

ITEM # 13  
DATE: 07-14-20

### COUNCIL ACTION FORM

**SUBJECT: CARES ACT GRANT FOR THE AMES MUNICIPAL AIRPORT**

**BACKGROUND:**

The Federal Aviation Administration (FAA) is offering a grant through the Coronavirus Aid, Relief, and Economic Security (CARES) Act for the Ames Municipal Airport. This grant is part of a national stimulus package approved by Congress to help with the economic impacts of the COVID-19 pandemic. **Ames will receive up to a maximum of \$69,000 to assist with operational expenses incurred after January 20, 2020, for the next four years (1,460 calendar days).** The FAA has provided a detailed presentation explaining the process that determined how funds were allocated under the legislation (Attached to this CAF).

Staff is in the process of assessing the facilities at the Ames Municipal Airport for repairs, replacements, or other maintenance needs that are eligible for reimbursement under the CARES Act grant. Once a list of maintenance projects has been generated, staff will work with the Fleet and Facilities Department and our Fixed Based Operator (FBO) to prioritize the projects. **Considering many buildings at the Airport were built in the late 1970s and early 1980s, it is expected that the majority of the funds will be spent on roof, door, and other structural repairs of the buildings.**

**ALTERNATIVES:**

1. Approve the CARES Act grant agreement for the Ames Municipal Airport in the amount not to exceed \$69,000.
2. Reject the grant offer.

**MANAGER'S RECOMMENDED ACTION:**

By approving the CARES Act grant, the City will provide much-needed relief to the operational expenses at the Airport. The additional funding should significantly extend the usable life of the public facilities at the Airport.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.



U.S. Department of Transportation  
Federal Aviation Administration

# Coronavirus Aid, Relief, and Economic Security Act (CARES Act)

Public Law 116-136

## Airport Grants

April 2020



# Coronavirus Aid, Relief, and Economic Security (CARES) Act

## Airport Grants Overview

- What are CARES Act provisions?
- Which airports are eligible?
- What expenditures are eligible?
- What are the CARES Act grant amount formulas?
- How to apply and execute a grant?
- How to request and process grant payments?
- What are the documentation and audit requirements?

# CARES Act Airport Grants

## What are CARES Act provisions?

- **March 27, 2020**
- **Nearly \$10 billion** to eligible U.S. airports to prevent, prepare for, and respond to coronavirus impacts, including support for continuing airport operations
- **Funds available to:**
  - **Keep** airports in reliable, safe operation to serve the aviation industry, the travelling public, and support the economy
  - **Keep** airport and aviation workers employed
  - **Keep** airport credit ratings stable



# CARES Act Airport Grants

## What are CARES Act provisions?

- **Not** Airport Improvement Program (AIP) grants
- **Appropriated from General Fund** and not from the Airport and Airway Trust Fund
- **FAA will award funds** on expedited basis
- **FAA encourages sponsors** to spend funds expeditiously
- **Workforce retention requirements** for large, medium, and small hub airports



# CARES Act Airport Grants

## Which airports are eligible?

- **Eligible airports** in the National Plan of Integrated Airport Systems (NPIAS), including commercial service airports, reliever airports and some public-owned general aviation airports
- **Over 3,000 airports**, ranging from large airports such as Dallas Fort Worth International Airport to small general aviation airports such as Salem, Indiana



# CARES Act Airport Grants

## What expenditures are eligible?

- **Available for** any purpose for which airport revenues may lawfully be used
- **Generally available** for expenditures allowed by the FAA's Policy and Procedures Concerning the Use of Airport Revenue (Revenue-Use Policy)
- **Additional requirements** for new contracts for airport development, (construction or real property acquisition), such as safety and security, Davis-Bacon Act, Buy American, National Environmental Policy Act (NEPA) and other specific requirements for new airport development under CARES Act



# CARES Act Airport Grants

## How are funds allocated?

The CARES Act divides the \$10 billion into four groups:

- **Group 1:** Increasing the Federal Share to 100% for FY 2020 AIP and FY 2020 Supplemental Discretionary grants – **At least \$500 million**
- **Group 2:** Commercial Service Airports – **At least \$7.4 billion**
- **Group 3:** Primary Commercial Airports – **Up to \$2 billion**
- **Group 4:** General Aviation Airports – **At least \$100 million**





