphs a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

**C. Paragraph C. Concealment, Misrepresentation Or Fraud in Section III - Common Policy Conditions is replaced by the following:**

**C. Concealment, Misrepresentation Or Fraud**

We do not provide coverage to one or more insureds who, at any time:

1. Intentionally concealed or misrepresented a material fact;

2. Engaged in fraudulent conduct; or

3. Made a false statement;

relating to this insurance.

D. The following provisions apply except when Paragraph G. of this endorsement applies:

Paragraphs A.2. and A.3. Cancellation in Section III - Common Policy Conditions are replaced by the following:

**2. Cancellation Of Policies In Effect**

**a. 60 Days Or Less**

We may cancel this policy by mailing or physically delivering to you written notice of cancellation, stating the reasons for cancellation, at the least:

- (1) 10 days before the effective date of the cancellation if we cancel for:
  - (a) Nonpayment of premium; or
  - (b) Substantial increase in hazard; or
- (2) 60 days before the effective date of cancellation if we cancel for any other reason.

**b. 60 Days Or More**

If this policy has been in effect for 60 days or more, or if this is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) Fraud or material misrepresentation affecting the policy or in the presentation of a claim hereunder, or violation of any of the terms or conditions of the policy; or
- (3) Substantial increase in hazard; provided that cancellation for this reason shall be effective only after prior approval of the commissioner.

3. We will mail or physically deliver our notice to your last mailing address known to us. If notice is mailed, it will be by:

- a. Certified mail or certificate of mailing if cancellation is for nonpayment of premium.
- b. Certified mail if cancellation is for any other reason.

Proof that the notice was mailed in accordance with Paragraph 3.a. or 3.b. will be sufficient proof of notice.

E. Paragraph A.6. Cancellation of Section III - Common Policy Conditions is deleted.



F. The following paragraph is added to **Section III - Common Policy Conditions** and supersedes any provision to the contrary, except as provided in Paragraph G.:

**M. Nonrenewal**

1. If we elect not to renew this policy, we will mail or physically deliver written notice of nonrenewal, stating the reasons for nonrenewal, to your last mailing address known to us at least 60 days prior to the expiration of the policy, or its anniversary date if it is a policy written for a term of more than one year.

2. However, we need not mail or physically deliver this notice if:

- a. We manifest our willingness to renew;
- b. We refuse to renew due to nonpayment of premium;
- c. You do not pay any advance premium required by us for renewal; or
- d. Any property covered in this policy is insured under any other insurance policy.

3. If notice is mailed, proof of mailing will be sufficient proof of notice.

G. If this policy covers buildings or structures located in New Hampshire that:

1. Are used only for residential purposes;
2. Are owner-occupied; and
3. Contain one- to four-dwelling units;

the following provisions apply:

1. Paragraphs A.2. and A.3. **Cancellation** in **Section III - Common Policy Conditions** are replaced by the following:

2. We may cancel this policy by mailing or physically delivering to you written notice of cancellation at least:

- a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b. 45 days before the effective date of cancellation if we cancel for any other reason.

3. We will mail or physically deliver our notice to your last mailing address known to us.

2. The following is added to Paragraph A. **Cancellation**:

1. If this policy:

(a) Has been in effect for 90 days or more; or

(b) Is a renewal of a policy we issued:

We will cancel this policy only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) Your conviction of a crime having as one of its necessary elements an act increasing the risk of loss;
- (3) Discovery of fraud or material misrepresentation by you in making a claim under this policy;
- (4) Discovery of grossly negligent acts or omissions by you substantially increasing the risk of loss; or
- (5) Physical changes in the Covered Property that make that property uninsurable.

Notice of cancellation will state the reasons for cancellation. Unless cancellation is for nonpayment of premium, we may cancel this policy only by mailing or physically delivering to you written notice of cancellation at least 45 days before the effective date of cancellation.

3. The following is added to **Section III - Common Policy Conditions**:

**M. Nonrenewal**

We may elect not to renew this policy by mailing or physically delivering written notice of nonrenewal to your last mailing address known to us at least:

1. 10 days before the expiration date of the policy if we refuse to renew for nonpayment of premium; or
2. 45 days before the expiration date of the policy if we refuse to renew for any other reason.

If notice is mailed, proof of mailing will be sufficient proof of notice.





**Application for Federal Assistance SF-424**

* 1. Type of Submission		* 2. Type of Application	* If Revision, select appropriate letter(s):
<input type="checkbox"/> Preapplication	<input checked="" type="checkbox"/> Application	<input checked="" type="checkbox"/> New	- Select One -
<input type="checkbox"/> Changed/Corrected Application	<input type="checkbox"/> Revision	<input type="checkbox"/> Continuation	* Other (Specify)

* 3. Date Received:	4. Application Identifier: SBG 09-09-2014
---------------------	--

5a. Federal Entity Identifier: <b>RECEIVED</b> <b>AUG - 4 2014</b>	* 5b. Federal Award Identifier:
--	---------------------------------

State Use Only:	6. Date Received by State:	7. State Application Identifier: <i>SBG 09-09-2014 el</i>
-----------------	----------------------------	---

**8. APPLICANT INFORMATION: NH AERONAUTICS**

\* a. Legal Name: Laconia Municipal Airport-City of Laconia

* b. Employer/Taxpayer Identification Number (EIN/TIN): 02-0443324	*c. Organizational DUNS: 868564758
---	---------------------------------------

**d. Address:**

\* Street1: 65 Aviation Drive  
Street 2:  
\* City: Gilford  
County: Belknap  
\* State: New Hampshire  
Province:  
Country: United States \*Zip/ Postal Code: 03249

**e. Organizational Unit:**

Department Name: Laconia Airport Authority	Division Name: Airport ManagerMs.
---	--------------------------------------

**f. Name and contact information of person to be contacted on matters involving this application:**

Prefix: First Name: Diane  
Middle Name: J.  
\* Last Name: Terrill  
Suffix:

Title: Airport Manager

Organizational Affiliation:

* Telephone Number: (603) 524-5003	Fax Number: (603) 528-0428
------------------------------------	----------------------------

\* Email: [diane.terrill@laconiaairport.com](mailto:diane.terrill@laconiaairport.com)

**Application for Federal Assistance SF-424**

\*9. Type of Applicant 1: Select Applicant Type:  
C. City or Township Government  
Type of Applicant 2: Select Applicant Type:  
- Select One -  
Type of Applicant 3: Select Applicant Type:  
- Select One -  
\* Other (specify):

\* 10. Name of Federal Agency:  
FAA-Federal Aviation Administration

11. Catalog of Federal Domestic Assistance Number:  
20.106  
CFDA Title:  
Airport Improvement Program

\*12. Funding Opportunity Number:  
Title:

13. Competition Identification Number:  
Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):  
City of Laconia, NH and Town of Gilford, NH

\* 15. Descriptive Title of Applicant's Project:  
LCI-Laconia Municipal Airport- VASI System Replacement With PAPI System on Runway 08

**Attach supporting documents as specified in agency instructions.**

**Application for Federal Assistance SF-424**

**16. Congressional Districts Of:**

\*a. Applicant: 1st.

\*b. Program/Project: 1st.

Attach an additional list of Program/Project Congressional Districts if needed.

**17. Proposed Project:**

\*a. Start Date: 08/31/2014

\*b. End Date: 06/30/2015

**18. Estimated Funding (\$):**

*a. Federal	_____	147,421.02 <sup>9</sup> ✓	✓ RHCN
*b. Applicant	_____	8,190.00 <sup>7</sup> ✓	
*c. State	_____	8,190.00 <sup>7</sup> ✓	
*d. Local	_____		
*e. Other	_____		
*f. Program Income	_____		
*g. TOTAL	_____	163,801.14 ✓	✓ RHCN

**\*19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- a. This application was made available to the State under the Executive Order 12372 Process for review on \_\_\_\_\_
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E.O. 12372

**\*20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation on next page.)**

- Yes
- No

21. \*By signing this application, I certify (1) to the statements contained in the list of certifications\*\* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances\*\* and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

\*\* I AGREE

\*\* The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

**Authorized Representative:**

Prefix: Mrs. \*First Name: Diane

Middle Name: J.

\*Last Name: Terrill

Suffix:

\*Title: Airport Manager, Laconia Airport Authority

\*Telephone Number: (603) 524-5003

Fax Number: (603) 528-0428

\* Email: diane.terrill@laconiaairport.com

\*Signature of Authorized Representative:

*Diane J Terrill*

\*Date Signed:

*8-8-14*

## PART III - BUDGET INFORMATION - CONSTRUCTION

## SECTION A - GENERAL

1. Federal Domestic Assistance Catalog No. .... 20.106
2. Functional or Other Breakout.....

## SECTION B - CALCULATION OF FEDERAL GRANT

Cost Classification	Use only for revisions		Total Amount Required
	Latest Approved Amount	Adjustment + or (-)	
1. Administration expense	\$ 6,600.00	\$	\$ 6,600.00
2. Preliminary expense			
3. Land, structures, right-of-way			
4. Architectural engineering basic fees	23,799.23		23,799.23
5. Other Architectural engineering fees	11,728.88		11,728.88
6. Project inspection fees	19,232.03		19,232.03
7. Land development			
8. Relocation Expenses			
9. Relocation payments to Individuals and Businesses			
10. Demolition and removal			
11. Construction and project improvement	94,441.00		94,441.00
12. Equipment			
13. Miscellaneous FAA Flight Check	8,000.00		8,000.00
14. Total (Lines 1 through 13)	163,801.14		163,801.14
15. Estimated Income (if applicable)			
16. Net Project Amount (Line 14 minus 15)	163,801.14		163,801.14
17. Less: Ineligible Exclusions			
18. Add: Contingencies			
19. Total Project Amt. (Excluding Rehabilitation Grants)	163,801.14		163,801.14
20. Federal Share requested of Line 19	147,421.02		147,421.02
21. Add Rehabilitation Grants Requested (100 Percent)			
22. Total Federal grant requested (lines 20 & 21)	147,421.02		147,421.02
23. Grantee share	8,190.06		8,190.06
24. Other shares	8,190.06		8,190.06
25. Total Project (Lines 22, 23 & 24)	163,801.14	\$	\$ 163,801.14



**SECTION C - EXCLUSIONS**

Classification	Ineligible for Participation (1)	Excluded From Contingency Provision (2)
a.	\$	\$
b.		
c.		
d.		
e.		
f.		
g. <b>Totals</b>	\$	\$

**SECTION D - PROPOSED METHOD OF FINANCING NON-FEDERAL SHARE**

27. Grantee Share	\$ 8,190.06
a. Securities	
b. Mortgages	
c. Appropriations (By Applicant)	
d. Bonds	
e. Tax Levies	
f. Non Cash	
g. Other (Explain)	
h. TOTAL - Grantee share	
28. Other Shares	
a. State	8,190.06
b. Other	
c. Total Other Shares	
29. TOTAL	\$ 16,380.12

**SECTION E - REMARKS**

Empty box for remarks.

**PART IV PROGRAM NARRATIVE (Attach - See Instructions)**



## Application for Federal Assistance SF-424

### \*Applicant Federal Debt Delinquency Explanation

The following field should contain an explanation if the Applicant organization is delinquent on any Federal Debt. Maximum number of characters that can be entered is 4,000. Try and avoid extra spaces and carriage returns to maximize the availability of space.

PART II

PROJECT APPROVAL INFORMATION  
SECTION A

Item 1.

Does this assistance request require State, local, regional, or other priority rating?

Yes  No

Name of Governing Body:  
Priority:

Item 2.

Does this assistance request require State, or local advisory, educational or health clearances?

Yes  No

Name of Agency or Board:  
(Attach Documentation)

Item 3.

Does this assistance request require clearinghouse review in accordance with OMB Circular A-95?

