

FEDERAL AVIATION AGENCY

GRANT AGREEMENT

Part 1-Offer

Date of Offer **MAR 21 1969**
KETCHIKAN Airport
Ketchikan, Alaska
 Project No. **9-50-109-C901**

~~Contract No.~~

TO: **THE STATE OF ALASKA**
(herein referred to as the "Sponsor")

FROM: The United States of America (acting through the Federal Aviation Agency, herein referred to as the "FAA")

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated **March 4, 1969**, for a grant of Federal funds for a project for development of the **Ketchikan** Airport (herein called the "Airport"), together with plans and specifications for such project, 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 development of the Airport (herein called the "Project") consisting of the following-described airport development:

Land - airport development and clear zones; Stage I site preparation for construction of new airport.

all as more particularly described in the property map and plans and specifications incorporated in the said Project Application;

NOW THEREFORE, pursuant to and for the purpose of carrying out the provisions of the Federal Airport Act, as amended (49 U.S.C. 1101), 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 the operation and maintenance of the Airport as herein provided, THE FEDERAL AVIATION AGENCY, 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, **50% of such costs not exceeding \$120,000.00 thereof and 62.5% of all other project costs, to the extent that all such costs are determined allowable.**

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

1. The maximum obligation of the United States payable under this Offer shall be \$ **1,066,775.00.**
2. The Sponsor shall:
 - (a) begin accomplishment of the Project within **120** days after acceptance of this Offer or such longer time as may be prescribed by the FAA, with failure to do so constituting just cause for termination of the obligations of the United States hereunder by the FAA;
 - (b) carry out and complete the Project without undue delay and in accordance with the terms hereof, the Federal Airport Act, and Sections 151.45-151.55 of the Regulations of the Federal Aviation Agency (14 CFR 151) in effect as of the date of acceptance of this Offer; which Regulations are hereinafter referred to as the "Regulations";
 - (c) carry out and complete the Project in accordance with the plans and specifications and property map, incorporated herein, as they may be revised or modified with the approval of the FAA.
3. The allowable costs of the project shall not include any costs determined by the FAA to be ineligible for consideration as to allowability under Section 151.41 (b) of the Regulations.
4. Payment of the United States share of the allowable project costs will be made pursuant to and in accordance with the provisions of Sections 151.57-151.63 of the Regulations. Final determination as to the allowability of the costs of the project will be made at the time of the final grant payment pursuant to Section 151.63 of the Regulations: Provided, that, in the event a semi-final grant payment is made pursuant to Section 151.63 of the Regulations, final determination as to the allowability of those costs to which such semi-final payment relates will be made at the time of such semi-final payment.

5. The Sponsor shall operate and maintain the Airport as Provided in the Project Application incorporated herein and specifically covenants and agrees, in accordance with its Assurance 4 in Part III of said Project Application, that in its operation and the operation of all facilities thereof, neither it nor any person or organization occupying space or facilities thereon will discriminate against any person or class of persons by reason of race, color, creed, or national origin in the use of any of the facilities provided for the public on the airport.
6. The FAA reserves the right to amend or withdraw this Offer at any time prior to its acceptance by the Sponsor.
7. 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 March 31, 1969 , or such subsequent date as may be prescribed in writing by the FAA.
8. In addition the Sponsor shall:
 - (a) Incorporate or cause to be incorporated in each contract for construction work under the project, or any modification thereof, the equal opportunity clause as set forth in Section 202 of Executive Order No. 11246 of September 24, 1965, or such modification thereof as may be approved by the Secretary of Labor.
 - (b) Incorporate or cause to be incorporated in each bid or proposal form submitted by prospective contractors for construction work under the project the provisions prescribed by Section 151.54(d)(1), Part 151, Federal Aviation Regulations.
 - (c) Be bound by said equal opportunity clause in any Federally assisted construction work in which it participates.
 - (d) Cooperate actively with the FAA and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor.
 - (e) Furnish the FAA and the Secretary of Labor such information as they may require for the supervision of such compliance and will otherwise assist the FAA in the discharge of its primary responsibility for securing compliance.
 - (f) Refrain from entering into any contract or contract modification subject to Executive Order No. 11246 with a contractor debarred from, or who has not demonstrated eligibility for,

Government contracts and Federally assisted construction contracts pursuant to Part II, Subpart D of Executive Order No. 11246.

- (g) Carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the FAA or the Secretary of Labor pursuant to Part II, Subpart D of Executive Order No. 11246; and in the event that the Sponsor fails or refuses to comply with its undertakings, the FAA may cancel, terminate or suspend in whole or in part any contractual arrangements it may have with the Sponsor, may refrain from extending any further assistance under any of its programs subject to Executive Order 11246 until satisfactory assurance of future compliance has been received from such sponsor or may refer the case to the Department of Justice for appropriate legal proceedings.
9. It is understood and agreed that the terms "Administrator of the Federal Aviation Agency", "Administrator" or "Federal Aviation Agency" wherever they appear in this Agreement, in the Project Application, plans and specifications or other documents constituting a part of this Agreement shall be deemed to mean the Federal Aviation Administrator or the Federal Aviation Administration as the case may be.
10. Notwithstanding the provision of Paragraph 3, Part III, of the Project Application, the Sponsor--
- (a) Will not grant or permit any exclusive right forbidden by section 308(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1349(a)) at the airport, or at any other airport now or hereafter owned or controlled by it;
- (b) Agrees that, in furtherance of the policy of the FAA under this covenant, unless authorized by the Administrator, it will not, either directly or indirectly, grant or permit any person, firm or corporation the exclusive right at the airport, or at any other airport now or hereafter owned or controlled by it, 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;
- (c) Agrees that it will terminate any existing exclusive right to engage in the sale of gasoline or oil, or both, granted before

July 17, 1962, at such an airport, at the earliest renewal, cancellation, or expiration date applicable to the agreement that established the exclusive right; and

(d) Agrees that it will terminate any other exclusive right now existing at such an airport before the grant of any assistance under the Federal Airport Act.

11. It is understood and agreed by and between the parties hereto that Paragraph 7 of Part III - Sponsor's Assurances - of the Project Application, attached hereto and made a part hereof, is hereby amended by deleting "Section A of FAA Technical Standard Order No. N18, or Advisory Circular (AC) No. 150/5300-1, whichever is applicable according to the currently approved Airport Layout Plan," and substituting in lieu thereof, "Part 77 of the Federal Aviation Regulations (14 C.F.R. Part 77)."

12. Pursuant to Paragraph 9, Part III of the Project Application dated March 4, 1969, the sponsor hereby covenants and agrees to furnish the Federal Government without cost, within four months after written request therefor, such estates or interests in such lands as are deemed necessary by FAA for the construction and operation on the airport of the structures or facilities set forth below, provided the respective areas of land deemed adequate by FAA for such purposes are available without the necessity for removing or relocating other facilities and are within the geographic boundaries of the airport at the time request therefor is made by the FAA; together with rights of ready access in and to such areas for construction, occupancy and use and the right to connect to existing utilities and to be furnished the utility services required to the extent of available capacity at no more than prevailing rates. The facilities or structures involved and the maximum area of land the sponsor is obligated to furnish is as follows:

Combined tower and Flight Service Station - approximately two acres.

It is further understood and agreed that nothing contained herein shall in any way affect the rights of the United States or obligations of the sponsor under prior Grant Agreements to furnish rent-free space for the activities specified in such prior Agreements nor shall anything contained herein be construed as obligating the Federal Government to construct, occupy or operate a flight service station or control tower at the airport.

13. It is understood and agreed by the parties hereto that the sponsor covenants that it will acquire before starting construction work, or within a reasonable time if not needed for construction, property interests satisfactory to the Administrator in the land shown as Tracts IV, V, and VI on Exhibit "A" attached to the Project Application.

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 herein-after provided, and said Offer and Acceptance shall comprise a Grant Agreement, as provided by the Federal Airport Act, constituting the obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and the operation and maintenance of the Airport. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer and shall remain in full force and effect throughout the useful life of the facilities developed under the Project but in any event not to exceed twenty years from the date of said acceptance.

UNITED STATES OF AMERICA
FEDERAL AVIATION AGENCY

By *Spencer Brown*
Director, Alaskan Region
(TITLE)

Part II-Acceptance

The **STATE OF ALASKA** does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer and does hereby accept said Offer and by such acceptance agrees to all of the terms and conditions thereof.

Executed this 21st day of March, 19 69

STATE OF ALASKA
(Name of Sponsor)

(SEAL)

By *Harry A. Wakefield, Jr.*
Title Harry A. Wakefield, Jr.
Director, Division of Aviation

Attest:

Title:

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Dorothy Alnes Haaland, acting as Attorney for the State of Alaska, (herein referred to as the "Sponsor") do hereby certify:

That I have examined the foregoing Grant Agreement and the proceedings taken by said Sponsor relating thereto, and find that the Acceptance thereof by said Sponsor has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the State of Alaska, and further that, in my opinion, said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Anchorage, Alaska this 24th day of March, 19 69.

Dorothy Alnes Haaland
Title Assistant Attorney General

Doc. # 111

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION
WASHINGTON 25

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Ketchikan Airport

Ketchikan, Alaska
Location

AMENDMENT NO. 1 TO GRANT AGREEMENT FOR PROJECT NO. 9-50-109-C901

WHEREAS, the Federal Aviation Administration (hereinafter referred to as the "FAA") has determined it to be in the interest of the United States that the Grant Agreement between the FAA, acting for and on behalf of the United States, and the STATE OF ALASKA, (hereinafter referred to as the "Sponsor"), accepted by said Sponsor on the 21st day of March, 19 69 be amended as hereinafter provided.

NOW THEREFORE, WITNESSETH:

That in consideration of the benefits to accrue to the parties hereto, the FAA on behalf of the United States, on the one part, and the Sponsor, on the other part, do hereby mutually agree that the maximum amount of the obligation of the United States as set forth in paragraph 1 of the terms and conditions of the Grant Agreement between the United States and the Sponsor, accepted by said Sponsor on the 21st day of March, 19 69, relating to Ketchikan Airport, Project No. 9-50-109-C901, is hereby increased from \$ \$1,066,775.00 to \$ 1,173,452.50.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to said Grant Agreement to be duly executed as of the 28th day of June, 19 72.

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION

By Thomas J. Creswell

Title Director, Alaskan Region

State of Alaska

(Name of Sponsor)

By Chief Design Engineer

Title Clayton C. Hansen

(SEAL)

Attest: _____

Title _____

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CERTIFICATE OF SPONSOR'S ATTORNEY

I, Dorothy Aves Haaland, acting as Attorney for THE STATE OF ALASKA,
(hereinafter referred to as "Sponsor") do hereby certify:

That I have examined the foregoing Amendment to Grant Agreement and the proceedings taken by said Sponsor relating thereto, and find that the execution thereof by said Sponsor has been duly authorized and is in all respects due and proper and in accordance with the laws of the State of Alaska, and further that, in my opinion, said Amendment to Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Anchorage, this 28 day of June, 1972.

Dorothy Aves Haaland

Title Assistant Attorney General

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION

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KETCHIKAN Airport

KETCHIKAN, ALASKA

Location

FAAP

AMENDMENT NO. 2 TO GRANT AGREEMENT FOR PROJECT NO. 9-50-109-C901

WHEREAS, the Federal Aviation Administration (hereinafter referred to as the "FAA") has determined it to be in the interest of the United States that the Grant Agreement between the FAA, acting for and on behalf of the United States, and the State of Alaska, Division of Aviation, (hereinafter referred to as the "Sponsor"), accepted by said Sponsor on the 21st day of March 1969, as amended by Amendment No. 1 dated 28 June 1972, be further amended as hereinafter provided.

NOW THEREFORE, WITNESSETH:

That in consideration of the benefits to accrue to the parties hereto, the FAA on behalf of the United States, on the one part, and the Sponsor, on the other part, do hereby mutually agree:

That the Revised Exhibit "A" Property Map dated 11 April 1972, revised through 2 February 1973 be substituted for the original Exhibit "A" dated 14 October 1968, revised through 27 February 1969 attached to the project application for the Ketchikan Airport, FAAP Project No. 9-50-109-C901.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to said Grant Agreement to be duly executed as of the 19th day of March, 1973.

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION

By Thomas J. Creswell

Title Director, Alaskan Region

STATE OF ALASKA, DIVISION OF AVIATION
(Name of Sponsor)

By SB Gray

Title Director

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Dorothy Aves Haaland, acting as Attorney for the State of Alaska, Division of Aviation, (hereinafter referred to as "Sponsor") do hereby certify:

That I have examined the foregoing Amendment to Grant Agreement and the proceedings taken by said Sponsor relating thereto, and find that the execution thereof by said Sponsor has been duly authorized and is in all respects due and proper and in accordance with the laws of the State of Alaska, and further that, in my opinion, said Amendment to Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Anchorage, this 21st day of March, 1973.

Dorothy Aves Haaland

Title Assistant Attorney General

UNITED STATES OF AMERICA
FEDERAL AVIATION AGENCY

PROJECT APPLICATION

(For Federal Aid for Development of Public Airports)

Part I-PROJECT INFORMATION

The State of Alaska (herein called the "Sponsor") hereby makes application to the Federal Aviation Agency (hereinafter called the "FAA"), for a grant of Federal funds pursuant to the Federal Airport Act and the Regulations issued thereunder, for the purpose of aiding in financing a project (herein called the "Project") for development of the Ketchikan Airport (herein called the "Airport") located in Ketchikan State of Alaska.

It is proposed that the Project consist of the following-described airport development:

- Land acquisition for Airport Development and Clear Zones.
- Site Preparation - Stage I 9-50-109-C 901

all as more particularly described on the property map attached (hereto as Exhibit "A")* (as Exhibit "A" to Project Application dated February 27, 1969 for Project No. 9-50-109-C 901)*, and in the plans and specifications submitted to the FAA on February 27, 1969 which are made a part hereof.

*Strike out the inappropriate clause.

THE FOLLOWING IS A SUMMARY OF THE ESTIMATED COSTS OF THE PROJECT:

| ITEM | TOTAL ESTIMATED COST | ESTIMATED SPONSOR'S SHARE OF COST | | ESTIMATED FEDERAL SHARE OF COST | |
|--|----------------------|-----------------------------------|----------|---------------------------------|----------|
| | | AMOUNT | PER-CENT | AMOUNT | PER-CENT |
| 1. LAND COSTS | 500,000 | 187,500 | 37.5 | 312,500 | 62.5 |
| 2. CONSTRUCTION COSTS | 970,840 | | | | |
| 3. ENGINEERING AND SUPERVISION COSTS | 200,000 | | | | |
| 4. ADMINISTRATIVE COSTS | 10,000 | | | | |
| 5. Total of 2, 3, and 4 above | 1,280,840 | 69,000 | 50.0 | 69,000 | 50.0 |
| | 1,050,840 | 397,815 | 37.5 | 653,025 | 62.5 |
| 6. CONTINGENCIES | 50,000 | 15,750 | 37.5 | 31,250 | 62.5 |
| 7. TOTAL ALL ESTIMATED PROJECT COSTS (Items 1, 5, and 6) | 1,730,840 | 664,065 | | 1,066,775 | |

Part II--REPRESENTATIONS

The Sponsor hereby represents and certifies as follows:

1. **Legal Authority.**—The Sponsor has the legal power and authority: (1) to do all things necessary in order to undertake and carry out the Project in conformity with the Act and the Regulations; (2) to accept, receive, and disburse grants of funds from the United States in aid of the Project, on the terms and conditions stated in the Act and the Regulations; and (3) to carry out all of the provisions of Parts III and IV of this Project Application.

2. **Funds.**—The Sponsor now has on deposit, or is in a position to secure, \$ 664,065 for use in defraying the costs of the Project. The present status of these funds is as follows:

State General Obligation Bonds - Cash on hand.

3. **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:

In cooperation with the Gateway Borough of Ketchikan compatible land use zoning in the airport vicinity has been under study. It is contemplated that a zoning ordinance will be adopted prior to completion of the airport.

4. **Approvals of Other Agencies.**—The Project has been approved by all non-Federal agencies whose approval is required, namely:

5. **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:

6. **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 Parts III and IV of the Project Application, either by limiting its legal or financial ability or otherwise, except as follows:

7. **Land.**—(a) The Sponsor holds the following property interest in the following areas of land¹ 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":

Area I - Parcel A - Interagency Land Management Transfer granted by Alaska Division of Land July 27, 1951.

Area II - Parcel B & C - Interagency Land Management Transfer granted by Alaska Division of Land July 27, 1951.

Area III - Parcel D - Interagency Land Management Transfer granted by Alaska Division of Land July 27, 1951.

Area IV - Parcel E - Interagency Land Management Transfer granted by Alaska Division of Land July 27, 1951.

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.

¹State 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.
(9-64)

(b) The Sponsor will acquire within a reasonable time, but ... 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":

Parcel IV - Parcels A & B - Fee Simple Title.
Parcel VI - Parcels A thru F and Parcels G thru H - Fee Simple Title.

(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":

Parcel III - Parcels A thru C. Fee Simple Title.
Parcel VII - Parcels A thru H. Fee Simple Title.
Parcel VIII - Parcels A thru D. Fee Simple Title.
Parcel IX - Parcel A. Fee Simple Title.
Parcel V - Parcel B thru F. Fee Simple Title.

¹State 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 III—SPONSOR'S ASSURANCES

In order to furnish the assurances required by the Act and Regulations the Sponsor hereby covenants and agrees with the United States, as follows:

1. These covenants shall become effective upon acceptance by the Sponsor of an offer of Federal aid for the Project or any portion thereof, made by the FAA and shall constitute a part of the Grant Agreement thus formed. These covenants shall remain in full force and effect throughout the useful life of the facilities developed under this Project, but in any event not to exceed twenty (20) years from the date of said acceptance of an offer of Federal aid for the Project.

2. The Sponsor will operate the Airport as such for the use and benefit of the public. In furtherance of this covenant (but without limiting its general applicability and effect), the Sponsor specifically agrees that it will keep the Airport open to all types, kinds, and classes of aeronautical use without discrimination between such types, kinds, and classes: *Provided*, That the Sponsor may establish such fair, equal, 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; *And Provided Further*, That 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.

3. The Sponsor will not grant or permit any exclusive right for the use of the airport forbidden by Section 308 of the Federal Aviation Act of 1958, and will otherwise comply with all applicable laws. In furtherance of this covenant (but without limiting its general applicability and effect), the Sponsor specifically agrees that, unless authorized by the Administrator, it will not, either directly or indirectly, grant or permit any person, firm, or corporation the exclusive right for the conduct of any aeronautical activities on the Airport, 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: *Provided*, That the prohibition against the grant or permit of an exclusive right as set forth herein in no way alters the rights or obligations of the Sponsor under a surplus property instrument of transfer pursuant to which surplus property was conveyed to the Sponsor by the United States pursuant to the *Surplus Property Act of 1944*, (61 Stat. 878), as amended.

4. The Sponsor agrees that it will operate the Airport for the use and benefit of the public, on fair and reasonable terms, and without unjust discrimination. In furtherance of this covenant (but without limiting its general applicability and effect), the Sponsor specifically covenants and agrees:

a. That in its operation and the operation of all facilities on the airport, neither it nor any person or organization

occupying space or facilities thereon will discriminate against any person or class of persons by reason of race, color, creed, or national origin in the use of any of the facilities provided for the public on the Airport.

b. That 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 render to the public any service (including the furnishing or sale of any aeronautical parts, materials, or supplies) essential to the operation of aircraft at the Airport, the Sponsor will insert and enforce provisions requiring the contractor:

(1) to furnish said service on a fair, equal, and not unjustly discriminatory basis to all users thereof, and

(2) to charge fair, 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. That it will not exercise or grant any right or privilege which would operate 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 and repair) that it may choose to perform.

d. In the event the Sponsor itself exercises any of the rights and privileges referred to in subsection b, the services involved will be provided on the same conditions as would apply to the furnishing of such services by contractors or concessionaires of the Sponsor under the provisions of such subsection h.

5. Nothing contained herein shall be construed to prohibit the granting or exercise of an exclusive right for the furnishing of nonaviation products and supplies or any service of a nonaeronautical nature or to obligate the Sponsor to furnish any particular nonaeronautical service at the Airport.

6. The Sponsor will operate and maintain in a safe and serviceable condition the Airport and all facilities thereon and connected therewith which are necessary to serve the aeronautical users of the Airport other than facilities owned or controlled by the United States, and will not permit any activity thereon which would interfere with its use for airport purposes: *Provided*, That nothing contained herein shall be construed to require that the Airport be operated for aeronautical uses during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance; *And Provided Further*, That 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.

7. Insofar as it is within its power and reasonably possible, the Sponsor will, either by the acquisition and retention of easements or other interests in or rights for the use of land or airspace or by the adoption and enforcement of zoning regulations, prevent the construction, erection, alteration, or growth of any structure, tree, or other object in the approach areas of the runways of the Airport, which would constitute an obstruction to air navigation according to the criteria or standards prescribed in Section A of FAA Technical Standard Order No. N18, or Advisory Circular (AC) No. 150/5300-1, whichever is applicable according to the currently approved airport layout plan. In addition, the Sponsor will not erect or permit the erection of any permanent structure or facility which would interfere materially with the use, operation, or future development of the Airport, in any portion of a runway approach area in which the Sponsor has acquired, or may hereafter acquire, property interests permitting it to so control the use made of the surface of the land.

8. All facilities of the Airport developed with Federal aid and all those usable for the landing and taking off of aircraft, will be available to the United States at all times, without charge, for use by military and naval aircraft in common with other aircraft, except that if the use by military and naval aircraft is substantial, a reasonable share, proportional to such use, of the cost of operating and maintaining facilities so used, may be charged. Unless otherwise determined by the FAA, or otherwise agreed to by the Sponsor and the using agency, substantial use of an airport by military and naval aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the FAA, would unduly interfere with use of the landing area by other authorized aircraft, or during any calendar month that:

a. Five (5) or more military or naval 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 and each takeoff as a movement) of military or naval aircraft is 300 or more, or the gross accumulative weight of military or naval aircraft using the Airport (the total movements of military or naval aircraft multiplied by gross certified weights of such aircraft) is in excess of five million pounds.

9. Whenever so requested by the FAA, the Sponsor will furnish without cost to the Federal Government, for construction, operation and maintenance of facilities for air traffic control activities, or weather reporting activities and communication activities related to air traffic control, such areas of land or water, or estate therein, or rights in buildings of the Sponsor as the FAA may consider necessary or desirable for construction at Federal expense of space or facilities for such purposes. The approximate amounts of areas and the nature of the property interests and/or rights so required will be set forth in the Grant Agreement relating to the Project. Such areas or any portion thereof will be made available as provided herein within 4 months after receipt of written request from the FAA.

10. The Sponsor will furnish the FAA with such annual or special airport financial and operational reports as may be reasonably requested. Such reports may be submitted on forms furnished by the FAA, or may be submitted in such

manner as the Sponsor elects so long as the essential data are furnished. The Airport and all airport records and documents affecting the Airport, including deeds, leases, operation and use agreements, regulations, and other instruments, will be made available for inspection by any duly authorized representative of the FAA upon reasonable request. The Sponsor will furnish to the FAA, upon request, a true copy of any such document.

11. The Sponsor will not enter into any transaction which would operate to deprive it of any of the rights and powers necessary to perform any or all of the covenants made herein, unless by such transaction the obligation to perform all such covenants is assumed by another public agency found by the FAA to be eligible under the Act and Regulations to assume such obligations and having the power, authority, and financial resources to carry out all such obligations. If an arrangement is made for management or 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 with the Act, the Regulations, and these covenants.

12. The Sponsor will keep up to date at all times an airport layout plan of the Airport showing (1) the 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; and (3) the location of all existing and proposed non-aviation areas and of all existing improvements thereon. Such airport layout plan, and each amendment, revision, or modification thereof, shall be subject to the approval of the FAA, which approval shall be evidenced by the signature of a duly authorized representative of the FAA on the face of the airport layout plan. The Sponsor will not make or permit the making of any changes or alterations in the Airport or any of its facilities other than in conformity with the airport layout plan as so approved by the FAA, if such changes or alterations might adversely affect the safety, utility, or efficiency of the Airport.

13. Insofar as is within its power and to the extent reasonable, the Sponsor will take action 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.

14. If at any time it is determined by the FAA that there is any outstanding right or claim of right in or to the Airport property, other than those set forth in Part II, paragraphs 7(a), 7(b), and 7(c), the existence of which creates an undue risk of interference with the operation of the Airport or the performance of the covenants of this Part, the Sponsor will acquire, extinguish, or modify such right or claim of right in a manner acceptable to the FAA.

15. Unless the context otherwise requires, all terms used in these covenants which are defined in the Act and the Regulations shall have the meanings assigned to them therein.

Part IV-PROJECT AGREEMENT

If the Project or any portion thereof is approved by the FAA, and an offer of Federal aid for such approved Project is accepted by the Sponsor, it is understood and agreed that all airport development included in such Project will be accomplished in accordance with the Act and the Regulations, the plans and specifications for such development, as approved by the FAA, and the Grant Agreement with respect to the Project.

IN WITNESS WHEREOF, the Sponsor has caused this Project Application to be duly executed in its name, this _____ day of _____, 19____

(Name of Sponsor)

By Henry G. Wakefield

(Title)

OPINION OF SPONSOR'S ATTORNEY

I HEREBY CERTIFY that all statements of law made in this Project Application and all legal conclusions upon which the representations and covenants contained herein are based, are in my opinion true and correct.

