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Sponsor City of Lee's Summit
Project No. AIR 156-109A-3

**MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION
AIRPORT AID AGREEMENT**

THIS GRANT AGREEMENT is entered into by the Missouri Highways and Transportation Commission (hereinafter, "Commission") and the City of Lee's Summit (hereinafter, "Sponsor").

WITNESSETH:

WHEREAS, the Sponsor has applied to the Commission for a grant of funds under §305.230 RSMo; and

WHEREAS, the Commission has agreed to award funds available under §305.230 RSMo to the Sponsor with the understanding that such funds will be used for a project pursuant to this Agreement for the purposes generally described in the Sponsor's grant application/request dated December 29, 2015, and specifically described as follows:

Rehabilitate and Strengthen Runway 18/36, Extend Runway 18/36, Extend Runway 11/29; and Runway 18/36 and 11/29 Lighting Improvements;

NOW, THEREFORE, in consideration of the mutual covenants, promises, and representations in this Agreement, the parties agree as follows:

(1) PURPOSE: The purpose of this Agreement is to provide financial assistance to the Sponsor under §305.230 RSMo.

(2) AMOUNT OF GRANT: The amount of this grant is Five Hundred Twenty Thousand Seven Hundred Ten Dollars (\$520,710); which is equal to fifty percent (50%) of the match required for Sponsor's State Block Grant for Project 15-109A-3; provided, however, that in the event state funds available to the Commission under §305.230 RSMo are reduced so that the Commission is incapable of completely satisfying its obligations to all the Sponsors for the current state fiscal year, the Commission may recompute and reduce this grant. The designation of this grant does not create a lump sum quantity contract, but rather only represents the amount of funding available for qualifying expenses. In no event will the Commission provide the Sponsor funding for improvements or work that are not actually performed. The release of all funding under this Agreement is subject to review and approval of all project expenses to ensure that they are qualifying expenses under this program.

(3) PROJECT TIME PERIOD: The project period shall be from the date of

execution of this Agreement by the Commission to December 31, 2017. The Commission's representative may, in writing, extend the project time period for good cause as shown by the Sponsor. The grant funds in paragraph (2) not expended or duly obligated during the project time period shall be released for use in other projects under §305.230 RSMo.

(4) TITLE EVIDENCE TO EXISTING AIRPORT PROPERTY: By signing this Agreement, the Sponsor certifies that it holds satisfactory evidence of title to all existing airport property and avigation easements.

(5) CONTROL OF AIRPORT: The Sponsor agrees to continue to control the airport, either as owner or as lessee, for 20 years following receipt of the last payment from this grant. Applicable agreement periods are as follows:

(A) Land interests - Fifty (50) years.

(B) Improvements - Useful life, as determined by the Commission.

(6) WITHDRAWAL OF GRANT OFFER: The Commission reserves the right to amend or withdraw this grant offer at any time prior to acceptance by the Sponsor.

(7) PAYMENT: Payments to the Sponsor are made on an advance basis. The Sponsor may request incremental payments during the course of a project or a lump sum payment upon completion of the work. However, this advance payment is subject to the limitations imposed by paragraph (7)(B) of this Agreement.

(A) The Sponsor may request payment at any time subsequent to the execution of this Agreement by both parties. Requests for reimbursement shall be supported with invoices. After the Sponsor pays incurred costs, copies of checks used to pay providers must be submitted to the Commission.

(B) It is understood and agreed by and between the parties that the Commission shall make no payment which could cause the aggregate of all payments under this Agreement to exceed ninety percent (90%) of the maximum state (Aviation Trust Fund) obligation stated in this Agreement or eighty-one percent (81%) of actual total eligible project cost, whichever is lower, until the Sponsor has met and/or performed all requirements of this grant Agreement to the satisfaction of the Commission.

(C) Within ninety (90) days of final inspection of the project funded under this grant, the Sponsor shall provide to the Commission a final payment request and all financial performance and other reports as required by the conditions of this grant.

(D) When land donations are used, the costs for land may be submitted with an appraisal prepared by a MoDOT-certified appraiser. All donations must be

preapproved by the Commission to ensure eligibility for funding.

(E) If the Commission determines that the Sponsor was overpaid, the amount of overpayment shall be remitted to the Commission.

