

**DATE:** May 4, 2020  
**TO:** SAA Board of Directors  
**FROM:** Tim Rogers and Shelli Swanson  
**SUBJECT:** **May 6, 2020 Special Board Meeting**

Transmitted with this memo are items for your review prior to Wednesday's meeting.

Due to the declared COVID-19 national and state emergency the meeting will be held via a GoToMeeting video and audio link. Public access to the Salina Airport Authority's administrative offices is restricted during the COVID-19 national emergency. Restricted public access to the SAA's administrative offices is the reason that the meeting will be held solely by means of interactive communications. All board meeting documents (agenda, agenda memo, financial statements, etc.) and written information to be discussed at the meeting can be viewed at the following board meeting packet link:

<https://www.salinaairport.com/public-information/board-meeting-documents.aspx>

To aid in transparency, the Airport Authority will take the following steps:

1. The meeting's video and audio will be recorded and be posted on the Airport Authority's website, <https://www.salinaairport.com/public-information/board-meeting-recordings.aspx>
2. Post the Airport Authority's meeting notice, agenda, agenda packet and other meeting documents on the Airport Authority's website, <https://www.salinaairport.com/public-information.aspx>
3. Post the May 6, 2020 meeting minutes to the Airport Authority's website, <https://www.salinaairport.com/public-information/board-meeting-minutes.aspx> as soon as possible after the meeting.

Members of the public may login to the meeting to listen, observe and/or participate in the board meeting. The login can be accomplished by telephone, smartphone, tablet or computer. Meeting login instructions are:

Join meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/298121685>

You can also dial in using your phone.

(For supported devices, tap a one-touch number below to join instantly.)

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- One-touch: <tel:+15713173122,,298121685#>

Access Code: 298-121-685

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Please note the following agenda comments.

**Agenda Item #6 – Consideration of a \$1,836,078 CARES Act Grant Offer** (Rogers and Swanson)

Enclosed is a copy of the CARES Act Grant Offer and Agreement received from the Federal Aviation Administration. Acceptance the \$1,836,078 grant offer will enable the Salina Airport Authority to offset declines Salina Regional Airport revenues arising from diminished airport operations and activities because of the COVID-19 public health emergency. The amount of CARES Act funding offered to the Salina Airport Authority was determined by legislative formula. CARES Act grants are 100% federal – no local match is required.

The Airport Authority may use the grant funds for any purpose for which airport revenues can be lawfully used. The legislative intent is that the grant funds be used for airport operating expenses. Airport sponsors can submit grant reimbursement requests for airport operating expenses dating back to January 20, 2020.

If accepted by the Airport Authority board of directors, the Airport Authority’s first request for reimbursement will be for approximately \$472,000 in airport operating expense for the period on January 20, 2020 through April 30, 2020.

**Recommendation:** Acceptance of a \$1,836,078 CARES Act Grant Offer and Agreement and authorize Chairman Alan Eichelberger and Attorney Greg Bengtson to sign the agreement on behalf of the Salina Airport Authority.

**Agenda Item #7 – Approval of three (3) year Food and Beverage Concessionaire Lease Agreement with JOMAST, Inc. d/b/a/ MAHASKA Snack Salina** (Swanson)

Enclosed is a copy of the proposed agreement with MAHASKA Snack Salina for the M.J. Kennedy Air Terminal food and beverage concession. MAHASKA was selected as the preferred vendor following a RFP process earlier this calendar year. MAHASKA submitted the more competitive proposal that provides the Airport Authority the opportunity for increased food and beverage commission revenue.

The current food and beverage concession was installed in 2016 at a zero-commission rate. In 2016 the Airport Authority had to provide a minimum revenue guarantee to attract a food and beverage vendor. The growth in passengers on United/SkyWest flights enabled the Airport Authority to obtain competitive proposals for continued food and beverage service in the terminal building. The MAHASKA proposal offered the higher commissions and expands the service into the gate area of the terminal building.

The concession agreement terms are as follows:

- **Lease term** – Three (3) years effective June 1, 2020
- **Space rental** - \$200 annually, lobby and gate area
- **Commissions schedule (based on gross sales) –**
  - Soft drinks priced up to \$1.49 20% commission
  - Soft drinks priced between \$1.50- \$1.74 25% commission
  - Soft drinks priced greater than \$1.74 30% commission
  - Energy drinks 15% commission
  - Water 15% commission

- Candy bars/Candy 15% commission
- Chips 15% commission
- Pastries 15% commission
- Cold/Frozen Food 10% commission
- Tea/Juice/Milk 15% commission
- Misc. – all other 15% commission

**Recommendation:** Approval of the proposed MAHASKA Snack Salina Food and Beverage Concession Agreement and authorize Chairman Alan Eichelberger and Secretary Troy Vancil to sign the agreement on behalf of the Salina Airport Authority.

**Agenda Item #8 – Review of preliminary plans to expand building B1021 located 3600 Airport Rd for Kansas Erosion, LLC.** (Rogers and Swanson)

At the meeting staff will review the preliminary plans for a 30,000 SF addition to building B1021 to accommodate Kansas Erosion business growth. Both the building expansion and project financing plans will be reviewed with the board of directors.

Please contact me if you have any questions or comments.