Dorothy Anne Haskins

ASSISTANT ATTORNEY GENERAL

(Title)

MARCH 4, 1969
(Date)

SPONSOR ASSURANCE TO ACCOMPANY PROJECT APPLICATION DATED 2/1/69
FOR A GRANT OF FUNDS FOR THE DEVELOPMENT OR IMPROVEMENT OF THE
Etchikan AIRPORT

Nondiscrimination in Federally-assisted Programs of the FAA. In order to furnish the assurances required by Title VI of the Civil Rights Act of 1964, and by Part 15 of the Federal Aviation Regulations, as amended, the State of Alaska (hereinafter called the "Sponsor") hereby covenants and agrees with the United States (hereinafter called the "Government") as follows:

The Sponsor in the operation and use of the Etchikan Airport, will not on the grounds of race, color, or national origin discriminate or permit discrimination against any person or group of persons in any manner prohibited by Part 15 of the Federal Aviation Regulations.

The Sponsor will also include, or require the inclusion, in every agreement or concession pursuant to which any person, other than the Sponsor, operates or has the right to operate any facility on the Airport providing services to the public, the foregoing covenant as an obligation assumed by that person, together with a provision granting the Sponsor the right to take such action as the Government may direct to enforce that covenant.

Noncompliance with the above assurances shall constitute a material breach, and in the event of such noncompliance the Government may take appropriate action to enforce compliance, may terminate the Grant Agreement to which this covenant relates, or seek judicial enforcement.

The covenant shall become effective upon execution of a Grant Agreement pursuant to the above identified project application and shall constitute part of the Grant Agreement to which it relates and shall remain in full force and effect so long as the airport covered by such agreement continues to be used and operated as a public airport.

State of Alaska

(Name of Sponsor)

By

(Signature)
(Title) Harry A. Wakefield, Jr.
Director, Division of Aviation

March 4, 1969

(Date)

PROPERTY STATUS

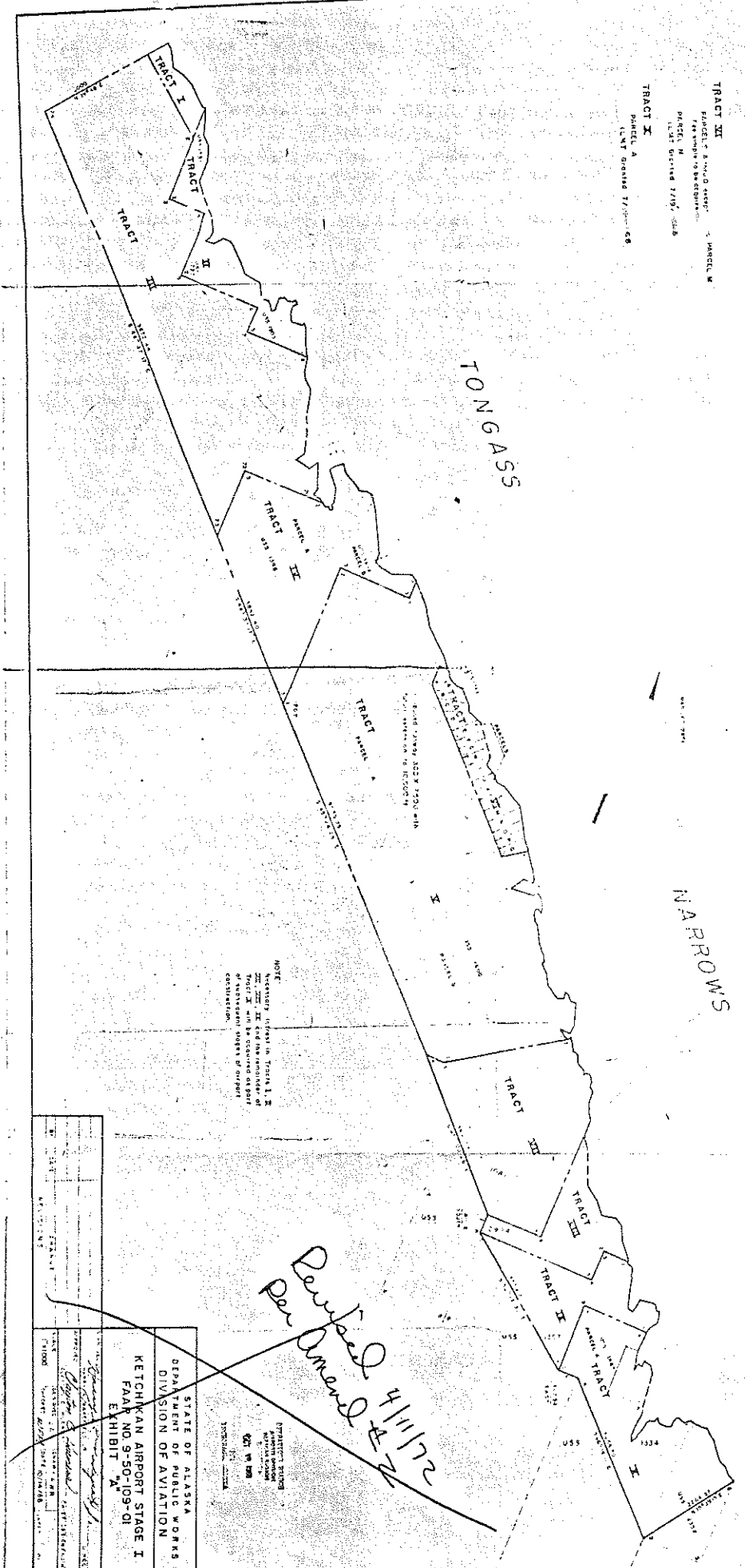
TRACT III
 LIMIT CORNER 7/19/68

TRACT II
 JACOBI S. 2448
 100' WIDE STRIP 100' FROM CENTER LINE

TRACT X
 LIMIT CORNER 7/19/68

TRACT XI
 PARCELS A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z

TRACT XII
 PARCELS A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z



*Revised 4/11/72
 Per Amend #2*

| | |
|---|---------------|
| STATE OF ALASKA DEPARTMENT OF PUBLIC WORKS DIVISION OF AVIATION | |
| KETCHIKAN AIRPORT STAGE I FAAR NO. 9-50-109-CI EXHIBIT "A" | |
| DATE | BY |
| APPROVED | SPECIAL AGENT |

FEDERAL AVIATION AGENCY

GRANT AGREEMENT

Part 1-Offer

Date of Offer **10 FEB 1971**
KETCHIKAN
KETCHIKAN, ALASKA Airport
 Project No. **8-02-0144-01**
~~Contract No.~~

TO: **THE STATE OF ALASKA, DIVISION OF AVIATION**
 (herein referred to as the "Sponsor")

FROM: The United States of America (acting through the Federal Aviation Agency, herein referred to as the "FAA")

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated **27 January 1971**, for a grant of Federal funds for a project for development of the **Ketchikan** Airport (herein called the "Airport"), together with plans and specifications for such project, 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 development of the Airport (herein called the "Project") consisting of the following-described airport development:

Stage II - site preparation: Runway/safety area 300' x 7900'; partial parallel taxiway safety area 125' x 3000'; terminal apron; holding apron and general aviation aprons; general aviation taxiway safety area; airport service roads; and miscellaneous related work.

all as more particularly described in the property map and plans and specifications incorporated in the said Project Application;

DOCUMENT - FILE COPY EXHIBIT D

NOW THEREFORE, pursuant to and for the purpose of carrying out the provisions of the Federal Airport Act, as amended (49 U.S.C. 1101), 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 the operation and maintenance of the Airport as herein provided, THE FEDERAL AVIATION AGENCY, 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, ~~sixty-two and one-half percent (62-1/2%)~~ of the project costs to the extent that such costs are determined allowable.

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

1. The maximum obligation of the United States payable under this Offer shall be \$ 4,625,000.00.
2. The Sponsor shall:
 - (a) begin accomplishment of the Project within **120** days after acceptance of this Offer or such longer time as may be prescribed by the FAA, with failure to do so constituting just cause for termination of the obligations of the United States hereunder by the FAA;
 - (b) carry out and complete the Project without undue delay and in accordance with the terms hereof, the Federal Airport Act, and Sections 151.45-151.55 of the Regulations of the Federal Aviation Agency (14 CFR 151) in effect as of the date of acceptance of this Offer; which Regulations are hereinafter referred to as the "Regulations";
 - (c) carry out and complete the Project in accordance with the plans and specifications and property map, incorporated herein, as they may be revised or modified with the approval of the FAA.
3. The allowable costs of the project shall not include any costs determined by the FAA to be ineligible for consideration as to allowability under Section 151.41 (b) of the Regulations.
4. Payment of the United States share of the allowable project costs will be made pursuant to and in accordance with the provisions of Sections 151.57-151.63 of the Regulations. Final determination as to the allowability of the costs of the project will be made at the time of the final grant payment pursuant to Section 151.63 of the Regulations; Provided, that, in the event a semi-final grant payment is made pursuant to Section 151.63 of the Regulations, final determination as to the allowability of those costs to which such semi-final payment relates will be made at the time of such semi-final payment.

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5. The Sponsor shall operate and maintain the Airport as Provided in the Project Application incorporated herein and specifically covenants and agrees, in accordance with its Assurance 4 in Part III of said Project Application, that in its operation and the operation of all facilities thereof, neither it nor any person or organization occupying space or facilities thereon will discriminate against any person or class of persons by reason of race, color, creed, or national origin in the use of any of the facilities provided for the public on the airport.
6. The FAA reserves the right to amend or withdraw this Offer at any time prior to its acceptance by the Sponsor.
7. 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 30 April 1971, or such subsequent date as may be prescribed in writing by the FAA.
8. It is understood and agreed that the terms "Federal Aviation Agency" or "Federal Airport Act", wherever they appear in this agreement, in the Project Application, plans, and specifications or in any other document constituting a part of this agreement shall be deemed to mean "Federal Aviation Administration" or the "Airport and Airway Development Act of 1970", as the case may be.
9. The Sponsor agrees that it will maintain a fee and rental structure for the facilities and services being provided the airport users which will make the airport as self-sustaining as possible under the circumstances existing at that particular airport, taking into account such factors as the volume of traffic and economy of collection.
10. It is also understood and agreed that paragraph 2, Part III of the Project Application is revised to read as follows:

The Sponsor will operate the airport as such for the use and benefit of the public. In furtherance of this covenant, (but without limiting its general applicability and effect) the sponsor specifically 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; provided, that the Sponsor may establish such fair equal and not unjustly discriminatory conditions to be met by all users of the airport; and provided further, that the Sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary -

- (a) For safe and efficient use of the airport
- (b) To keep operation activities within acceptable noise levels, or
- (c) To serve the civil aviation needs of the public.

11. It is understood and agreed that subparagraphs a and b of paragraph 3 of Part III - Sponsor's Assurances of the Project Application - are amended and revised to delete the words "or hereafter" wherever they appear therein. It is the intent of this amendment to limit the application of the exclusive rights policy only to airports now owned or controlled by the Sponsor.
12. It is further understood and agreed that paragraph 10, Part III of the Project Application is revised to read as follows:

The Sponsor will furnish the FAA with such annual or special airport financial and operational reports as may be reasonably requested. Such reports may be submitted on forms furnished by the FAA, or may be submitted in such manner as the Sponsor elects as long as the essential data is furnished. The airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations, and other instruments will be made available for inspection and audit by the FAA and the Comptroller General of the United States, or his duly authorized representative upon reasonable request. The Sponsor will furnish to the FAA or the General Accounting Office a true copy of any such documents.

13. It is further understood and agreed that FAA approval of the project included in this agreement is conditioned on the Sponsor's compliance with applicable air and water quality standards in accomplishing project construction and in operating the airport; further, that failure to so comply may result in suspension, cancellation or termination of Federal assistance under this agreement.
14. The Federal Government does not now plan or contemplate the construction of any structures pursuant to paragraph 9 of Part III - Sponsor's Assurances of the Project Application, dated 27 January 1971, and therefore it is understood and agreed that the Sponsor is under no obligation to furnish any such areas or rights under this Grant Agreement.

DOCUMENT - FILE COPY

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 herein-after provided, and said Offer and Acceptance shall comprise a Grant Agreement, as provided by the Federal Airport Act, constituting the obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and the operation and maintenance of the Airport. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer and shall remain in full force and effect throughout the useful life of the facilities developed under the Project but in any event not to exceed twenty years from the date of said acceptance.

UNITED STATES OF AMERICA
FEDERAL AVIATION AGENCY

By *J. G. Webb*
Director, Alaskan Region
(TITLE)

Part II-Acceptance

The STATE OF ALASKA does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer and does hereby accept said Offer and by such acceptance agrees to all of the terms and conditions thereof.

Executed this 16th day of February, 19 71

STATE OF ALASKA, DIVISION OF AVIATION
(Name of Sponsor)

By *Lars J. Johnson*
Title Director, Division of Aviation

(SEAL)

Attest:

Title:

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Dorothy Awes Haaland, acting as Attorney for the State of Alaska, (herein referred to as the "Sponsor") do hereby certify:

That I have examined the foregoing Grant Agreement and the proceedings taken by said Sponsor relating thereto, and find that the Acceptance thereof by said Sponsor has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the State of Alaska, and further that, in my opinion, said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Anchorage this 16th day of February, 19 71.

Dorothy Awes Haaland

Title Assistant Attorney General

DOCUMENT - FILE COPY

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION
Washington 25

Page 1 of 2 Pages

Date 1 MAY 1972

KETCHIKAN Airport

KETCHIKAN, ALASKA
Location

AMENDMENT NO. 1 TO GRANT AGREEMENT FOR PROJECT NO. 8-02-0144-01

WHEREAS, the Federal Aviation Administration (hereinafter referred to as the "FAA") has determined it to be in the interest of the United States that the Grant Agreement between the FAA, acting for and on behalf of the United States, and the STATE OF ALASKA, (hereinafter referred to as the "Sponsor"), accepted by said Sponsor on the 16th day of February, 19 71, be amended as hereinafter provided.

NOW THEREFORE, WITNESSETH:

That in consideration of the benefits to accrue to the parties hereto, the FAA, on behalf of the United States on the one part, and the Sponsor, on the other part, do hereby mutually agree:

That the project work description as set forth in the Grant Agreement, signed on the 16th day of February, 19 71, relating to Ketchikan, Alaska Airport, Project No. 8-02-0144-01, is hereby revised to include a metal S.R.E. building, so as to read as follows:

Stage II - Site preparation: Runway/safety area 300' x 7900'; partial parallel taxiway safety area 125' x 3000'; terminal apron; holding apron and general aviation aprons; general aviation taxiway safety area; airport service roads; purchase and finish a prefabricated metal S.R.E. building, including utilities and erosion control; and miscellaneous related work.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to said Grant Agreement to be duly executed as of the _____ day of _____, 19 72.

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION

By

Title

James G. Webb
Director, Alaskan Region

DOCUMENT-FILE COPY Page 1

STATE OF ALASKA
(Name of Sponsor)

By 

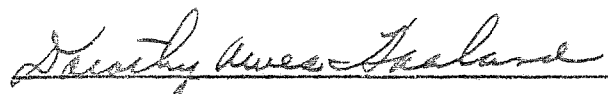
Title Acting Director, Division of Aviation

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Dorothy Awes Haaland, acting as Attorney for the State of Alaska,
(hereinafter referred to as "Sponsor") do hereby certify:

That I have examined the foregoing Amendment to Grant Agreement and the proceedings taken by said Sponsor relating thereto, and find that the execution thereof by said Sponsor has been duly authorized and is in all respects due and proper and in accordance with the laws of the State of Alaska, and further that, in my opinion, said Amendment to Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Anchorage, Alaska, this 10th day of May, 19 72.


Title Assistant Attorney General

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION

Page 1 of 2 Pages

KETCHIKAN Airport

KETCHIKAN, ALASKA
Location

AMENDMENT NO. 2 TO GRANT AGREEMENT FOR PROJECT NO. S-02-0144-01

WHEREAS, the Federal Aviation Administration (hereinafter referred to as the "FAA") has determined it to be in the interest of the United States that the Grant Agreement between the FAA, acting for and on behalf of the United States, and the State of Alaska, Division of Aviation, hereinafter referred to as the "Sponsor"), accepted by said Sponsor on the 16th day of February 1971, and amended by Amendment No. 1 on May 10, 1972, be further amended as hereinafter provided.

NOW THEREFORE, WITNESSETH:

That in consideration of the benefits to accrue to the parties hereto, the FAA on behalf of the United States, on the one part, and the Sponsor, on the other part, do hereby mutually agree:

1. That the project work description as set forth in the Grant Agreement dated February 16, 1971, and as amended by Amendment No. 1 of May 10, 1972, is hereby further revised to delete the metal S.R.E. building and associated utilities and erosion control, so as to read as follows:

"Stage II - Site preparation: Runway/safety area 300' x 7900'; partial parallel taxiway safety area 125' x 3000'; terminal apron; holding apron and general aviation aprons; general aviation taxiway safety area; airport service roads; and miscellaneous related work."

2. That the maximum amount of the obligation of the United States as set forth in Paragraph 1 of the terms and conditions of the Grant Agreement between the United States and the Sponsor, accepted by the said Sponsor on the 16th day of February 1971, relating to the Ketchikan Airport, Ketchikan, Alaska, Project No. S-02-0144-01, is hereby decreased from \$4,625,000 to \$4,450,000.

IN WITNESS WHEREOF, the parties hereto have caused this amendment to said Grant Agreement to be duly executed as of the 29th day of April, 1974.

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION

By

Title

Lyell K. Brown
Director, Alaskan Region

STATE OF ALASKA, DIVISION OF AVIATION
(Name of Sponsor)

By *Jack Beech*

Title Director, Division of Aviation

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Dorothy Aves Haaland, acting as Attorney for the State of Alaska, Division of Aviation, (hereinafter referred to as "Sponsor") do hereby certify:

That I have examined the foregoing Amendment to Grant Agreement and the proceedings taken by said Sponsor relating thereto, and find that the execution thereof by said Sponsor has been duly authorized and is in all respects due and proper and in accordance with the laws of the State of Alaska, and further that, in my opinion, said Amendment to Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Anchorage, Alaska, this 29th day of April, 1974.

Dorothy Aves Haaland

Title Assistant Attorney General

THE FOLLOWING IS A SUMMARY OF THE ESTIMATED COSTS OF THE PROJECT:

| ITEM | TOTAL ESTIMATED COST | ESTIMATED SPONSOR'S SHARE OF COST | | ESTIMATED FEDERAL SHARE OF COST | |
|--|----------------------------|---|--------------|---------------------------------------|--------------|
| | | AMOUNT | PER- CENT | AMOUNT | PER- CENT |
| 1. LAND COSTS | 0 | 0 | 0 | 0 | 0 |
| 2. CONSTRUCTION COSTS | 6,200,000 | | | | |
| 3. ENGINEERING AND SUPERVISION COSTS | 614,000 | | | | |
| 4. ADMINISTRATIVE COSTS | 10,000 | | | | |
| 5. Total of 2, 3, and 4 above | 6,824,000 | 2,559,000 | 37.5 | 4,265,000 | 62.5 |
| 6. CONTINGENCIES | 576,000 | 216,000 | 37.5 | 360,000 | 62.5 |
| 7. TOTAL ALL ESTIMATED PROJECT COSTS (Items 1, 5, and 6) | 7,400,000 | 2,775,000 | | 4,625,000 | |

Part II—REPRESENTATIONS

The Sponsor hereby represents and certifies as follows:

1. **Legal Authority.**—The Sponsor has the legal power and authority: (1) to do all things necessary in order to undertake and carry out the Project in conformity with the Act and the Regulations; (2) to accept, receive, and disburse grants of funds from the United States in aid of the Project, on the terms and conditions stated in the Act and the Regulations; and (3) to carry out all of the provisions of Parts III and IV of this Project Application.

2. **Funds.**—The Sponsor now has on deposit, or is in a position to secure, \$ 2,775,000 for use in defraying the costs of the Project. The present status of these funds is as follows:

State of Alaska General Obligation Bonds available immediately.

3. **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:

The extent of the airport property lines and the separation of the airport with respect to the populated area of Ketchikan by the Tongass Narrows and the anticipated land usage in the airport vicinity tend to preclude incompatible use and therefore no specific action to assure compatible use is necessary.

4. **Approvals of Other Agencies.**—The Project has been approved by all non-Federal agencies whose approval is required, namely:

None

5. **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

6. **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 Parts III and IV of the Project Application, either by limiting its legal or financial ability or otherwise, except as follows:

None

7. **Land.**—(a) The Sponsor holds the following property interest in the following areas of land¹ 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":

Fee Simple Title: Tracts II; IV; VI, parcels A through L and N through Q; VII; VIII; and IX.

Interagency Land Management Transfer: Tracts III; V; VI, parcel M; X; and XI, parcel A.

Avigation and Hazard Easement: Tract XI, parcel B.

Exceptions: Tract II, parcel C, and Tract VII; orders of possession pending.

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.

¹ 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.
(9-64)

(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":

None

(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":

Orders of possession of Tract II, parcel C, and Tract VII. Areas are beyond the Clear Zones.

8. 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

¹ 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 III-SPONSOR'S ASSURANCES

In order to furnish the assurances required by the Act and Regulations the Sponsor hereby covenants and agrees with the United States, as follows:

1. These covenants shall become effective upon acceptance by the Sponsor of an offer of Federal aid for the Project or any portion thereof, made by the FAA and shall constitute a part of the Grant Agreement thus formed. These covenants shall remain in full force and effect throughout the useful life of the facilities developed under this Project, but in any event not to exceed twenty (20) years from the date of said acceptance of an offer of Federal aid for the Project.

2. The Sponsor will operate the Airport as such for the use and benefit of the public. In furtherance of this covenant (but without limiting its general applicability and effect), the Sponsor specifically 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: *Provided*, That the Sponsor may establish such fair, equal, 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; *And Provided Further*, That 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.

3. The Sponsor -

a. Will not grant or permit any exclusive right forbidden by Section 308(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1349(a)) at the airport, or at any other airport now or hereafter owned or controlled by it;

b. Agrees that, in furtherance of the policy of the FAA under this covenant, unless authorized by the Administrator, it will not, either directly or indirectly, grant or permit any person, firm or corporation the exclusive right at the airport, or at any other airport now or hereafter owned or controlled by it, 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.

c. Agrees that it will terminate any existing exclusive right to engage in the sale of gasoline or oil, or both, granted before July 17, 1962, at such an airport, at the earliest renewal, cancellation, or expiration date applicable to the agreement that established the exclusive right; and

d. Agrees that it will terminate any other exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under the Federal Airport Act.

4. The Sponsor agrees that it will operate the Airport for the use and benefit of the public, on fair and reasonable terms, and without unjust discrimination. In furtherance of

this covenant (but without limiting its general applicability and effect), the Sponsor specifically covenants and agrees:

a. That in its operation and the operation of all facilities on the airport, neither it nor any person or organization occupying space or facilities thereon will discriminate against any person or class of persons by reason of race, color, creed, or national origin in the use of any of the facilities provided for the public on the Airport.

b. That 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 engage in any aeronautical activity for furnishing services to the public at the airport, the Sponsor will insert and enforce provisions requiring the contractor;

(1) to furnish said service on a fair, equal, and not unjustly discriminatory basis to all users thereof, and

(2) to charge fair, 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. That it will not exercise or grant any right or privilege which would operate 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 and repair) that it may choose to perform.

d. In the event the Sponsor itself exercises any of the rights and privileges referred to in subsection b, the services involved will be provided on the same conditions as would apply to the furnishing of such services by contractors or concessionaires of the Sponsor under the provisions of such subsection b.

5. Nothing contained herein shall be construed to prohibit the granting or exercise of an exclusive right for the furnishing of nonaviation products and supplies or any service of a nonaeronautical nature or to obligate the Sponsor to furnish any particular nonaeronautical service at the Airport.

6. The Sponsor will operate and maintain in a safe and serviceable condition the Airport and all facilities thereon and connected therewith which are necessary to serve the aeronautical users of the Airport other than facilities owned or controlled by the United States, and will not permit any activity thereon which would interfere with its use for airport purposes: *Provided*, That nothing contained herein shall be construed to require that the Airport be operated for aeronautical uses during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance; *And Provided Further*, That 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.

7. Insofar as it is within its power and reasonably possible, the Sponsor will, either by the acquisition and retention of easements or other interests in or rights for the use of land or airspace or by the adoption and enforcement of zoning regulations, prevent the construction, erection, alteration, or growth of any structure, tree, or other object in the approach areas of the runways of the Airport, which would constitute an obstruction to air navigation according to the criteria or standards prescribed in Section 77.23, as applied to Section 77.27, Part 77 of the Federal Aviation Regulations. In addition, the Sponsor will not erect or permit the erection of any permanent structure or facility which would interfere materially with the use, operation, or future development of the Airport, in any portion of a runway approach area in which the Sponsor has acquired, or may hereafter acquire, property interests permitting it to so control the use made of the surface of the land.

8. All facilities of the Airport developed with Federal aid and all those usable for the landing and taking off of aircraft, will be available to the United States at all times, without charge, for use by military and naval aircraft in common with other aircraft, except that if the use by military and naval aircraft is substantial, a reasonable share, proportional to such use, of the cost of operating and maintaining facilities so used, may be charged. Unless otherwise determined by the FAA, or otherwise agreed to by the Sponsor and the using agency, substantial use of an airport by military and naval aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the FAA, would unduly interfere with use of the landing area by other authorized aircraft, or during any calendar month that:

a. Five (5) or more military or naval 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 and each takeoff as a movement) of military or naval aircraft is 300 or more, or the gross accumulative weight of military or naval aircraft using the Airport (the total movements of military or naval aircraft multiplied by gross certified weights of such aircraft) is in excess of five million pounds.