# CARES Act Airport Grants

## Funding Groups and Formula Development – GROUP 1

- **100% Federal share** for FY 2020 grants, including AIP grants already announced
- **No change to** grants funded under FY 2018 or FY 2019 appropriation



# CARES Act Airport Grants

## Funding Groups and Formula Development – GROUP 2

### Grantee formula for commercial service airports:

- **50% based** on each airport's percentage of enplanements for all commercial service airport enplanements during calendar year 2018
- **25% based** on each sponsor's percentage of debt service\* for the combined debt service for all commercial service airports for fiscal year 2018
- **25% based** on the sponsor's fiscal year 2018 ratio of unrestricted reserves\* to its respective debt service

\*As defined in AC 150/5100-19, Airport Financial Reporting Advisory Circular



# CARES Act Airport Grants

## Funding Groups and Formula Development – GROUP 2

50% based on each airport's percentage of enplanements for all commercial service airport enplanements during calendar year 2018

	Enplanements	As % of Total	Resulting Allocated Funds
Airport A	2,501	0.038064%	\$190,320
Airport B	8,000	0.121756%	\$608,782
Airport C	10,000	0.152195%	\$760,977
Airport D	50,000	0.760977%	\$3,804,885
Airport E	500,000	7.609770%	\$38,048,849
Airport F	1,000,000	15.219540%	\$76,097,698
Airport G	5,000,000	76.097698%	\$380,488,489
<b>Totals</b>	<b>6,570,501</b>	<b>100%</b>	<b>\$500,000,000</b>

← Purely Illustrative Figure



# CARES Act Airport Grants

## Funding Groups and Formula Development – GROUP 2

25% based on each sponsor's percentage of debt service for the combined debt service for all commercial service airports for fiscal year 2018

	Line 15.1 Debt Service, Excluding Coverage	As % of Total	Resulting Allocated Funds
Airport A	\$0	0%	\$0
Airport B	\$25,000	0.060790%	\$151,976
Airport C	\$100,000	0.243161%	\$607,903
Airport D	\$1,000,000	2.431611%	\$6,079,027
Airport E	\$5,000,000	12.158055%	\$30,395,137
Airport F	\$10,000,000	24.316109%	\$60,790,274
Airport G	\$25,000,000	60.790274%	\$151,975,684
<b>Totals</b>	<b>\$41,125,000</b>	<b>100%</b>	<b>\$250,000,000</b>

← Purely Illustrative Figure



# CARES Act Airport Grants

## Funding Groups and Formula Development – GROUP 2

25% based on the sponsor's fiscal year 2018 ratio of unrestricted reserves to its respective debt service

	Line 13.0 Unrestricted Cash and Investments	Line 15.1 Debt Service, Excluding Coverage	Calculated Ratio	Initial Resulting Allocation %	Resulting Allocated Funds	Ratios Used in Allocation	Resulting Allocation %	Resulting Allocated Funds
Airport A	\$0	\$2,000,000	0.000000	0.000000%	\$0	0.000000	0.000000%	\$0
Airport B	\$400,000	\$1,600,000	0.250000	0.070484%	\$211,453	0.250000	0.227919%	\$683,757
Airport C	\$800,000	\$1,400,000	0.571429	0.161107%	\$483,322	0.571429	0.520958%	\$1,562,873
Airport D	\$1,600,000	\$1,200,000	1.333333	0.375917%	\$1,127,751	1.333333	1.215568%	\$3,646,704
Airport E	\$3,200,000	\$1,000,000	3.200000	0.902201%	\$2,706,603	3.200000	2.917363%	\$8,752,089
Airport F	\$6,400,000	\$800,000	8.000000	2.255503%	\$6,766,508	8.000000	7.293408%	\$21,880,223
Airport G	\$12,800,000	\$600,000	21.333333	6.014674%	\$18,044,023	21.333333	19.449087%	\$58,347,262
Airport H	\$25,600,000	\$400,000	64.000000	18.044023%	\$54,132,068	25.000000	22.791899%	\$68,375,697
Airport I	\$51,200,000	\$200,000	256.000000	72.176090%	\$216,528,271	25.000000	22.791899%	\$68,375,697
Airport J	\$10,000,000	\$0	Cannot be calculated mathematically			25.000000	22.791899%	\$68,375,697
<b>Totals</b>	<b>\$112,000,000</b>	<b>\$9,200,000</b>	<b>354.688095</b>	<b>100.000000%</b>	<b>\$300,000,000</b>	<b>109.688095</b>	<b>100.000000%</b>	<b>\$300,000,000</b>

Purely Illustrative Figure

Capping these ratios at no more than 25.0 prevents disproportionately high award levels.