(8) AUDIT OF RECORDS: The Sponsor must maintain all records relating to this Agreement, including but not limited to invoices, payrolls, etc. These records must be available at all reasonable times at no charge to the Commission and/or its designees or representatives during the period of this Agreement and any extension thereof, and for three (3) years from the date of final payment made under this Agreement.

(9) FINANCIAL SUMMARY: Upon request of the Commission, the Sponsor shall provide to the Commission a financial summary of the total funds expended. The summary must show the source of funds and the specific items for which they were expended.

(10) NONDISCRIMINATION CLAUSE: The Sponsor shall comply with all state and federal statutes applicable to the Sponsor relating to nondiscrimination, including, but not limited to, Chapter 213, RSMo; Title VI and Title VII of the Civil Rights Act of 1964 as amended (42 U.S.C. §2000d and §2000e, *et seq.*); and with any provision of the "Americans with Disabilities Act" (42 U.S.C. §12101, *et seq.*).

(11) CANCELLATION: The Commission may cancel this Agreement at any time for a material breach of contractual obligations by providing the Sponsor with written notice of cancellation. Should the Commission exercise its right to cancel this Agreement for such reasons, cancellation will become effective upon the date specified in the notice of cancellation sent to the Sponsor.

(12) LACK OF PROGRESS: Any lack of progress which significantly endangers substantial performance of the project within the specified time shall be deemed a violation of the terms of this Agreement. The determination of lack of progress shall be solely within the discretion of the Commission. The Commission shall notify the Sponsor in writing once such a determination is made.

(13) VENUE: It is agreed by the parties that any action at law, suit in equity, or other judicial proceeding to enforce or construe this Agreement, or regarding its alleged breach, shall be instituted only in the Circuit Court of Cole County, Missouri.

(14) LAW OF MISSOURI TO GOVERN: This Agreement shall be construed according to the laws of the State of Missouri. The Sponsor shall comply with all local, state and federal laws and regulations relating to the performance of this Agreement.

(15) WORK PRODUCT: All documents, reports, exhibits, etc. produced by the Sponsor at the direction of the Commission and information supplied by the Commission shall remain the property of the Commission.

(16) CONFIDENTIALITY: The Sponsor shall not disclose to third parties confidential factual matters provided by the Commission except as may be required by statute, ordinance or order of court, or as authorized by the Commission. The Sponsor shall notify the Commission immediately of any request for such information.

(17) NONSOLICITATION: The Sponsor warrants that it has not employed or retained any company or person, other than a bona fide employee working for the Sponsor, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the Commission shall have the right to annul this Agreement without liability, or in its discretion, to deduct from this Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

(18) DISPUTES: Any disputes that arise under this Agreement shall be decided by the Commission or its representative.

(19) INDEMNIFICATION:

(A) To the extent allowed or imposed by law, the Sponsor shall defend, indemnify and hold harmless the Commission, including its members and department employees, from any claim or liability whether based on a claim for damages to real or personal property or to a person for any matter relating to or arising out of the Sponsor's wrongful or negligent performance of its obligations under this Agreement.

(B) The Sponsor will require any contractor procured by the Sponsor to work under this Agreement:

(1) To obtain a no cost permit from the Commission's district engineer prior to working on the Commission's right-of-way, which shall be signed by an authorized contractor representative (a permit from the Commission's district engineer will not be required for work outside of the Commission's right-of-way); and

(2) To carry commercial general liability insurance and commercial automobile liability insurance from a company authorized to issue insurance in Missouri, and to name the Commission, and the Missouri Department of Transportation and its employees, as additional named insureds in amounts sufficient to cover the sovereign immunity limits for Missouri public entities (\$500,000 per claimant and \$3,000,000 per occurrence) as calculated by the Missouri Department of Insurance, Financial Institutions and Professional Registration, and published annually in the Missouri Register pursuant to Section 537.610, RSMo.

(C) In no event shall the language of this Agreement constitute or be construed as a waiver or limitation for either party's rights or defenses with regard to each party's applicable sovereign, governmental, or official immunities and protections as provided by federal and state constitution or law.

(20) NOTIFICATION OF CHANGE: The Sponsor shall immediately notify the Commission of any change in conditions or law which may significantly affect its ability to perform the project in accordance with the provisions of this Agreement.

(21) AMENDMENTS: Any change in this Agreement, whether by modification or supplementation, must be accomplished by a formal contract amendment signed and approved by the duly authorized representatives of the Sponsor and the Commission.