**SALINA AIRPORT AUTHORITY SPECIAL BOARD MEETING**  
**Online Via: GoToMeeting Video and Audio Link**

**May 6, 2020 – 8:00 AM**

**AGENDA**

**Action Items**

1. Call to order. (Eichelberger)
  - a. Roll call and determine that a quorum is present. (Windhorst)
  - b. Confirm that the meeting notice has been published. (Windhorst)
  
2. Meeting procedures. (Rogers)
  - a. Mute all participant microphones, phones or other electronic devices.
  - b. SAA board members, staff and presenters are required to state the individual's name each time the individual begins to speak or vote.
  - c. The **Visitor's Forum** that follows the **Directors' Forum** is the time for public comment.
  - d. Each board motion will be clearly stated before a board vote.
  - e. All motions will identify the SAA board officer(s) and/or staff member authorized to sign a legally binding document for the Airport Authority.
  - f. A roll call vote will be used for all motions.
  - g. The results of the vote on a board motion will be announced.
  - h. The meeting will be recorded (video and audio) and posted to the Airport Authority's web site, [www.salinaairport.com](http://www.salinaairport.com)
  
3. Recognition of guests. (Rogers)
  
4. Additions to the agenda and agenda review. (Rogers)
  
5. Approval of the minutes of the April 15, 2020 board meeting. (Eichelberger)
  
6. Consideration of a \$1,836,078 CARES Act Grant Offer received from the Federal Aviation Administration. (Rogers and Swanson)
  
7. Consideration of a M.J. Kennedy Air Terminal food and beverage concession agreement with JOMAST, Inc. d/b/a MAHASKA Snack Salina. (Swanson)
  
8. Review of preliminary plans to expand building B1021 located at 3600 Airport Rd. for Kansas Erosion, LLC. (Rogers and Swanson)

**Directors' Forum** (Eichelberger)

**Visitor's Forum** (Eichelberger)

**Staff Reports** (Rogers)

**Announcements** (Windhorst)

**Adjournment** (Eichelberger)



**MINUTES OF THE REGULAR MEETING OF THE BOARD  
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY  
APRIL 15, 2020  
VIA GOTO MEETING VIDEO AND AUDIO LINK**

**Call to Order**

The meeting was called to order at 8:00 AM by Chairman Alan Eichelberger. Business and Communications Manager Kasey Windhorst completed roll call and confirmed that a quorum was present. Windhorst noted the board meeting notice was published and distributed on Thursday, April 9<sup>th</sup>. The news release was distributed to the media on Monday, April 13<sup>th</sup> and the board meeting slide deck was published and distributed on Tuesday, April 14<sup>th</sup>.

**Meeting Procedures**

Executive Director Rogers reviewed the following meeting procedures (K.A.R. 16-20-1 concerning open meetings during an emergency declaration).

- a. Mute all participant microphones, phones or other electronic devices.
- b. SAA board members, staff and presenters are required to state the individual's name each time the individual begins to speak or vote.
- c. The **Visitor's Forum** that follows the **Directors' Forum** is the time for public comment.
- d. Each board motion will be clearly stated before a board vote and the results of the vote will be announced.
- e. All motions will identify the SAA board officer and/or staff member authorized to sign a legally binding document for the Airport Authority.
- f. The meeting will be recorded (video and audio) and posted to the Airport Authority's web site.

**Attendance**

Roll call attendance was taken. Chairman Eichelberger was present. Directors Buer, Gunn, Vancil and Weisel attended via video conference. Also present were Executive Director Tim Rogers; Director of Administration and Finance Shelli Swanson; Director of Facilities and Construction Kenny Bieker and Business and Communications Manager Kasey Windhorst. Attorney Greg Bengtson; Mitch Robinson, Salina Community Economic Development Organization; Melissa Hodges, Salina City Commissioner; Eric Brown, Salina Area Chamber of Commerce; Jay Hatchett, SLN ATCT; Julie Yager-Zuker, Avflight Salina and Michael Bunn, T-hangar tenant were guests via video conference.

**Additions to the Agenda**

Chairman Eichelberger asked if there were any additions. Executive Director Rogers stated there were no additions.

**Minutes**

Chairman Eichelberger asked if the board members had additions or corrections to the minutes of the March 18, 2020 annual board meeting. Director Gunn moved, seconded by Director Weisel to approve the minutes of the March 18, 2020 annual board meeting.

Roll call vote: Director Buer – Aye, Chairman Eichelberger – Aye, Director Gunn – Aye, Director Vancil - Aye and Director Weisel - Aye. Motion passed unanimously.

### **Airport Activity and Financial Reports**

Executive Director Rogers reported on airport activity for the month of March 2020. The Salina Air Traffic Control Tower (ATCT) recorded 2,841 operations during March 2020 which was a 58% decrease as compared to the March 2019 total of 6,848. Year-to-date total operations are tracking 15% less than the same period last year. Rogers noted the decrease is due to the suspension of K-State Aviation professional pilot training program flights and FOL cancellations due to COVID-19. Fuel Flowage for March 2020 came in at 124,865 gallons which was a decrease of 17% compared to the March 2019 total of 150,881. SkyWest enplaned a total of 1,874 passengers in March 2020 which is a 10% increase compared to the March 2019 total of 1,698 passengers. Rogers reviewed the advanced bookings reports and noted the decrease in passengers due to the reduced flight schedules. The economic impact of COVID-19 is reflected in operations, fuel flowage and enplanements.