Yes  No

(Attach Comments)

Item 4.

Does this assistance request require State, local, regional or other planning approval?

Yes  No

Name of Approving Agency:

Date: / /

Item 5.

Is the proposal project covered by an approved comprehensive plan?

Yes  No

Check one: State   
Local   
Regional

Location of Plan:

Item 6.

Will the assistance requested serve a Federal installation?

Yes  No

Name of Federal Installation:  
Federal Population benefiting from Project:

Item 7.

Will the assistance requested be on Federal land or installation?

Yes  No

Name of Federal Installation:  
Location of Federal Land:  
Percent of Project:

Item 8.

Will the assistance requested have an impact or effect on the environment?

Yes  No

See instruction for additional information to be provided

Item 9.

Will the assistance requested cause the displacement of individuals, families, businesses, or farms?

Yes  No

Number of:  
Individuals:  
Families:  
Businesses:  
Farms:

Item 10.

Is there other related Federal assistance on this project previous, pending, or anticipated?

Yes  No

See instructions for additional information to be provided.

## PART II - SECTION C

The Sponsor hereby represents and certifies as follows:

1. Compatible Land Use. - The Sponsor has taken the following actions to assure compatible usage of land adjacent to or in the vicinity of the airport:

Town of Gilford has adopted an Airport Overlay District which in addition incorporates FAA Part 77.

2. Defaults. - The Sponsor is not in default on any obligation to the United States or any agency of the United States Government relative to the development, operation, or maintenance of any airport, except as stated herewith:

None

3. Possible Disabilities. - There are no facts or circumstances (including the existence of effective or proposed leases, use agreements or other legal instruments affecting use of the Airport or the existence of pending litigation or other legal proceedings) which in reasonable probability might make it impossible for the Sponsor to carry out and complete the Project or carry out the provisions of Part V of this Application, either by limiting its legal or financial ability or otherwise, except as follows:

None

4. Consistency with Local Plans. - The project is reasonably consistent with plans existing at the time of submission of this 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.

Yes

5. Consideration of Local Interest - It has given fair consideration to the interest of communities in or near where the project may be located.

Yes

6. Consultation with Users. In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport which project is proposed.

Yes

7. Public Hearings. - In projects involving the location of an airport, an airport runway or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

N/A

8. Air and Water Quality Standards. - In projects involving airport location, a major runway extension, or runway location it will provide for the Governor of the state in which the project is located to certify in writing to the Secretary that the project will be located, designed, constructed, and operated so as to comply with applicable and air and water quality standards. In any case where such standards have not been approved and where applicable air and water quality standards have been promulgated by the Administrator of the Environmental Protection Agency, certification shall be obtained from such Administrator. Notice of certification or refusal to certify shall be provided within sixty days after the project application has been received by the Secretary.

N/A

PART II - SECTION C (Continued)

9. Exclusive Rights – There is no grant of an exclusive right for the conduct of any aeronautical activity at any airport owned or controlled by the Sponsor except as follows:

None

10. Land. – (a) The sponsor holds the following property interest in the following areas of land\* which are to be developed or used as part of or in connection with the Airport subject to the following exceptions, encumbrances, and adverse interests, all of which areas are identified on the aforementioned property map designated as Exhibit "A":

Yes

The Sponsor further certifies that the above is based on a title examination by a qualified attorney or title company and that such attorney or title company has determined that the Sponsor holds the above property interests.

(b) The Sponsor will acquire within a reasonable time, but in any event prior to the start of any construction work under the Project, the following property interest in the following areas of land\* on which such construction work is to be performed, all of which areas are identified on the aforementioned property map designated as Exhibit "A":

Yes

(c) The Sponsor will acquire within a reasonable time, and if feasible prior to the completion of all construction work under the Project, the following property interest in the following areas of land\* which are to be developed or used as part of or in connection with the Airport as it will be upon completion of the Project, all of which areas are identified on the aforementioned property map designated as Exhibit "A"

None

---

*\*State character of property interest in each area and list and identify for each all exceptions, encumbrances, and adverse interests of every kind and nature, including liens, easements, leases, etc. The separate areas of land need only be identified here by the area numbers shown on the property map.*

**PART IV**  
**PROGRAM NARRATIVE**  
*(Suggested Format)*

DEPARTMENT OF TRANSPORTATION - FEDERAL AVIATION ADMINISTRATION

OMB NO. 2120-0569

**PROJECT :** VASI System Replacement With PAPI System on Runway 08 & Upgrade of Electric Service to Vault, approx. 2,000 LF.

**AIRPORT :** Laconia Municipal Airport (LCI)

**1. Objective:**

The objective of the project is to replace an existing obsolete VASI system that has no source of replacement parts and is in a NOTAM out of service state. The VASI will be replaced with a New PAPI System on Runway 08. Upgrade of Electrical service to the vault at the Terminal.

**2. Benefits Anticipated:**

Upgrade of obsolete VASI system to current standard approach lighting PAPI system.

Improved visibility of approach lighting for Runway 08.

Up-grade of electrical service to the Terminal should improve reliability of the system.

**3. Approach :** *(See approved Scope of Work in Final Application)*

Up-grade existing electrical service to vault at the terminal.

Install new PAPI foundations and PAPI units and install new electrical connections.

Remove existing VASI system once the new PAPI system is operational.

**4. Geographic Location:**

The proposed New PAPI System will be located at Runway Station 9+36, just outside of the ILS glide slope critical area.

The PAPI will be on the left side of the 08 approach, on the north side of the runway.

**5. If Applicable, Provide Additional Information:**

DBE participation-LAA has a race-neutral goal of 1.3% per their DBE Plan that was approved by FAA on 09-14-2011.

NEPA compliance-The PAPI equipment installation is categorically excluded under paragraph 309b & 309g of FAA Order 1050.1E and there are no extraordinary circumstances that would prevent the project from being categorically excluded.

There are no local, state or federal permits required for this project. The bids will expire on Nov. 23, 2014.