Setting this otherwise incalculable ratio at the same level (25.0) supports statutory consistency.

Adding the ratios together creates an index for calculating the allocation %. Each individual ratio is compared against the total index to derive their percentage allocation from this portion of the available funds.

# CARES Act Airport Grants

## Funding Groups and Formula Development – GROUP 3

- **Allocation for** large, medium, small and non-hub **primary airports** and non-primary commercial service airports with 8,000 – 9,999 passenger boardings
- **Based on** statutory AIP primary apportionment formulas to include:
  - Doubling of apportioned fund for primary airports only
  - Exceptions include:
    - No \$26 million limit for primary airports
    - No reduction for imposing passenger facility charges



# CARES Act Airport Grants

## Funding Groups and Formula Development – GROUP 4

- **Available to GA airports** based on a percentage of the aggregate eligible development of each GA category published in the National Plan of Integrated Airport Systems (NPIAS) eligible development
- **Funds divided evenly among** eligible airports in each category, rounding up to the nearest thousand dollars



# CARES Act Airport Grants

## | How does an airport sponsor apply?

- **No application** for Federal share increase – FAA will adjust grant amounts
- **Secretary announces** amounts allocated to each airport sponsor under Groups 2, 3, and 4
- **Simplified application** to claim these funds, OMB Form 424
- **Grant Agreements** will be issued in April 2020 and will not contain standard AIP grant assurances but contain CARES Act and standard Federal grant conditions





# CARES Act Airport Grants

## What requirements apply to a CARES grant?

- **CARES Act Airport Grant Agreements** require:
  - 2 CFR part 200
  - Exclusive Rights prohibitions
  - Title VI, Civil Rights
- **For airport development projects**, additional requirements such as:
  - Prevailing wage
  - Buy American
  - Veterans' Preference
  - Disadvantaged Business Enterprises
  - Environmental review
  - Other requirements to protect airport safety



# CARES Act Airport Grants

## How to request and process payments?

- **Reasonable and customary documentation** for payroll, operational, and debt service costs
- **Additional documentation** for new airport development:
  - construction, modifications, or real property acquisition
- **Additional documentation** for payments for:
  - Airfield installations, equipment, signage and markings
  - Payments to sponsor's non-airport accounts
- Grant payments requested under the CARES Act will be in accordance with 2 CFR part 200



# CARES Act Airport Grants

## Are there documentation and audit requirements?

- Sponsor and FAA accountability is imperative
- All payment requests require supporting documentation similar to the level of detail required for AIP grants
- Sponsors must retain complete records to support all grant payments
- Grants subject to audit to prevent improper payments



# Thank you

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Please visit  
[www.faa.gov/airports/cares\\_act/](http://www.faa.gov/airports/cares_act/)  
for more information and continuous updates.

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Send general questions to  
[CARESAirports@faa.gov](mailto:CARESAirports@faa.gov)

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

Airports Division  
Central Region  
Iowa, Kansas, Missouri, Nebraska

FAA ACE-600  
901 Locust  
Kansas City, MO 64106

Mr. Damion Pregitzer  
Traffic Engineer  
City of Ames  
515 Clarke Avenue  
Ames, IA 50010

Dear Mr. Pregitzer:

Please find the following electronic CARES Act Grant Offer, Grant No. 3-19-0004-026-2020 for Ames Municipal Airport. This letter outlines expectations for success. Please read and follow the instructions carefully.

To properly enter into this agreement, you must do the following:

- a. The governing body must provide authority to execute the grant to the individual signing the grant; i.e. the sponsor's authorized representative.
- b. The sponsor's authorized representative must execute the grant, followed by the attorney's certification, **no later than** \_\_\_\_\_, in order for the grant to be valid.
- c. You may not make any modification to the text, terms or conditions of the grant offer.
- d. The grant offer must be digitally signed by the sponsor's legal signatory authority and then the grant offer will be automatically routed via email to the sponsor's attorney. Once the attorney has digitally attested to the grant, the FAA will email a copy of the executed grant to all parties.