Director of Administration and Finance Swanson reported on the financials for the 1<sup>st</sup> quarter of 2020. Total operating income exceeded budget projects by 2% and is tracking at \$34,331 which is 5% ahead of the first quarter 2019. Total administrative expenses arrived at 10% under budget and total maintenance expenses came in at 1% under budget. Net operating income before depreciation arrived at nearly \$73,000 at the end of the 1<sup>st</sup> quarter 2020. Swanson commented on the short-term leasing activity which included a short-term lease with Wynn Jet Charter for aircraft storage at Hangar H606. The short-term lease will generate \$2,625 per week and is anticipated for 6-8 weeks. Chairman Eichelberger directed staff to file the financials for audit.

### **2019 CAFR update**

Swanson commented on the preparation of the Airport Authority's 2019/2018 Comprehensive Annual Financial Report (CAFR). The CAFR is prepared to the standards prescribed by GFOA and in compliant with GASB pronouncements. Swanson noted the SAA audit was completed by Adams, Brown, Beran & Ball, Chartered (ABBB) and is in the process of finalizing the 2019 CAFR.

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

Executive Director Rogers updated the board on the impact of the COVID-19 national emergency on the Airport Authority's operating budget. Rogers reviewed the fiscal impact summary that was provided to the board noting an estimated revenue lost of \$106,146 due to FOL cancellations, reduced fuel flowage fees and decrease in commission revenue. SAA staff have reduced operating expenses by \$152,248 resulting in a net spread of \$46,102. Rogers stated the FAA calculated the CARES Act financial aid to commercial service airports and awarded \$1,836,078 to the Salina Regional Airport. The grant will be used for staff salaries, benefits, airport safety and airfield maintenance in compliance with federal requirements.

### **Project Rise Provisional Fund Memorandum**

Rogers reviewed the proposed Provisional Fund Memorandum with the Greater Salina Community Foundation (GSCF). The provisional fund will be used for the purpose of accepting

donations for the purchase of the former K-State Polytechnic gymnasium and associated 5.04-acre lot in the amount \$200,100. Approval of the Provisional Fund Memorandum enables the GSCF to accept donations to be distributed to the Airport Authority for the purchase of the gym. Rogers recommended approval of the Project Rise Provisional Fund Memorandum. Director Gunn moved, seconded by Director Weisel to approve the Greater Salina Community Foundation Provisional Fund Memorandum and authorized Executive Director Rogers and Chairman Eichelberger to sign the agreement.

Roll call vote: Director Buer – Aye, Chairman Eichelberger – Aye, Director Gunn – Aye, Director Vancil - Aye and Director Weisel - Aye. Motion passed unanimously.

### **Advanced Remote Sensing, Inc Lease Agreement**

Swanson commented on the proposed lease agreement with Advanced Remote Sensing, Inc (ARSI). ARSI is engaged in research and development projects associated with remote sensing analytics of earth observation satellite (EOS) data. The proposed lease provides ARSI access to the roof of Hangar H959 and the top of Tank No. 784 for the placement of satellite calibration targets. Swanson reviewed the below lease terms.

Lease term:	Two (2) years
Effective date:	June 1, 2020
Basic rent:	\$1,903 per month \$22,836 per year

Director Gunn moved to approve the lease agreement with Advanced Remote Sensing, Inc for the use of a portion of Hangar H959 and Tank No. 784 and authorized Chairman Eichelberger and Director Vancil to sign the agreement, seconded by Director Weisel.

Roll call vote: Director Buer – Aye, Chairman Eichelberger – Aye, Director Gunn – Aye, Director Vancil - Aye and Director Weisel - Aye. Motion passed unanimously.

### **MJ Kennedy Air Terminal Space Requirements and Expansion**

Rogers presented options provided by Coffman Associates for the M.J. Kennedy Air Terminal space requirements and parking expansion in order to meet requirements for future passenger growth. The preferred options include expansion of the existing terminal building and parking lot. Cost estimates for the project will be provided by Coffman Associates.

### **Visitor's Forum**

SAA T-hangar tenant Michael Bunn questioned the status of the new T-hangar construction project. Rogers stated the plan is to construct 48 T-hangars and 4 box hangars for a total of 52 units. The recent cost estimate for the project came in at \$6 million. SAA staff is working on several funding options and will offer pre-lease options to existing tenants. Bunn questioned the north-ramp location. Rogers stated alternative locations will be considered.

### **Staff Reports**

Rogers reported that Runway 17/35 at the Salina Regional Airport will be closed from Thursday, April 16 until Tuesday, May 5 for needed heavy maintenance and repairs. The scope of work

includes an asphalt mill and overlay involving the south 800 feet of the runway, repairs to runway lighting and guidance signage, and repainting runway surface markings.

Upon a motion duly made, the meeting adjourned at 9:07 A.M.

Roll call vote: Director Buer – Aye, Chairman Eichelberger – Aye, Director Gunn – Aye, Director Vancil - Aye and Director Weisel - Aye. Motion passed unanimously.

Minutes approved at the May 6, 2020 Board Meeting.

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Secretary

(SEAL)



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

Airports Division  
Central Region  
Iowa, Kansas, Missouri, Nebraska

FAA ACE-600  
901 Locust  
Kansas City, MO 64106

April 30, 2020

Mr. Timothy Rogers  
Executive Director  
Salina Regional Airport  
M.J. Kennedy Air Terminal  
3237 Arnold Avenue  
Salina, KS 67401

Dear Mr. Rogers:

Please find the following electronic CARES Act Grant Offer, Grant No. 3-20-0072-041-2020 for Salina Regional Airport. This letter outlines expectations for success. Please read and follow the instructions carefully.