**6. Sponsor's Representative:** *(include address & telephone number)*

Steven J. Smith & Associates, Inc.

6 Lily Pond Road

Gilford, NH 03249

603-524-1468

**Project Organizational Chart**

**PAPI Project – Laconia Municipal Airport**

**SBG-09-09-2014**

**Federal Aviation Administration  
(FAA) New England Region  
(Funding)**



**New Hampshire Department of Transportation  
Bureau of Aeronautics (NHDOT-BOA)  
(Airport Block Grant Program)**



**Laconia Municipal Airport  
65 Aviation Dr  
Gilford, NH 03249**



**Steven J. Smith and Associates, Inc.  
6 Lily Pond Rd  
Gilford, NH 03249**



**Moulison North Corporation  
10 Iron Trail Road  
Biddeford, ME 04005**



Certification of Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid, by, or on behalf of, the undersigned, to any person for influencing, or attempting to influence, an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, subgrants and contracts under grants, loans, and cooperative agreements), and that all subrecipients shall certify and disclose accordingly.

This certification is a material representative of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

Date: 8-4-14

City of Laconia/Laconia Airport Authority  
Name of Airport Sponsor

  
Signature of Authorized Official

Diane J. Terrill  
Title of Authorized Official

U.S. DEPARTMENT OF TRANSPORTATION  
FEDERAL AVIATION ADMINISTRATION

AIRPORT IMPROVEMENT PROGRAM  
SPONSOR CERTIFICATION

PROJECT PLANS AND SPECIFICATIONS

City of Laconia/ Laconia Airport  
Authority

Laconia Municipal Airport (LCI)

SBG 09-09-2014

(Sponsor)

(Airport)

(Project Number)

*Description of Work:*

VASI System Replacement with PAPI System on Runway 08. Up-grade of electrical service to vault at terminal.

Title 49, United States Code, section 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). AIP standards are generally described in FAA Advisory Circular (AC) 150/5100-6, Labor Requirements for the Airport Improvement Program, AC 150/5100-15, Civil Rights Requirements for the Airport Improvement Program, and AC 150/5100-16, Airport Improvement Program Grant Assurance One--General Federal Requirements. A list of current advisory circulars with specific standards for design or construction of airports as well as procurement/installation of equipment and facilities is referenced in standard airport sponsor Grant Assurance 34 contained in the grant agreement.

Except for the certified items below marked not applicable (N/A), the list includes major requirements for this aspect of project implementation, although it is not comprehensive, nor does it relieve the sponsor from fully complying with all applicable statutory and administrative standards.

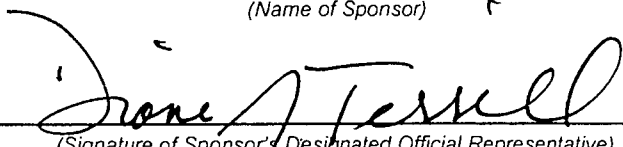
	Yes	No	N/A
1. The plans and specifications were (will be) prepared in accordance with applicable Federal standards and requirements, so no deviation or modification to standards set forth in the advisory circulars, or State standard, is necessary other than those previously approved by the FAA.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Specifications for the procurement of equipment are not (will not be) proprietary or written so as to restrict competition. At least two manufacturers can meet the specification.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. The development included (to be included) in the plans is depicted on the airport layout plan approved by the FAA.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Development that is ineligible for AIP funding has been (will be) omitted from the plans and specifications.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. The process control and acceptance tests required for the project by standards contained in Advisory Circular 150/5370-10 are (will be) included in the project specifications.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. If a value engineering clause is incorporated into the contract, concurrence was (will be) obtained from the FAA.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- |  | Yes                                 | No                       | N/A                                 |
|--|-------------------------------------|--------------------------|-------------------------------------|
| 7. The plans and specifications incorporate (will incorporate) applicable requirements and recommendations set forth in the Federally approved environmental finding.  | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 8. For construction activities within or near aircraft operational areas, the requirements contained in Advisory Circular 150/5370-2 have been (will be) discussed with the FAA as well as incorporated into the specifications, and a safety/phasing plan has FAA's concurrence, if required. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            |
| 9. The project was (will be) physically completed without Federal participation in costs due to errors and omissions in the plans and specifications that were foreseeable at the time of project design.  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            |

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and have prepared documentation attached hereto for any item marked "no" that is correct and complete

City of Laconia/Laconia Airport Authority

(Name of Sponsor)



(Signature of Sponsor's Designated Official Representative)

Diane J. Terrill

(Typed Name of Sponsor's Designated Official Representative)

Airport Manager

(Typed Title of Sponsor's Designated Official Representative)

8-4-14

(Date)

U.S. DEPARTMENT OF TRANSPORTATION  
 FEDERAL AVIATION ADMINISTRATION  
 AIRPORT IMPROVEMENT PROGRAM  
 SPONSOR CERTIFICATION

**EQUIPMENT/CONSTRUCTION CONTRACTS**

City of Laconia/ Laconia Airport  
 Authority

Laconia Municipal Airport

SBG 09-09-2014

*(Sponsor)*

*(Airport)*

*(Project Number)*

*Description of Work:*

VASI System Replacement with PAPI System on Runway 08. Up-grade of Electric service to vault at Terminal.

Title 49, United States Code (USC), section 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 standards for equipment and construction contracts within Federal grant programs are described in Title 49, Code of Federal Regulations (CFR), Part 18.36. AIP standards are generally described in FAA Advisory Circular (AC) 150/5100-6, Labor Requirements for the Airport Improvement Program, AC 150/5100-15, Civil Rights Requirements for the Airport Improvement Program, and AC 150/5100-16, Airport Improvement Program Grant Assurance One--General Federal Requirements. Sponsors may use State and local procedures provided procurements conform to these Federal standards.

Except for the certified items below marked not applicable (N/A), the list includes major requirements for this aspect of project implementation, although it is not comprehensive, nor does it relieve the sponsor from fully complying with all applicable statutory and administrative standards.