Subject to the requirements in 2 CFR §200.305, each payment request for reimbursement under this grant must be made electronically via the Delphi eInvoicing System. Please see the attached Grant Agreement for more information regarding the use of this System. The terms and conditions of this agreement require you drawdown and expend these funds within four years.

An airport sponsor may use these funds for any purpose for which airport revenues may be lawfully used. CARES grant recipients should follow the FAA's Policy and Procedures Concerning the Use of Airport Revenues ("Revenue Use Policy"), 64 Federal Register 7696 (64 FR 7696), as amended by 78 Federal Register 55330 (78 FR 55330). The Revenue Use Policy defines permitted uses of airport revenue. In addition to the detailed guidance in the Revenue Use Policy, the CARES Act states the funds may not be used for any purpose not related to the airport.

With each payment request you are required to upload directly to Delphi:

- An invoice summary, even if you only paid a single invoice and
- The documentation in support of each invoice covered in the payment request.

For the final payment request, in addition to the requirement listed above for all payment requests, you are required to upload directly to Delphi:

- A final financial report summarizing all of the costs incurred and reimbursed, and
- An SF-425, and
- A narrative report.

The narrative report will summarize the expenses covered by the CARES Act funds and state that all expenses were in accordance with the FAA's Policy and Procedures Concerning the Use of Airport Revenues and incurred after January 20, 2020.

As a condition of receiving Federal assistance under this award, you must comply with audit requirements as established under 2 CFR part 200. Subpart F requires non-Federal entities that expend \$750,000 or more in Federal awards to conduct a single or program specific audit for that year. Note that this includes Federal expenditures made under other Federal-assistance programs. Please take appropriate and necessary action to assure your organization will comply with applicable audit requirements and standards.

Once you have drawn down all funds and uploaded the required documents to Delphi, please email me to close the grant. I am readily available to assist you and your designated representative with the requirements stated herein. We sincerely value your cooperation in these efforts.

Sincerely,

Jeffrey D. Deitering  
Iowa State Planner



U.S. Department  
of Transportation  
Federal Aviation  
Administration

**CARES ACT AIRPORT GRANT AGREEMENT**

**PART I – OFFER**

Federal Award Offer Date \_\_\_\_\_

Airport/Planning Area Ames Municipal

CARES Grant Number 3-19-0004-026-2020

Unique Entity Identifier 061320917

TO: City of Ames  
(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 Coronavirus Aid, Relief, and Economic Security Act (CARES Act or "the Act") Airports Grants Application (herein called the "Grant") dated **June 12, 2020**, for a grant of Federal funds at or associated with the **Ames Municipal Airport**, which is included as part of this Grant Agreement; and

WHEREAS, the Sponsor has accepted the terms of FAA's Grant offer;

**WHEREAS**, in consideration of the promises, representations and assurances provided by the Sponsor, the FAA has approved the Grant Application for the **Ames Municipal Airport** (herein called the "Grant") consisting of the following:

This Grant is provided in accordance with the CARES Act, as described below, to provide eligible Sponsors with funding to help offset a decline in revenues arising from diminished airport operations and activities as a result of the COVID-19 Public Health Emergency. CARES Act Airport Grants amounts to specific airports are derived by legislative formula.

The purpose of this Grant is to maintain safe and efficient airport operations. Funds provided under this Grant Agreement must only be used for purposes directly related to the airport. Such purposes can include the reimbursement of an airport's operational and maintenance expenses or debt service payments. CARES Act Airport Grants may be used to reimburse airport operational and maintenance expenses directly related to the **Ames Municipal Airport** incurred no earlier than January 20, 2020. CARES Act Airport Grants also may be used to reimburse a Sponsor's payment of debt service where such payments occur on or after April 14, 2020. Funds provided under the Grant will be governed by the same principles that govern "airport revenue." New airport development projects may not be funded with this Grant, unless and until the Grant Agreement is amended or superseded by a subsequent agreement that addresses and authorizes the use of funds for the airport development project.