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

- a. The governing body must provide authority to execute the grant to the individual signing the grant; i.e. the sponsor's authorized representative.
- b. The sponsor's authorized representative must execute the grant, followed by the attorney's certification, **no later than June 1<sup>st</sup>**, in order for the grant to be valid.
- c. You may not make any modification to the text, terms or conditions of the grant offer.
- d. The grant offer must be digitally signed by the sponsor's legal signatory authority and then the grant offer will be automatically routed via email to the sponsor's attorney. Once the attorney has digitally attested to the grant, the FAA will email a copy of the executed grant to all parties.

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

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

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

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

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

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

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

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

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

Sincerely,

Jason Knipp  
Kansas State Planner



U.S. Department  
of Transportation  
Federal Aviation  
Administration

## CARES ACT AIRPORT GRANT AGREEMENT

### PART I – OFFER

Federal Award Offer Date April 30, 2020

Airport/Planning Area Salina Regional

CARES Grant Number 3-20-0072-041-2020

Unique Entity Identifier 156346900

TO: Salina Airport Authority  
(herein called the "Sponsor")

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

**WHEREAS**, the Sponsor has submitted to the FAA a Coronavirus Aid, Relief, and Economic Security Act (CARES Act or "the Act") Airports Grants Application (herein called the "Grant") dated **April 20, 2020**, for a grant of Federal funds at or associated with the **Salina Regional Airport**, which is included as part of this Grant Agreement; and

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

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

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

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

**NOW THEREFORE**, in accordance with the applicable provisions of the CARES Act, Public Law Number 116-136, the representations contained in the Grant Application, and in consideration of, (a) the

Sponsor's acceptance of this Offer; and, (b) the benefits to accrue to the United States and the public from the accomplishment of the Grant and in compliance with the conditions as herein provided,

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

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

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

### **CONDITIONS**

1. **Maximum Obligation.** The maximum obligation of the United States payable under this Offer is **\$1,836,078.00.**
2. **Period of Performance.** The period of performance shall commence on the date the Sponsor formally accepts this agreement. The end date of the period of performance is 4 years (1,460 calendar days) from the date of acceptance.  
  
The Sponsor may only charge allowable costs for obligations incurred prior to the end date of the period of performance (2 CFR § 200.309). Unless the FAA authorizes a written extension, the Sponsor must submit all Grant closeout documentation and liquidate (pay-off) all obligations incurred under this award no later than 90 calendar days after the end date of the period of performance (2 CFR § 200.343).  
  
The period of performance end date shall not affect, relieve or reduce Sponsor obligations and assurances that extend beyond the closeout of this Grant Agreement.
3. **Unallowable Costs.** The Sponsor shall not seek reimbursement for any costs that the FAA has determined to be unallowable under the CARES Act.
4. **Indirect Costs - Sponsor.** The Sponsor may charge indirect costs under this award by applying the indirect cost rate identified in the Grant Application as accepted by the FAA, to allowable costs for Sponsor direct salaries and wages only.
5. **Final Federal Share of Costs.** The United States' share of allowable Grant costs is 100%.
6. **Completing the Grant without Delay and in Conformance with Requirements.** The Sponsor must carry out and complete the Grant without undue delays and in accordance with this Grant Agreement, the CARES Act, and the regulations, policies, standards and procedures of the Secretary of Transportation ("Secretary"). Pursuant to 2 CFR § 200.308, the Sponsor agrees to report to the FAA any disengagement from funding eligible expenses under the Grant that exceeds three months and request prior approval from FAA. The report must include a reason for the stoppage. The Sponsor agrees to comply with the attached assurances, which are part of this agreement and any addendum that may be attached hereto at a later date by mutual consent.
7. **Amendments or Withdrawals before Grant Acceptance.** The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.
8. **Offer Expiration Date.** This offer will expire and the United States will not be obligated to pay any part of the costs unless this offer has been accepted by the Sponsor on or before **June 1<sup>st</sup>, 2020**, or such subsequent date as may be prescribed in writing by the FAA.
9. **Improper Use of Federal Funds.** The Sponsor must take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or

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

10. **United States Not Liable for Damage or Injury.** The United States is not responsible or liable for damage to property or injury to persons which may arise from, or relate to this Grant Agreement, including, but not limited to, any action taken by a Sponsor related to or arising from, directly or indirectly, this Grant Agreement.
11. **System for Award Management (SAM) Registration And Universal Identifier** Unless the Sponsor is exempted from this requirement under 2 CFR § 25.110, the Sponsor must maintain the currency of its information in the SAM until the Sponsor submits the final financial report required under this Grant, or receives the final payment, whichever is later. This requires that the Sponsor review and update the information at least annually after the initial registration and more frequently if required by changes in information or another award term. Additional information about registration procedures may be found at the SAM website (currently at <http://www.sam.gov>).
12. **Electronic Grant Payment(s).** Unless otherwise directed by the FAA, the Sponsor must make each payment request under this agreement electronically via the Delphi eInvoicing System for Department of Transportation (DOT) Financial Assistance Awardees.
13. **Financial Reporting and Payment Requirements.** The Sponsor will comply with all Federal financial reporting requirements and payment requirements, including submittal of timely and accurate reports.
14. **Buy American.** Unless otherwise approved in advance by the FAA, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any expense which funds are provided under this Grant. The Sponsor will include a provision implementing applicable Buy American statutory and regulatory requirements in all contracts related to this Grant Agreement.
15. **Audits for Private Sponsors.** When the period of performance has ended, the Sponsor must provide a copy of an audit of this Grant prepared in accordance with accepted standard audit practices, such audit to be submitted to the applicable Airports District Office.
16. **Audits for Public Sponsors.** The Sponsor must provide for a Single Audit or program-specific audit in accordance with 2 CFR Part 200. The Sponsor must submit the audit reporting package to the Federal Audit Clearinghouse on the Federal Audit Clearinghouse's Internet Data Entry System at <http://harvester.census.gov/facweb/> . Upon request of the FAA, the Sponsor shall provide one copy of the completed audit to the FAA.
17. **Suspension or Debarment.** When entering into a "covered transaction" as defined by 2 CFR § 180.200, the Sponsor must:
  - A. Verify the non-federal entity is eligible to participate in this Federal program by:
    1. Checking the excluded parties list system (EPLS) as maintained within the System for Award Management (SAM) to determine if the non-federal entity is excluded or disqualified; or
    2. Collecting a certification statement from the non-federal entity attesting the entity is not