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
1. A code or standard of conduct is (will be) in effect governing the performance of the sponsor's officers, employees, or agents in soliciting and awarding procurement contracts.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Qualified personnel are (will be) engaged to perform contract administration, engineering supervision, construction inspection, and testing.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. The procurement was (will be) publicly advertised using the competitive sealed bid method of procurement.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. The bid solicitation clearly and accurately describes (will describe):			
a. The current Federal wage rate determination for all construction projects, and	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. All other requirements of the equipment and/or services to be provided.			

	Yes	No	N/A
5. Concurrence was (will be) obtained from FAA prior to contract award under any of the following circumstances:			
a. Only one qualified person/firm submits a responsive bid,			
b. The contract is to be awarded to other than the lowest responsible bidder,	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Life cycle costing is a factor in selecting the lowest responsive bidder, or			
d. Proposed contract prices are more than 10 percent over the sponsor's cost estimate.			
6. All contracts exceeding \$100,000 require (will require) the following provisions:			
a. A bid guarantee of 5 percent, a performance bond of 100 percent, and a payment bond of 100 percent;			
b. Conditions specifying administrative, contractual, and legal remedies, including contract termination, for those instances in which contractors violate or breach contract terms; and	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Compliance with applicable standards and requirements issued under Section 306 of the Clean Air Act (42 USC 1857(h)), Section 508 of the Clean Water Act (33 USC 1368), and Executive Order 11738.			
7. All construction contracts contain (will contain) provisions for:			
a. Compliance with the Copeland "Anti-Kick Back" Act, and			
b. Preference given in the employment of labor (except in executive, administrative, and supervisory positions) to honorably discharged Vietnam era veterans and disabled veterans.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. All construction contracts exceeding \$2,000 contain (will contain) the following provisions:			
a. Compliance with the Davis-Bacon Act based on the current Federal wage rate determination; and	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Compliance with the Contract Work Hours and Safety Standards Act (40 USC 327-330), Sections 103 and 107.			
9. All construction contracts exceeding \$10,000 contain (will contain) appropriate clauses from 41 CFR Part 60 for compliance with Executive Orders 11246 and 11375 on Equal Employment Opportunity.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. All contracts and subcontracts contain (will contain) clauses required from Title VI of the Civil Rights Act and 49 CFR 23 and 49 CFR 26 for Disadvantaged Business Enterprises.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

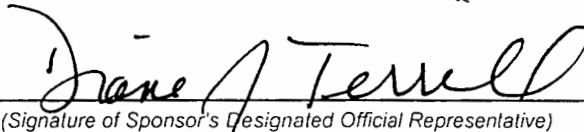
11. Appropriate checks have been (will be) made to assure that contracts or subcontracts are not awarded to those individuals or firms suspended, debarred, or voluntarily excluded from doing business with any U.S. Department of Transportation (DOT) element and appearing on the DOT Unified List.

Yes      No      N/A

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

City of Laconia/ Laconia Airport Authority

*(Name of Sponsor)*



*(Signature of Sponsor's Designated Official Representative)*

Diane J. Terrill

*(Typed Name of Sponsor's Designated Official Representative)*

Airport Manager

*(Typed Title of Sponsor's Designated Official Representative)*

8-4-14

*(Date)*

**U.S. DEPARTMENT OF TRANSPORTATION  
 FEDERAL AVIATION ADMINISTRATION  
 AIRPORT IMPROVEMENT PROGRAM  
 SPONSOR CERTIFICATION  
 SELECTION OF CONSULTANTS**

City of Laconia/Laconia Airport Authority

Laconia Municipal Airport/LCI

SBG 09-09-2014

(Sponsor)

(Airport)

(Project Number)

*Description of Work:*

VASI System Replacement with PAPI System on Runway 08. Upgrade of electrical service to vault at terminal.

Title 49, United States Code, section 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 standards for selection of consultant services within Federal grant programs are described in Title 49, Code of Federal Regulations (CFR), Part 18.36. Sponsors may use other qualifications-based procedures provided they are equivalent to specific standards in 49 CFR 18 and FAA Advisory Circular 150/5100-14, Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects.

Except for the certified items below marked not applicable (N/A), the list includes major requirements for this aspect of project implementation, although it is not comprehensive, nor does it relieve the sponsor from fully complying with all applicable statutory and administrative standard.

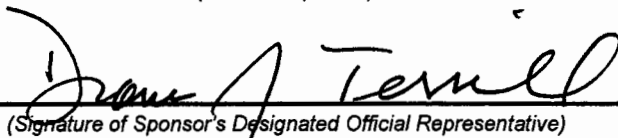
	<b>Yes</b>	<b>No</b>	<b>N/A</b>
1. Solicitations were or will be made to ensure fair and open competition from a wide area of interest.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Consultants were or will be selected using competitive procedures based on qualifications, experience, and disadvantaged enterprise requirements with the fees determined through negotiations.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. A record of negotiations has been or will be prepared reflecting considerations involved in the establishment of fees, which are not significantly above the sponsor's independent cost estimate.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. If engineering or other services are to be performed by sponsor force account personnel, prior approval was or will be obtained from the FAA.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. The consultant services contracts clearly establish or will clearly establish the scope of work and delineate the division of responsibilities between all parties engaged in carrying out elements of the project.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Costs associated with work ineligible for AIP funding are or will be clearly identified and separated from eligible items in solicitations, contracts, and related project documents.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Yes	No	N/A
7. Mandatory contact provisions for grant-assisted contracts have been or will be included in consultant services contracts.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. The cost-plus-percentage-of-cost methods of contracting prohibited under Federal standards were not or will not be used.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. If the services being procured cover more than the single grant project referenced in this certification, the scope of work was or will be specifically described in the advertisement, and future work will not be initiated beyond five years.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

City of Laconia/Laconia Airport Authority

*(Name of Sponsor)*



*(Signature of Sponsor's Designated Official Representative)*

Diane J Terrill

*(Typed Name of Sponsor's Designated Official Representative)*

Airport Manager

*(Typed Title of Sponsor's Designated Official Representative)*

8-4-14

*(Date)*



U.S. DEPARTMENT OF TRANSPORTATION  
 FEDERAL AVIATION ADMINISTRATION  
 AIRPORT IMPROVEMENT PROGRAM  
 SPONSOR CERTIFICATION  
 DRUG-FREE WORKPLACE

City of Laconia/ Laconia Airport  
 Authority  
 \_\_\_\_\_  
 (Sponsor)

Laconia Municipal Airport  
 \_\_\_\_\_  
 (Airport)

SBG 09-09-2014  
 \_\_\_\_\_  
 (Project Number)

*Description of Work:*

VASI System Replacement with PAPI System on Runway 08. Up-grade of Electrical service to Vault at terminal.