9. Whenever so requested by the FAA, the Sponsor will furnish without cost to the Federal Government, for construction, operation and maintenance of facilities for air traffic control activities, or weather reporting activities and communication activities related to air traffic control, such areas of land or water, or estate therein, or rights in buildings of the Sponsor as the FAA may consider necessary or desirable for construction at Federal expense of space or facilities for such purposes. The approximate amounts of areas and the nature of the property interests and/or rights so required will be set forth in the Grant Agreement relating to the Project. Such areas or any portion thereof will be made available as provided herein within 4 months after receipt of written request from the FAA.

10. The Sponsor will furnish the FAA with such annual or special airport financial and operational reports as may be reasonably requested. Such reports may be submitted on forms furnished by the FAA, or may be submitted in such manner as

16. This project does not involve displacement of any persons or require any replacement housing.

17. An Air and Water Quality Compliance Statement has previously been completed and forwarded to your office.

the Sponsor elects so long as the essential data are furnished. The Airport and all airport records and documents affecting the Airport, including deeds, leases, operation and use agreements, regulations, and other instruments, will be made available for inspection by any duly authorized representative of the FAA upon reasonable request. The Sponsor will furnish to the FAA, upon request, a true copy of any such document.

11. The Sponsor will not enter into any transaction which would operate to deprive it of any of the rights and powers necessary to perform any or all of the covenants made herein, unless by such transaction the obligation to perform all such covenants is assumed by another public agency found by the FAA to be eligible under the Act and Regulations to assume such obligations and having the power, authority, and financial resources to carry out all such obligations. If an arrangement is made for management or 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 with the Act, the Regulations, and these covenants.

12. The Sponsor will keep up to date at all times an airport layout plan of the Airport showing (1) the 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; and (3) the location of all existing and proposed nonaviation areas and of all existing improvements thereon. Such airport layout plan, and each amendment, revision, or modification thereof, shall be subject to the approval of the FAA, which approval shall be evidenced by the signature of a duly authorized representative of the FAA on the face of the airport layout plan. The Sponsor will not make or permit the making of any changes or alterations in the Airport or any of its facilities other than in conformity with the airport layout plan as so approved by the FAA, if such changes or alterations might adversely affect the safety, utility, or efficiency of the Airport.

13. Insofar as is within its power and to the extent reasonable, the Sponsor will take action 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.

14. If at any time it is determined by the FAA that there is any outstanding right or claim of right in or to the Airport property, other than those set forth in Part II, paragraphs 7(a), 7(b), and 7(c), the existence of which creates an undue risk of interference with the operation of the Airport or the performance of the covenants of this Part, the Sponsor will acquire, extinguish, or modify such right or claim of right in a manner acceptable to the FAA.

15. Unless the context otherwise requires, all terms used in these covenants which are defined in the Act and the Regulations shall have the meanings assigned to them therein.

Part IV—PROJECT AGREEMENT

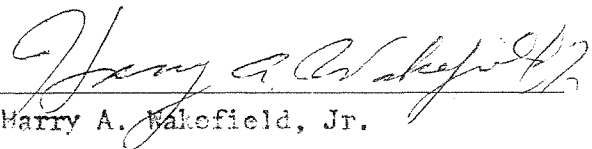
If the Project or any portion thereof is approved by the FAA, and an offer of Federal aid for such approved Project is accepted by the Sponsor, it is understood and agreed that all airport development included in such Project will be accomplished in accordance with the Act and the Regulations, the plans and specifications for such development, as approved by the FAA, and the Grant Agreement with respect to the Project.

IN WITNESS WHEREOF, the Sponsor has caused this Project Application to be duly executed in its name, this 27th day of January, 19 71

State of Alaska

(Name of Sponsor)

By

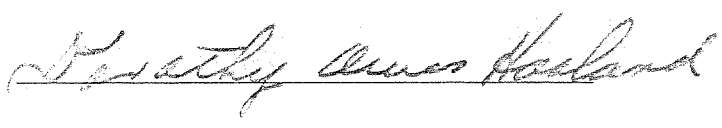

Harry A. Wakefield, Jr.

Director, Division of Aviation

(Title)

OPINION OF SPONSOR'S ATTORNEY

I HEREBY CERTIFY that all statements of law made in this Project Application and all legal conclusions upon which the representations and covenants contained herein are based, are in my opinion true and correct.



Assistant Attorney General

(Title)

January 27, 1971

(Date)

DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

GRANT AGREEMENT

Part 1-Offer

Date of Offer 9 MAY 1972

KETCHIKAN
KETCHIKAN, ALASKA

Airport

Project No. ADAP 8-02-0144-02

~~Contract No.~~

TO: THE STATE OF ALASKA, DIVISION OF AVIATION
(herein referred to as the "Sponsor")

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

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated 17 April 1972, for a grant of Federal funds for a project for development of the Ketchikan, Alaska Airport (herein called the "Airport"), together with plans and specifications for such project, 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 development of the Airport (herein called the "Project") consisting of the following-described airport development:

Pave runway 11/29 7,500' x 150', taxiway 3,000' x 75' and general aviation taxiway 1,200' x 50', apron 900' x 460', holding apron, service road, and blast protection; gravel surface general aviation aprons and service road; high intensity runway lighting, medium intensity taxiway lighting, apron lighting, beacon, segmented circle and wind cone; marking.

all as more particularly described in the property map and plans and specifications incorporated in the said Project Application;

DOCUMENT-FILE COPY

EXHIBIT D

NOW THEREFORE, pursuant to and for the purpose of carrying out the provisions of the Federal Airport Act, as amended (49 U.S.C. 1101), 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 the operation and maintenance of the Airport as herein provided, THE FEDERAL AVIATION AGENCY, 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, eighty-two percent (82%) of the high intensity runway lighting costs, and sixty-two and one-half percent (62 1/2%) of all other project costs to the extent that such costs are determined allowable.

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

1. The maximum obligation of the United States payable under this Offer shall be \$ 1,469,093.00.
2. The Sponsor shall:
 - (a) begin accomplishment of the Project within 90 days after acceptance of this Offer or such longer time as may be prescribed by the FAA, with failure to do so constituting just cause for termination of the obligations of the United States hereunder by the FAA;
 - (b) carry out and complete the Project without undue delay and in accordance with the terms hereof, the Federal Airport Act, and Sections 151.45-151.55 of the Regulations of the Federal Aviation Agency (14 CFR 151) in effect as of the date of acceptance of this Offer; which Regulations are hereinafter referred to as the "Regulations";
 - (c) carry out and complete the Project in accordance with the plans and specifications and property map, incorporated herein, as they may be revised or modified with the approval of the FAA.
3. The allowable costs of the project shall not include any costs determined by the FAA to be ineligible for consideration as to allowability under Section 151.41(b) of the Regulations.
4. Payment of the United States share of the allowable project costs will be made pursuant to and in accordance with the provisions of Sections 151.57-151.63 of the Regulations. Final determination as to the allowability of the costs of the project will be made at the time of the final grant payment pursuant to Section 151.63 of the Regulations: Provided, that, in the event a semi-final grant payment is made pursuant to Section 151.63 of the Regulations, final determination as to the allowability of those costs to which such semi-final payment relates will be made at the time of such semi-final payment.

5. The Sponsor shall operate and maintain the Airport as Provided in the Project Application incorporated herein and specifically covenants and agrees, in accordance with its Assurance 4 in Part III of said Project Application, that in its operation and the operation of all facilities thereof, neither it nor any person or organization occupying space or facilities thereon will discriminate against any person or class of persons by reason of race, color, creed or national origin in the use of any of the facilities provided for the public on the airport.
6. The FAA reserves the right to amend or withdraw this Offer at any time prior to its acceptance by the Sponsor.
7. 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
15 May 1972 or such subsequent date as may be prescribed in writing by the FAA.
8. It is understood and agreed that the terms "Federal Airport Act" or "Federal Aviation Agency", wherever they appear in this agreement or in any other documents constituting a part of this agreement, shall be deemed to mean the "Airport and Airway Development Act of 1970" or the "Federal Aviation Administration", as the case may be.
9. The Sponsor hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan insurance, or guarantee the following Equal Opportunity clause.

During the performance of this contract, the contractor agrees as follows:

a. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, sex or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

b. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

c. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

d. The contractor will comply with all provisions of Executive Order 11246 of 24 September 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

e. The contractor will furnish all information and reports required by Executive Order 11246 of 24 September 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

f. In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of 24 September 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of 24 September 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

g. The contractor will include the portion of the sentence immediately preceding paragraph a and the provisions of paragraphs a through g in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of 24 September 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering

agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The sponsor further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contractor.

The sponsor agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor that it will furnish the administering agency with the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The sponsor further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of 24 September 1965, with a contractor debarred from, or who has not demonstrated eligibility for, government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part III, Subpart D of the Executive Order. In addition, the sponsor agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance guarantee); refrain from extending any further assistance to the sponsor under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from the sponsor; or refer the case to the Department of Justice for appropriate legal proceedings.

10. The Federal Government does not now plan or contemplate the construction of any structures pursuant to paragraph 11 of Part III - Sponsor's Assurances of the Project Application, dated 17 April 1972, and therefore it is understood and agreed that the sponsor is under no obligation to furnish any such areas or rights under this Grant Agreement.

11. In accordance with the requirements of FAR 151.86, the sponsor will operate the airport lighting system at the subject airport throughout each night of the year, or in accordance with a satisfactory plan of operation meeting the criteria of paragraph (c) of the FAR 151.86.

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 said Offer and Acceptance shall comprise a Grant Agreement, as provided by the Airport and Airway Development Act of 1970, constituting the obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and the operation and maintenance of the Airport. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer and shall remain in full force and effect throughout the useful life of the facilities developed under the Project but in any event not to exceed twenty years from the date of said acceptance.

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION

By *[Signature]*
ACTING Director, Alaskan Region
(TITLE)

Part II-Acceptance

The **State of Alaska** does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer and does hereby accept said Offer and by such acceptance agrees to all of the terms and conditions thereof.

Executed this 10th day of May, 19 72.

STATE OF ALASKA

(Name of Sponsor)

By *[Signature]*
Acting
Title Director, Division of Aviation

(SEAL)

Attest:

Title:

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Dorothy Awes Haaland, acting as Attorney for the State of Alaska,
(herein referred to as the "Sponsor") do hereby certify:

That I have examined the foregoing Grant Agreement and the proceedings taken by said Sponsor relating thereto, and find that the Acceptance thereof by said Sponsor has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the State of Alaska, and further that, in my opinion, said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Anchorage, Alaska this 10th day of May, 19 72.

[Signature]
Title Assistant Attorney General

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION

Page 1 of 2 Pages

KETCHIKAN Airport

KETCHIKAN, ALASKA
Location

AMENDMENT NO. 1 TO GRANT AGREEMENT FOR PROJECT NO. 8-02-0144-02

WHEREAS, the Federal Aviation Administration (hereinafter referred to as the "FAA") has determined it to be in the interest of the United States that the Grant Agreement between the FAA, acting for and on behalf of the United States, and the State of Alaska, Division of Aviation, (hereinafter referred to as the "Sponsor"), accepted by said Sponsor on the 10th day of May 1972, be amended as hereinafter provided.

NOW THEREFORE, WITNESSETH:

1. That in consideration of the benefits to accrue to the parties hereto, the FAA on behalf of the United States, on the one part, and the Sponsor, on the other part, do hereby mutually agree that the project work description as set forth in the Grant Agreement dated May 10, 1972, relating to the Ketchikan Airport, Ketchikan, Alaska, Project No. 8-02-0144-02, is hereby revised to add "install VASI-4 Runway 29," so as to read as follows:

"Pave runway 11/29 7,500' x 150', taxiway 3,000' x 75' and general aviation taxiway 1,200' x 50', apron 900' x 460', holding apron, service road, and blast protection; gravel surface general aviation aprons and service road; high intensity runway lighting, medium intensity taxiway lighting, apron lighting, beacon, segmented circle and wind cone; marking; install VASI-4 Runway 29."

2. This amendment is made and subject to the following term and condition:

The Sponsor hereby agrees to suitably maintain the VASI-4 system upon completion of the facility.

IN WITNESS WHEREOF, the parties hereto have caused this amendment to said Grant Agreement to be duly executed as of the 17 day of September, 1973.

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION

By Thomas J. Creswell

Title Director, Alaska Region

DOCUMENT

COPY

STATE OF ALASKA, DIVISION OF AVIATION
(Name of Sponsor)

By James W. Amos

Title James W. Amos
Deputy Director, Division of Aviation

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Dorothy Awes Haaland, acting as Attorney for the State of Alaska, Division of Aviation, (hereinafter referred to as "Sponsor") do hereby certify:

That I have examined the foregoing Amendment to Grant Agreement and the proceedings taken by said Sponsor relating thereto, and find that the execution thereof by said Sponsor has been duly authorized and is in all respects due and proper and in accordance with the laws of the State of Alaska, and further that, in my opinion, said Amendment to Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Anchorage, this 17 day of September, 1973.

Dorothy Awes Haaland

Title Assistant Attorney General

DOCUM

COPY

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION
WASHINGTON, D. C. 20590

Page 1 of 2 Pages

~~Contract No.~~ _____
KETCHIKAN Airport
KETCHIKAN, ALASKA
Location

AMENDMENT NO. 2 TO GRANT AGREEMENT FOR PROJECT NO. 8-02-0144-02

WHEREAS, the Federal Aviation Administration (hereinafter referred to as the "FAA") has determined it to be in the interest of the United States that the Grant Agreement between the FAA, acting for and on behalf of the United States, and the State of Alaska, (hereinafter referred to as the "Sponsor"), accepted by said Sponsor on the 10th day of May, 19 72, be amended as hereinafter provided.

NOW THEREFORE, WITNESSETH:

That in consideration of the benefits to accrue to the parties hereto, the FAA on behalf of the United States, on the one part, and the Sponsor, on the other part, do hereby mutually agree that the maximum amount of the obligation of the United States as set forth in paragraph 1 of the terms and conditions of the Grant Agreement between the United States and the Sponsor, accepted by said Sponsor on the 10th day of May, 19 72, relating to Ketchikan Airport, Project No. 8-02-0144-02, is hereby increased from \$ 1,469,093.00 to \$ 1,616,002.00.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to said Grant Agreement to be duly executed as of the 15th day of April, 19 75.

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION

By [Signature]
Title ACTING Director, Alaskan Region

STATE OF ALASKA

By [Signature] (Name of Sponsor)
Title 1 Director, Division of Aviation

(SEAL)

Attest: _____

Title _____

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Dorothy Aves Haaland, acting as Attorney for the State of Alaska,
(hereinafter referred to as "Sponsor") do hereby certify:

That I have examined the foregoing Amendment to Grant Agreement and the proceedings taken by said Sponsor relating thereto, and find that the execution thereof by said Sponsor has been duly authorized and is in all respects due and proper and in accordance with the laws of the State of Alaska, and further that, in my opinion, said Amendment to Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Anchorage, Alaska, this 15th day of April, 1975.

Dorothy Aves Haaland

Title Assistant Attorney General

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

ADAP NO. 6-02-0144-02-72

PROJECT APPLICATION

(For Federal Aid for Development of Public Airports)

Part I-PROJECT INFORMATION

The State of Alaska (herein called the "Sponsor") hereby makes application to the Federal Aviation Administration (hereinafter called the FAA"), for a grant of Federal funds pursuant to the Airport and Airway Development Act of 1970 and the Regulations issued thereunder, for the purpose of aiding in financing a project (herein called the "Project") for development of the Ketchikan Airport (herein called the "Airport") located in at Ketchikan State of Alaska.

It is proposed that the Project consist of the following-described airport development:

Pave runway 11/29 7,500' x 150'; taxiways 3,000' x 75' and 1,200' x 50', apron 900' x 460', holding apron, service road, and blast protection; gravel surface general aviation aprons and service road; HIRL, MITL, apron lighting, beacon, segmented circle and wind cone; marking.

all as more particularly described on the property map attached (hereto as Exhibit "A")* (as Exhibit "A" to Project Application dated _____ for Project No. _____) and in the plans and specifications submitted to the FAA on February 10, 1972 which are made a part hereof.

*Strike out the inappropriate clause.

EXHIBIT D

THE FOLLOWING IS A SUMMARY OF THE ESTIMATED COSTS OF THE PROJECT:

| ITEM | TOTAL ESTIMATED COST | ESTIMATED SPONSOR'S SHARE OF COST | | ESTIMATED FEDERAL SHARE OF COST | |
|--|----------------------------------|---|------------------------|---------------------------------------|------------------------|
| | | AMOUNT | PER- CENT | AMOUNT | PER- CENT |
| 1. LAND COSTS | 0 | 0 | 0 | 0 | 0 |
| 2. CONSTRUCTION COSTS | 1,876,155 | | | | |
| 3. ENGINEERING AND SUPERVISION COSTS | 167,616 | | | | |
| 4. ADMINISTRATIVE COSTS | 10,000 | | | | |
| 5. Total of 2, 3, and 4 above | 125,589 1,948,162 | 22,606 730,568 | 18 37.5 | 102,983 1,217,614 | 82 62.5 |
| 6. CONTINGENCIES | 237,593 | 89,097 | 37.5 | 148,496 | 62.5 |
| 7. TOTAL ALL ESTIMATED PROJECT COSTS (Items 1, 5, and 6) | 2,311,364 | 842,271 | | 1,469,093 | |

Part II—REPRESENTATIONS

The Sponsor hereby represents and certifies as follows:

1. **Legal Authority.**—The Sponsor has the legal power and authority: (1) to do all things necessary in order to undertake and carry out the Project in conformity with the Act and the Regulations; (2) to accept, receive, and disburse grants of funds from the United States in aid of the Project, on the terms and conditions stated in the Act and the Regulations; and (3) to carry out all of the provisions of Parts III and IV of this Project Application.

2. **Funds.**—The Sponsor now has on deposit, or is in a position to secure, \$~~842,271~~ for use in defraying the costs of the Project. The present status of these funds is as follows:

State of Alaska - General Obligation Bonds available immediately.

3. **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:

The extent of the airport property lines and the separation of the airport with respect to the populated area of Ketchikan by the Tongass Harrows and the anticipated land usage in the airport vicinity tend to preclude incompatible use and therefore no specific action to assure compatible use is necessary.

4. **Approvals of Other Agencies.**—The Project has been approved by all non-Federal agencies whose approval is required, namely:

NONE

5. **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

6. **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 Parts III and IV of the Project Application, either by limiting its legal or financial ability or otherwise, except as follows:

NONE

7. **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":

Tract II - Fee Simple Title

Tract III - I.L.M.T. granted 7/19/68 - Amendment 1, 4/21/69
Amendment 2, 1/19/70

Tract IV - Fee Simple Title

Tract V - I.L.M.T. granted 7/19/68, Amendment 1, 4/21/69
Amendment 2, 1/19/70

Tract VI - Parcel A thru Q - Fee Simple Title (SEE ATTACHMENT)

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.

*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.

(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":

NONE

(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

8. 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

* 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 III—SPONSOR'S ASSURANCES

In order to furnish the assurances required by the Act and Regulations the Sponsor hereby covenants and agrees with the United States, as follows:

1. These covenants shall become effective upon acceptance by the Sponsor of an offer of Federal aid for the Project or any portion thereof, made by the FAA and shall constitute a part of the Grant Agreement thus formed. These covenants shall remain in full force and effect throughout the useful life of the facilities developed under this Project, but in any event not to exceed twenty (20) years from the date of said acceptance of an offer of Federal aid for the Project. However, these limitations on the duration of the covenants do not apply to the covenant against exclusive rights. Any breach of these covenants on the part of the Sponsor may result in the suspension or termination of, or refusal to grant Federal assistance under, FAA administered programs, or such other action which may be necessary to enforce the rights of the United States under this agreement.

2. The Sponsor will operate the Airport as such for the use and benefit of the public. In furtherance of this covenant (but without limiting its general applicability and effect), the Sponsor specifically 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. Provided; That the Sponsor may establish such fair, equal, 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; And Provided Further, That 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.

3. The Sponsor—

a. Will not grant or permit any exclusive right forbidden by Section 308(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1349(a)) at the Airport, or at any other airport now owned or controlled by it;

b. Agrees that, in furtherance of the policy of the FAA under this covenant, unless authorized by the Administrator, it will not, either directly or indirectly, grant or permit any person, firm or corporation the exclusive right at the Airport, or at any other airport now owned or controlled by it, 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.

c. Agrees that it will terminate any existing exclusive right to engage in the sale of gasoline or oil, or both, granted before July 17, 1962, at such an airport, at the earliest renewal, cancellation, or expiration date applicable to the agreement that established the exclusive right; and

d. Agrees that it will terminate any other exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under the Airport and Airway Development Act.

4. The Sponsor agrees that it will operate the Airport for the use and benefit of the public, on fair and reasonable

terms, and without unjust discrimination. In furtherance of the covenant (but without limiting its general applicability and effect), the Sponsor specifically covenants and agrees:

a. That in its operation and the operation of all facilities on the Airport, neither it nor any person or organization occupying space or facilities thereon will discriminate against any person or class of persons by reason of race, color, creed, or national origin in the use of any of the facilities provided for the public on the Airport.

b. That 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 engage in any aeronautical activity for furnishing services to the public at the Airport, the Sponsor will insert and enforce provisions requiring the contractor:

(1) to furnish said service on a fair, equal, and not unjustly discriminatory basis to all users thereof, and

(2) to charge fair, 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. That it will not exercise or grant any right or privilege which would operate 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 and repair) that it may choose to perform.

d. In the event the Sponsor itself exercises any of the rights and privileges referred to in subsection b, the services involved will be provided on the same conditions as would apply to the furnishing of such services by contractors or concessionaires of the Sponsor under the provisions of such subsection b.

5. Nothing contained herein shall be construed to prohibit the granting or exercise of an exclusive right for the furnishing of nonaviation products and supplies or any service of a nonaeronautical nature or to obligate the Sponsor to furnish any particular nonaeronautical service at the Airport.

6. The Sponsor will operate and maintain in a safe and serviceable condition the Airport and all facilities thereon and connected therewith which are necessary to serve the aeronautical users of the Airport other than facilities owned or controlled by the United States, and will not permit any activity thereon which would interfere with its use for airport purposes: Provided, That nothing contained herein shall be construed to require that the Airport be operated for aeronautical uses during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance; And Provided Further, That 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. In furtherance of this covenant the Sponsor will have in effect at all times arrangements for:

a. Operating the airport's aeronautical facilities whenever required.

b. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions, and

c. Promptly notifying airmen of any condition affecting aeronautical use of the Airport.

7. Insofar as it is within its power and reasonable, the Sponsor will, either by the acquisition and retention of easements or other interests in or rights for the use of land or airspace or by the adoption and enforcement of zoning regulations, prevent the construction, erection, alteration, or growth of any structure, tree, or other object in the approach areas of the runways of the Airport, which would constitute an obstruction to air navigation according to the criteria or standards prescribed in Section 77.23, as applied to Section 77.25, Part 77 of the Federal Aviation Regulations. In addition, the Sponsor will not erect or permit the erection of any permanent structure or facility which would interfere materially with the use, operation, or future development of the Airport, in any portion of a runway approach area in which the Sponsor has acquired, or hereafter acquires, property interests permitting it to so control the use made of the surface of the land.

8. Insofar as it is within its power and reasonable, the Sponsor will, either by the acquisition and retention of easements or other interests in or rights for the use of land or airspace or by the adoption and enforcement of zoning regulations, take action 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.

9. The Sponsor will keep up to date at all times an airport layout plan of the Airport showing (1) the 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; and (3) the location of all existing and proposed nonaviation areas and of all existing improvements thereon. Such airport layout plan and each amendment, revision, or modification thereof, shall be subject to the approval of the FAA, which approval shall be evidenced by the signature of a duly authorized representative of the FAA on the face of the airport layout plan. The Sponsor will not make or permit the making of any changes or alterations in the Airport or any of its facilities other than in conformity with the airport layout plan as so approved by the FAA, if such changes or alterations might adversely affect the safety, utility, or efficiency of the Airport.

10. All facilities of the Airport developed with Federal aid and all those usable for the landing and taking off of aircraft, will be available to the United States at all times, without charge, for use by government aircraft in common with other aircraft, except that if the use by government aircraft is substantial, a reasonable share, proportional to such use, of the cost of operating and maintaining facilities so used, may be charged. Unless otherwise determined by the FAA, 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 FAA, would unduly interfere with use of the landing area 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 and each takeoff as a movement) of government aircraft is 300 or more, or the gross accumulative weight of government aircraft using the Airport

(the total movements of government aircraft multiplied by gross certified weights of such aircraft) is in excess of five million pounds.

11. Whenever so requested by the FAA, the Sponsor will furnish without cost to the Federal Government, for construction, operation, and maintenance of facilities for air traffic control activities, or weather reporting activities and communication activities related to air traffic control, such areas of land or water, or estate therein, or rights in buildings of the Sponsor as the FAA may consider necessary or desirable for construction at Federal expense of space or facilities for such purposes. The approximate amounts of areas and the nature of the property interests and/or rights so required will be set forth in the Grant Agreement relating to the Project. Such areas or any portion thereof will be made available as provided herein within 4 months after receipt of written request from the FAA.

12. The airport operator or owner will maintain a fee and rental structure for the facilities and services being provided the airport users which will make the Airport as self-sustaining as possible under the circumstances existing at the Airport, taking into account such factors as the volume of traffic and economy of collection.