excluded or disqualified from participating; or

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

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

- A. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the Sponsor is encouraged to:
  1. Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving when performing any work for, or on behalf of, the Federal government, including work relating to this Grant or subgrant.
  2. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:
    - a. Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and
    - b. Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.
- B. The Sponsor must insert the substance of this clause on banning texting while driving in all subgrants, contracts and subcontracts.

**19. Trafficking in Persons.**

- A. You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not —
  1. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
  2. Procure a commercial sex act during the period of time that the award is in effect; or
  3. Use forced labor in the performance of the award or subawards under the award.
- B. The FAA as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity —
  1. Is determined to have violated a prohibition in paragraph A of this award term; or
  2. Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph A.1 of this award term through conduct that is either—
    - a. Associated with performance under this award; or
    - b. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement)," as implemented by the FAA at 2 CFR Part 1200.

3. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph A during this award term.
4. Our right to terminate unilaterally that is described in paragraph A of this section:
  - a. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. § 7104(g)), and
  - b. Is in addition to all other remedies for noncompliance that are available to the FAA under this award.

## **20. Employee Protection from Reprisal.**

### **A. Prohibition of Reprisals –**

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

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

### SPECIAL CONDITIONS

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

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

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

**UNITED STATES OF AMERICA  
FEDERAL AVIATION ADMINISTRATION**

*Jim A. Johnson*

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*(Signature)*

**Jim A. Johnson**

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*(Typed Name)*

**Director, Central Region Airports Division**

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*(Title of FAA Official)*

**PART II - ACCEPTANCE**

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

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

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

Dated \_\_\_\_\_

**Salina Airport Authority**

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

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

**By:**

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

**Title:**

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

**CERTIFICATE OF SPONSOR'S ATTORNEY**

I, \_\_\_\_\_, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Kansas. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the CARES Act. The Sponsor understands funding made available under this Grant Agreement may only be used to reimburse for airport operational and maintenance expenses, and debt service payments. The Sponsor further understands it may submit a separate request to use funds for new airport/project development purposes, subject to additional terms, conditions, and assurances. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

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

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

Dated

\_\_\_\_\_

By:

\_\_\_\_\_

*(Signature of Sponsor's Attorney)*

## CARES ACT ASSURANCES

### AIRPORT SPONSORS

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#### A. General.

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

#### B. Sponsor Certification.

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

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

#### FEDERAL LEGISLATION

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- a. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
- b. Hatch Act – 5 U.S.C. 1501, et seq.
- c. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq.
- d. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f).
- e. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469 through 469c.
- f. Native Americans Grave Repatriation Act - 25 U.S.C. Section 3001, et seq.
- g. Clean Air Act, P.L. 90-148, as amended.
- h. Coastal Zone Management Act, P.L. 93-205, as amended.
- i. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.
- j. Title 49, U.S.C., Section 303, (formerly known as Section 4(f)).
- k. Rehabilitation Act of 1973 - 29 U.S.C. 794.
- l. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin).
- m. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.), prohibits discrimination on the basis of disability).
- n. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
- o. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- p. Architectural Barriers Act of 1968 -42 U.S.C. 4151, et seq.
- q. Power plant and Industrial Fuel Use Act of 1978 - Section 403- 2 U.S.C. 8373.

- r. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq.
- s. Copeland Anti-kickback Act - 18 U.S.C. 874.1.
- t. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.
- u. Wild and Scenic Rivers Act, P.L. 90-542, as amended.
- v. Single Audit Act of 1984 - 31 U.S.C. 7501, et seq.
- w. Drug-Free Workplace Act of 1988 - 41 U.S.C. 702 through 706.
- x. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252).

#### **EXECUTIVE ORDERS**

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

#### **FEDERAL REGULATIONS**

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- a. 2 CFR Part 180 - OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
- b. 2 CFR Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- c. 2 CFR Part 1200 - Nonprocurement Suspension and Debarment.
- d. 28 CFR Part 35 - Discrimination on the Basis of Disability in State and Local Government Services.
- e. 28 CFR § 50.3 - U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964.
- f. 29 CFR Part 1 - Procedures for predetermination of wage rates.
- g. 29 CFR Part 3 - Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.
- h. 29 CFR Part 5 - Labor standards provisions applicable to contracts covering Federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).
- i. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally assisted contracting requirements).
- j. 49 CFR Part 20 - New restrictions on lobbying.