Title 49, United States Code, section 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 Title 49, Code of Federal Regulations, Part 29. 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.

Except for the certified items below marked not applicable (N/A), the list includes major requirements for this aspect of project implementation, although it is not comprehensive, nor does it relieve the sponsor from fully complying with all applicable statutory and administrative standards.

	Yes	No	N/A
1. A statement has been (will be) published 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. An ongoing drug-free awareness program has been (will be) established to inform employees about:			
a. The dangers of drug abuse in the workplace;			
b. The sponsor's policy of maintaining a drug-free workplace;	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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.			
3. Each employee to be engaged in the performance of the work has been (will be) given a copy of the statement required within item 1 above.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Employees have been (will be) notified in the statement required by item 1 above that, as a condition employment under the	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Yes No N/A

grant, 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.
5. The FAA will be notified in writing within ten calendar days after receiving notice under item 4b above from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title of the employee, to the FAA. Notices shall include the project number of each affected grant.
6. One of the following actions 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; or
  - b. Require such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency.
7. A good faith effort will be made to continue to maintain a drug-free workplace through implementation of items 1 through 6 above.

I have prepared documentation attached hereto with site(s) for performance of work (street address, city, county, state, zip code). There are no such workplaces that are not identified in the attachment. I have prepared additional documentation for any above items marked "no" and attached it hereto. I certify that, for the project identified herein, responses to the forgoing items are accurate as marked and attachments are correct and complete.

City of Laconia/Laconia Airport Authority

(Name of Sponsor)



(Signature of Sponsor's Designated Official Representative)

Diane J. Terrill

(Typed Name of Sponsor's Designated Official Representative)

Airport Manager

(Typed Title of Sponsor's Designated Official Representative)

8.4.14

(Date)

## Carol Niewola

---

**From:** Diane Terrill <diane.terrill@laconiaairport.com>  
**Sent:** Monday, August 04, 2014 4:26 PM  
**To:** Carol Niewola  
**Subject:** SBG 09-09-2014

Hi Carol,

The project work will be performed at the following addresses:

1. Laconia Municipal airport, 65 Aviation Drive, Gilford, NH 03249
2. Steven J. Smith & Associates, 6 Lily Pond Road, Gilford, NH 03249

Thank you and please contact me if you have any questions.

Diane J Terrill, PMP  
Airport Manager, Laconia Airport Authority  
President, GSAMA  
65 Aviation Drive  
Gilford, NH 03249  
603.524.5003  
603.528.0428 (fax)  
[diane.terrill@laconiaairport.com](mailto:diane.terrill@laconiaairport.com)  
[www.laconiaairport.com](http://www.laconiaairport.com)

*The Laconia Airport is situated between the city of Laconia and town of Gilford in the picturesque Lakes Region of New Hampshire. Built in 1941, Laconia Airport is a general aviation airport serving the needs of pilots flying a range of aircraft: from small, single engine planes to transatlantic jets. With a \$50 million annual impact on the regions' economy, Laconia Airport is a responsible community partner and environmental steward of the natural resources of the Lakes Region and surrounding areas.*



U.S. DEPARTMENT OF TRANSPORTATION  
FEDERAL AVIATION ADMINISTRATION

AIRPORT IMPROVEMENT PROGRAM  
SPONSOR CERTIFICATION

CONSTRUCTION PROJECT FINAL ACCEPTANCE

City of Laconia /Laconia Airport  
Authority

Laconia Municipal Airport (LCI)

SBG 09-09-2014

(Sponsor)

(Airport)

(Project Number)

*Description of Work:*

VASI System Replacement with PAPI System on Runway 08, Upgrade of Electrical service to Vault at terminal.

Title 49, United States Code, section 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. General standards for final acceptance and close out of federally funded construction projects are in Title 49, Code of Federal Regulations, Part 18.50. The sponsor shall determine that project costs are accurate and proper in accordance with specific requirements of the grant agreement and contract documents.

Except for the certified items below marked not applicable (N/A), the list includes major requirements for this aspect of project implementation, although it is not comprehensive, nor does it relieve the sponsor from fully complying with all applicable statutory and administrative standards.

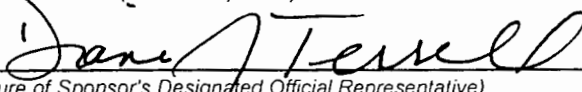
	Yes	No	N/A
1. The personnel engaged in project administration, engineering supervision, construction inspection and testing were (will be) determined to be qualified as well as competent to perform the v. JRK.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Daily construction records were (will be) kept by the resident engineer/construction inspector as follows:			
a. Work in progress,			
b. Quality and quantity of materials delivered,			
c. Test locations and results,			
d. Instructions provided the contractor,	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Weather conditions,			
f. Equipment use,			
g. Labor requirements,			
h. Safety problems, and			
i. Changes required.			