13. The Sponsor will furnish the FAA with such annual or special airport financial and operational reports as may be reasonably requested. Such reports may be submitted on forms furnished by the FAA, or may be submitted in such manner as the Sponsor elects so long as the essential data are furnished. The Airport and all airport records and documents affecting the Airport, including deeds, leases, operation and use agreements, regulations, and other instruments, will be made available for inspection and audit by the Secretary and the Comptroller General of the United States, or their duly authorized representatives, upon reasonable request. The Sponsor will furnish to the FAA or to the General Accounting Office, upon request, a true copy of any such document.

14. All project accounts and records will be kept in accordance with a standard system of accounting if so prescribed by the Secretary.

15. If at any time it is determined by the FAA that there is any outstanding right or claim of right in or to the Airport property, other than those set forth in Part II, paragraphs 7(a), 7(b), and 7(c), the existence of which creates an undue risk of interference with the operation of the Airport or the performance of the covenants of this Part, the Sponsor will acquire, extinguish, or modify such right or claim of right in a manner acceptable to the FAA.

16. The Sponsor will not enter into any transaction which would operate to deprive it of any of the rights and powers necessary to perform any or all of the covenants made herein, unless by such transaction the obligation to perform all such covenants is assumed by another public agency found by the FAA to be eligible under the Act and Regulations to assume such obligations and having the power, authority, and financial resources to carry out all such obligations. If an arrangement is made for management or 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 with the Act, the Regulations, and these covenants.

17. Unless the context otherwise requires, all terms used in these covenants which are defined in the Act and the Regulations shall have the meanings assigned to them therein.

Part IV-PROJECT AGREEMENT

If the Project or any portion thereof is approved by the FAA, and an offer of Federal aid for such approved Project is accepted by the Sponsor, it is understood and agreed that all airport development included in such Project will be accomplished in accordance with the Act and the Regulations, the plans and specifications for such development, as approved by the FAA, and the Grant Agreement with respect to the Project.

IN WITNESS WHEREOF, the Sponsor has caused this Project Application to be duly executed in its name, this 17 day of April, 1972

State of Alaska

(Name of Sponsor)

By

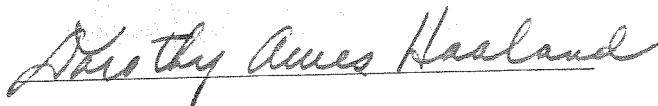


Ed Granger
Acting Director
Division of Aviation

(Title)

OPINION OF SPONSOR'S ATTORNEY

I HEREBY CERTIFY that all statements of law made in this Project Application and all legal conclusions upon which the representations and covenants contained herein are based, are in my opinion true and correct.



Assistant Attorney General

(Title)

April 17, 1972

(Date)

7 (a)

Tract VI (continued)

Parcel A - I.L.M.T. granted 7/19/68, Amendment 1, 6/21/69
Amendment 2, 2/19/70

Tract VII - Parcels A, B, B-1, C thru F Fee Simple Title

Tract VIII - Fee Simple Title

Tract IX - Fee Simple Title

Tract X - I.L.M.T. granted 7/19/68, Amendment 1, 6/21/69
Amendment 2, 1/19/70

Tract XI - Parcel A - I.L.M.T. granted 8/4/70
Amendment 1, 1/26/71, Amendment 2, 3/16/71
East Loop I - excepted from I.L.M.T.

Parcel B Permit, navigation and hazard and right-of-way
easement granted 3/15/69 by Alaska Division of Lands
over A.T.S. Nos. 20, 22, 23, and 24.
Amendment No. 1, dated 3/16/71.

DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

GRANT AGREEMENT

Part 1-Offer

Date of Offer 19 JUN 1972

**KETCHIKAN
KETCHIKAN, ALASKA**

Airport

Project No. ~~ADAP 8-02-0144-03~~

~~Contract No.~~

TO: **THE STATE OF ALASKA, DIVISION OF AVIATION**
(herein referred to as the "Sponsor")

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

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated **24 May 1972**, for a grant of Federal funds for a project for development of the **Ketchikan, Alaska** Airport (herein called the "Airport"), together with plans and specifications for such project, 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 development of the Airport (herein called the "Project") consisting of the following-described airport development:

Construct airport access (ferry slip).

all as more particularly described in the property map and plans and specifications incorporated in the said Project Application;

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NOW THEREFORE, pursuant to and for the purpose of carrying out the provisions of the Airport and Airway Development Act of 1970, as amended (49 U.S.C. 1701), 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 the operation and maintenance of the Airport 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, sixty-two and one-half percent (62.5%) of the project costs to the extent that such costs are determined allowable.

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

1. The maximum obligation of the United States payable under this Offer shall be \$ 539,500.00.
2. The Sponsor shall:
 - (a) begin accomplishment of the Project within 120 days after acceptance of this Offer or such longer time as may be prescribed by the FAA, with failure to do so constituting just cause for termination of the obligations of the United States hereunder by the FAA;
 - (b) carry out and complete the Project without undue delay and in accordance with the terms hereof, the Airport and Airway Development Act of 1970, and Sections 152.51-152.63 of the Regulations of the Federal Aviation Administration (14 CFR 152) in effect as of the date of acceptance of this Offer; which Regulations are hereinafter referred to as the "Regulations";
 - (c) carry out and complete the Project in accordance with the plans and specifications and property map, incorporated herein, as they may be revised or modified with the approval of the FAA.
3. The allowable costs of the project shall not include any costs determined by the FAA to be ineligible for consideration as to allowability under Section 152.47(b) of the Regulations.
4. Payment of the United States share of the allowable project costs will be made pursuant to and in accordance with the provisions of Sections 152.65-152.71 of the Regulations. Final determination as to the allowability of the costs of the project will be made at the time of the final grant payment pursuant to Section 152.71 of the Regulations: Provided, that, in the event a semi-final grant payment is made pursuant to Section 152.71 of the Regulations, final determination as to the allowability of those costs to which such semi-final payment relates will be made at the time of such semi-final payment.

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5. The Sponsor shall operate and maintain the Airport as Provided in the Project Application incorporated herein and specifically covenants and agrees, in accordance with its Assurance 4 in Part III of said Project Application, that in its operation and the operation of all facilities thereof, neither it nor any person or organization occupying space or facilities thereon will discriminate against any person or class of persons by reason of race, color, creed or national origin in the use of any of the facilities provided for the public on the airport.
6. The FAA reserves the right to amend or withdraw this Offer at any time prior to its acceptance by the Sponsor.
7. 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 **30 June 1972** or such subsequent date as may be prescribed in writing by the FAA.
8. The sponsor hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan insurance, or guarantee the following Equal Opportunity clause.

During the performance of this contract, the contractor agrees as follows:

- a. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, sex or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- b. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

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c. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

d. The contractor will comply with all provisions of Executive Order 11246 of 24 September 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

e. The contractor will furnish all information and reports required by Executive Order 11246 of 24 September 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

f. In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of 24 September 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of 24 September 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

g. The contractor will include the portion of the sentence immediately preceding paragraph a and the provisions of paragraphs a through g in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of 24 September 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The sponsor further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction

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work: Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contractor.

The sponsor agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor that it will furnish the administering agency with the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The sponsor further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of 24 September 1965, with a contractor debarred from, or who has not demonstrated eligibility for, government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part III, Subpart D of the Executive Order. In addition, the sponsor agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance guarantee); refrain from extending any further assistance to the sponsor under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from the sponsor; or refer the case to the Department of Justice for appropriate legal proceedings.

9. The Federal Government does not now plan or contemplate the construction of any structures pursuant to paragraph 11 of Part III-Sponsor's Assurances of the Project Application, dated 24 May 1972, and therefore it is understood and agreed that the sponsor is under no obligation to furnish any such areas or rights under this Grant Agreement.
10. The sponsor by its acceptance of this Grant Offer covenants and agrees that it will submit a complete set of final plans and specifications for FAA approval before 30 September 1972, and will not advertise for bids or start construction work until after such final plans and specifications have been approved.

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11. It is understood and agreed that the sponsor shall provide adequate land for the purpose of parking all "official" vehicles (FAA vehicles and privately-owned vehicles when used for FAA business) necessary for the maintenance and operation of the air navigation control facilities, air traffic control facilities, and weather reporting facilities. The land so provided shall be adjacent to the facilities served and provided without cost.

The parties hereto further recognize the need for adequate parking space for the motor vehicles used by the FAA employees in providing them with transportation to their place of employment and assigned duty stations on the airport. It is fully understood by and between the parties hereto that the sponsor shall make adequate parking space available to these FAA employees on terms that are as favorable as those provided to the sponsor's employees and the employees of others having duty stations on the airport. It is agreed by the parties hereto that this relationship with respect to automobile parking space for FAA employees will continue.

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 herein-after provided, and said Offer and Acceptance shall comprise a Grant Agreement, as provided by the Airport and Airway Development Act of 1970, constituting the obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and the operation and maintenance of the Airport. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer and shall remain in full force and effect throughout the useful life of the facilities developed under the Project but in any event not to exceed twenty years from the date of said acceptance.

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION

By *Stephen S. Taylor*
ACTING Director, Alaskan Region
(TITLE)

Part II-Acceptance

The **State of Alaska** does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer and does hereby accept said Offer and by such acceptance agrees to all of the terms and conditions thereof.

Executed this 19th day of June, 19 72.

(SEAL)

STATE OF ALASKA
(Name of Sponsor)
By *Clayton C. Hansen*
Chief Design Engineer
Title Division of Aviation

Attest:
Title:

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Dorothy Aves Haaland, acting as Attorney for the State of Alaska,
(herein referred to as the "Sponsor") do hereby certify:

That I have examined the foregoing Grant Agreement and the proceedings taken by said Sponsor relating thereto, and find that the Acceptance thereof by said Sponsor has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the State of Alaska, and further that, in my opinion, said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Anchorage this 19th day of June, 19 72.

Dorothy Aves Haaland
Title Assistant Attorney General

ADAP NO. 8-02-0144-03-72

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

PROJECT APPLICATION

(For Federal Aid for Development of Public Airports)

Part I-PROJECT INFORMATION

The State of Alaska (herein called the "Sponsor") hereby makes application to the Federal Aviation Administration (hereinafter called the FAA), for a grant of Federal funds pursuant to the Airport and Airway Development Act of 1970 and the Regulations issued thereunder, for the purpose of aiding in financing a project (herein called the "Project") for development of the Ketchikan Airport (herein called the "Airport") located ~~in~~ at Ketchikan State of Alaska.

It is proposed that the Project consist of the following-described airport development:

Construct Airport Access (Ferry Slip)

all as more particularly described on the property map attached (hereto as Exhibit "A")* (as Exhibit "A" to Project Application dated _____ for Project No. _____) and in the plans and specifications submitted to the FAA ~~on _____~~ ~~to be submitted on or before June 15, 1972~~ which are made a part hereof.

*Strike out the inappropriate clause.

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EXHIBIT D

THE FOLLOWING IS A SUMMARY OF THE ESTIMATED COSTS OF THE PROJECT:

| ITEM | TOTAL ESTIMATED COST | ESTIMATED SPONSOR'S SHARE OF COST | | ESTIMATED FEDERAL SHARE OF COST | |
|--|----------------------------|---|--------------|---------------------------------------|--------------|
| | | AMOUNT | PER- CENT | AMOUNT | PER- CENT |
| 1. LAND COSTS | 0 | 0 | 0 | 0 | 0 |
| 2. CONSTRUCTION COSTS | 729,000 | | | | |
| 3. ENGINEERING AND SUPERVISION COSTS | 94,000 | | | | |
| 4. ADMINISTRATIVE COSTS | 1,000 | | | | |
| 5. Total of 2, 3, and 4 above | 824,000 | 309,000 | 37.5 | 515,000 | 62.5 |
| 6. CONTINGENCIES | 39,200 | 14,700 | 37.5 | 24,500 | 62.5 |
| 7. TOTAL ALL ESTIMATED PROJECT COSTS (Items 1, 5, and 6) | 863,200 | 323,700 | | 539,500 | |

Part II—REPRESENTATIONS

The Sponsor hereby represents and certifies as follows:

1. **Legal Authority.**—The Sponsor has the legal power and authority: (1) to do all things necessary in order to undertake and carry out the Project in conformity with the Act and the Regulations; (2) to accept, receive, and disburse grants of funds from the United States in aid of the Project, on the terms and conditions stated in the Act and the Regulations; and (3) to carry out all of the provisions of Parts III and IV of this Project Application.

2. **Funds.**—The Sponsor now has on deposit, or is in a position to secure, \$323,700. for use in defraying the costs of the Project. The present status of these funds is as follows:

General Obligation Bonds - Ketchikan Gateway Borough

General Obligation Bonds - State of Alaska

3. **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:

The extent of the airport property lines and the separation of the airport with respect to the populated area of Ketchikan by the Tongass Narrows and the anticipated land usage in the airport vicinity tend to preclude incompatible use and therefore no specific action to assure compatible use is necessary.

4. **Approvals of Other Agencies.**—The Project has been approved by all non-Federal agencies whose approval is required, namely:

None

5. **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

6. **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 Parts III and IV of the Project Application, either by limiting its legal or financial ability or otherwise, except as follows:

None

7. **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":

Tract II - Fee Simple Title

Tract III - I.L.M.T. granted 7/19/68 - Amendment 1, 4/21/69

Tract IV - Fee Simple Title

Tract V - I.L.M.T. granted 7/19/68, Amendment 1, 4/21/69
Amendment 2, 1/19/70

Tract VI - Parcel A thru Q - Fee Simple Title (SEE ATTACHMENT)

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.

*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.

(9-64)

Attachment for 7 (a).

Tract VI (continued)

Parcel M - I.L.M.T. granted 7/19/68, Amendment 1, 4/21/69

Amendment 2, 1/19/70

Tract VII - Parcels A, B, B-1, C thru H Fee Simple Title

Tract VIII - Fee Simple Title

Tract IX - Fee Simple Title

Tract X - I.L.M.T. granted 7/19/68, Amendment 1, 4/21/69

Amendment 2, 1/19/70

Tract XI - Parcel A - I.L.M.T. granted 8/4/70

Amendment 1, 1/26/71, Amendment 2, 3/16/71

East Lump I - excepted from I.L.M.T.

Parcel B Permit, avigation and hazard and right-of-way
easement granted 3/15/60 by Alaska Division of Lands over
A.T.B. Nos. 20, 22, and 24.

Amendment No. 1, dated 3/16/71.

(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":

N/A

(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":

N/A

8. 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

*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 III—SPONSOR'S ASSURANCES

In order to furnish the assurances required by the Act and Regulations the Sponsor hereby covenants and agrees with the United States, as follows:

1. These covenants shall become effective upon acceptance by the Sponsor of an offer of Federal aid for the Project or any portion thereof, made by the FAA and shall constitute a part of the Grant Agreement thus formed. These covenants shall remain in full force and effect throughout the useful life of the facilities developed under this Project, but in any event not to exceed twenty (20) years from the date of said acceptance of an offer of Federal aid for the Project. However, these limitations on the duration of the covenants do not apply to the covenant against exclusive rights. Any breach of these covenants on the part of the Sponsor may result in the suspension or termination of, or refusal to grant Federal assistance under, FAA administered programs, or such other action which may be necessary to enforce the rights of the United States under this agreement.

2. The Sponsor will operate the Airport as such for the use and benefit of the public. In furtherance of this covenant (but without limiting its general applicability and effect), the Sponsor specifically 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. Provided; That the Sponsor may establish such fair, equal, 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; And Provided Further, That 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.

3. The Sponsor—

a. Will not grant or permit any exclusive right forbidden by Section 308(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1349(a)) at the Airport, or at any other airport now owned or controlled by it;

b. Agrees that, in furtherance of the policy of the FAA under this covenant, unless authorized by the Administrator, it will not, either directly or indirectly, grant or permit any person, firm or corporation the exclusive right at the Airport, or at any other airport now owned or controlled by it, 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.

c. Agrees that it will terminate any existing exclusive right to engage in the sale of gasoline or oil, or both, granted before July 17, 1962, at such an airport, at the earliest renewal, cancellation, or expiration date applicable to the agreement that established the exclusive right; and

d. Agrees that it will terminate any other exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under the Airport and Airway Development Act.

4. The Sponsor agrees that it will operate the Airport for the use and benefit of the public, on fair and reasonable

terms, and without unjust discrimination. In furtherance of the covenant (but without limiting its general applicability and effect), the Sponsor specifically covenants and agrees:

a. That in its operation and the operation of all facilities on the Airport, neither it nor any person or organization occupying space or facilities thereon will discriminate against any person or class of persons by reason of race, color, creed, or national origin in the use of any of the facilities provided for the public on the Airport.

b. That 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 engage in any aeronautical activity for furnishing services to the public at the Airport, the Sponsor will insert and enforce provisions requiring the contractor:

(1) to furnish said service on a fair, equal, and not unjustly discriminatory basis to all users thereof, and

(2) to charge fair, 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. That it will not exercise or grant any right or privilege which would operate 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 and repair) that it may choose to perform.

d. In the event the Sponsor itself exercises any of the rights and privileges referred to in subsection b, the services involved will be provided on the same conditions as would apply to the furnishing of such services by contractors or concessionaires of the Sponsor under the provisions of such subsection b.

5. Nothing contained herein shall be construed to prohibit the granting or exercise of an exclusive right for the furnishing of nonaviation products and supplies or any service of a nonaeronautical nature or to obligate the Sponsor to furnish any particular nonaeronautical service at the Airport.

6. The Sponsor will operate and maintain in a safe and serviceable condition the Airport and all facilities thereon and connected therewith which are necessary to serve the aeronautical users of the Airport other than facilities owned or controlled by the United States, and will not permit any activity thereon which would interfere with its use for airport purposes: Provided, That nothing contained herein shall be construed to require that the Airport be operated for aeronautical uses during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance; And Provided Further, That 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. In furtherance of this covenant the Sponsor will have in effect at all times arrangements for:

a. Operating the airport's aeronautical facilities whenever required.

b. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions, and

c. Promptly notifying airmen of any condition affecting aeronautical use of the Airport.

7. Insofar as it is within its power and reasonable, the Sponsor will, either by the acquisition and retention of easements or other interests in or rights for the use of land or airspace or by the adoption and enforcement of zoning regulations, prevent the construction, erection, alteration, or growth of any structure, tree, or other object in the approach areas of the runways of the Airport, which would constitute an obstruction to air navigation according to the criteria or standards prescribed in Section 77.23, as applied to Section 77.25, Part 77 of the Federal Aviation Regulations. In addition, the Sponsor will not erect or permit the erection of any permanent structure or facility which would interfere materially with the use, operation, or future development of the Airport, in any portion of a runway approach area in which the Sponsor has acquired, or hereafter acquires, property interests permitting it to so control the use made of the surface of the land.

8. Insofar as it is within its power and reasonable, the Sponsor will, either by the acquisition and retention of easements or other interests in or rights for the use of land or airspace or by the adoption and enforcement of zoning regulations, take action 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.

9. The Sponsor will keep up to date at all times an airport layout plan of the Airport showing (1) the 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; and (3) the location of all existing and proposed nonaviation areas and of all existing improvements thereon. Such airport layout plan and each amendment, revision, or modification thereof, shall be subject to the approval of the FAA, which approval shall be evidenced by the signature of a duly authorized representative of the FAA on the face of the airport layout plan. The Sponsor will not make or permit the making of any changes or alterations in the Airport or any of its facilities other than in conformity with the airport layout plan as so approved by the FAA, if such changes or alterations might adversely affect the safety, utility, or efficiency of the Airport.

10. All facilities of the Airport developed with Federal aid and all those usable for the landing and taking off of aircraft, will be available to the United States at all times, without charge, for use by government aircraft in common with other aircraft, except that if the use by government aircraft is substantial, a reasonable share, proportional to such use, of the cost of operating and maintaining facilities so used, may be charged. Unless otherwise determined by the FAA, 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 FAA, would unduly interfere with use of the landing area 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 and each takeoff as a movement) of government aircraft is 300 or more, or the gross accumulative weight of government aircraft using the Airport

(the total movements of government aircraft multiplied by gross certified weights of such aircraft) is in excess of five million pounds.

11. Whenever so requested by the FAA, the Sponsor will furnish without cost to the Federal Government, for construction, operation, and maintenance of facilities for air traffic control activities, or weather reporting activities and communication activities related to air traffic control, such areas of land or water, or estate therein, or rights in buildings of the Sponsor as the FAA may consider necessary or desirable for construction at Federal expense of space or facilities for such purposes. The approximate amounts of areas and the nature of the property interests and/or rights so required will be set forth in the Grant Agreement relating to the Project. Such areas or any portion thereof will be made available as provided herein within 4 months after receipt of written request from the FAA.

12. The airport operator or owner will maintain a fee and rental structure for the facilities and services being provided the airport users which will make the Airport as self-sustaining as possible under the circumstances existing at the Airport, taking into account such factors as the volume of traffic and economy of collection.

13. The Sponsor will furnish the FAA with such annual or special airport financial and operational reports as may be reasonably requested. Such reports may be submitted on forms furnished by the FAA, or may be submitted in such manner as the Sponsor elects so long as the essential data are furnished. The Airport and all airport records and documents affecting the Airport, including deeds, leases, operation and use agreements, regulations, and other instruments, will be made available for inspection and audit by the Secretary and the Comptroller General of the United States, or their duly authorized representatives, upon reasonable request. The Sponsor will furnish to the FAA or to the General Accounting Office, upon request, a true copy of any such document.

14. All project accounts and records will be kept in accordance with a standard system of accounting if so prescribed by the Secretary.

15. If at any time it is determined by the FAA that there is any outstanding right or claim of right in or to the Airport property, other than those set forth in Part II, paragraphs 7(a), 7(b), and 7(c), the existence of which creates an undue risk of interference with the operation of the Airport or the performance of the covenants of this Part, the Sponsor will acquire, extinguish, or modify such right or claim of right in a manner acceptable to the FAA.

16. The Sponsor will not enter into any transaction which would operate to deprive it of any of the rights and powers necessary to perform any or all of the covenants made herein, unless by such transaction the obligation to perform all such covenants is assumed by another public agency found by the FAA to be eligible under the Act and Regulations to assume such obligations and having the power, authority, and financial resources to carry out all such obligations. If an arrangement is made for management or 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 with the Act, the Regulations, and these covenants.

17. Unless the context otherwise requires, all terms used in these covenants which are defined in the Act and the Regulations shall have the meanings assigned to them therein.

Part IV-PROJECT AGREEMENT

If the Project or any portion thereof is approved by the FAA, and an offer of Federal aid for such approved Project is accepted by the Sponsor, it is understood and agreed that all airport development included in such Project will be accomplished in accordance with the Act and the Regulations, the plans and specifications for such development, as approved by the FAA, and the Grant Agreement with respect to the Project.

IN WITNESS WHEREOF, the Sponsor has caused this Project Application to be duly executed in its name, this 24th day of May, 1972

State of Alaska

(Name of Sponsor)

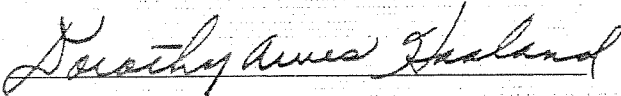
By 

Ed Granger
Acting Director
Division of Aviation

(Title)

OPINION OF SPONSOR'S ATTORNEY

I HEREBY CERTIFY that all statements of law made in this Project Application and all legal conclusions upon which the representations and covenants contained herein are based, are in my opinion true and correct.



Dorothy Awes Haaland

Assistant Attorney General

(Title)

May 24, 1972

(Date)

TITLE VI ASSURANCES

Project No. 8-02-0144-03-72

Ketchikan Stage III Airport

The State of Alaska (hereinafter referred to as the "Sponsor") HEREBY AGREES THAT as a condition to receiving any Federal financial assistance from the Department of Transportation, it will comply with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d, 42 U.S.C. 2000d-4 (hereinafter referred to as the "Act"), and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation--Effectuation of Title VI of the Civil Rights Act of 1964 (hereinafter referred to as the "Regulations") and other pertinent directives, to the end that in accordance with the Act, Regulations, and other pertinent directives, no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Sponsor receives Federal financial assistance from the Department of Transportation, including the Federal Aviation Administration, and HEREBY GIVES ASSURANCE THAT it will promptly take any measures necessary to effectuate this agreement. This assurance is required by subsection 21.7(a)(1) of the Regulations.

More specifically and without limiting the above general assurance, the Sponsor hereby gives the following specific assurances with respect to this project.

1. That the Sponsor agrees that each "program" and each "facility" as defined in subsections 21.23(e) and 21.23(b) of the Regulations, will be (with regard to a "program") conducted, or will be (with regard to a "facility") operated in compliance with all requirements imposed by or pursuant to the Regulations.

2. That the Sponsor shall insert the following notification in all solicitations for bids for work or material subject to the Regulations and made in connection with this project and, in adapted form in all proposals for negotiated agreements:

The State of Alaska, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement,

minority business enterprises will be afforded full 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.

3. That the Sponsor shall insert the clauses of Attachment 1 of this assurance in every contract subject to the Act and the Regulations.

4. That where the Sponsor receives Federal financial assistance to construct a facility, or part of a facility, the assurance shall extend to the entire facility and facilities operated in connection therewith.

5. That where the Sponsor receives Federal financial assistance in the form, or for the acquisition of real property or an interest in real property, the assurance shall extend to rights to space on, over, or under such property.

6. That the Sponsor shall include the appropriate clauses set forth in Attachment 2 of this assurance, as a covenant running with the land, in any future deeds, leases, permits, licenses, and similar agreements entered into by the Sponsor with other parties: (a) for the subsequent transfer of real property acquired or improved under the Airport Development Aid Program of the Federal Aviation Administration, and (b) for the construction or use of or access to space on, over, or under real property acquired, or improved under the said Airport Development Aid Program.