- k. 49 CFR Part 21 - Nondiscrimination in Federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964.
- l. 49 CFR Part 26 - Participation by Disadvantaged Business Enterprises in Department of Transportation Program .49 CFR Part 27 – Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.
- m. 49 CFR Part 28 - Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities conducted by the Department of Transportation.
- n. 49 CFR Part 30 - Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors.
- o. 49 CFR Part 32 - Government-wide Requirements for Drug-Free Workplace (Financial Assistance).
- p. 49 CFR Part 37 - Transportation Services for Individuals with Disabilities (ADA).
- q. 49 CFR Part 41 - Seismic safety of Federal and Federally assisted or regulated new building construction.

### **SPECIFIC ASSURANCES**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**6. Exclusive Rights.**

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

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

**7. Airport Revenues.**

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

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

#### 8. Reports and Inspections.

It will:

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

#### 9. Civil Rights.

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

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

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

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

provision of similar services or benefits; or

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

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

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

d. Required Contract Provisions.

1. It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the DOT, and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.
2. It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
3. It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
4. It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin, creed, sex, age, or handicap as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:
  - a. For the subsequent transfer of real property acquired or improved under the applicable activity, grant, or program; and
  - b. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, grant, or program.
- e. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.
- f. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

**10. Foreign Market Restrictions.**

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

**11. Acquisition Thresholds.**

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

**SALINA AIRPORT AUTHORITY  
FOOD AND BEVERAGE CONCESSIONAIRE LEASE AGREEMENT**

This Lease Agreement (the "Lease") is made and entered into this 13 day of April, 2020 by and between the **SALINA AIRPORT AUTHORITY, a Kansas public corporation**, of Salina, Saline County, Kansas, (the "Authority"), and **JOMAST, INC., DBA MAHASKA SNACK SALINA**, a corporation authorized to do business in Kansas, with principal offices located at 604 N 9<sup>th</sup> St., Salina, Kansas 67401, ("Lessee")

**RECITALS**

**WHEREAS** the Authority is owner and operator of the Salina Regional Airport ("Airport") and has the power to grant rights and privileges with respect thereto; and

**WHEREAS** the Authority seeks to lease floor space located within the terminal at the Airport, as specifically delineated in Exhibit A for purposes of food and beverage services to Airport passengers and the public; and

**WHEREAS** the Authority issued a Request for Proposals for lease of the floor space described above and in this Lease Agreement, and Lessee submitted a qualifying Proposal, dated January 24, 2020 in response to that Request for Proposals; and

**WHEREAS** Lessee is desirous of entering into a lease for the Premises to Lessee for purposes of operating and managing food and beverage micro-market services and the Authority is desirous of entering into a lease with Lessee to operate micro-market services in the Terminal.

**THEREFORE**, the Authority and Lessee agree, in consideration of the mutual covenants and obligations herein expressed, as follows:

**1. TERM OF LEASE**

The lease shall be a lease for term of three years, commencing on June 1, 2020 and terminating at midnight on May 31, 2023. The term of this lease may be extended for automatic one (1) year renewal terms subject to an annual business review resulting in the satisfaction of both parties.

**2. PREMISES**

The leased property, hereinafter referred to as the "Premises", is delineated on the attached Exhibit A, and incorporated herein by this reference.



other expenses incurred on account of any injury, loss or damage, of any kind whatsoever, which arise out of or are in any manner connected with this Agreement or Lessee's operations on the Airport, if such injury, loss, or damage is caused in whole or in part by, or is claimed to be caused in whole or in part by, any act, omission, negligence, or other fault of the Lessee, any subcontractor of the Lessee, or any elected official, officer, employee, representative, or agent of the Lessee or of any subcontractor of the Lessee.

Lessee agrees to defend against, any such liability, claims or demands, or at the option of the Authority, agrees to pay the Authority or reimburse the Authority for the Lessee's costs incurred by the Authority in connection with, any such liability, claims, or demands. The obligation of this Section shall not extend to any injury, loss or damage caused by the act, omission, negligence, or other fault of the Authority, its elected officials, officers or employees.

## **7. INSURANCE**

The Lessee agrees to procure and maintain during the term of this lease, at its own cost, a policy or policies of insurance sufficient to insure against all liability, claims, demands, and other obligations assumed by the Lessee. Such insurance shall be in addition to any other insurance requirements imposed by this Agreement or by law. The Lessee shall not be relieved of any liability, claims, demands, or other obligations assumed pursuant to this Agreement or by reason of Lessee's failure to procure or maintain insurance, or by reason of its failure to procure or maintain insurance in sufficient amount, duration, or type. Lessee's liability to the Authority pursuant to this Agreement shall not be limited or reduced in any way by the amount of Lessee's insurance coverage required herein.

Lessee shall procure and maintain the minimum insurance coverages listed below. Lessee shall require any subcontractor of the Lessee to procure and maintain the general liability coverages provided below. With specific regard to worker's compensation coverage, subcontractors of the Lessee must comply with the statutory requirements of the State of Kansas. All insurance coverage shall be continuously maintained to cover all liability, claims, demands, and other obligations assumed by the Lessee pursuant to this Agreement.

**A. Worker's Compensation insurance** to cover obligations imposed by applicable State laws. Lessee fully understands that Lessee and Lessee's employees and subcontractors are not employees of the Airport or of the Authority. Nothing in this Agreement shall be interpreted or construed as establishing anything other than a commercial landlord / tenant relationship under the terms specified in this lease between the Authority and Lessee.

**B. Commercial General Liability** insurance with minimum combined single limits of one million dollars (\$1,000,000) each occurrence and two million dollars (\$2,000,000) aggregate.