**NOW THEREFORE**, in accordance with the applicable provisions of the CARES Act, Public Law Number 116-136, the representations contained in the Grant Application, and in consideration of, (a) the Sponsor's acceptance of this Offer; and, (b) the benefits to accrue to the United States and the public

from the accomplishment of the Grant and in compliance with the conditions as herein provided, **THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay 100% percent of the allowable costs incurred as a result of and in accordance with this Grant Agreement.**

**Assistance Listings Number (Formerly CFDA Number): 20.106**

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

### **CONDITIONS**

1. **Maximum Obligation.** The maximum obligation of the United States payable under this Offer is **\$69,000.00.**
2. **Period of Performance.** The period of performance shall commence on the date the Sponsor formally accepts this agreement. The end date of the period of performance is 4 years (1,460 calendar days) from the date of acceptance.  
  
The Sponsor may only charge allowable costs for obligations incurred prior to the end date of the period of performance (2 CFR § 200.309). Unless the FAA authorizes a written extension, the Sponsor must submit all Grant closeout documentation and liquidate (pay-off) all obligations incurred under this award no later than 90 calendar days after the end date of the period of performance (2 CFR § 200.343).  
  
The period of performance end date shall not affect, relieve or reduce Sponsor obligations and assurances that extend beyond the closeout of this Grant Agreement.
3. **Unallowable Costs.** The Sponsor shall not seek reimbursement for any costs that the FAA has determined to be unallowable under the CARES Act.
4. **Indirect Costs - Sponsor.** The Sponsor may charge indirect costs under this award by applying the indirect cost rate identified in the Grant Application as accepted by the FAA, to allowable costs for Sponsor direct salaries and wages only.
5. **Final Federal Share of Costs.** The United States' share of allowable Grant costs is 100%.
6. **Completing the Grant without Delay and in Conformance with Requirements.** The Sponsor must carry out and complete the Grant without undue delays and in accordance with this Grant Agreement, the CARES Act, and the regulations, policies, standards and procedures of the Secretary of Transportation ("Secretary"). Pursuant to 2 CFR § 200.308, the Sponsor agrees to report to the FAA any disengagement from funding eligible expenses under the Grant that exceeds three months and request prior approval from FAA. The report must include a reason for the stoppage. The Sponsor agrees to comply with the attached assurances, which are part of this agreement and any addendum that may be attached hereto at a later date by mutual consent.
7. **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 Sponsor.
8. **Offer Expiration Date.** This offer will expire and the United States will not be obligated to pay any part of the costs unless this offer has been accepted by the Sponsor on or before \_\_\_\_\_, or such subsequent date as may be prescribed in writing by the FAA.
9. **Improper Use of Federal Funds.** The Sponsor must take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner, including uses that violate this Grant Agreement, the CARES Act or



other provision of applicable law. For the purposes of this Grant Agreement, the term “Federal funds” means funds however used or dispersed by the Sponsor, that were originally paid pursuant to this or any other Federal grant agreement(s). The Sponsor must return the recovered Federal share, including funds recovered by settlement, order, or judgment, to the Secretary. The Sponsor must furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such Federal share require advance approval by the Secretary.

10. **United States Not Liable for Damage or Injury.** The United States is not responsible or liable for damage to property or injury to persons which may arise from, or relate to this Grant Agreement, including, but not limited to, any action taken by a Sponsor related to or arising from, directly or indirectly, this Grant Agreement.
11. **System for Award Management (SAM) Registration And Universal Identifier** 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>).
12. **Electronic Grant Payment(s).** Unless otherwise directed by the FAA, the Sponsor must make each payment request under this agreement electronically via the Delphi eInvoicing System for Department of Transportation (DOT) Financial Assistance Awardees.
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 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 expense which funds are provided under this Grant. The Sponsor will include a provision implementing applicable Buy American statutory and regulatory requirements in all contracts related to this Grant Agreement.
15. **Audits for Private Sponsors.** When the period of performance has ended, the Sponsor must provide a copy of an audit of this Grant prepared in accordance with accepted standard audit practices, such audit to be submitted to the applicable Airports District Office.
16. **Audits for Public Sponsors.** The Sponsor must provide for a Single Audit or program-specific audit in accordance with 2 CFR Part 200. The Sponsor must submit the audit reporting package to the Federal Audit Clearinghouse on the Federal Audit Clearinghouse’s Internet Data Entry System at <http://harvester.census.gov/facweb/> . Upon request of the FAA, the Sponsor shall provide one copy of the completed audit to the FAA.
17. **Suspension or Debarment.** When entering into a “covered transaction” as defined by 2 CFR § 180.200, the Sponsor must:
  - A. Verify the non-federal entity is eligible to participate in this Federal program by:
    1. Checking the excluded parties list system (EPLS) as maintained within the System for Award Management (SAM) to determine if the non-federal entity is excluded or disqualified; or
    2. Collecting a certification statement from the non-federal entity attesting the entity is not excluded or disqualified from participating; or