(22) PROFESSIONAL SERVICES BY COMPETITIVE PROPOSALS: Contracts for architectural, engineering and/or land surveying services, as defined in section 8.287 RSMo, shall be procured by competitive proposals, and the procurement process shall comply with sections 8.285-8.291 RSMo.

(23) ASSIGNMENT: The Sponsor shall not assign, transfer or delegate any interest in this Agreement without the prior written consent of the Commission.

(24) BANKRUPTCY: Upon filing for any bankruptcy or insolvency proceeding by or against the Sponsor, whether voluntarily, or upon the appointment of a receiver, trustee, or assignee, for the benefit of creditors, the Commission reserves the right and sole discretion to either cancel this Agreement or affirm this Agreement and hold the Sponsor responsible for damages.

(25) COMMISSION REPRESENTATIVE: The Commission's chief engineer is designated as the Commission's representative for the purpose of administering the provisions of this Agreement. The Commission's representative may designate by written notice other persons having the authority to act on behalf of the Commission in furtherance of the performance of this Agreement.

(26) SAFETY INSPECTION: The Sponsor shall eliminate all deficiencies identified in its most recent safety inspection letter. If immediate elimination is not feasible, as determined by the Commission, the Sponsor shall provide a satisfactory plan to eliminate the deficiencies.

(27) AIRPORT USE: The Sponsor agrees to operate the airport for the use and benefit of the public. The Sponsor further agrees that it will keep the airport open to all types, kinds, and classes of aeronautical use on fair and reasonable terms without discrimination between such types, kinds and classes. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Commission. Otherwise, at no time shall the airport be closed to accommodate a non-aeronautical event or activity.

(28) SAFE OPERATION OF AIRPORT: The Sponsor agrees to operate and maintain in a safe and serviceable condition the airport and all connected facilities which are necessary to serve the aeronautical users of the airport other than facilities owned or controlled by the United States. The Sponsor further agrees that it will not permit any activity on the airport's grounds that would interfere with its safe use for airport purposes. Nothing contained in this Agreement shall be construed to require that the airport be operated for aeronautical uses during temporary periods when snow, ice, or other climatic conditions interfere with safe operations.

(29) RESPONSIBILITY FOR PROJECT SAFETY: During the full term of the project, the Sponsor shall be responsible for the installation of any signs, markers, or other devices required for the safety of the public. All markers or devices required on the airport will conform to Federal Aviation Administration (hereinafter, "FAA") regulations or specifications that may apply. The Sponsor shall issue, through the applicable FAA Flight Service Station, any and all Notices to Airmen that may be required.

(30) ENGINEER'S DESIGN REPORT: Prior to development of the plans and specifications, the Sponsor shall provide an engineer's report setting forth the general analysis and explanation of reasons for design choices. Said report shall include an itemized cost estimate, design computations, reasons for selections and modifications, comparison of alternatives, life cycle cost analysis, geotechnical report and any other elements that support the engineer's final plans and specifications.

(31) GEOMETRIC DESIGN CRITERIA: The Sponsor shall use the geometric design criteria promulgated by the FAA in the AC series and in FAA Orders. The Sponsor may request and receive approval for adaptation of said criteria where the Commission concurs that such adaptation is appropriate considering safety, economy and efficiency of operation.

(32) PLANS, SPECIFICATIONS AND ESTIMATES: The plans and construction specifications for this project shall be those promulgated by the FAA in the AC series and in FAA Orders.

(A) The plans shall include a safety plan sheet to identify work areas, haul routes, staging areas, restricted areas, construction phasing, shutdown schedule etc., and to specify the requirements to ensure safety during construction.

(B) The Sponsor shall submit all plans, specifications and estimates to the Commission for review and acceptance prior to advertising for bids for construction.

(33) REVIEW OF BIDS AND CONTRACT AWARD: The Commission shall review all contractors' bids and approve the selection of the apparent successful bidder prior to the Sponsor awarding the construction contract.

(34) NOTICE TO PROCEED: After the Commission receives copies of the

executed construction contract between the Sponsor and the contractor, the performance and payment bonds, and any other documentation as required by this Agreement, the Commission will authorize the Sponsor to issue a notice to proceed with construction.

(A) The Sponsor shall issue a notice to the contractor within ten (10) days of authorization by the Commission, unless otherwise approved by the Commission.