7. That this assurance obligates the Sponsor 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: (a) the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits, or (b) the period during which the Sponsor retains ownership or possession of the property.

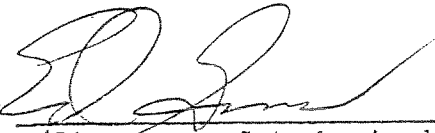
8. The Sponsor shall provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he delegates specific authority to give reasonable guarantee that it, other sponsors, subgrantees, contractors, subcontractors, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Act, the Regulations, and this assurance.

9. The Sponsor agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Act, the Regulations, and this assurance.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts, or other Federal financial assistance extended after the date hereof to the Sponsor by the Department of Transportation under the Airport Development Aid Program of the Federal Aviation Administration and is binding on it, contractors, subcontractors, transferees, successors in interest and other participants in the ADAP Project No. 8-02-0144-03-72. The person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Sponsor.

DATED May 24, 1972

State of Alaska
(Sponsor)

By 
(Signature of Authorized Official)
Ed Granger, Acting Director
Division of Aviation

ATTACHMENT 1 - TITLE VI ASSURANCES

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. Compliance with Regulations. The contractor shall comply with the Regulations relative to nondiscrimination in Federally-assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

2. Nondiscrimination. The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

3. Solicitations for Subcontracts, Including Procurements of Materials and Equipment. In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

4. Information and Reports. The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information the contractor shall so certify to the Sponsor or the Federal Aviation Administration as appropriate, and shall set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance. In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Sponsor shall impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to--

a. withholding of payments to the contractor under the contract until the contractor complies, and/or

b. cancellation, termination, or suspension of the contract, in whole or in part.

6. Incorporation of Provisions. The contractor shall include the provisions of paragraphs 1 through 5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Sponsor to enter into such litigation to protect the interests of the Sponsor and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

ATTACHMENT 2 - TITLE VI ASSURANCES

The following clauses shall be included in all deeds, licenses, leases, permits, or similar instruments entered into by the (Name of Sponsor) pursuant to the provisions of Assurance 6(a).

The (grantee, licensee, lessee, permittee, etc., as appropriate) for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as a covenant running with the land") that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this (deed, license, lease, permit, etc.) for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.) shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted Programs of the Department of Transportation--Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, (Name of Sponsor) shall have the right to terminate the (license, lease, permit, etc.) and to re-enter and repossess said land and facilities thereon, and hold the same as if said (licenses, lease, permit, etc.) had never been made or issued.

(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, (Name of Sponsor) shall have the right to re-enter said lands and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of (Name of Sponsor) and its assigns.

The following shall be included in all deeds, licenses, leases, permits, or similar agreements entered into by (Name of Sponsor) pursuant to the provisions of Assurance 6(b).

The (grantee, licensee, lessee, permittee, etc., as appropriate) for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as a covenant running with the land") that (1) no person on the grounds of race, color, or

national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.) shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, (Name of Sponsor) shall have the right to terminate the (license, lease, permit, etc.) and to re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, lease, permit, etc.) had never been made or issued.

(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, (Name of sponsor) shall have the right to re-enter said land and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of (Name of Sponsor) and its assigns.

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

PROPERTY STATUS

TRACT I
Not to be acquired

TRACT II
Parcel A, B, C and C
Fee simple title acquired

TRACT III
Parcel A and B
Acquired 7/10/68, Amendment No. 1
dated 8/27/65, Amendment No. 2 dated 10/9/70

TRACT IV
Parcel A, B and C
Fee simple title acquired

TRACT V
Parcel A and B
Acquired 7/10/68, Amendment No. 1
dated 8/27/65, Amendment No. 2 dated 10/9/70

TRACT VI
Parcel 2 through 3 excepting Parcel 1
Fee simple title acquired

TRACT VII
Parcel 1
Acquired 7/10/68, Amendment No. 1
dated 8/27/65, Amendment No. 2 dated 10/9/70

TRACT VIII
Parcel A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z
Acquired 7/10/68, Amendment No. 1
dated 8/27/65, Amendment No. 2 dated 10/9/70

TRACT IX
Parcel A
Fee simple title acquired

TRACT X
Parcel A
Fee simple title acquired

TRACT XI
Parcel A
Fee simple title acquired

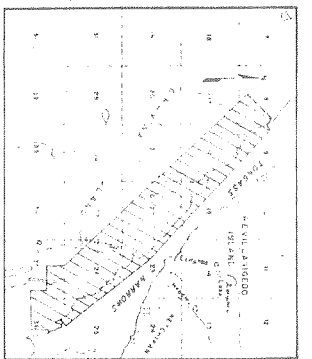
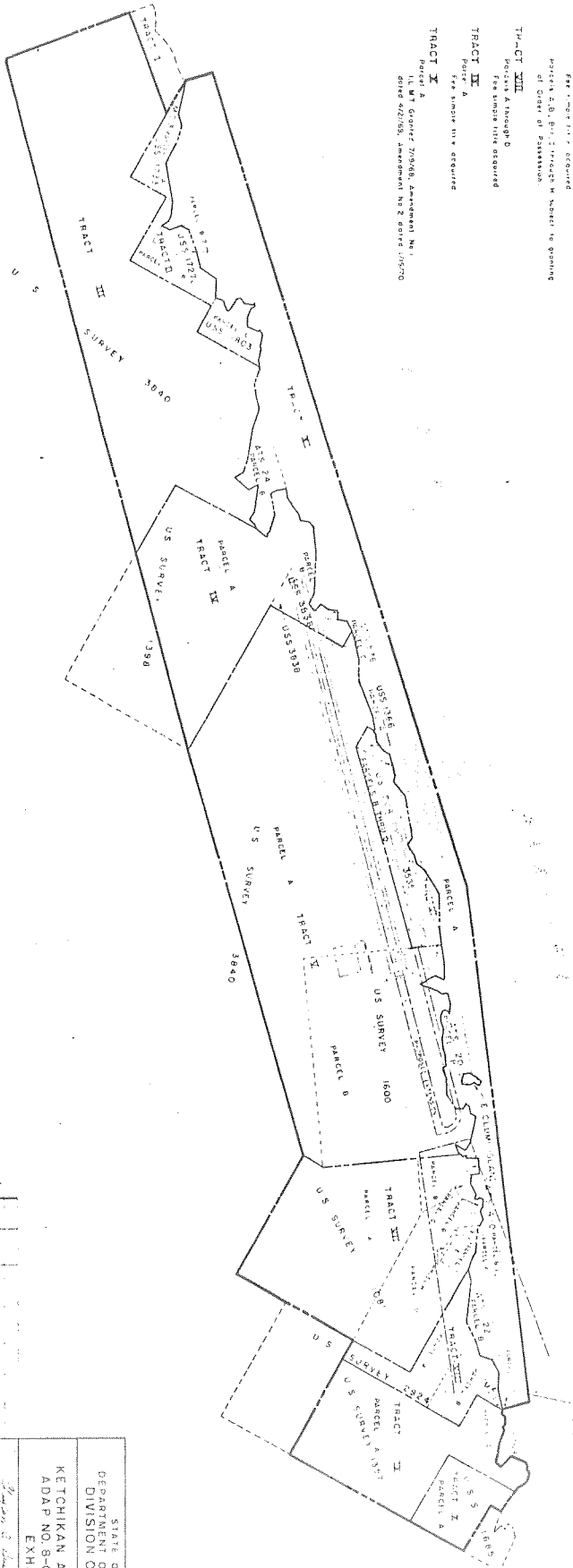
TRACT XII
Parcel A
Acquired 7/10/68, Amendment No. 1
dated 8/27/65, Amendment No. 2 dated 10/9/70

TRACT XIII
Parcel A
Acquired 7/10/68, Amendment No. 1
dated 8/27/65, Amendment No. 2 dated 10/9/70

TRACT XIV
Parcel A
Acquired 7/10/68, Amendment No. 1
dated 8/27/65, Amendment No. 2 dated 10/9/70

TRACT XV
Parcel A
Acquired 7/10/68, Amendment No. 1
dated 8/27/65, Amendment No. 2 dated 10/9/70

TRACT XVI
Parcel A
Acquired 7/10/68, Amendment No. 1
dated 8/27/65, Amendment No. 2 dated 10/9/70



STATE OF ALASKA
DEPARTMENT OF PUBLIC WORKS
DIVISION OF AVIATION

KETCHIKAN AIRPORT STAGE III
ADAP NO. 8-02-0144-03-72
EXHIBIT "A"

[Signature]
Chief, Development

[Signature]
Chief, Planning

[Signature]
Chief, Engineering

DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

GRANT AGREEMENT

Part 1-Offer

Date of Offer **FEB 15 1974**

**KETCHIKAN
KETCHIKAN, ALASKA**

Airport

Project No. **8-02-0144-04**

~~*CONTRACT NO.*~~

TO: **THE STATE OF ALASKA, DIVISION OF AVIATION**
(herein referred to as the "Sponsor")

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

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated **January 11, 1974**, for a grant of Federal funds for a project for development of the **Ketchikan** Airport (herein called the "Airport"), together with plans and specifications for such project, 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 development of the Airport (herein called the "Project") consisting of the following-described airport development:

Acquire fire/crash/rescue vehicle.

all as more particularly described in the property map and plans and specifications incorporated in the said Project Application;

DOCUMENT - FILE COPY

NOW THEREFORE, pursuant to and for the purpose of carrying out the provisions of the Airport and Airway Development Act of 1970, as amended (49 U.S.C. 1701), 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 the operation and maintenance of the Airport 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, **eighty-two percent (82%) of the project costs to the extent that such costs are determined allowable.**

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

1. The maximum obligation of the United States payable under this Offer shall be \$ 81,223.00.
2. The Sponsor shall:
 - (a) begin accomplishment of the Project within ³⁰ days after acceptance of this Offer or such longer time as may be prescribed by the FAA, with failure to do so constituting just cause for termination of the obligations of the United States hereunder by the FAA;
 - (b) carry out and complete the Project without undue delay and in accordance with the terms hereof, the Airport and Airway Development Act of 1970, and Sections 152.51-152.63 of the Regulations of the Federal Aviation Administration (14 CFR 152) in effect as of the date of acceptance of this Offer; which Regulations are hereinafter referred to as the "Regulations";
 - (c) carry out and complete the Project in accordance with the plans and specifications and property map, incorporated herein, as they may be revised or modified with the approval of the FAA.
3. The allowable costs of the project shall not include any costs determined by the FAA to be ineligible for consideration as to allowability under Section 152.47 (b) of the Regulations.
4. Payment of the United States share of the allowable project costs will be made pursuant to and in accordance with the provisions of Sections 152.65 - 152.71 of the Regulations. Final determination as to the allowability of the costs of the project will be made at the time of the final grant payment pursuant to Section 152.71 of the Regulations: Provided, that, in the event a semi-final grant payment is made pursuant to Section 152.71 of the Regulations, final determination as to the allowability of those costs to which such semi-final payment relates will be made at the time of such semi-final payment.

5. The Sponsor shall operate and maintain the Airport as Provided in the Project Application incorporated herein and specifically covenants and agrees, in accordance with its Assurance 4 in Part III of said Project Application, that in its operation and the operation of all facilities thereof, neither it nor any person or organization occupying space or facilities thereon will discriminate against any person or class of persons by reason of race, color, creed or national origin in the use of any of the facilities provided for the public on the airport.
6. The FAA reserves the right to amend or withdraw this Offer at any time prior to its acceptance by the Sponsor.
7. 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 **February 28, 1974** or such subsequent date as may be prescribed in writing by the FAA.
8. The sponsor hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan insurance, or guarantee, the following Equal Opportunity clause.

During the performance of this contract, the contractor agrees as follows:

a. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, sex or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

b. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

- c. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- d. The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- e. The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- f. In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- g. The contractor will include the portion of the sentence immediately preceding paragraph a and the provisions of paragraphs a through g in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The sponsor further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction

work: Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contractor.

The sponsor agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor that it will furnish the administering agency with the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The sponsor further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part III, Subpart D of the Executive Order. In addition, the sponsor agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance guarantee); refrain from extending any further assistance to the sponsor under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from the sponsor; or refer the case to the Department of Justice for appropriate legal proceedings.

9. The Federal Government does not now plan or contemplate the construction of any structures pursuant to paragraph 11 of Part III - Sponsor's Assurances of the Project Application dated January 11, 1974, and, therefore, it is understood and agreed that the sponsor is under no obligation to furnish any areas or rights without cost to the Federal Government under this Grant Agreement. However, nothing contained herein shall be construed as altering or changing the rights of the United States and/or the obligations of the sponsor under prior Grant Agreements to furnish rent-free space for the activities specified in such agreements.

10. It is understood and agreed that the sponsor shall provide adequate land for the purpose of parking all "official" vehicles (FAA vehicles and privately-owned vehicles when used for FAA business) necessary for the maintenance and operation of the air navigation control facilities, air traffic control facilities, and weather reporting facilities. The land so provided shall be adjacent to the facilities served and provided without cost.

The parties hereto further recognize the need for adequate parking space for the motor vehicles used by the FAA employees in providing them with transportation to their place of employment and assigned duty stations on the airport. It is fully understood by and between the parties hereto that the sponsor shall make adequate parking space available to these FAA employees on terms that are as favorable as those provided to the sponsor's employees and the employees of others having duty stations on the airport. It is agreed by the parties hereto that this relationship with respect to automobile parking space for FAA employees will continue.

11. The sponsor will send a copy of all invitations for bids, advertised or negotiated, for concessions or other businesses at the airport to the Office of Minority Business Enterprise (OMBE), Field Operations Division, Department of Commerce, Washington, D. C. 20230, or to the local affiliate designated by the OMBE. The sponsor will disclose and make information about the contracts, contracting procedures and requirements available to OMBE or its designated affiliate and minority firms on the same basis that such information is disclosed and made available to other organizations or firms. Responses by minority firms to invitations for bids shall be treated in the same manner as all other responses to the invitations for bids.

Compliance with the preceding paragraph will be deemed to constitute compliance by the sponsor with the requirements of 49 CFR 21 Appendix C(A)(1)(X), Regulations of the Office of the Secretary of Transportation.

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 herein-after provided, and said Offer and Acceptance shall comprise a Grant Agreement, as provided by the Airport and Airway Development Act of 1970, constituting the obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and the operation and maintenance of the Airport. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer and shall remain in full force and effect throughout the useful life of the facilities developed under the Project but in any event not to exceed twenty years from the date of said acceptance.

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION

By *[Signature]*
Director, Alaskan Region
(TITLE)

Part II-Acceptance

The **State of Alaska** does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer and does hereby accept said Offer and by such acceptance agrees to all of the terms and conditions thereof.

Executed this 22nd day of February, 19 74

STATE OF ALASKA

(Name of Sponsor)

By *[Signature]*
Deputy
Title Director, Division of Aviation

(SEAL)

Attest:

Title:

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Dorothy Aves Haaland, acting as Attorney for the State of Alaska,
(herein referred to as the "Sponsor") do hereby certify:

That I have examined the foregoing Grant Agreement and the proceedings taken by said Sponsor relating thereto, and find that the Acceptance thereof by said Sponsor has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the State of Alaska, and further that, in my opinion, said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Anchorage this 22nd day of February, 19 74.

[Signature]
Title Assistant Attorney General

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

PROJECT APPLICATION

(For Federal Aid for Development of Public Airports)

Part I-PROJECT INFORMATION

The State of Alaska (herein called the "Sponsor") hereby makes application to the Federal Aviation Administration (hereinafter called the FAA), for a grant of Federal funds pursuant to the Airport and Airway Development Act of 1970 and the Regulations issued thereunder, for the purpose of aiding in financing a project (herein called the "Project") for development of the Ketchikan Airport (herein called the "Airport") located in Ketchikan State of Alaska.

It is proposed that the Project consist of the following-described airport development:

Acquisition of a fire/crash/rescue vehicle 8-02-0144-C4

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all as more particularly described on the property map attached (~~hereto as Exhibit~~ ~~FAA~~)* (as Exhibit "A" to Project Application dated May 24, 1972 for Project No. 8-02-0144-03)*, and in the plans and specifications submitted to the FAA on 4-12-73 which are made a part hereof.

*Strike out the inappropriate clause.

EXHIBIT D

THE FOLLOWING IS A SUMMARY OF THE ESTIMATED COSTS OF THE PROJECT:

| ITEM | TOTAL ESTIMATED COST | ESTIMATED SPONSOR'S SHARE OF COST | | ESTIMATED FEDERAL SHARE OF COST | |
|--|----------------------------|---|--------------|---------------------------------------|--------------|
| | | AMOUNT | PER- CENT | AMOUNT | PER- CENT |
| 1. LAND COSTS | -0- | | | | |
| 2. CONSTRUCTION Acquisition COSTS | 95,052 | | | | |
| 3. ENGINEERING AND SUPERVISION COSTS | -0- | | | | |
| 4. ADMINISTRATIVE COSTS | 3,000 | | | | |
| 5. Total of 2, 3, and 4 above | 98,052 | 17,649 | 18 | 80,403 | 82 |
| 6. CONTINGENCIES | 1000 | 180 | 18 | 820 | 82 |
| 7. TOTAL ALL ESTIMATED PROJECT COSTS (Items 1, 5, and 6) | 99,052 | 17,829 | | 81,223 | |

Part II-REPRESENTATIONS

The Sponsor hereby represents and certifies as follows:

1. **Legal Authority.**—The Sponsor has the legal power and authority: (1) to do all things necessary in order to undertake and carry out the Project in conformity with the Act and the Regulations; (2) to accept, receive, and disburse grants of funds from the United States in aid of the Project, on the terms and conditions stated in the Act and the Regulations; and (3) to carry out all of the provisions of Parts III and IV of this Project Application.

2. **Funds.**—The Sponsor now has on deposit, or is in a position to secure, \$17,829 for use in defraying the costs of the Project. The present status of these funds is as follows:

State of Alaska G.O. Bonds - available immediately.

3. **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:

no change

4. **Approvals of Other Agencies.**—The Project has been approved by all non-Federal agencies whose approval is required, namely:

none

5. **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

6. **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 Parts III and IV of the Project Application, either by limiting its legal or financial ability or otherwise, except as follows:

none

7. **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":

no change

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.

*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.

(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":

no change

(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":

no change

8. 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

* 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 III—SPONSOR'S ASSURANCES

In order to furnish the assurances required by the Act and Regulations the Sponsor hereby covenants and agrees with the United States, as follows:

1. These covenants shall become effective upon acceptance by the Sponsor of an offer of Federal aid for the Project or any portion thereof, made by the FAA and shall constitute a part of the Grant Agreement thus formed. These covenants shall remain in full force and effect throughout the useful life of the facilities developed under this Project, but in any event not to exceed twenty (20) years from the date of said acceptance of an offer of Federal aid for the Project. However, these limitations on the duration of the covenants do not apply to the covenant against exclusive rights. Any breach of these covenants on the part of the Sponsor may result in the suspension or termination of, or refusal to grant Federal assistance under, FAA administered programs, or such other action which may be necessary to enforce the rights of the United States under this agreement.

2. The Sponsor will operate the Airport as such for the use and benefit of the public. In furtherance of this covenant (but without limiting its general applicability and effect), the Sponsor specifically 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. Provided: That the Sponsor may establish such fair, equal, 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; And Provided Further, That 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.

3. The Sponsor—

a. Will not grant or permit any exclusive right forbidden by Section 308(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1349(a)) at the Airport, or at any other airport now owned or controlled by it:

b. Agrees that, in furtherance of the policy of the FAA under this covenant, unless authorized by the Administrator, it will not, either directly or indirectly, grant or permit any person, firm or corporation the exclusive right at the Airport, or at any other airport now owned or controlled by it, 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.

c. Agrees that it will terminate any existing exclusive right to engage in the sale of gasoline or oil, or both, granted before July 17, 1962, at such an airport, at the earliest renewal, cancellation, or expiration date applicable to the agreement that established the exclusive right; and

d. Agrees that it will terminate any other exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under the Airport and Airway Development Act.

4. The Sponsor agrees that it will operate the Airport for the use and benefit of the public, on fair and reasonable

terms, and without unjust discrimination. In furtherance of the covenant (but without limiting its general applicability and effect), the Sponsor specifically covenants and agrees:

a. That in its operation and the operation of all facilities on the Airport, neither it nor any person or organization occupying space or facilities thereon will discriminate against any person or class of persons by reason of race, color, creed, or national origin in the use of any of the facilities provided for the public on the Airport.

b. That 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 engage in any aeronautical activity for furnishing services to the public at the Airport, the Sponsor will insert and enforce provisions requiring the contractor:

(1) to furnish said service on a fair, equal, and not unjustly discriminatory basis to all users thereof, and

(2) to charge fair, 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. That it will not exercise or grant any right or privilege which would operate 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 and repair) that it may choose to perform.

d. In the event the Sponsor itself exercises any of the rights and privileges referred to in subsection b, the services involved will be provided on the same conditions as would apply to the furnishing of such services by contractors or concessionaires of the Sponsor under the provisions of such subsection b.

5. Nothing contained herein shall be construed to prohibit the granting or exercise of an exclusive right for the furnishing of nonaviation products and supplies or any service of a nonaeronautical nature or to obligate the Sponsor to furnish any particular nonaeronautical service at the Airport.

6. The Sponsor will operate and maintain in a safe and serviceable condition the Airport and all facilities thereon and connected therewith which are necessary to serve the aeronautical users of the Airport other than facilities owned or controlled by the United States, and will not permit any activity thereon which would interfere with its use for airport purposes; Provided, That nothing contained herein shall be construed to require that the Airport be operated for aeronautical uses during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance; And Provided Further, That 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. In furtherance of this covenant the Sponsor will have in effect at all times arrangements for:

a. Operating the airport's aeronautical facilities whenever required.

b. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions, and

c. Promptly notifying airmen of any condition affecting aeronautical use of the Airport.

7. Insofar as it is within its power and reasonable, the Sponsor will, either by the acquisition and retention of easements or other interests in or rights for the use of land or airspace or by the adoption and enforcement of zoning regulations, prevent the construction, erection, alteration, or growth of any structure, tree, or other object in the approach areas of the runways of the Airport, which would constitute an obstruction to air navigation according to the criteria or standards prescribed in Section 77.23, as applied to Section 77.25, Part 77 of the Federal Aviation Regulations. In addition, the Sponsor will not erect or permit the erection of any permanent structure or facility which would interfere materially with the use, operation, or future development of the Airport, in any portion of a runway approach area in which the Sponsor has acquired, or hereafter acquires, property interests permitting it to so control the use made of the surface of the land.

8. Insofar as it is within its power and reasonable, the Sponsor will, either by the acquisition and retention of easements or other interests in or rights for the use of land or airspace or by the adoption and enforcement of zoning regulations, take action 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.

9. The Sponsor will keep up to date at all times an airport layout plan of the Airport showing (1) the 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; and (3) the location of all existing and proposed nonaviation areas and of all existing improvements thereon. Such airport layout plan and each amendment, revision, or modification thereof, shall be subject to the approval of the FAA, which approval shall be evidenced by the signature of a duly authorized representative of the FAA on the face of the airport layout plan. The Sponsor will not make or permit the making of any changes or alterations in the Airport or any of its facilities other than in conformity with the airport layout plan as so approved by the FAA, if such changes or alterations might adversely affect the safety, utility, or efficiency of the Airport.

10. All facilities of the Airport developed with Federal aid and all those usable for the landing and taking off of aircraft, will be available to the United States at all times, without charge, for use by government aircraft in common with other aircraft, except that if the use by government aircraft is substantial, a reasonable share, proportional to such use, of the cost of operating and maintaining facilities so used, may be charged. Unless otherwise determined by the FAA, 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 FAA, would unduly interfere with use of the landing area 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 and each takeoff as a movement) of government aircraft is 300 or more, or the gross accumulative weight of government aircraft using the Airport

(the total movements of government aircraft multiplied by gross certified weights of such aircraft) is in excess of five million pounds.

11. Whenever so requested by the FAA, the Sponsor will furnish without cost to the Federal Government, for construction, operation, and maintenance of facilities for air traffic control activities, or weather reporting activities and communication activities related to air traffic control, such areas of land or water, or estate therein, or rights in buildings of the Sponsor as the FAA may consider necessary or desirable for construction at Federal expense of space or facilities for such purposes. The approximate amounts of areas and the nature of the property interests and/or rights so required will be set forth in the Grant Agreement relating to the Project. Such areas or any portion thereof will be made available as provided herein within 4 months after receipt of written request from the FAA.

12. The airport operator or owner will maintain a fee and rental structure for the facilities and services being provided the airport users which will make the Airport as self-sustaining as possible under the circumstances existing at the Airport, taking into account such factors as the volume of traffic and economy of collection.

13. The Sponsor will furnish the FAA with such annual or special airport financial and operational reports as may be reasonably requested. Such reports may be submitted on forms furnished by the FAA, or may be submitted in such manner as the Sponsor elects so long as the essential data are furnished. The Airport and all airport records and documents affecting the Airport, including deeds, leases, operation and use agreements, regulations, and other instruments, will be made available for inspection and audit by the Secretary and the Comptroller General of the United States, or their duly authorized representatives, upon reasonable request. The Sponsor will furnish to the FAA or to the General Accounting Office, upon request, a true copy of any such document.

14. All project accounts and records will be kept in accordance with a standard system of accounting if so prescribed by the Secretary.