**C. Comprehensive Automobile Liability Insurance**, This insurance shall protect the Authority against any and all claims arising from injuries to members of the public or damage to property of others arising from the use of automobiles and trucks in connection with the performance of work under this Lease, and shall cover the operation on or off the

site of the work of all motor vehicles licensed for highway use, whether they are owned, non-owned, or hired by the Lessor. Liability limits for automobile insurance coverage under this policy shall not be less than \$1,000,000 each occurrence combined single limit for bodily injury and property damage.

**D. Property Insurance.** The Lessee shall maintain adequate insurance at all times to cover its property, product and equipment on the Premises.

These policies shall be applicable to all Premises and operations, including but not limited to food and drink preparation, service and sales.

The Commercial General Liability insurance policy required hereunder shall include coverage for bodily injury and death, broad form property damage, personal injury (including coverage for contractual and employee acts), independent contractors and premise operations. The policy shall also contain a severability of interests provision, and be endorsed to include the Authority as an additional insured.

With respect to an act, omission, negligence, or other fault of Lessee, every policy required above shall be primary insurance and any insurance carried by the Airport or the Authority, its elected officials, officers or its employees, shall be excess and not contributory insurance to that provided by Lessee. No additional insured endorsement to any policy shall contain any exclusion for bodily injury or property damage arising from completed operations. The Lessee shall be solely responsible for any deductible losses under any policy. Any insurance policy required hereunder shall have a maximum deductible amount of no greater than \$10,000.00.

A certificate of insurance shall be provided to the Authority, to be completed by the Lessee's insurance agent, as evidence that policies providing the required coverages, conditions, and minimum limits are in full force and effect. The certificate shall be reviewed and approved by the Authority prior to occupation of the Premises. The certificate shall identify this contract and shall provide that the coverages afforded under the policies shall not be canceled, terminated or materially changed without prior written notice to the Authority.

Failure on the part of the Lessee to procure or maintain policies providing the required coverages, conditions, and minimum limits shall constitute a material breach of this Lease Agreement. At its discretion, the Authority may procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith, and all monies so paid by the Authority shall be repaid by Lessee to the Authority upon demand. The Authority reserves the right to request and receive a certified copy of any policy and any endorsement thereto.

The parties hereto understand and agree that the Authority is relying on, and does not waive or intend to waive by any provision of this Agreement, the monetary limitations (presently \$500,000 per occurrence) or any other rights, immunities, and protections provided by the Kansas Tort Claims Act as from time to time amended, or otherwise available to the Authority, its elected officials, officers or its employees.

## **8. ALTERATIONS OR IMPROVEMENTS**

**Lessee agrees to make no permanent alterations in the Premises without the prior written consent of the Airport.** If any improvements or alterations to the Premises are made with the written consent of the Authority, all such improvements or alterations shall be deemed fixtures and shall become the property of the Authority upon termination of this Lease Agreement. Lessee shall keep the Premises and any improvements constructed or placed thereon free and clear of all liens and encumbrances. Lessee shall indemnify and hold harmless the Authority, its elected officials, officers, employees, and insures from any liens or encumbrances arising out of work performed or materials furnished on the Premises by or at the direction of Lessee. In the event Lessee fails to pay any such lien or claim when due, then the Authority shall have the right to expend all sums necessary to discharge the lien or claim, and lessee shall pay as additional Rent, when the next rental payment is due, all sums expended by the Authority in discharging any such lien or claim, including reasonable attorney's fees and costs, and interest at twelve percent (12%) per annum on the sums expended by the Authority from the date of expenditure to the date of payment by Lessee.

## **9. DUTIES OF THE AUTHORITY**

The Authority agrees to, in addition to other duties as specifically set forth within this Agreement, perform the following:

- A.** Operate and maintain the Airport in a prudent manner and in accordance with the rules, regulations and orders of any Federal or State agency having jurisdiction with respect thereto.
- B.** Provide utilities in the form of electricity, gas water, internet (hardline/ethernet) connection, necessary and sufficient for Lessee to perform its obligations under this Agreement. In its sole discretion, the Authority reserves the right to approve or deny any high energy use appliances requiring power in excess of 110V, supplied by Lessee, and to negotiate additional fees which shall be paid by Lessee to offset additional energy costs. Lessee shall obtain the Authority's written approval prior to installation.

Except as provided in Paragraph C of the Duties of Lessee section below, provide all janitorial and maintenance service to the terminal public area.

## **10. DUTIES OF THE LESSEE**

Lessee agrees to, in addition to other duties as specifically set forth within this Agreement, perform the following:

- A.** Acquire all necessary permits and licenses associated with the lawful operation of its business upon the Premises; including but not limited to a license to operate a retail food establishment applicable to micro-market operations.
- B.** Comply with all Airport Minimum Standards and Regulations, all City ordinances, all State and Federal regulations, including, but not limited to all FAA or other Federal non-discrimination regulations and all state or local regulations for the provision of food or restaurant services, and all applicable sales and use tax requirements, effective at the time

of this Agreement or hereafter established or amended.

C. Keep at all times, the Premises, and all improvements thereon, including equipment and furniture, in a clean, sanitary, and orderly condition and appearance. Lessee shall be responsible to maintain in good working order all Lessee owned equipment for the provision of food and beverage micro market services.

D. Accept customer payment in the form of cash, credit and/or debit card, according to Lessee's proposal. Lessee shall have the right to establish a minimum purchase amount if such policy is permitted by the credit and/or debit card issuer and if the minimum does not exceed five dollars (\$5.00).