(B) Any construction work performed prior to the Sponsor's issuance of a Notice to Proceed shall not be eligible for funding participation.

(35) CONSTRUCTION OBSERVATION/INSPECTION REQUIREMENTS: In conjunction with submittal of the Notice to Proceed documentation, the Sponsor shall provide a construction observation/inspection program setting forth a format for accomplishment of resident observation, construction inspection and overall quality assurance.

(36) CONSTRUCTION PROGRESS AND INSPECTION REPORTS: The Sponsor shall provide and maintain adequate, competent and qualified engineering supervision and construction inspection at the project site during all stages of the work to ensure that the completed work conforms with the project plans and specifications. Project oversight by the Commission's project manager or other personnel does not relieve the Sponsor of this responsibility.

(A) The Sponsor shall require the resident project representative to keep daily construction records and shall submit to the Commission a Weekly Construction Progress and Inspection Report (available on MoDOT's aviation section website), completed by the resident project representative. A weekly summary of tests completed shall be included.

(B) Prior to final acceptance, the Sponsor shall provide to the Commission a testing summary report bearing the engineer's seal and including a certification from the engineer that the completed project is in compliance with the plans and specifications.

(C) Certification statements from construction contractors must be provided to ensure all workers, material suppliers, etc. have been paid.

(37) CHANGE ORDERS/SUPPLEMENTAL AGREEMENTS: All change orders/supplemental agreements must be submitted to the Commission for approval prior to implementation to ensure funding eligibility. Requests for additional work for items not included in the original bid must be accompanied by a cost analysis to substantiate the proposed costs.

(38) RECORD DRAWINGS: The Sponsor shall provide one (1) electronic set

of as-built construction drawings on a compact disc in .pdf format copied to a single file (each sheet must be sealed, signed, and dated by the engineer) to the Commission upon project completion. In addition, the Sponsor shall provide six updated Airport Layout Drawings (ALD's) showing as-built conditions, if required. The Commission will forward updated ALDs to the FAA central region office.

(39) FILING NOTICE OF LANDING AREA PROPOSAL: When a project involving changes to the runway will be implemented at an airport, the Sponsor must submit FAA Form 7480-1 ("Notice of Landing Area Proposal") to the FAA not less than one hundred twenty (120) days prior to commencement of any construction or alteration. A copy of the form as filed with the FAA and the FAA airspace determination letter must be provided to the Commission. This form must be submitted for any projects that involve the widening or lengthening of an existing runway or construction of a new runway.

(40) FILING NOTICE OF PROPOSED CONSTRUCTION OR ALTERATION: When a development project that does not involve changes to the runway will be implemented at an airport, the Sponsor must electronically submit FAA form 7460-1 ("Notice of Proposed Construction of Alteration") to the FAA not less than one hundred twenty (120) days prior to commencement of any construction or alteration. Electronic submittal of FAA form 7460-1 must be submitted for construction of any permanent structures on the airport, temporary structures over 20 feet in height or use of construction equipment over 20 feet tall. It is not necessary for routine construction projects, unless they include above ground installations.

(41) PROMPT PAYMENT: The Commission and the Sponsor require all contractors to pay all subcontractors and suppliers for satisfactory performance of services in compliance with Section 34.057 RSMo, Missouri's prompt payment statute. Pursuant to section 34.057 RSMo, the Commission and the Sponsor also require the prompt return of all retainage held on all subcontractors after the subcontractors' work is satisfactorily completed, as determined by the Sponsor and the Commission.

(42) STATE WAGE LAWS: The Sponsor and its subcontractors shall pay the prevailing hourly rate of wages for each craft or type of worker required to execute this project work as determined by the Department of Labor and Industrial Relations of Missouri, and they shall further comply in every respect with the minimum wage laws of Missouri. The Sponsor shall take those acts which may be required to fully inform itself of the terms of, and to comply with, any applicable state wage laws.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have entered into and accepted this Agreement on the last date written below.

Executed by the Sponsor this _____ day of _____, 20____.

Executed by the Commission this _____ day of _____, 20____.

MISSOURI HIGHWAYS AND
TRANSPORTATION COMMISSION

CITY OF LEE'S SUMMIT

By _____

Title _____

Title _____

Attest:

By _____

Title _____

Approved as to Form:

Title _____

Ordinance No. _____
(if applicable)