15. If at any time it is determined by the FAA that there is any outstanding right or claim of right in or to the Airport property, other than those set forth in Part II, paragraphs 7(a), 7(b), and 7(c), the existence of which creates an undue risk of interference with the operation of the Airport or the performance of the covenants of this Part, the Sponsor will acquire, extinguish, or modify such right or claim of right in a manner acceptable to the FAA.

16. The Sponsor will not enter into any transaction which would operate to deprive it of any of the rights and powers necessary to perform any or all of the covenants made herein, unless by such transaction the obligation to perform all such covenants is assumed by another public agency found by the FAA to be eligible under the Act and Regulations to assume such obligations and having the power, authority, and financial resources to carry out all such obligations. If an arrangement is made for management or 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 with the Act, the Regulations, and these covenants.

17. Unless the context otherwise requires, all terms used in these covenants which are defined in the Act and the Regulations shall have the meanings assigned to them therein.


Part IV-PROJECT AGREEMENT

If the Project or any portion thereof is approved by the FAA, and an offer of Federal aid for such approved Project is accepted by the Sponsor, it is understood and agreed that all airport development included in such Project will be accomplished in accordance with the Act and the Regulations, the plans and specifications for such development, as approved by the FAA, and the Grant Agreement with respect to the Project.

IN WITNESS WHEREOF, the Sponsor has caused this Project Application to be duly executed in its name, this 11th day of January, 1974

State of Alaska

(Name of Sponsor)

By 

Director, Division of Aviation

(Title)

OPINION OF SPONSOR'S ATTORNEY

I HEREBY CERTIFY that all statements of law made in this Project Application and all legal conclusions upon which the representations and covenants contained herein are based, are in my opinion true and correct.



Assistant Attorney General

(Title)

January 11, 1974

(Date)

TITLE VI ASSURANCES

Project No. 8-02-0144-04

Ketchikan Airport

The State of Alaska (hereinafter referred to as the "Sponsor") HEREBY AGREES THAT as a condition to receiving any Federal financial assistance from the Department of Transportation, it will comply with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d, 42 U.S.C. 2000d-4 (hereinafter referred to as the "Act"), and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation--Effectuation of Title VI of the Civil Rights Act of 1964 (hereinafter referred to as the "Regulations") and other pertinent directives, to the end that in accordance with the Act, Regulations, and other pertinent directives, no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Sponsor receives Federal financial assistance from the Department of Transportation, including the Federal Aviation Administration, and HEREBY GIVES ASSURANCE THAT it will promptly take any measures necessary to effectuate this agreement. This assurance is required by subsection 21.7(a)(1) of the Regulations.

More specifically and without limiting the above general assurance, the Sponsor hereby gives the following specific assurances with respect to this project.

1. That the Sponsor agrees that each "program" and each "facility" as defined in subsections 21.23(e) and 21.23(b) of the Regulations, will be (with regard to a "program") conducted, or will be (with regard to a "facility") operated in compliance with all requirements imposed by or pursuant to the Regulations.

2. That the Sponsor shall insert the following notification in all solicitations for bids for work or material subject to the Regulations and made in connection with this project and, in adapted form in all proposals for negotiated agreements:

The State of Alaska, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement,

minority business enterprises will be afforded full 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.

3. That the Sponsor shall insert the clauses of Attachment 1 of this assurance in every contract subject to the Act and the Regulations.

4. That where the Sponsor receives Federal financial assistance to construct a facility, or part of a facility, the assurance shall extend to the entire facility and facilities operated in connection therewith.

5. That where the Sponsor receives Federal financial assistance in the form, or for the acquisition of real property or an interest in real property, the assurance shall extend to rights to space on, over, or under such property.

6. That the Sponsor shall include the appropriate clauses set forth in Attachment 2 of this assurance, as a covenant running with the land, in any future deeds, leases, permits, licenses, and similar agreements entered into by the Sponsor with other parties: (a) for the subsequent transfer of real property acquired or improved under the Airport Development Aid Program of the Federal Aviation Administration, and (b) for the construction or use of or access to space on, over, or under real property acquired, or improved under the said Airport Development Aid Program.

7. That this assurance obligates the Sponsor 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: (a) the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits, or (b) the period during which the Sponsor retains ownership or possession of the property.

8. The Sponsor shall provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he delegates specific authority to give reasonable guarantee that it, other sponsors, subgrantees, contractors, subcontractors, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Act, the Regulations, and this assurance.

9. The Sponsor agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Act, the Regulations, and this assurance.

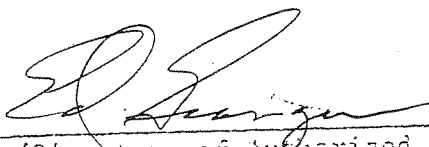
THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts, or other Federal financial assistance extended after the date hereof to the Sponsor by the Department of Transportation under the Airport Development Aid Program of the Federal Aviation Administration and is binding on it, contractors, subcontractors, transferees, successors in interest and other participants in the ADAP Project No. 8-C2-0144-04. The person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Sponsor.

DATED January 11, 1974

State of Alaska

(Sponsor)

By



(Signature of Authorized Official)

Ed Granger, Director
Division of Aviation

ATTACHEMENT 2 - TITLE VI ASSURANCES

The following clauses shall be included in all deeds, licenses, leases, permits, or similar instruments entered into by the (Name of Sponsor) pursuant to the provisions of Assurance 6(a).

The (grantee, licensee, lessee, permittee, etc., as appropriate) for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as a covenant running with the land") that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this (deed, license, lease, permit, etc.) for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.) shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted Programs of the Department of Transportation--Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, (Name of Sponsor) shall have the right to terminate the (license, lease, permit, etc.) and to re-enter and repossess said land and facilities thereon, and hold the same as if said (licenses, lease, permit, etc.) had never been made or issued.

(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, (Name of Sponsor) shall have the right to re-enter said lands and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of (Name of Sponsor) and its assigns.

The following shall be included in all deeds, licenses, leases, permits, or similar agreements entered into by (Name of Sponsor) pursuant to the provisions of Assurance 6(b).

The (grantee, licensee, lessee, permittee, etc., as appropriate) for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as a covenant running with the land") that (1) no person on the grounds of race, color, or

national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.) shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, (Name of Sponsor) shall have the right to terminate the (license, lease, permit, etc.) and to re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, lease, permit, etc.) had never been made or issued.

(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, (Name of sponsor) shall have the right to re-enter said land and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of (Name of Sponsor) and its assigns.

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

GRANT AGREEMENT

Part 1-Offer

SEP 17 1976

Date of Offer

KETCHIKAN INTERNATIONAL Airport
KETCHIKAN, ALASKA

Project No. ADAP 6-02-0144-05

~~Contract No.~~

TO: THE STATE OF ALASKA, DIVISION OF AVIATION
(herein referred to as the "Sponsor")

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

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated **September 3, 1976** for a grant of Federal funds for a project for development of the **Ketchikan International** Airport (herein called the "Airport"), together with plans and specifications for such project, 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 development of the Airport (herein called the "Project") consisting of the following-described airport development:

Construct seaplane float.

all as more particularly described in the property map and plans and specifications incorporated in the said Project Application;

NOW THEREFORE, pursuant to and for the purpose of carrying out the provisions of the Airport and Airway Development Act of 1970, as amended (49 U.S.C. 1701), 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 the operation and maintenance of the Airport 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-three and three-quarters percent (93.75%) of the project costs to the extent that such costs are determined allowable.**

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

1. The maximum obligation of the United States payable under this Offer shall be **\$360,938.00.**
2. The Sponsor shall:
 - (a) begin accomplishment of the Project within **180** days after acceptance of this Offer or such longer time as may be prescribed by the FAA, with failure to do so constituting just cause for termination of the obligations of the United States hereunder by the FAA;
 - (b) carry out and complete the Project without undue delay and in accordance with the terms hereof, the Airport and Airway Development Act of 1970, and Sections 152.51-152.63 of the Regulations of the Federal Aviation Administration (14 CFR 152) in effect as of the date of acceptance of this Offer; which Regulations are hereinafter referred to as the "Regulations";
 - (c) carry out and complete the Project in accordance with the plans and specifications and property map, incorporated herein, as they may be revised or modified with the approval of the FAA.
3. The allowable costs of the project shall not include any costs determined by the FAA to be ineligible for consideration as to allowability under Section 152.47 (b) of the Regulations.
4. Payment of the United States share of the allowable project costs will be made pursuant to and in accordance with the provisions of Sections 152.65 - 152.71 of the Regulations. Final determination as to the allowability of the costs of the project will be made at the time of the final grant payment pursuant to Section 152.71 of the Regulations: Provided, that, in the event a semi-final grant payment is made pursuant to Section 152.71 of the Regulations, final determination as to the allowability of those costs to which such semi-final payment relates will be made at the time of such semi-final payment.

5. The Sponsor shall operate and maintain the Airport as Provided in the Project Application incorporated herein and specifically covenants and agrees, in accordance with its Assurance 4 in Part III of said Project Application, that in its operation and the operation of all facilities thereof, neither it nor any person or organization occupying space or facilities thereon will discriminate against any person or class of persons by reason of race, color, creed or national origin in the use of any of the facilities provided for the public on the airport.
6. The FAA reserves the right to amend or withdraw this Offer at any time prior to its acceptance by the Sponsor.
7. 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 30, 1976** or such subsequent date as may be prescribed in writing by the FAA.
8. The sponsor hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan insurance, or guarantee, the following Equal Opportunity clause.

During the performance of this contract, the contractor agrees as follows:

a. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

b. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

c. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

d. The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

e. The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

f. In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

g. The contractor will include the portion of the sentence immediately preceding paragraph a and the provisions of paragraphs a through g in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The sponsor further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction

work: Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contractor.

The sponsor agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor that it will furnish the administering agency with the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The sponsor further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part III, Subpart D of the Executive Order. In addition, the sponsor agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance guarantee); refrain from extending any further assistance to the sponsor under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from the sponsor; or refer the case to the Department of Justice for appropriate legal proceedings.

9. The Federal Government does not now plan or contemplate the construction of any structures pursuant to paragraph 11 of Part III - Sponsor's Assurances of the Project Application dated September 13, 1976, and, therefore, it is understood and agreed that the sponsor is under no obligation to furnish any areas or rights without cost to the Federal Government under this Grant Agreement. However, nothing contained herein shall be construed as altering or changing the rights of the United States and/or the obligations of the sponsor under prior Grant Agreements to furnish rent-free space for the activities specified in such agreements.

10. It is understood and agreed that the sponsor shall provide adequate land for the purpose of parking all "official" vehicles (FAA vehicles and privately-owned vehicles when used for FAA business) necessary for the maintenance and operation of the air navigation control facilities, air traffic control facilities, and weather reporting facilities. The land so provided shall be adjacent to the facilities served and provided without cost.

The parties hereto further recognize the need for adequate parking space for the motor vehicles used by the FAA employees in providing them with transportation to their place of employment and assigned duty stations on the airport. It is fully understood by and between the parties hereto that the sponsor shall make adequate parking space available to these FAA employees on terms that are as favorable as those provided to the sponsor's employees and the employees of others having duty stations on the airport. It is agreed by the parties hereto that this relationship with respect to automobile parking space for FAA employees will continue.

11. The sponsor will send a copy of all invitations for bids, advertised or negotiated, for concessions or other businesses at the airport to the appropriate Office of Minority Business Enterprise (OMBE) representative as identified by the FAA regional Civil Rights office. The sponsor will disclose and make information about the contracts, contracting procedures and requirements available to the designated OMBE representative and minority firms on the same basis that such information is disclosed and made available to other organizations or firms. Responses by minority firms to invitations for bids shall be treated in the same manner as all other responses to the invitations for bids.

Compliance with the preceding paragraph will be deemed to constitute compliance by the sponsor with requirements of 49 CFR 21 Appendix C(A)(1)(X), Regulations of the Office of the Secretary of Transportation.

12. In the event the sponsor intends to impose additional affirmative action hiring and/or training requirements on federally assisted construction already subject to federal minority hiring and/or training plans established pursuant to Executive Order 11246, as amended, the sponsor agrees to comply with the procedures outlined in Section 60-1.4(b)(2) of Chapter 60, Title 41, Code of Federal Regulations, and any amendments thereto, which are incorporated herein by reference.

13. It is understood and agreed that no part of the Federal share of an airport development project for which a grant is made under the Airport and Airway Development Act of 1970, as amended (49 U.S.C. 1701 et seq.), or under the Federal Airport Act, as amended (49 U.S.C. 1101 et seq.), shall be included in the rate base in establishing fees, rates, and charges for users of the Airport.
14. a. The sponsor hereby stipulates that any facility to be utilized in performance under the grant or to benefit from the grant is not listed on the EPA List of Violating Facilities.
- b. The sponsor agrees to comply with all the requirements of Section 114 of the Clean Air Act and Section 308 of the Federal Water Pollution Control Act and all regulations issued thereunder.
- c. The sponsor shall notify the FAA of the receipt of any communication from the EPA indicating that a facility to be utilized for performance of or benefit from the grant is under consideration to be listed on the EPA List of Violating Facilities.
- d. The sponsor agrees that he will include or cause to be included in any contract or subcontract under the grant which exceeds \$100,000 the criteria and requirements in these subparagraphs (a) through (d).
15. Assurance Number 18 of Part V of the project application incorporated herein is amended by including at the end of the second sentence the following language:

"including the requirement that (A) each air carrier, authorized to engage directly in air transportation pursuant to Section 401 or 402 of the Federal Aviation Act of 1958, using such airport shall be subject to nondiscriminatory and substantially comparable rates, fees, rentals, and other charges and nondiscriminatory conditions as are applicable to all such air carriers which make similar use of such airport and which utilize similar facilities, subject to reasonable classifications such as tenants or nontenants, and combined passenger and cargo flights or all cargo flights, and such classification or status as tenant shall not be unreasonably withheld by any sponsor provided an air carrier assumes obligations substantially similar to those already imposed on tenant air carriers, and (B) each fixed-based operator using a general aviation 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 utilizing the same or similar facilities; provision (A) above, shall not require the reformation of any lease or other contract entered into by a sponsor before July 12, 1976. A sponsor shall not require the reformation of any lease or other contract entered into by a sponsor before July 1, 1975."

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 herein-after provided, and said Offer and Acceptance shall comprise a Grant Agreement, as provided by the Airport and Airway Development Act of 1970, constituting the obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and the operation and maintenance of the Airport. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer and shall remain in full force and effect throughout the useful life of the facilities developed under the Project but in any event not to exceed twenty years from the date of said acceptance.

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION

[Signature]
By Chief, Airports Division, Alaskan Region
(TITLE)

Part II-Acceptance

The State of Alaska does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer and does hereby accept said Offer and by such acceptance agrees to all of the terms and conditions thereof.

Executed this 21st day of September, 1976

STATE OF ALASKA

(Name of Sponsor)

By

[Signature]

Title

~~Department of State~~

(SEAL)

Attest:

Title:

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Hal P. Ganaway, acting as Attorney for the State of Alaska (herein referred to as the "Sponsor") do hereby certify:

That I have examined the foregoing Grant Agreement and the proceedings taken by said Sponsor relating thereto, and find that the Acceptance thereof by said Sponsor has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the State of Alaska, and further that, in my opinion, said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Anchorage, Alaska this 21st day of September, 1976

[Signature]

Title Assistant Attorney General

| | | | | | |
|--|--------------------------------------|---|--|---|-----------------------|
| FEDERAL ASSISTANCE | | 2. APPLICANT'S APPLICATION | a. NUMBER N/A | 3. STAT APPLICATION IDENTIFIER | b. NUMBER 75013101 |
| 1. TYPE OF ACTION <input type="checkbox"/> PREAPPLICATION <input checked="" type="checkbox"/> APPLICATION <small>(Mark appropriate box)</small> <input type="checkbox"/> NOTIFICATION OF INTENT (Opt) <input type="checkbox"/> REPORT OF FEDERAL ACTION | b. DATE Year month day 19 76 9 | | b. DATE Year month day ASSIGNED 19 75 1 31 | | |
| 4. LEGAL APPLICANT/RECIPIENT | | | 5. FEDERAL EMPLOYER IDENTIFICATION NO. | | |
| a. Applicant Name : State of Alaska, Dept. of Public Works | | | 6. PRO. PROGRAM <small>(From Federal Catalog)</small> | | |
| b. Organization Unit : Division of Aviation | | | a. NUMBER 2 0 0 1 0 2 | | |
| c. Street/P.O. Box : Pouch 6900 | | | b. TITLE Airport Development Aid Program | | |
| d. City : Anchorage e. County : Munic. of Anch. | | | | | |
| f. State : Alaska g. ZIP Code: 99502 | | | | | |
| h. Contact Person (Name & telephone No.) : Clayton C. Hueners, Chief Engineer 907-274-1544 Ext. 243 | | | | | |
| 7. TITLE AND DESCRIPTION OF APPLICANT'S PROJECT Ketchikan Gravina Island Seaplane Facility Project consists of a hexagonal seaplane float, 60' on a side, anchored to steel piles with a 10' wide gangway and walkway. Float to be located in the Tongass Narrows adjacent to Ketchikan International Airport. | | | 8. TYPE OF APPLICANT/RECIPIENT A-State H-Community Action Agency B-Interstate I-Higher Educational Institution C-Substate J-Indian Tribe D-District K-Other (Specify): E-County F-School District G-Special Purpose District Enter appropriate letter <input type="checkbox"/> A | | |
| 10. AREA OF PROJECT IMPACT <small>(Names of cities, counties, States, etc.)</small> Ketchikan, Alaska | | 11. ESTIMATED NUMBER OF PERSONS BENEFITING 15,000 | | 9. TYPE OF ASSISTANCE A-Basic Grant D-Insurance B-Supplemental Grant E-Other Enter appropriate letter(s) <input type="checkbox"/> A C-Loan | |
| 13. PROPOSED FUNDING | | 14. CONGRESSIONAL DISTRICTS OF: | | 12. TYPE OF APPLICATION A-New C-Revision E-Augmentation B-Renewal D-Continuation Enter appropriate letter <input type="checkbox"/> A | |
| a. FEDERAL \$ 360,938 .00 | b. APPLICANT N/A .00 | a. APPLICANT 12-J | b. PROJECT 1-A | 15. TYPE OF CHANGE <small>(For 12c or 12e)</small> A-Increase Dollars F-Other (Specify): B-Decrease Dollars C-Increase Duration D-Decrease Duration E-Cancellation Enter appropriate letter(s) <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | |
| c. STATE 24,062 .00 | d. LOCAL N/A .00 | 16. PROJECT START DATE Year month day 19 76 11 1 | | 17. PROJECT DURATION 6 Months | |
| e. OTHER N/A .00 | f. TOTAL \$ 385,000 .00 | 18. ESTIMATED DATE TO BE SUBMITTED TO FEDERAL AGENCY 19 76 9 9 | | 19. EXISTING FEDERAL IDENTIFICATION NUMBER ADAP NO. 6-02-0144-0105 | |
| 20. FEDERAL AGENCY TO RECEIVE REQUEST <small>(Name, City, State, ZIP code)</small> Federal Aviation Administration, Anchorage, Alaska 99501 | | | | 21. REMARKS ADDED <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| 22. THE APPLICANT CERTIFIES THAT | | a. To the best of my knowledge and belief, data in this preapplication/application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is approved. | | | |
| | | b. If required by OMB Circular A-95 this application was submitted, pursuant to instructions therein, to appropriate clearinghouses and all responses are attached: (1) A-95 Clearinghouse Comments <input type="checkbox"/> <input checked="" type="checkbox"/> (2) <input type="checkbox"/> <input type="checkbox"/> (3) <input type="checkbox"/> <input type="checkbox"/> | | | |
| 23. CERTIFYING REPRESENTATIVE Clayton C. Hueners, P.E. Chief Engineer | | b. SIGNATURE <i>Clayton C Hueners</i> | | c. DATE SIGNED Year month day 19 76 9 13 | |
| 24. AGENCY NAME | | | | 25. APPLICATION RECEIVED Year month day 19 | |
| 26. ORGANIZATIONAL UNIT | | 27. ADMINISTRATIVE OFFICE | | 28. FEDERAL APPLICATION IDENTIFICATION | |
| 29. ADDRESS | | | | 30. FEDERAL GRANT IDENTIFICATION | |
| 31. ACTION TAKEN | | 32. FUNDING | | 34. STARTING DATE Year month day 19 | |
| <input type="checkbox"/> a. AWARDED | a. FEDERAL \$.00 | 33. ACTION DATE 19 | | 35. CONTACT FOR ADDITIONAL INFORMATION <small>(Name and telephone number)</small> | |
| <input type="checkbox"/> b. REJECTED | b. APPLICANT .00 | | | | |
| <input type="checkbox"/> c. RETURNED FOR AMENDMENT | c. STATE .00 | | | | |
| <input type="checkbox"/> d. DEFERRED | d. LOCAL .00 | | | | |
| <input type="checkbox"/> e. WITHDRAWN | e. OTHER .00 | | | | |
| | f. TOTAL \$.00 | | | | |
| 38. FEDERAL AGENCY A-95 ACTION | | a. In taking above action, any comments received from clearinghouses were considered; if agency response is due under provisions of Part 1, OMB Circular A-95, it has been or is being made. | | b. FEDERAL AGENCY A-95 OFFICIAL <small>(Name and telephone no.)</small> | |

SECTION I - APPLICANT/RECIPIENT DATA

SECTION II - CERTIFICATION

SECTION III - FEDERAL AGENCY ACTION

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 Rating _____

Item 2.

Does this assistance request require State, or local advisory, educational or health clearances? Yes No (Attach Documentation)

Name of Agency or Board _____

Item 3.

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

11. SITES AND IMPROVEMENTS: _____ Not required, Attached as exhibits

Applicant intends to acquire the site through:

_____ Eminent domain, _____ Negotiated purchase, _____ Other means (specify)

12. TITLE OR OTHER INTEREST IN THE SITE IS OR WILL BE VESTED IN:

Applicant, _____ Agency or institution operating the facility, _____ Other (specify)

13. INDICATE WHETHER APPLICANT/OPERATOR HAS:

Fee simple title, _____ Leasehold interest, ILMT Other (specify)

14. IF APPLICANT/OPERATOR HAS LEASEHOLD INTEREST, GIVE THE FOLLOWING INFORMATION:

a. Length of lease or other estate interest _____, and number of years to run _____

b. Is lease renewable? _____ Yes _____ No

c. Current appraised value of land \$ _____

d. Annual rental rate \$ _____

15. ATTACH AN OPINION FROM ACCEPTABLE TITLE COUNSEL DESCRIBING THE INTEREST APPLICANT/OPERATOR HAS IN THE SITE AND CERTIFYING THAT THE ESTATE OR INTEREST IS LEGAL AND VALID.

16. WHERE APPLICABLE, ATTACH SITE SURVEY, SOIL INVESTIGATION REPORTS AND COPIES OF LAND APPRAISALS. *

17. WHERE APPLICABLE, ATTACH CERTIFICATION FROM ARCHITECT ON THE FEASIBILITY OF IMPROVING EXISTING SITE TOPOGRAPHY. N/A

18. ATTACH PLOT PLAN. Furnished with Preapplication

19. CONSTRUCTION SCHEDULE ESTIMATES: Not required, _____ Being prepared, _____ Attached as exhibits

Percentage of completion of drawings and specifications at application date:

Schematics _____ % Preliminary _____ % Final 100 %

20. TARGET DATES FOR:

Bid Advertisement September 1976 Contract Award October 1976

Construction Completion May 1976 Occupancy Immediately after construction

21. DESCRIPTION OF FACILITY: Not required _____ Attached as exhibits

Drawings - Attach any drawings which will assist in describing the project.

Specifications - Attach copies of completed outline specifications.

(If drawings and specifications have not been fully completed, please attach copies or working drawings that have been completed.)

NOTE: ITEMS ON THIS SHEET ARE SELF-EXPLANATORY; THEREFORE, NO INSTRUCTIONS ARE PROVIDED.

*See Plans & Specifications submitted 8/25/76

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:

The extent of the airport property lines and the separation of the airport with respect to the populated area of Ketchikan by the Tongass Narrows and the anticipated land usage in the airport vicinity tend to preclude incompatible use and therefore no specific action to assure compatible use is necessary.

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:

There are no outgrants which affect the project area, as of the Project Application date.

4. 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":

Tract II - Fee Simple Title

Tract III - I.L.M.T. granted 7/19/68 - Amendment 1, 4/21/69

Tract IV - Fee Simple Title

Tract V - I.L.M.T. granted 7/19/68, Amendment 1, 4/21/69, Amendment 2, 1/19/70

Tract VI - Parcel A thru Q - Fee Simple Title (SEE ATTACHMENT)

*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.

Attachment for 4 (a).

Tract VI (continued)

Parcel M - I.L.M.T. granted 7/19/68, Amendment 1, 4/21/69

Amendment 2, 1/19/70

Tract VII - Parcels A, B, B-1, C thru H Fee Simple Title

Tract VIII - Fee Simple Title

Tract IX - Fee Simple Title

Tract X - I.L.M.T. granted 7/19/68, Amendment 1, 4/21/69

Amendment 2, 1/19/70

Tract XI - Parcel A - I.L.M.T granted 8/4/70

Amendment 1, 1/26/71, Amendment 2, 3/16/71
East Clump Is. - expected from I.L.M.T.

Parcel B Permit, avigation and hazard and right-of-way
easement granted 3/15/60 by Alaska Division of Lands over
A.T.S. Nos. 20, 22, and 24.
Amendment No. 1, dated 3/16/71.

