



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

Federal Aviation Administration  
Southwest Region, Airports Division  
Arkansas/Oklahoma Airports Development Office

Fort Worth, Texas 76193-0630

May 28, 2008

The Honorable Lynn Norman  
Mayor of Clinton  
P.O. Box 1177  
Clinton, OK 73601

Dear Mayor Norman:

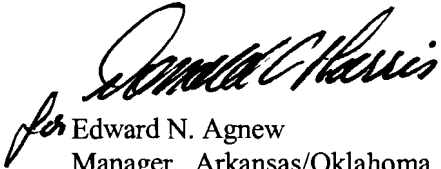
The Federal Aviation Administration (FAA) is enclosing the original and one copy of the Grant Offer for Airport Improvement Program (AIP) Project No. 3-40-0021-007-2008 at Clinton Municipal Airport. The governing body of the Sponsor must pass a resolution to accept, your attorney must certify, and **you must execute the Grant Offer by June 20, 2008, to be valid.** After execution, please return the Grant Offer marked original to us. The second copy is for your files.

Please note that Grant Condition No. 4 requires you to complete the project without undue delay to promote better stewardship of limited AIP funds.

Your airport is authorized to use the Letter of Credit (LOC) method for securing reimbursements directly from the Federal Treasury for completed work. Until the FAA closes the grant, we ask that you make an LOC draw for incurred project expenses every 30 days. In accordance with the LOC process, we monitor your progress from quarterly submission of Quarterly Performance Reports; Construction Progress Reports (FAA Form 5370-1); and the "Distribution and Statement of AIP Project Costs and Cost Credit" report, accompanied by the signed monthly "Outlay Report and Request for Reimbursement for Construction Programs," (FAA Standard Form 271) and a copy of the "ECHO-Web Payment Report" for each monthly draw made in that quarter. We ask that these quarterly submissions be made within 15 days of the end of each federal fiscal quarter.

We sincerely value your cooperation in these efforts and look forward to working with you to complete this important project.

Sincerely,

  
for Edward N. Agnew  
Manager, Arkansas/Oklahoma  
Airport Development Office

Enclosure (2)

cc:

Mr. Victor Bird, Director, Oklahoma Aeronautics Commission, 3700 North Classen Boulevard,  
Oklahoma City, OK 73118



U.S. Department  
of Transportation  
Federal Aviation  
Administration

**GRANT AGREEMENT**  
**PART I – OFFER**

---

MAY 28 2008

*Date of Offer*

**Clinton Municipal Airport**

*Airport/Planning Area*

3-40-0021-007-2008

*Grant No.*

08-247-9700

*DUNS No.*

**TO: The City of Clinton**  
(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 **March 14, 2008**, for a grant of Federal funds for a project at or associated with the **Clinton Municipal Airport**, which Project Application, as approved by the FAA, is hereby incorporated herein and made a part hereof; and

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

**Construct Taxiway Phase 1 Design**

all as more particularly described in the Project Application.

**NOW THEREFORE**, pursuant to and for the purpose of carrying out the provisions of Title 49, United States Code, as amended, herein called "the Act," 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, **ninety-five (95)** per centum thereof.

This 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 **\$44,650.00**. 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 Act, the following amounts are being specified for this purpose:  

**\$44,650.00** 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 the Act.
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 **June 20, 2008**, 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 dispersed 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. **LETTER OF CREDIT:** 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.

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

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 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 become effective upon the Sponsor's acceptance of this Offer.

**UNITED STATES OF AMERICA  
FEDERAL AVIATION ADMINISTRATION**



(Signature)

*for* Edward N. Agnew

(Typed Name)

**Manager, Arkansas/Oklahoma Airport  
Development Office**

(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 \_\_\_\_\_ day of \_\_\_\_\_, 2008.

**City of Clinton**

\_\_\_\_\_  
*(Name of Sponsor)*

(SEAL)

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

**By:**

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

**Title:**

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

**Attest:** \_\_\_\_\_  
\_\_\_\_\_

**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 Oklahoma. 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 \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

By \_\_\_\_\_  
*(Signature of Sponsor's Attorney)*