	Yes	No	N/A
3. Weekly payroll records and statements of compliance were (will be) submitted by the prime contractor and reviewed by the sponsor for Federal labor and civil rights requirements (Advisory Circulars 150/5100-6 and 150/5100-15).	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Complaints regarding the mandated Federal provisions set forth in the contract documents have been (will be) submitted to the FAA.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. All tests specified in the plans and specifications were (will be) performed and the test results documented as well as made available to the FAA.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. For any test results outside of allowable tolerances, appropriate corrective actions were (will be) taken.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Payments to the contractor were (will be) made in compliance with contract provisions as follows:			
a. Payments are verified by the sponsor's internal audit of contract records kept by the resident engineer, and	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. If appropriate, pay reduction factors required by the specifications are applied in computing final payments and a summary of pay reductions made available to the FAA.			
8. The project was (will be) accomplished without significant deviations, changes, or modifications from the approved plans and specifications, except where approval is obtained from the FAA.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. A final project inspection was (will be) conducted with representatives of the sponsor and the contractor and project files contain documentation of the final inspection.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Work in the grant agreement was (will be) physically completed and corrective actions required as a result of the final inspection is completed to the satisfaction of the sponsor.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. If applicable, the as-built plans, an equipment inventory, and a revised airport layout plan have been (will be) submitted to the FAA.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Applicable close out financial reports have been (will be) submitted to the FAA.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

City of Laconia/ Laconia Airport Authority

(Name of Sponsor)



(Signature of Sponsor's Designated Official Representative)

Diane J. Terrill



## ASSURANCES

### Airport Sponsors

---

#### A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. 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.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this grant agreement.

#### B. Duration and Applicability.

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

The terms, conditions and assurances of this grant agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

The preceding paragraph 1 also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

### 3. Airport Planning Undertaken by a Sponsor.

Unless otherwise specified in this grant agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 25, 30, 32, 33, and 34 in Section C apply to planning projects. The terms, conditions, and assurances of this grant agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Airport Revenue so long as the airport is used as an airport.

## C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

### 1. General Federal Requirements.

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 project including but not limited to the following:

#### Federal Legislation

---

- a. Title 49, U.S.C., subtitle VII, as amended.
- b. Davis-Bacon Act - 40 U.S.C. 276(a), et seq.<sup>1</sup>
- c. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
- d. Hatch Act - 5 U.S.C. 1501, et seq.<sup>2</sup>
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq.<sup>1,2</sup>
- f. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f).<sup>1</sup>
- g. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469 through 469c.<sup>1</sup>
- 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.<sup>1</sup>
- 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.<sup>1</sup>
- s. Power plant and Industrial Fuel Use Act of 1978 - Section 403- 2 U.S.C. 8373.<sup>1</sup>
- t. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq.<sup>1</sup>
- u. Copeland Anti-kickback Act - 18 U.S.C. 874.<sup>1</sup>
- v. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.<sup>1</sup>
- 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.<sup>2</sup>
- 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<sup>1</sup>
- 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<sup>1</sup>
- f. Executive Order 12898 - Environmental Justice

### **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. [OMB Circular A-87 Cost Principles Applicable to Grants and Contracts with State and Local Governments, and OMB Circular A-133 - Audits of States, Local Governments, and Non-Profit Organizations].<sup>4,5,6</sup>
- c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment
- d. 14 CFR Part 13 - Investigative and Enforcement Procedures 14 CFR Part 16 - Rules of Practice For Federally Assisted Airport Enforcement Proceedings.
- e. 14 CFR Part 150 - Airport noise compatibility planning.
- f. 28 CFR Part 35- Discrimination on the Basis of Disability in State and Local Government Services.
- g. 28 CFR § 50.3 - U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964.
- h. 29 CFR Part 1 - Procedures for predetermination of wage rates.<sup>1</sup>
- i. 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.<sup>1</sup>
- j. 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).<sup>1</sup>
- k. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements).<sup>1</sup>
- l. 49 CFR Part 18 - Uniform administrative requirements for grants and cooperative agreements to state and local governments.<sup>3</sup>
- m. 49 CFR Part 20 - New restrictions on lobbying.
- n. 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.
- o. 49 CFR Part 23 - Participation by Disadvantage Business Enterprise in Airport Concessions.

- p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs.<sup>1,2</sup>
- q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Programs.
- r. 49 CFR Part 27 – Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.<sup>1</sup>
- s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities conducted by the Department of Transportation.
- t. 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.
- u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)
- v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 41 - Seismic safety of Federal and federally assisted or regulated new building construction.

---

#### **Specific Assurances**

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

---

#### **Footnotes to Assurance C.1.**

<sup>1</sup> These laws do not apply to airport planning sponsors.

<sup>2</sup> These laws do not apply to private sponsors.

<sup>3</sup> 49 CFR Part 18 and 2 CFR Part 200 contain requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation and circular shall also be applicable to private sponsors receiving Federal assistance under Title 49, United States Code.

<sup>4</sup> On December 26, 2013 at 78 FR 78590, the Office of Management and Budget (OMB) issued the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200. 2 CFR Part 200 replaces and combines the former Uniform Administrative Requirements for Grants (OMB Circular A-102 and Circular A-110 or 2 CFR Part 215 or Circular) as well as the Cost Principles (Circulars A-21 or 2 CFR part 220; Circular A-87 or 2 CFR part 225; and A-122, 2 CFR part 230). Additionally it replaces Circular A-133 guidance on the Single Annual Audit. In accordance with 2 CFR section 200.110, the standards set forth in Part 200 which affect administration of Federal awards issued by Federal agencies become effective once implemented by Federal agencies or when any future amendment to this Part becomes final. Federal agencies, including the Department of Transportation, must implement the policies and procedures applicable to Federal awards by promulgating a regulation to be effective by December 26, 2014 unless different provisions are required by statute or approved by OMB.

<sup>5</sup> Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.

<sup>6</sup> Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

## **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 project; that a resolution, motion or similar action has been duly adopted or passed as an official act of 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 project 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. Sponsor Fund Availability.**

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this grant agreement which it will own or control.

## **4. Good Title.**

a. 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.

b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

## **5. 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. It will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this grant agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this grant agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this grant agreement.
- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. 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 these assurances for the duration of these assurances.
- f. 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, conditions and assurances in this grant agreement and shall insure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

**6. Consistency with Local Plans.**

The project is reasonably consistent with plans (existing at the time of submission of this 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.