3. Adding a clause or condition to covered transactions attesting the individual or firm is not excluded or disqualified from participating.
- B. Require prime contractors to comply with 2 CFR § 180.330 when entering into lower-tier transactions (e.g. sub-contracts).
- C. Immediately disclose to the FAA whenever the Sponsor (1) learns the Sponsor has entered into a covered transaction with an ineligible entity, or (2) suspends or debar a contractor, person, or entity.

**18. Ban on Texting While Driving.**

- A. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the 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 government, including work relating to this 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 while driving in all subgrants, contracts and subcontracts.

**19. Trafficking in Persons.**

- A. You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not —
  1. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
  2. Procure a commercial sex act during the period of time that the award is in effect; or
  3. Use forced labor in the performance of the award or subawards under the award.
- B. The FAA as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity —
  1. Is determined to have violated a prohibition in paragraph A of this award term; or
  2. 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—
    - a. Associated with performance under this award; or
    - b. 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 Government-wide Debarment and Suspension (Nonprocurement)," as implemented by the FAA at 2 CFR Part 1200.
3. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph A during this award term.

4. Our right to terminate unilaterally that is described in paragraph A of this section:
  - a. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. § 7104(g)), and
  - b. Is in addition to all other remedies for noncompliance that are available to the FAA under this award.

**20. Employee Protection from Reprisal.**

A. Prohibition of Reprisals –

1. In accordance with 41 U.S.C. § 4712, an employee of a grantee or subgrantee may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in sub-paragraph (A)(2), information that the employee reasonably believes is evidence of:
  - a. Gross mismanagement of a Federal grant;
  - b. Gross waste of Federal funds;
  - c. An abuse of authority relating to implementation or use of Federal funds;
  - d. A substantial and specific danger to public health or safety; or
  - e. A violation of law, rule, or regulation related to a Federal grant.
2. Persons and bodies covered: The persons and bodies to which a disclosure by an employee is covered are as follows:
  - a. A member of Congress or a representative of a committee of Congress;
  - b. An Inspector General;
  - c. The Government Accountability Office;
  - d. A Federal office or employee responsible for oversight of a grant program;
  - e. A court or grand jury;
  - f. A management office of the grantee or subgrantee; or
  - g. A Federal or State regulatory enforcement agency.
3. Submission of Complaint – A person who believes that they have been subjected to a reprisal prohibited by paragraph A of this grant term may submit a complaint regarding the reprisal to the Office of Inspector General (OIG) for the U.S. Department of Transportation.
4. Time Limitation for Submittal of a Complaint - A complaint may not be brought under this subsection more than three years after the date on which the alleged reprisal took place.
5. Required Actions of the Inspector General – Actions, limitations, and exceptions of the Inspector General’s office are established under 41 U.S.C. § 4712(b).
6. Assumption of Rights to Civil Remedy - Upon receipt of an explanation of a decision not to conduct or continue an investigation by the Office of Inspector General, the person submitting a complaint assumes the right to a civil remedy under 41 U.S.C. § 4712(c).

- 21. Limitations.** Nothing provided herein shall be construed to limit, cancel, annul, or modify the terms of any Federal grant agreement(s), including all terms and assurances related thereto, that have been entered into by the Sponsor and the FAA prior to the date of this Grant Agreement.