PART II - SECTION C (Continued)

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":

N/A

(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":

N/A

5. 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

**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 III - BUDGET INFORMATION - CONSTRUCTION

SECTION A - GENERAL

1. Federal Domestic Assistance Catalog No. 20.102
 2. Functional or Other Breakout N/A

SECTION B - CALCULATION OF FEDERAL GRANT

| Cost Classification | Use only for revisions | | Total Amount Required |
|--|------------------------|---------------------|-----------------------|
| | Latest Approved Amount | Adjustment + or (-) | |
| 1. Administration expense | \$ | \$ | \$ 5,000 |
| 2. Preliminary expense | | | -0- |
| 3. Land, structures, right-of-way | | | -0- |
| 4. Architectural engineering basic fees | | | 30,000 |
| 5. Other architectural engineering fees | | | -0- |
| 6. Project inspection fees | | | 30,000 |
| 7. Land development | | | -0- |
| 8. Relocation Expenses | | | -0- |
| 9. Relocation payments to Individuals and Businesses | | | -0- |
| 10. Demolition and removal | | | -0- |
| 11. Construction and project improvement | | | 270,000 |
| 12. Equipment | | | -0- |
| 13. Miscellaneous | | | -0- |
| 14. Total (Lines 1 through 13) | | | 335,000 |
| 15. Estimated Income (if applicable) | | | -0- |
| 16. Net Project Amount (Line 14 minus 15) | | | 335,000 |
| 17. Less: Ineligible Exclusions | | | -0- |
| 18. Add: Contingencies | | | 50,000 |
| 19. Total Project Amt. (Excluding Rehabilitation Grants) | | | 385,000 |
| 20. Federal Share requested of Line 19 @ 93.75% | | | 360,938 |
| 21. Add Rehabilitation Grants Requested (100 Percent) | | | -0- |
| 22. Total Federal grant requested (Lines 20 & 21) | | | 360,938 |
| 23. Grantee share | | | 24,062 |
| 24. Other shares | | | -0- |
| 25. Total project (Lines 22, 23 & 24) | \$ | \$ | \$ 385,000 |

SECTION C - EXCLUSIONS

| Classification | Ineligible for Participation (1) | Excluded from Contingency Provision (2) |
|----------------|----------------------------------|---|
| 26. a. None | \$ | \$ |
| b. | | |
| c. | | |
| d. | | |
| e. | | |
| f. | | |
| g. Totals | \$ | \$ |

SECTION D - PROPOSED METHOD OF FINANCING NON-FEDERAL SHARE

| | |
|----------------------------------|-----------|
| 27. Grantee Share | \$ 24,062 |
| a. Securities | -0- |
| b. Mortgages | -0- |
| c. Appropriations (By Applicant) | -0- |
| d. Bonds | 24,062 |
| e. Tax Levies | -0- |
| f. Non Cash | -0- |
| g. Other (Explain) | -0- |
| h. TOTAL - Grantee share | 24,062 |
| 28. Other Shares | -0- |
| a. State | -0- |
| b. Other | -0- |
| c. Total Other Shares | -0- |
| 29. TOTAL | \$ 24,062 |

SECTION E - REMARKS

PART IV PROGRAM NARRATIVE (Attach - See Instructions)

PART IV PROGRAM NARRATIVE

The objective of this project is to provide a seaplane float and mooring facility at Ketchikan International Airport on Gravina Island. Such facilities are not presently provided.

The seaplane float will provide a docking facility for float planes meeting air carrier flights at the airport. Aircraft operators are currently attempting to provide passenger and cargo service without facilities which presents a hazardous operation.

The seaplane float can accommodate six to eight aircraft under ideal conditions. The approach structure will be covered and lighted. Enclosures will also be provided for the gangway and baggage area.

This facility will provide safe and comfortable movement of passengers and cargo between air carriers and air taxi operators.

PART V

ASSURANCES

The applicant hereby assures and certifies that he will comply with the regulations, policies, guidelines and requirements, including Office of Management and Budget Circulars Nos. A-87, A-95, and A-102, as they relate to the application, acceptance and use of Federal funds for this federally-assisted project. Also, the applicant gives assurance and certifies with respect to the grant that:

1. It possesses legal authority to apply for the grant, and to finance and construct the proposed facilities; 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.
2. It will comply with the provisions of: Executive Order 11296, relating to evaluation of flood hazards, and Executive Order 11288, relating to the prevention, control, and abatement of water pollution.
3. It will have sufficient funds available to meet the non-Federal share of the cost for construction projects. Sufficient funds will be available when construction is completed to assure effective operation and maintenance of the facility for the purposes constructed.
4. It will obtain approval by the appropriate Federal agency of the final working drawings and specifications before the project is advertised or placed on the market for bidding; that it will construct the project, or cause it to be constructed, to final completion in accordance with the application and approved plans and specifications; that it will submit to the appropriate Federal agency for prior approval changes that alter the costs of the project, use of space, or functional layout; that it will not enter into a construction contract(s) for the project or undertake other activities until the conditions of the construction grant program(s) have been met.
5. It will provide and maintain competent and adequate architectural engineering supervision and inspection at the construction site to insure that the completed work conforms with the approved plans and specifications; that it will furnish progress reports and such other information as the Federal grantor agency may require.
6. It will operate and maintain the facility in accordance with the minimum standards as may be required or prescribed by the applicable Federal, State and local agencies for the maintenance and operation of such facilities.
7. It will give the grantor agency and the Comptroller General through any authorized representative access to and the right to examine all records, books, papers, or documents related to the grant.
8. It will require the facility to be designed to comply with the "American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped," Number A117.1-1961, as modified (41 CFR 101-17.703). The applicant will be responsible for

conducting inspections to insure compliance with these specifications by the contractor.

9. It will cause work on the project to be commenced within a reasonable time after receipt of notification from the approving Federal agency that funds have been approved and that the project will be prosecuted to completion with reasonable diligence.
10. It will not dispose of or encumber its title or other interests in the site and facilities during the period of Federal interest or while the Government holds bonds, whichever is the longer.
11. It will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and in accordance with Title VI of that Act, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives Federal financial assistance and will immediately take any measures necessary to effectuate this agreement. If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the Applicant, this assurance shall obligate the Applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.
12. It will establish safeguards to prohibit employees from using their positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
13. It will comply with the requirements of Title II and Title III of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (P.L. 91-646) which provides for fair and equitable treatment of persons displaced as a result of Federal and federally assisted programs.
14. It will comply with all requirements imposed by the Federal grantor agency concerning special requirements of law, program requirements, and other administrative requirements approved in accordance with Office of Management and Budget Circular No. A-102.
15. It will comply with the provisions of the Hatch Act which limit the political activity of employees.
16. It will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act, as they apply to hospital and educational institution employees of State and local governments.

SPONSOR ASSURANCES

17. These covenants shall become effective upon acceptance by the Sponsor of an offer of Federal aid for the Project or any portion thereof, made by the FAA and shall constitute a part of the Grant Agreement thus formed. These covenants shall remain in full force and effect throughout the useful life of the facilities developed under this Project, but in any event not to exceed twenty (20) years from the date of said acceptance of an offer of Federal aid for the Project. However, these limitations on the duration of the covenants do not apply to the covenant against exclusive rights. Any breach of these covenants on the part of the Sponsor may result in the suspension or termination of, or refusal to grant Federal assistance under, FAA administered programs, or such other action which may be necessary to enforce the rights of the United States under this agreement.

18. The Sponsor will operate the Airport as such for the use and benefit of the public. In furtherance of this covenant (but without limiting its general applicability and effect), the Sponsor specifically 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. Provided; That the Sponsor may establish such fair, equal, 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; And Provided Further, That 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.

19. The Sponsor—

a. Will not grant or permit any exclusive right forbidden by Section 308(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1349(a)) at the Airport, or at any other airport now owned or controlled by it;

b. Agrees that, in furtherance of the policy of the FAA under this covenant, unless authorized by the Administrator, it will not, either directly or indirectly, grant or permit any person, firm or corporation the exclusive right at the Airport, or at any other airport now owned or controlled by it, 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.

c. Agrees that it will terminate any existing exclusive right to engage in the sale of gasoline or oil, or both, granted before July 17, 1962, at such an airport, at the earliest renewal, cancellation, or expiration date applicable to the agreement that established the exclusive right; and

d. Agrees that it will terminate any other exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under the Airport and Airway Development Act.

20. The Sponsor agrees that it will operate the Airport for the use and benefit of the public, on fair and reasonable

terms, and without unjust discrimination. In furtherance of the covenant (but without limiting its general applicability and effect), the Sponsor specifically covenants and agrees:

a. That in its operation and the operation of all facilities on the Airport, neither it nor any person or organization occupying space or facilities thereon will discriminate against any person or class of persons by reason of race, color, creed, or national origin in the use of any of the facilities provided for the public on the Airport.

b. That 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 engage in any aeronautical activity for furnishing services to the public at the Airport, the Sponsor will insert and enforce provisions requiring the contractor:

(1) to furnish said service on a fair, equal, and not unjustly discriminatory basis to all users thereof, and

(2) to charge fair, 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. That it will not exercise or grant any right or privilege which would operate 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 and repair) that it may choose to perform.

d. In the event the Sponsor itself exercises any of the rights and privileges referred to in subsection b, the services involved will be provided on the same conditions as would apply to the furnishing of such services by contractors or concessionaires of the Sponsor under the provisions of such subsection b.

21. Nothing contained herein shall be construed to prohibit the granting or exercise of an exclusive right for the furnishing of nonaviation products and supplies or any service of a nonaeronautical nature or to obligate the Sponsor to furnish any particular nonaeronautical service at the Airport.

22. The Sponsor will operate and maintain in a safe and serviceable condition the Airport and all facilities thereon and connected therewith which are necessary to serve the aeronautical users of the Airport other than facilities owned or controlled by the United States, and will not permit any activity thereon which would interfere with its use for airport purposes: Provided, That nothing contained herein shall be construed to require that the Airport be operated for aeronautical uses during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance; And Provided Further, That 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. In furtherance of this covenant the Sponsor will have in effect at all times arrangements for:

a. Operating the airport's aeronautical facilities whenever required.

b. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions, and

c. Promptly notifying airmen of any condition affecting aeronautical use of the Airport.

23. Insofar as it is within its power and reasonable, the Sponsor will, either by the acquisition and retention of easements or other interests in or rights for the use of land or airspace or by the adoption and enforcement of zoning regulations, prevent the construction, erection, alteration, or growth of any structure, tree, or other object in the approach areas of the runways of the Airport, which would constitute an obstruction to air navigation according to the criteria or standards prescribed in Section 77.23, as applied to Section 77.25, Part 77 of the Federal Aviation Regulations. In addition, the Sponsor will not erect or permit the erection of any permanent structure or facility which would interfere materially with the use, operation, or future development of the Airport, in any portion of a runway approach area in which the Sponsor has acquired, or hereafter acquires, property interests permitting it to so control the use made of the surface of the land.

24. Insofar as it is within its power and reasonable, the Sponsor will, either by the acquisition and retention of easements or other interests in or rights for the use of land or airspace or by the adoption and enforcement of zoning regulations, take action 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.

25. The Sponsor will keep up to date at all times an airport layout plan of the Airport showing (1) the 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; and (3) the location of all existing and proposed nonaviation areas and of all existing improvements thereon. Such airport layout plan and each amendment, revision, or modification thereof, shall be subject to the approval of the FAA, which approval shall be evidenced by the signature of a duly authorized representative of the FAA on the face of the airport layout plan. The Sponsor will not make or permit the making of any changes or alterations in the Airport or any of its facilities other than in conformity with the airport layout plan as so approved by the FAA, if such changes or alterations might adversely affect the safety, utility, or efficiency of the Airport.

26. All facilities of the Airport developed with Federal aid and all those usable for the landing and taking off of aircraft, will be available to the United States at all times, without charge, for use by government aircraft in common with other aircraft, except that if the use by government aircraft is substantial, a reasonable share, proportional to such use, of the cost of operating and maintaining facilities so used, may be charged. Unless otherwise determined by the FAA, 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 FAA, would unduly interfere with use of the landing area 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 and each takeoff as a movement) of government aircraft is 300 or more, or the gross accumulative weight of government aircraft using the Airport

(the total movements of government aircraft multiplied by gross certified weights of such aircraft) is in excess of five million pounds.

27. Whenever so requested by the FAA, the Sponsor will furnish without cost to the Federal Government, for construction, operation, and maintenance of facilities for air traffic control activities, or weather reporting activities and communication activities related to air traffic control, such areas of land or water, or estate therein, or rights in buildings of the Sponsor as the FAA may consider necessary or desirable for construction at Federal expense of space or facilities for such purposes. The approximate amounts of areas and the nature of the property interests and/or rights so required will be set forth in the Grant Agreement relating to the Project. Such areas or any portion thereof will be made available as provided herein within 4 months after receipt of written request from the FAA.

28. The airport operator or owner will maintain a fee and rental structure for the facilities and services being provided the airport users which will make the Airport as self-sustaining as possible under the circumstances existing at the Airport, taking into account such factors as the volume of traffic and economy of collection.

29. The Sponsor will furnish the FAA with such annual or special airport financial and operational reports as may be reasonably requested. Such reports may be submitted on forms furnished by the FAA, or may be submitted in such manner as the Sponsor elects so long as the essential data are furnished. The Airport and all airport records and documents affecting the Airport, including deeds, leases, operation and use agreements, regulations, and other instruments, will be made available for inspection and audit by the Secretary and the Comptroller General of the United States, or their duly authorized representatives, upon reasonable request. The Sponsor will furnish to the FAA or to the General Accounting Office, upon request, a true copy of any such document.

30. All project accounts and records will be kept in accordance with a standard system of accounting if so prescribed by the Secretary.

31. If at any time it is determined by the FAA that there is any outstanding right or claim of right in or to the Airport property, other than those set forth in Part II, paragraphs 7(a), 7(b), and 7(c), the existence of which creates an undue risk of interference with the operation of the Airport or the performance of the covenants of this Part, the Sponsor will acquire, extinguish, or modify such right or claim of right in a manner acceptable to the FAA.

32. The Sponsor will not enter into any transaction which would operate to deprive it of any of the rights and powers necessary to perform any or all of the covenants made herein, unless by such transaction the obligation to perform all such covenants is assumed by another public agency found by the FAA to be eligible under the Act and Regulations to assume such obligations and having the power, authority, and financial resources to carry out all such obligations. If an arrangement is made for management or 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 with the Act, the Regulations, and these covenants.

33. Unless the context otherwise requires, all terms used in these covenants which are defined in the Act and the Regulations shall have the meanings assigned to them therein.

TITLE VI ASSURANCES

Project No. 6-02-0144-01

Ketchikan

Airport

The State of Alaska (hereinafter referred to as the "Sponsor") HEREBY AGREES THAT as a condition to receiving any Federal financial assistance from the Department of Transportation, it will comply with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d, 42 U.S.C. 2000d-4 (hereinafter referred to as the "Act"), and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation--Effectuation of Title VI of the Civil Rights Act of 1964 (hereinafter referred to as the "Regulations") and other pertinent directives, to the end that in accordance with the Act, Regulations, and other pertinent directives, no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Sponsor receives Federal financial assistance from the Department of Transportation, including the Federal Aviation Administration, and HEREBY GIVES ASSURANCE THAT it will promptly take any measures necessary to effectuate this agreement. This assurance is required by subsection 21.7(a)(1) of the Regulations.

More specifically and without limiting the above general assurance, the Sponsor hereby gives the following specific assurances with respect to this project.

1. That the Sponsor agrees that each "program" and each "facility" as defined in subsections 21.23(e) and 21.23(b) of the Regulations, will be (with regard to a "program") conducted, or will be (with regard to a "facility") operated in compliance with all requirements imposed by or pursuant to the Regulations.

2. That the Sponsor shall insert the following notification in all solicitations for bids for work or material subject to the Regulations and made in connection with this project and, in adapted form in all proposals for negotiated agreements:

The State of Alaska, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement,

minority business enterprises will be afforded full 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.

3. That the Sponsor shall insert the clauses of Attachment 1 of this assurance in every contract subject to the Act and the Regulations.

4. That where the Sponsor receives Federal financial assistance to construct a facility, or part of a facility, the assurance shall extend to the entire facility and facilities operated in connection therewith.

5. That where the Sponsor receives Federal financial assistance in the form, or for the acquisition of real property or an interest in real property, the assurance shall extend to rights to space on, over, or under such property.

6. That the Sponsor shall include the appropriate clauses set forth in Attachment 2 of this assurance, as a covenant running with the land, in any future deeds, leases, permits, licenses, and similar agreements entered into by the Sponsor with other parties: (a) for the subsequent transfer of real property acquired or improved under the Airport Development Aid Program of the Federal Aviation Administration, and (b) for the construction or use of or access to space on, over, or under real property acquired, or improved under the said Airport Development Aid Program.

7. That this assurance obligates the Sponsor 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: (a) the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits, or (b) the period during which the Sponsor retains ownership or possession of the property.

8. The Sponsor shall provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he delegates specific authority to give reasonable guarantee that it, other sponsors, subgrantees, contractors, subcontractors, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Act, the Regulations, and this assurance.

9. The Sponsor agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Act, the Regulations, and this assurance.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts, or other Federal financial assistance extended after the date hereof to the Sponsor by the Department of Transportation under the Airport Development Aid Program of the Federal Aviation Administration and is binding on it, contractors, subcontractors, transferees, successors in interest and other participants in the ADAP Project No. 6-02-0144-01. The person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Sponsor.

DATED September 9, 1976

State of Alaska

(Sponsor)

By

Clayton C. Huemero
(Signature of Authorized Official)

DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

GRANT AGREEMENT

Part 1-Offer

Date of Offer *July 18, 1979*

KETCHIKAN INTERNATIONAL Airport
KETCHIKAN, ALASKA

Project No. ADAP 6-02-0144-06

~~Contract No.~~

TO: STATE OF ALASKA
(herein referred to as the "Sponsor")

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

WHEREAS, the Sponsor has submitted to the FAA a Project Application (herein called an Application for Federal Assistance) dated *June 26, 1979*, for a grant of Federal funds for a project for development of the **KETCHIKAN INTERNATIONAL** Airport (herein called the "Airport"), together with plans and specifications for such project, which Application for Federal Assistance, as approved by the FAA is hereby incorporated herein and made a part hereof; and

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

Land; reconstruct and friction seal Runway 11-29 (150' x 7,500'), partial parallel taxiway (75' x 3,020'); bituminous friction seal terminal apron (458' x 920'), G.A. taxiway (50' x 1,270'); construct service road (24' x 320'), seaplane pullout ramp; reconstruct ferry slip; marking.

all as more particularly described in the property map and plans and specifications incorporated in the said Application for Federal Assistance.

NOW THEREFORE, pursuant to and for the purpose of carrying out the provisions of the Airport and Airway Development Act of 1970, as amended (49 U.S.C. 1701 et seq.), and in consideration of (a) the Sponsor's adoption and ratification of the representations and assurances contained in said Application for Federal Assistance, 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 the operation and maintenance of the Airport 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 three and three-quarters percent (93.75%) of the project costs to the extent that such costs are determined allowable.

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

1. The maximum obligation of the United States payable under this Offer shall be \$ 2,152,276.00
2. The Sponsor shall:
 - a. begin accomplishment of the Project within 120 days after acceptance of this Offer or such longer time as may be prescribed by the FAA, with failure to do so constituting just cause for termination of the obligations of the United States hereunder by the FAA;
 - b. carry out and complete the Project without undue delay and in accordance with the terms hereof, the Airport and Airway Development Act of 1970, as amended, and the Regulations of the FAA (14 CFR Part 152) in effect as of the date of acceptance of this Offer; which Regulations are hereinafter referred to as the "Regulations";
 - c. carry out and complete the Project in accordance with the plans and specifications and property map, incorporated herein, as they may be revised or modified with the approval of the FAA;
 - d. submit all financial reports on an accrual basis and if records are not maintained on an accrual basis, reports may be based on analysis or records or best estimates as required by the Regulations;
 - e. monitor performance under the Project to assure that time schedules are being met, projected work units by time periods are being accomplished, and that other performance goals are being achieved as established by the Regulations.
3. 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 Regulations.
4. Payment of the United States share of the allowable project costs will be made pursuant to and in accordance with the provisions of the Regulations. 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. The grant closeout requirements will be in accordance with the Regulations.

5. The Sponsor shall operate and maintain the Airport as provided in the Application for Federal Assistance incorporated herein and specifically covenants and agrees in accordance with its Assurance 20 in Part V of said Application for Federal Assistance, and Section 30 of the Airport and Airway Development Act, as amended, that in its operation and the operation of all facilities thereof, neither it nor any person or organization occupying space or facilities thereon will discriminate against any person by reason of race, color, creed, national origin or sex in the use of the facilities provided for the public on the airport.
6. The FAA reserves the right to amend or withdraw this Offer at any time prior to its acceptance by the Sponsor.
7. 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 July 27, 1979 or such subsequent date as may be prescribed in writing by the FAA.
8. The Sponsor agrees to effectuate the purposes of Section 30 of the Airport and Airway Development Act of 1970, as amended, by assuring that minority business enterprises shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with Federal funds provided under this agreement. For the purposes of this provision, "minority business enterprise" means a business enterprise that is owned or controlled by one or more socially or economically disadvantaged persons. Such disadvantage may arise from cultural, racial, religious, sex, national origin, chronic economic circumstances or background or other similar cause. Such persons may include, but are not limited to, blacks, not of Hispanic origin; persons of Hispanic origin; Asians or Pacific Islanders; American Indians; and Alaskan natives. Grantee further agrees to comply with such Regulations as may be issued by the Federal Aviation Administration to implement Section 30 of the Act.
9. The Sponsor hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan insurance, or guarantee, the following Equal Opportunity clause.

During the performance of this contract, the contractor agrees as follows:

- a. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment

without regard to their race, color, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices (to be provided) setting forth the provisions of this nondiscrimination clause.

b. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

c. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice (to be provided) advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

d. The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

e. The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

f. In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

g. The contractor will include the portion of the sentence immediately preceding paragraph a and the provisions or paragraphs a through g in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will

be binding upon such subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The Sponsor further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: provided, that if the applicant so participating is a state or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contractor.

The sponsor agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor that it will furnish the administering agency with the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The sponsor further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part III, Subpart D of the Executive Order. In addition, the sponsor agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance guarantee); refrain from extending any further assistance to the sponsor under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from the sponsor; or refer the case to the Department of Justice for appropriate legal proceedings.

10. In the event the Sponsor intends to impose additional affirmative action hiring and/or training requirements on federally assisted construction already subject to federal minority hiring and/or training plans established pursuant to Executive Order 11246, as amended, the sponsor agrees

to comply with the procedures contained in Section 60-1.4(b)(2) of Chapter 60, Title 41, Code of Federal Regulations and any amendments thereto, which are incorporated herein by reference.

11. It is understood and agreed that no part of the Federal share of an airport development project for which a grant is made under the Airport and Airway Development Act of 1970, as amended, (49 U.S.C. 1701 et seq.), or under the Federal Airport Act, as amended, (49 U.S.C. 1101 et seq.), shall be included in the rate base in establishing fees, rates, and charges for users of the airport.
12.
 - a. The Sponsor hereby stipulates that any facility to be utilized in the performance under the grant or to benefit from the grant is not listed on the EPA List of Violating Facilities.
 - b. The Sponsor agrees to comply with all the requirements of Section 114 of the Clean Air Act and Section 308 of the Federal Water Pollution Control Act and all regulations issued thereunder.
 - c. The Sponsor shall notify the FAA of the receipt of any communication from the EPA indicating that a facility to be utilized for performance of or benefit from the grant is under consideration to be listed on the EPA List of Violating Facilities.
 - d. The Sponsor agrees that he will include or cause to be included in any contract or subcontract under the grant which exceeds \$100,000- the criteria and requirements in these subparagraphs (a) through (d).
13. Assurance Number 18 of Part V of the project application incorporated herein is amended by including at the end of the second sentence the following language:

"including the requirement that (A) each air carrier authorized to engage directly in air transportation pursuant to Section 401 or 402 of the Federal Aviation Act of 1958, using such airport shall be subject to nondiscriminatory and substantially comparable rates, fees, rentals, and other charges and non-discriminatory conditions as are applicable to all such air carriers which make similar use of such airport and which utilize similar facilities, subject to reasonable classifications such as tenants or nontenants, and combined passenger and cargo flights or all cargo flights, and such classification or status as tenant shall not be unreasonably withheld by any sponsor provided an air carrier assumes obligations substantially similar to those already imposed on tenant air carriers, and (B) each fixed-based operator using a general aviation 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 utilizing the same or similar facilities; provision (A) above, shall not require the reformation of any lease or other contract entered into by a Sponsor before July 12, 1976, (B) above shall not require the reformation of any

..lease or other contract entered into by a Sponsor before July 1, 1975."

14. The Sponsor will send a copy of all invitations for bids, advertised or negotiated, for concessions or other businesses at the airport to the appropriate Office of Minority Business Enterprise (OMBE) representative as identified by the FAA regional Civil Rights Office. The Sponsor will disclose and make information about the contracts, contracting procedures and requirements available to the designated OMBE representative and minority firms on the same basis that such information is disclosed and made available to other organizations or firms. Responses by minority firms to invitations for bids shall be treated in the same manner as all other responses to invitations for bids.

Compliance with the preceding paragraph will be deemed to constitute compliance by the sponsor with requirements of 49 CFR Part 21, Appendix C (a)(1)(x), Regulations of the Office of the Secretary of Transportation.