**7. Consideration of Local Interest.**

It has given fair consideration to the interest of communities in or near where the project may be located.

**8. Consultation with Users.**

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

**9. Public Hearings.**

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

**10. Metropolitan Planning Organization.**

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

**11. Pavement Preventive Maintenance.**

With respect to a project approved after January 1, 1995, 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. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

**12. Terminal Development Prerequisites.**

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under section 44706 of Title 49, United States Code, and all the security equipment required by rule or regulation, and

has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

**13. Accounting System, Audit, and Record Keeping Requirements.**

- a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this grant, the total cost of the project in connection with which this grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. 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 project 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.

**14. Minimum Wage Rates.**

It shall include, in all contracts in excess of \$2,000 for work on any projects 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.

**15. Veteran's Preference.**

It shall include in all contracts for work on any 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.

**16. Conformity to Plans and Specifications.**

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this grant agreement, and, upon approval of the Secretary, shall be incorporated into this grant agreement. Any modification to the approved plans,

specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this grant agreement.

**17. Construction Inspection and Approval.**

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

**18. Planning Projects.**

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

**19. 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.

#### **20. 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.

#### **21. 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. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

#### **22. Economic Nondiscrimination.**

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or



to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to-

- 1) furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
  - 2) charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
  - d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
  - e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.
  - f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees [including, but not limited to maintenance, repair, and fueling] that it may choose to perform.
  - g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.
  - h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
  - i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

### **23. Exclusive Rights.**

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

### **24. Fee and Rental Structure.**

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

### **25. Airport Revenues.**

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it 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 and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
  - 1) If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or

operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

- 2) If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
  - 3) Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at Section 47102 of title 49 United States Code), if the FAA determines the airport sponsor meets the requirements set forth in Sec. 813 of Public Law 112-95.
- b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.
  - c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of Section 47107 of Title 49, United States Code.

## 26. 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. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this grant agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and

- d. 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.

**27. Use by Government Aircraft.**

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that –

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

**28. 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.

**29. Airport Layout Plan.**

- a. 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 nonaviation 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. 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.

### 30. 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 § 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 agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

“The **(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 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:

- a) For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
  - b) For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
- f. 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.
- g. 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.

### 31. Disposal of Land.

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order, (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund. If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.
- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, (1) upon application to the Secretary, be reinvested or transferred to another

eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order: (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund.

- c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.
- d. Disposition of such land under (a) (b) or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

**32. Engineering and Design Services.**

It will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services with respect to the project in the same manner as a contract for architectural and engineering services is negotiated under Title IX of the Federal Property and Administrative Services Act of 1949 or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

**33. Foreign Market Restrictions.**

It will not allow funds provided under this grant to be used to fund any project which 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.

**34. Policies, Standards, and Specifications.**

It will carry out the project in accordance with policies, standards, and specifications approved by the Secretary including but not limited to the advisory circulars listed in the Current FAA Advisory Circulars for AIP projects, dated 3/20/14 (the latest approved version as of this grant offer) and included in this grant, and in accordance



with applicable state policies, standards, and specifications approved by the Secretary.

**35. Relocation and Real Property Acquisition.**

- a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.
- b. It will provide a relocation assistance program offering the services described in Subpart C and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
- c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

**36. 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.

**37. 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 DBE and 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).

**38. Hangar Construction.**

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

**39. Competitive Access.**

- a. If the airport owner or operator of a medium or large hub airport (as defined in section 47102 of title 49, U.S.C.) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that-
  - 1) Describes the requests;
  - 2) Provides an explanation as to why the requests could not be accommodated; and
  - 3) Provides a time frame within which, if any, the airport will be able to accommodate the requests.
- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.

Project: Laconia Municipal Airport  
 Subject: VASI System Replacement w/ PAPI System on RW-08  
 SBG 09-09-2014

Contractor's Name: Moullison Kobo

ITEM NO.	DESIGNATION	UNIT	QUANTITY	Unit Cost	Total	Unit Cost	Total
Construction Cost Estimate - Base Bid							
M-5	Mobilization / Demobilization	LS	1	\$4,000.00	\$4,000.00	\$5,500.00	\$5,500.00
P-156-5.6	Silt Fence	LF	400	\$1.00	\$400.00	\$6.00	\$2,400.00
L-108-5.2	#2 AWG Underground Cable	LF	4,000	\$1.00	\$4,000.00	\$2.25	\$9,000.00
L-108-5.3	#6 AWG Bare Counterpoise in new trench	LF	1,440	\$1.00	\$1,440.00	\$1.20	\$1,728.00
L-108-5.4	#2 AWG ground in conduit	LF	2,000	\$1.00	\$2,000.00	\$2.25	\$4,500.00
L-109-1	Installation of Electric Vault Equipment	LS	1	\$2,500.00	\$2,500.00	\$8,937.00	\$8,937.00
L-110-5.1	Conduit Type "A" (2" PVC) incl. trench & backfill	LF	1,440	\$1.00	\$1,440.00	\$6.00	\$8,640.00
L-115-5.1	Electric Hand Hole Type A	EA	1	\$25.00	\$25.00	\$3,725.00	\$3,725.00
L-120-5	Airport PAPI System 3-lamp-4 box complete incl. foundations	EA	1	\$78,051.00	\$78,051.00	\$47,588.00	\$47,588.00
L-125	Temp. Relocation of RW-08 Threshold incl. removal	EA	1	\$25.00	\$25.00	\$3,550.00	\$3,550.00
T-901	Seeding	SY	1,800	\$0.10	\$180.00	\$3.00	\$5,400.00
T-905	Top Soil (obtained on-site)	CY	200	\$1.00	\$200.00	\$8.00	\$1,600.00
T-908	Mulching	SY	1,800	\$0.10	\$180.00	\$3.00	\$5,400.00
Total Estimated Construction Cost, Base Bid					\$94,441.00		\$107,968.00