### SPECIAL CONDITIONS

- 22. ARFF and SRE Equipment and Vehicles.** The Sponsor agrees that it will:
- A. House and maintain the equipment in a state of operational readiness on and for the airport;
  - B. Provide the necessary staffing and training to maintain and operate the vehicle and equipment;
  - C. Restrict the vehicle to on-airport use only;
  - D. Restrict the vehicle to the use for which it was intended; and
  - E. Amend the Airport Emergency Plan and/or Snow and Ice Control Plan to reflect the acquisition of a vehicle and equipment.
- 23. Equipment or Vehicle Replacement.** The Sponsor agrees that it will treat the proceeds from the trade-in or sale of equipment being replaced with these funds as airport revenue.
- 24. Off-Airport Storage of ARFF Vehicle.** The Sponsor agrees that it will:
- A. House and maintain the vehicle in a state of operational readiness for the airport;
  - B. Provide the necessary staffing and training to maintain and operate the vehicle;
  - C. Restrict the vehicle to airport use only;
  - D. Amend the Airport Emergency Plan to reflect the acquisition of the vehicle;
  - E. Within 60 days, execute an agreement with local government including the above provisions and a provision that violation of said agreement could require repayment of Grant funding; and
  - F. Submit a copy of the executed agreement to the FAA.
- 25. Equipment Acquisition.** The Sponsor agrees that it will maintain Sponsor-owned and -operated equipment and use for purposes directly related to the airport.
- 26. Utilities Proration.** For purposes of computing the United States' share of the allowable airport operations and maintenance costs, the allowable cost of utilities incurred by the Sponsor to operate and maintain airport(s) included in the Grant must not exceed the percent attributable to the capital or operating costs of the airport.
- 27. Utility Relocation in Grant.** The Sponsor understands and agrees that:
- A. The United States will not participate in the cost of any utility relocation unless and until the Sponsor has submitted evidence satisfactory to the FAA that the Sponsor is legally responsible for payment of such costs;
  - B. FAA participation is limited to those utilities located on-airport or off-airport only where the Sponsor has an easement for the utility; and
  - C. The utilities must serve a purpose directly related to the Airport.

The Sponsor’s acceptance of this Offer and ratification and adoption of the Grant 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 CARES Act, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Grant and compliance with the assurances and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor’s acceptance of this Offer.

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

**UNITED STATES OF AMERICA  
FEDERAL AVIATION ADMINISTRATION**

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*(Signature)*

**Jim A. Johnson**

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*(Typed Name)*

**Director, Central Region Airports Division**

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*(Title of FAA Official)*

**PART II - ACCEPTANCE**

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Grant Application and incorporated materials referred to in the foregoing Offer under Part II of this Agreement, 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 Grant Application.

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

I declare under penalty of perjury that the foregoing is true and correct.

Dated \_\_\_\_\_

\_\_\_\_\_  
**City of Ames**

*(Name of Sponsor)*

\_\_\_\_\_  
*(Signature of Sponsor's Authorized Official)*

**By:**

\_\_\_\_\_  
*(Typed Name of Sponsor's Authorized Official)*

**Title:**

\_\_\_\_\_  
*(Title of Sponsor's Authorized Official)*

**CERTIFICATE OF SPONSOR'S ATTORNEY**

I, \_\_\_\_\_, 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 Iowa. 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 CARES Act. The Sponsor understands funding made available under this Grant Agreement may only be used to reimburse for airport operational and maintenance expenses, and debt service payments. The Sponsor further understands it may submit a separate request to use funds for new airport/project development purposes, subject to additional terms, conditions, and assurances. 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.

**Please read the following information:** By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic

communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

Dated \_\_\_\_\_

By: \_\_\_\_\_

*(Signature of Sponsor's Attorney)*

## CARES ACT ASSURANCES

### AIRPORT SPONSORS

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#### A. General.

1. These assurances are required to be submitted as part of the application by sponsors requesting funds under the provisions of the Coronavirus Aid, Relief, and Economic Security Act of 2020 (CARES Act or “the Act”), Public Law Number, Public Law 116-136. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
2. Upon acceptance of this Grant offer by the sponsor, these assurances are incorporated into and become part of this Grant Agreement.