15. It is understood and agreed that the sponsor shall provide adequate land for the purpose of parking all "official" vehicles (FAA vehicles and privately owned vehicles when used for FAA business) necessary for the maintenance and operation of the air navigation control facilities, air traffic control facilities, and weather reporting facilities. The land so provided shall be adjacent to the facilities served and provided without cost.

The parties hereto further recognize the need for adequate parking space for motor vehicles used by the FAA employees in providing them with transportation to their place of employment and assigned duty stations on the airport- It is fully understood by and between the parties hereto that the sponsor shall make adequate parking space available to these FAA employees on terms that are as favorable as those provided to the sponsor's employees and the employees of others having duty stations on the airport. It is agreed by the parties hereto that this relationship with respect to automobile parking space for FAA employees will continue.

16. Pursuant to paragraph 11, Part III of the Project application dated June 26, 1979, the sponsor hereby covenants and agrees to furnish the Federal Government, without cost, within four months after written request therefor, such estates or interests in such lands or rights in buildings as are deemed necessary by FAA for the construction and operation on the airport of the structures or facilities set forth below, provided the respective areas of land and/or buildings deemed adequate by FAA for such purposes are available without the necessity for removing or relocating other facilities and are within the geographic boundaries of the airport at the time request therefor is made by the FAA; together with rights of ready access in and to such areas or

buildings for construction, occupancy and use and the right to connect to existing utilities and to be furnished the utility services required to the extent of available capacity at no more than prevailing rates. The facilities or structures involved and the maximum area of land, or rights in buildings, the sponsor is obligated to furnish for each is as follows:

Air traffic control tower - approximately one acre.

It is further understood and agreed that nothing contained herein shall in any way affect the rights of the United States or obligations of the sponsor under prior grant agreements to furnish rent-free space for the activities specified in such prior agreements nor shall anything contained herein be construed as obligating the Federal Government to construct, occupy or operate a control tower at the airport.

17. The sponsor will comply with the requirements of Section 504 of the Rehabilitation Act of 1973 and 49 CFR Part 27 which provides for nondiscrimination on the basis of handicap in federally-assisted programs and activities receiving or benefitting from Federal financial assistance and requires certain design standards to be implemented at airports.

The Sponsor's acceptance of this Offer and ratification and adoption of the Application for Federal Assistance incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and said Offer and Acceptance shall comprise a Grant Agreement, as provided by the Airport and Airway Development Act of 1970, as amended, constituting the obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and the operation and maintenance of the Airport. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer and shall remain in full force and effect throughout the useful life of the facilities developed under the Project but in any event not to exceed twenty years from the date of said acceptance.

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION
By *[Signature]* Acting Chief, Airports Division, Alaskan Region
(Title)

Part II - Acceptance

The **STATE OF ALASKA** does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements contained in the Application for Federal Assistance and incorporated materials referred to in the foregoing Offer and does hereby accept said Offer and by such acceptance agrees to all of the terms and conditions thereof.

Executed this 18th day of July, 1979

STATE OF ALASKA

(Name of Sponsor)

By *[Signature]*
Clayton C. Hueners, Director
Title: Division of Aviation
Design and Construction

(SEAL)

Attest:

Title:

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Hal P. Gazaway, acting as Attorney for the State of Alaska, (herein referred to as the "Sponsor") do hereby certify:

That I have examined the foregoing Grant Agreement and the proceedings taken by said Sponsor relating thereto, and find that the Acceptance thereof by said Sponsor has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the State of Alaska and the Regulations and further that, in my opinion, said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Anchorage, Alaska this 18th day of July, 1979

[Signature]
Title: Assistant Attorney General

FEDERAL ASSISTANCE

2. APPLICANT'S APPLICATION

8. NUMBER
b. DATE
19 79 6 26

3. STATE APPLICATION IDENTIFIER

NUMBER
78112401

b. DATE
ASSIGNED 19 78-11-24

1. TYPE OF ACTION
 PREAPPLICATION
 APPLICATION
 NOTIFICATION OF INTENT (Opl)
 REPORT OF FEDERAL ACTION
(Mark appropriate box)

Leave Blank

4. LEGAL APPLICANT/RECIPIENT State of Alaska
 a. Applicant Name : Dept. Transportation & Public Fac.
 b. Organization Unit : Div. of Aviation/Design & Constr.
 c. Street/P.O. Box : Pouch 6900
 d. City : Anchorage
 e. County : Anch. Munic.
 f. State : Alaska
 g. ZIP Code: 99502
 h. Contact Person (Name & telephone No.) : Clayton C. Hueners, Director 266-1560

5. FEDERAL EMPLOYER IDENTIFICATION NO.

6. PRO-GRAM
(From Federal Catalog)

a. NUMBER | 2 | 0 | • | 1 | 0 | 2 |
 b. TITLE
 Airport Development Aid Program (ADAP)

7. TITLE AND DESCRIPTION OF APPLICANT'S PROJECT
 KETCHIKAN AIRPORT - Runway reconstruction and miscellaneous improvements - Reconstruct 50' center section of runway and partial parallel taxiway; apply bituminous friction course on runway, partial parallel taxiway, general aviation taxiway & terminal apron; construct service road & seaplane pull-out ramp; reconstruct ferry slip; land use acquisition.

8. TYPE OF APPLICANT/RECIPIENT
 A-State
 B-Interstate
 C-Substate District
 D-County
 E-City
 F-School District
 G-Special Purpose District
 H-Community Action Agency
 I-Higher Educational Institution
 J-Indian Tribe
 K-Other (Specify):
 Enter appropriate letter A

9. TYPE OF ASSISTANCE
 A-Basic Grant
 B-Supplemental Grant
 C-Loan
 D-Insurance
 E-Other
 Enter appropriate letter(s) A

10. AREA OF PROJECT IMPACT (Names of cities, counties, States, etc.)
 Ketchikan, Alaska

11. ESTIMATED NUMBER OF PERSONS BENEFITING
 7,500

12. TYPE OF APPLICATION
 A-New
 B-Renewal
 C-Revision
 D-Continuation
 E-Augmentation
 Enter appropriate letter A

13. PROPOSED FUNDING

| | |
|--------------|------------------|
| a. FEDERAL | \$ 2,152,276 .00 |
| b. APPLICANT | .00 |
| c. STATE | 143,485 .00 |
| d. LOCAL | .00 |
| e. OTHER | .00 |
| f. TOTAL | \$ 2,295,761 .00 |

14. CONGRESSIONAL DISTRICTS OF:
 a. APPLICANT 12-J
 b. PROJECT 1-A
 16. PROJECT START DATE Year month day 19 79-7-11
 17. PROJECT DURATION 15 Months

15. TYPE OF CHANGE (For 12c or 12e)
 A-Increase Dollars
 B-Decrease Dollars
 C-Increase Duration
 D-Decrease Duration
 E-Cancellation
 F-Other (Specify):
 N/A
 Enter appropriate letter(s)

18. ESTIMATED DATE TO BE SUBMITTED TO FEDERAL AGENCY
 Year month day 19 79-6-29

19. EXISTING FEDERAL IDENTIFICATION NUMBER
 ADAP No. 6-02-0144-06

20. FEDERAL AGENCY TO RECEIVE REQUEST (Name, City, State, ZIP code)
 Federal Aviation Admin, PO Bx 14, 701 C Str. Anchorage AK 99513

21. REMARKS ADDED
 Yes No

22. THE APPLICANT CERTIFIES THAT
 a. To the best of my knowledge and belief, data in this preapplication/application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is approved.

b. If required by OMB Circular A-95 this application was submitted, pursuant to instructions therein, to appropriate clearinghouses and all responses are attached:
 No response attached
 (1) Alaska State Clearinghouse response
 (2) previously submitted.
 (3)

23. CERTIFYING REPRESENTATIVE
 a. TYPED NAME AND TITLE
 Clayton C. Hueners
 Director

b. SIGNATURE

c. DATE SIGNED
 Year month day
 19 79 6 26

24. AGENCY NAME

25. APPLICATION RECEIVED
 Year month day
 19

26. ORGANIZATIONAL UNIT

27. ADMINISTRATIVE OFFICE

28. FEDERAL APPLICATION IDENTIFICATION

29. ADDRESS

30. FEDERAL GRANT IDENTIFICATION

31. ACTION TAKEN

| | |
|--|-------------|
| <input type="checkbox"/> a. AWARDED | 32. FUNDING |
| <input type="checkbox"/> b. REJECTED | |
| <input type="checkbox"/> c. RETURNED FOR AMENDMENT | |
| <input type="checkbox"/> d. DEFERRED | |
| <input type="checkbox"/> e. WITHDRAWN | |
| | |
| | |

33. ACTION DATE
 Year month day 19
 35. CONTACT FOR ADDITIONAL INFORMATION (Name and telephone number)

34. STARTING DATE
 Year month day 19
 36. ENDING DATE
 Year month day 19
 37. REMARKS ADDED
 Yes No

38. FEDERAL AGENCY A-95 ACTION
 a. In taking above action, any comments received from clearinghouses were considered. If agency response is due under provisions of Part 1, OMB Circular A-95, it has been or is being made.

b. FEDERAL AGENCY A-95 OFFICIAL (Name and telephone no.)

PART II

PROJECT APPROVAL INFORMATION
SECTION A

Item 1.

Does this assistance request require State, local, regional, or other priority rating?
_____ Yes X No

Name of Governing Body _____
Priority Rating _____

Item 2.

Does this assistance request require State, or local advisory, educational or health clearances?
_____ Yes X No (Attach Documentation)

Name of Agency or Board _____

Item 3.

Does this assistance request require clearinghouse review in accordance with OMB Circular A-95?
X Yes _____ No (Attach Comments)
Comments previously submitted.

Item 4.

Does this assistance request require State, local, regional or other planning approval?
_____ Yes X No

Name of Approving Agency _____
Date _____

Item 5.

Is the proposed project covered by an approved comprehensive plan?
_____ Yes X No

Check one: State
Local
Regional
Location of plan _____

Item 6.

Will the assistance requested serve a Federal installation?
_____ Yes X No

Name of Federal Installation _____
Federal Population benefiting from Project _____

Item 7.

Will the assistance requested be on Federal land or installation?
_____ Yes X 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 X 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 X No

Number of:
Individuals _____
Families _____
Businesses _____
Farms _____

Item 10.

Is there other related Federal assistance on this project previous, pending, or anticipated?
_____ Yes X No

See instructions for additional information to be provided.

PART II - SECTION B

| |
|--|
| <p>11. SITES AND IMPROVEMENTS: _____ Not required, <input checked="" type="checkbox"/> Attached as exhibits Applicant intends to acquire the site through: _____ Eminent domain, _____ Negotiated purchase, _____ Other means (specify)</p> |
| <p>12. TITLE OR OTHER INTEREST IN THE SITE IS OR WILL BE VESTED IN: <input checked="" type="checkbox"/> Applicant, _____ Agency or institution operating the facility, _____ Other (specify)</p> |
| <p>13. INDICATE WHETHER APPLICANT/OPERATOR HAS: See Part II, Sec. C, No. 4 <input checked="" type="checkbox"/> Fee simple title, _____ Leasehold interest, <u>ILMT</u> Other (specify)</p> |
| <p>14. IF APPLICANT/OPERATOR HAS LEASEHOLD INTEREST, GIVE THE FOLLOWING INFORMATION: a. Length of lease or other estate interest _____, and number of years to run _____ b. Is lease renewable? _____ Yes _____ No c. Current appraised value of land \$ _____ N/A d. Annual rental rate \$ _____</p> |
| <p>15. ATTACH AN OPINION FROM ACCEPTABLE TITLE COUNSEL DESCRIBING THE INTEREST APPLICANT/OPERATOR HAS IN THE SITE AND CERTIFYING THAT THE ESTATE OR INTEREST IS LEGAL AND VALID. To be submitted later.</p> |
| <p>16. WHERE APPLICABLE, ATTACH SITE SURVEY, SOIL INVESTIGATION REPORTS AND COPIES OF LAND APPRAISALS. N/A</p> |
| <p>17. WHERE APPLICABLE, ATTACH CERTIFICATION FROM ARCHITECT ON THE FEASIBILITY OF IMPROVING EXISTING SITE TOPOGRAPHY. N/A</p> |
| <p>18. ATTACH PLOT PLAN. N/A</p> |
| <p>19. CONSTRUCTION SCHEDULE ESTIMATES: <input checked="" type="checkbox"/> Not required, _____ Being prepared, _____ Attached as exhibits Percentage of completion of drawings and specifications at application date: Schematics _____% Preliminary _____% Final <u>100</u> %</p> |
| <p>20. TARGET DATES FOR: Bid Advertisement <u>6/13/79</u> Contract Award <u>6/22/79</u> Construction Completion <u>9/30/80</u> Occupancy <u>N/A</u></p> |
| <p>21. DESCRIPTION OF FACILITY: _____ Not required _____ Attached as exhibits Drawings - Attach any drawings which will assist in describing the project. Plans and specifications Specifications - Attach copies of completed outline specifications. previously submitted. (If drawings and specifications have not been fully completed, please attach copies or working drawings that have been completed.)</p> |

NOTE: ITEMS ON THIS SHEET ARE SELF-EXPLANATORY; THEREFORE, NO INSTRUCTIONS ARE 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:

The extent of the airport property lines and the separation of the airport with respect to the populated area of Ketchikan by the Tongass Narrows and the anticipated land usage in the airport vicinity tend to preclude incompatible use and therefore no specific action to assure compatible use is necessary.

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:

There are no outgrants which affect the project area, as of the Project Application date.

4. 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":

Tract II - Fee Simple Title

Tract III - I.L.M.T. granted 7/19/68 - Amendment 1, 4/21/69; Amendment 2, 1/19/70

Tract IV - Fee Simple Title

Tract V - I.L.M.T. granted 7/19/68, Amendment 1, 4/21/69; Amendment 2, 1/19/70

Tract VI - Parcel A thru Q (except M) - Fee Simple Title

(SEE ATTACHMENT)

*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.

Tract VI (continued)

Parcel M - I.L.M.T. granted 7/19/68, Amendment 1, 4/21/69
Amendment 2, 1/19/70

Tract VII - Parcels A, B, B-1, C thru H Fee Simple Title

Tract VIII - Fee Simple Title

Tract IX - Fee Simple Title

Tract X - I.L.M.T. granted 7/19/68, Amendment 1, 4/21/69

Amendment 2, 1/19/70

Tract XI - Parcel A - I.L.M.T. granted 8/4/70

Amendment 1, 1/26/71, Amendment 2, 3/16/71
East Clump Is. - excepted from I.L.M.T.

Parcel B Permit, avigation and hazard and right-of-way
easement granted 3/15/60 by Alaska Division of Lands over
A.T.S. Nos. 20, 22, and 24.
Amendment No. 1, dated 3/16/71.

PART II - SECTION C (Continued)

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":

N/A

(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":

N/A

5. 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

**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 III - BUDGET INFORMATION - CONSTRUCTION

SECTION A - GENERAL

1. Federal Domestic Assistance Catalog No. 20.102
2. Functional or Other Breakout N/A

SECTION B - CALCULATION OF FEDERAL GRANT

| Cost Classification | Use only for revisions | | Total Amount Required |
|--|------------------------|---------------------|-----------------------|
| | Latest Approved Amount | Adjustment + or (-) | |
| 1. Administration expense | \$ | \$ | \$ 10,000.00 |
| 2. Preliminary expense | | | 0.00 |
| 3. Land, structures, right-of-way | | | 20,000.00 |
| 4. Architectural engineering basic fees | | | 131,000.00 |
| 5. Other architectural engineering fees | | | 0.00 |
| 6. Project inspection fees | | | 110,000.00 |
| 7. Land development | | | 0.00 |
| 8. Relocation Expenses | | | 0.00 |
| 9. Relocation payments to Individuals and Businesses | | | 0.00 |
| 10. Demolition and removal | | | 0.00 |
| 11. Construction and project improvement | | | 1,827,615.00 |
| 12. Equipment | | | 0.00 |
| 13. Miscellaneous | | | 0.00 |
| 14. Total (Lines 1 through 13) | | | 2,098,615.00 |
| 15. Estimated Income (if applicable) | | | 0.00 |
| 16. Net Project Amount (Line 14 minus 15) | | | 2,098,615.00 |
| 17. Less: Ineligible Exclusions | | | 0.00 |
| 18. Add: Contingencies | | | 197,146.00 |
| 19. Total Project Amt. (Excluding Rehabilitation Grants) | | | 2,295,761.00 |
| 20. Federal Share requested of Line 19 | | | 2,152,276.00 |
| 21. Add Rehabilitation Grants Requested (100 Percent) | | | 0.00 |
| 22. Total Federal grant requested (Lines 20 & 21) | | | 2,152,276.00 |
| 23. Grantee share | | | 143,485.00 |
| 24. Other shares | | | 0.00 |
| 25. Total project (Lines 22, 23 & 24) | \$ | \$ | \$ 2,295,761.00 |

SECTION C - EXCLUSIONS

| Classification | Ineligible for Participation (1) | Excluded from Contingency Provision (2) |
|----------------|-------------------------------------|--|
| 26 | | |
| a. | \$ 0.00 | \$ 0.00 |
| b. | | |
| c. | | |
| d. | | |
| e. | | |
| f. | | |
| g. Totals | \$ 0.00 | \$ 0.00 |

SECTION D - PROPOSED METHOD OF FINANCING NON-FEDERAL SHARE

| | |
|--|---------------|
| 27. Grantee Share | \$ 143,485.00 |
| a. Securities | |
| b. Mortgages | |
| c. Appropriations (By Applicant) | |
| d. Bonds Chap. 138 SLA 1978, RP 79-232 | 143,485.00 |
| e. Tax Levies | |
| f. Non Cash | |
| g. Other (Explain) | |
| h. TOTAL - Grantee share | 143,485.00 |
| 28. Other Shares | |
| a. State | |
| b. Other | |
| c. Total Other Shares | |
| 29. TOTAL | \$ 143,485.00 |

SECTION E - REMARKS

PART IV PROGRAM NARRATIVE (Attach - See Instructions)

PART IV PROGRAM NARRATIVE

Ketchikan is one of the major airports in Southeast Alaska. Alaska Airlines had seven airliner (B727) flights per day scheduled during the 1978 summer season. It is estimated that there will be at least six and probably eight flights per day during the 1979 summer season. In addition, heavy cargo planes (C-130) and light aircraft, both commercial and private, use the airport. There is no other major airport in Ketchikan.

The runway and main taxiway are presently showing signs of severe distress. On the runway there are longitudinal cracks at every paving lane joint. Also, there is extensive alligator cracking within 20 feet of centerline for nearly the entire runway length. The same cracking occurs on the taxiway except that it is not nearly as extensive.

The runway pavement in a 50 foot wide keel strip will be reconstructed. The entire thickness of three inches of asphalt cement pavement and two inches of base material will be removed. Five inches of hot mix AC will then be placed by conventional equipment. The entire runway width (150 feet) will then receive a bituminous friction course. Ketchikan receives more than 150 inches of rain per year. There is seldom a day when there is no precipitation. It is important that the airfield surface be skid resistant. The work on the main taxiway will be identical, except that only a portion of the taxiway will be reconstructed.

Because of heavy use of the airport, the runway cannot be completely closed. The runway work will be done in phases with no more than half of the runway closed at any time. Runway work will be completed in approximately two months.

A new emergency access road will provide fire station vehicles with a ready link to the south service road. Presently the emergency vehicles must take a round-about route to reach the area south of the runway. This road will receive minimal use, therefore a gravel surface is adequate. The roadway will be wide enough to allow two vehicles to pass each other.

The terminal apron is now surfaced with asphalt pavement. A bituminous friction course will be applied to increase the safety of passengers and aircraft.

A seaplane pullout ramp will be constructed. This will allow non-amphibious type float planes access to parking and maintenance facilities at the airport. The ramp will be protected from wave scour.

Land acquisition costs are necessary to obtain a release from Louisiana Pacific Pulp Company allowing the existence of FAA's RAIL System in their log storage area, north of the runway.

The ferry slip will be modified to correct present deficiencies. The existing energy absorbing members will be replaced with larger members capable of absorbing the actual energy of the ferry. The timber facing has been found to be undersized. The facing will be replaced with larger timbers.

TITLE VI ASSURANCES

Project No. 6-02-0144-06

Ketchikan

Airport

The State of Alaska (hereinafter referred to as the "Sponsor") HEREBY AGREES THAT as a condition to receiving any Federal financial assistance from the Department of Transportation, it will comply with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d, 42 U.S.C. 2000d-4 (hereinafter referred to as the "Act"), and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation--Effectuation of Title VI of the Civil Rights Act of 1964 (hereinafter referred to as the "Regulations") and other pertinent directives, to the end that in accordance with the Act, Regulations, and other pertinent directives, no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Sponsor receives Federal financial assistance from the Department of Transportation, including the Federal Aviation Administration, and HEREBY GIVES ASSURANCE THAT it will promptly take any measures necessary to effectuate this agreement. This assurance is required by subsection 21.7(a)(1) of the Regulations.

More specifically and without limiting the above general assurance, the Sponsor hereby gives the following specific assurances with respect to this project.

1. That the Sponsor agrees that each "program" and each "facility" as defined in subsections 21.23(e) and 21.23(b) of the Regulations, will be (with regard to a "program") conducted, or will be (with regard to a "facility") operated in compliance with all requirements imposed by or pursuant to the Regulations.

2. That the Sponsor shall insert the following notification in all solicitations for bids for work or material subject to the Regulations and made in connection with this project and, in adapted form in all proposals for negotiated agreements:

The State of Alaska, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement,

minority business enterprises will be afforded full 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.

3. That the Sponsor shall insert the clauses of Attachment 1 of this assurance in every contract subject to the Act and the Regulations.

4. That where the Sponsor receives Federal financial assistance to construct a facility, or part of a facility, the assurance shall extend to the entire facility and facilities operated in connection therewith.

5. That where the Sponsor receives Federal financial assistance in the form, or for the acquisition of real property or an interest in real property, the assurance shall extend to rights to space on, over or under such property.

6. That the Sponsor shall include the appropriate clauses set forth in Attachment 2 of this assurance, as a covenant running with the land, in any future deeds, leases, permits, licenses, and similar agreements entered into by the Sponsor with other parties: (a) for the subsequent transfer of real property acquired or improved under the Airport Development Aid Program of the Federal Aviation Administration, and (b) for the construction or use of or access to space on, over, or under real property acquired, or improved under the said Airport Development Aid Program.

7. That this assurance obligates the Sponsor 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: (a) the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits, or (b) the period during which the Sponsor retains ownership or possession of the property.

8. The Sponsor shall provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he delegates specific authority to give reasonable guarantee that it, other sponsors, subgrantees, contractors, subcontractors, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Act, the Regulations, and this assurance.

9. The Sponsor agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Act, the Regulations, and this assurance.

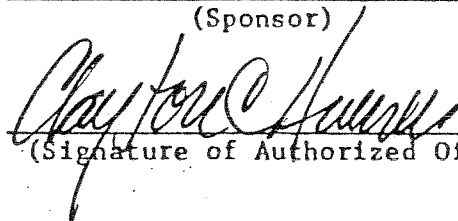
THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts, or other Federal financial assistance extended after the date hereof to the Sponsor by the Department of Transportation under the Airport Development Aid Program of the Federal Aviation Administration and is binding on it, contractors, subcontractors, transferees, successors in interest and other participants in the ADAP Project No. 6-02-0144-06. The person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Sponsor.

DATED June 26, 1979

State of Alaska

(Sponsor)

By



(Signature of Authorized Official)

ATTACHMENT 1 - TITLE VI ASSURANCE

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. Compliance with Regulations. The contractor shall comply with the Regulations relative to nondiscrimination in Federally-assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

2. Nondiscrimination. The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

3. Solicitations for Subcontracts, Including Procurements of Materials and Equipment. In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

4. Information and Reports. The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information the contractor shall so certify to the Sponsor or the Federal Aviation Administration as appropriate, and shall set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance. In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Sponsor shall impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to--

a. withholding of payments to the contractor under the contract until the contractor complies, and/or

b. cancellation, termination, or suspension of the contract, in whole or in part.

6. Incorporation of Provisions. The contractor shall include the provisions of paragraphs 1 through 5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Sponsor to enter into such litigation to protect the interests of the Sponsor and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

ATTACHMENT 2 - TITLE VI ASSURANCES

The following clauses shall be included in all deeds, licenses, leases, permits, or similar instruments entered into by the (Name of Sponsor) pursuant to the provisions of Assurance 6(a).

The (grantee, licensee, lessee, permittee, etc., as appropriate) for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as a covenant running with the land") that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this (deed, license, lease, permit, etc.) for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.) shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted Programs of the Department of Transportation--Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, (Name of Sponsor) shall have the right to terminate the (license, lease, permit, etc.) and to re-enter and repossess said land and facilities thereon, and hold the same as if said (licenses, lease, permit, etc.) had never been made or issued.

(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, (Name of Sponsor) shall have the right to re-enter said lands and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of (Name of Sponsor) and its assigns.

The following shall be included in all deeds, licenses, leases, permits, or similar agreements entered into by (Name of Sponsor) pursuant to the provisions of Assurance 6(b).

The (grantee, licensee, lessee, permittee, etc., as appropriate) for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as a covenant running with the land") that (1) no person on the grounds of race, color, or

national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.) shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, (Name of Sponsor) shall have the right to terminate the (license, lease, permit, etc.) and to re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, lease, permit, etc.) had never been made or issued.

(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, (Name of sponsor) shall have the right to re-enter said land and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of (Name of Sponsor) and its assigns..

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.