#### B. Sponsor Certification.

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

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

#### FEDERAL LEGISLATION

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- a. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
- b. Hatch Act – 5 U.S.C. f01, et seq.
- c. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq.
- d. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f).
- e. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469 through 469c.
- f. Native Americans Grave Repatriation Act - 25 U.S.C. Section 3001, et seq.
- g. Clean Air Act, P.L. 90-148, as amended.
- h. Coastal Zone Management Act, P.L. 93-205, as amended.
- i. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.
- j. Title 49, U.S.C., Section 303, (formerly known as Section 4(f)).
- k. Rehabilitation Act of 1973 - 29 U.S.C. 794.
- l. 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).
- m. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.), prohibits discrimination on the basis of disability).
- n. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
- o. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- p. Architectural Barriers Act of 1968 -42 U.S.C. 4151, et seq.
- q. Power plant and Industrial Fuel Use Act of 1978 - Section 403- 2 U.S.C. 8373.



- r. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq.
- s. Copeland Anti-kickback Act - 18 U.S.C. 874.1.
- t. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.
- u. Wild and Scenic Rivers Act, P.L. 90-542, as amended.
- v. Single Audit Act of 1984 - 31 U.S.C. 7501, et seq.
- w. Drug-Free Workplace Act of 1988 - 41 U.S.C. 702 through 706.
- x. 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**

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- a. Executive Order 11246 - Equal Employment Opportunity
- b. Executive Order 11990 - Protection of Wetlands
- c. Executive Order 11998 – Flood Plain Management
- d. Executive Order 12372 - Intergovernmental Review of Federal Programs
- e. Executive Order 12699 - Seismic Safety of Federal and Federally Assisted New Building Construction
- f. Executive Order 12898 - Environmental Justice
- g. Executive Order 13788 - Buy American and Hire American
- h. Executive Order 13858 - Strengthening Buy-American Preferences for Infrastructure Projects

#### **FEDERAL REGULATIONS**

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- 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.
- c. 2 CFR Part 1200 - Nonprocurement Suspension and Debarment.
- d. 28 CFR Part 35 - Discrimination on the Basis of Disability in State and Local Government Services.
- e. 28 CFR § 50.3 - U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964.
- f. 29 CFR Part 1 - Procedures for predetermination of wage rates.
- g. 29 CFR Part 3 - Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.
- h. 29 CFR Part 5 - Labor standards provisions applicable to contracts covering Federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).
- i. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally assisted contracting requirements).
- j. 49 CFR Part 20 - New restrictions on lobbying.

- k. 49 CFR Part 21 - Nondiscrimination in Federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964.
- l. 49 CFR Part 26 - Participation by Disadvantaged Business Enterprises in Department of Transportation Program .49 CFR Part 27 – Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.
- m. 49 CFR Part 28 - Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities conducted by the Department of Transportation.
- n. 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.
- o. 49 CFR Part 32 - Government-wide Requirements for Drug-Free Workplace (Financial Assistance).
- p. 49 CFR Part 37 - Transportation Services for Individuals with Disabilities (ADA).
- q. 49 CFR Part 41 - Seismic safety of Federal and Federally assisted or regulated new building construction.

#### **SPECIFIC ASSURANCES**

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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.

##### **1. Purpose Directly Related to the Airport**

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

##### **2. Responsibility and Authority of the Sponsor.**

###### **a. Public Agency Sponsor:**

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

###### **b. Private Sponsor:**

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

##### **3. Good Title.**

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

##### **4. Preserving Rights and Powers.**

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Grant

Agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish, or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

- b. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with this Grant Agreement.
- c. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to insure that the airport will be operated and maintained in accordance Title 49, United States Code, the regulations, and the terms and conditions of this Grant Agreement.

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

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

**6. Exclusive Rights.**

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

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

**7. Airport Revenues.**

This Grant shall be available for any purpose for which airport revenues may lawfully be used. CARES Act Grant funds provided under this Grant Agreement will only be expended for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned

or operated by the owner or operator of the airport(s) subject to this agreement and all applicable addendums.

#### **8. Reports and Inspections.**

It will:

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

#### **9. Civil Rights.**

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

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

#### **c. Duration.**

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

1. So long as the airport is used as an airport, or for another purpose involving the

provision of similar services or benefits; or

2. So long as the sponsor retains ownership or possession of the property.

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

“The **(Name of Sponsor)**, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, disadvantaged business enterprises and airport concession disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”

d. 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, grant, 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, grant, or program.
- e. 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.
- f. 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.

**10. Foreign Market Restrictions.**

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

**11. Acquisition Thresholds.**

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