E. The Lessee's records shall be open to review by the Authority or Authority's authorized agent throughout the lease term and for six (6) years after the end of the termination or expiration of the Lease as necessary for purposes of enforcing any obligation under this Agreement. For such purposes, the Authority or authorized agent shall have the right to inspect, examine and audit the Lessee's records, books and accounts including the right to retain an independent certified public accountant of the Authority's choosing and at the Authority's expense to do so.

## **11. TERMINATION AND NOTICE**

Either party may terminate this Agreement for cause for the uncured violation of any of the contractual obligations contained herein. Notice of the violation(s) must be written and either hand delivered or delivered by certified mail. Upon failure to cure the violation within sixty days, the complaining party may elect to terminate this Agreement. Failure to terminate shall not be construed as any waiver of right to terminate or waiver of any other legal remedies available. In the event any state or local government entity having appropriate jurisdiction takes action to close Lessee's food and beverage micro market service operations for sanitary related reasons and such action results in the closure of Lessee's operations, the Authority may terminate this Agreement upon written notice and without any right on the part of Lessee to cure as otherwise provided in this paragraph. In the event that any state or local government entity having appropriate jurisdiction takes any action to suspend Lessee's operations for sanitary related reasons and such action results in the suspension of Lessee's operations, the Authority may elect to terminate this Agreement following appropriate notice to and hearing before the Salina Airport Authority Board of Directors.

All other notices as required by this Agreement must be made in writing within sixty days in advance delivered as provided herein to the other party hereof, unless otherwise specified.

## **12. SURRENDER AND HOLDING OVER**

Lessee covenants and warrants that at the expiration, termination or cancellation of the Lease, Lessee will quit and surrender said Premises in a good state and condition, reasonable wear and tear excepted.

Lessee covenants and warrants that all improvements, other than the personal property of the Lessee, installed, erected, attached, or placed by Lessee in, on or about said Premises under the

terms of this Lease shall remain on said Premises as the property of the Authority. The Authority shall have the right on such expiration, termination or cancellation to enter upon and take possession of said Premises, with or without process of law, without liability for trespass.

Should Lessee hold over or continue to occupy the Premises after the expiration, termination or cancellation of this Lease, such holding over shall be deemed a tenancy for successive monthly terms upon the same conditions as provided in this Lease. In such case, the monthly rental rate shall equal a minimum monthly payment of \$500 and with no maximum payment. Monthly minimum rent payments shall be due by the first (1<sup>st</sup>) day of the month for that month.

### **13. PERSONAL PROPERTY AND EQUIPMENT**

It is understood and agreed that the items identified on the inventory, attached hereto as Exhibit B Lessee-provided Inventory are personal property belonging to Lessee. Lessee shall be responsible for the maintenance and repair of such items as provided herein.

### **14. ASSIGNABILITY**

This Lease is assignable by the Lessee only upon the prior written consent of the Authority. This Lease is assignable by the Authority.

### **15. RIGHT OF INSPECTION**

The Authority reserves and retains for its Director of Aviation or designee the right to enter the Premises at any time that may be necessary for the purpose of inspecting and protecting the Premises.

### **16. MISCELLANEOUS**

This Agreement constitutes the entire written agreement between the Authority and Lessee and supersedes any and all preceding agreements, either written or oral between the parties. Any alterations, amendments or supplements hereto, which would change the substance, intent, obligations and duties of either party as herein stated, must be in writing and approved by both parties.

This Lease Agreement shall be subordinate to the provisions and requirements of any existing or future agreement between the Authority and the United States, relative to the development, operation, or maintenance of the Airport.

It is understood and agreed that nothing contained in this lease Agreement shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act.

This Agreement shall be interpreted and governed in accordance with the laws of the State of Kansas, and venue for any legal proceeding concerning any dispute under this Agreement shall be in the District Court for Saline County, Kansas or other court in Saline County having appropriate jurisdiction.

In the provision of commercial food services pursuant to this Agreement, Lessee shall furnish its accommodations and/or services on a fair, equal, and not unjustly discriminatory basis to all users thereof, and it shall charge fair, reasonable, and not unjustly discriminatory prices for each unit of service.

**17. CONTRACT SECURITY**-None required

**18. NOTICES**

All notices required or allowed pursuant to this Agreement shall be hand delivered or mail certified mail, return receipt requested, as follows:

Authority: Director of Administration and Finance  
Salina Airport Authority  
3237 Arnold Ave.  
Salina, KS 67401

Lessee: Route Manager  
Mahaska Snack Salina  
604 N. 9<sup>th</sup> St.  
Salina, KS 67401

THIS AGREEMENT shall be binding upon the parties hereto, their successors, and assigns, effective the date last written below.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed and this instrument has been approved by the Salina Airport Authority at a public meeting of their Board of Directors on April 15, 2020.

**SALINA AIRPORT AUTHORITY**

Date \_\_\_\_\_

By: \_\_\_\_\_  
Chairman of Board of Directors

**ATTEST**

Date \_\_\_\_\_

By: \_\_\_\_\_  
Secretary of the Board of Directors

**JOMAST, INC., DBA MAHASKA SNACK SALES**

Date 4/13/2020

By: Sean Tubal

Sean Tubal [Name]

Route Manager [Title]

**ATTEST**

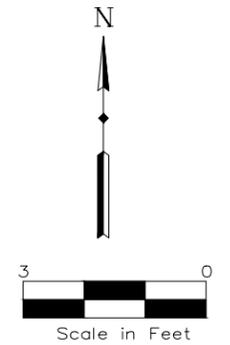
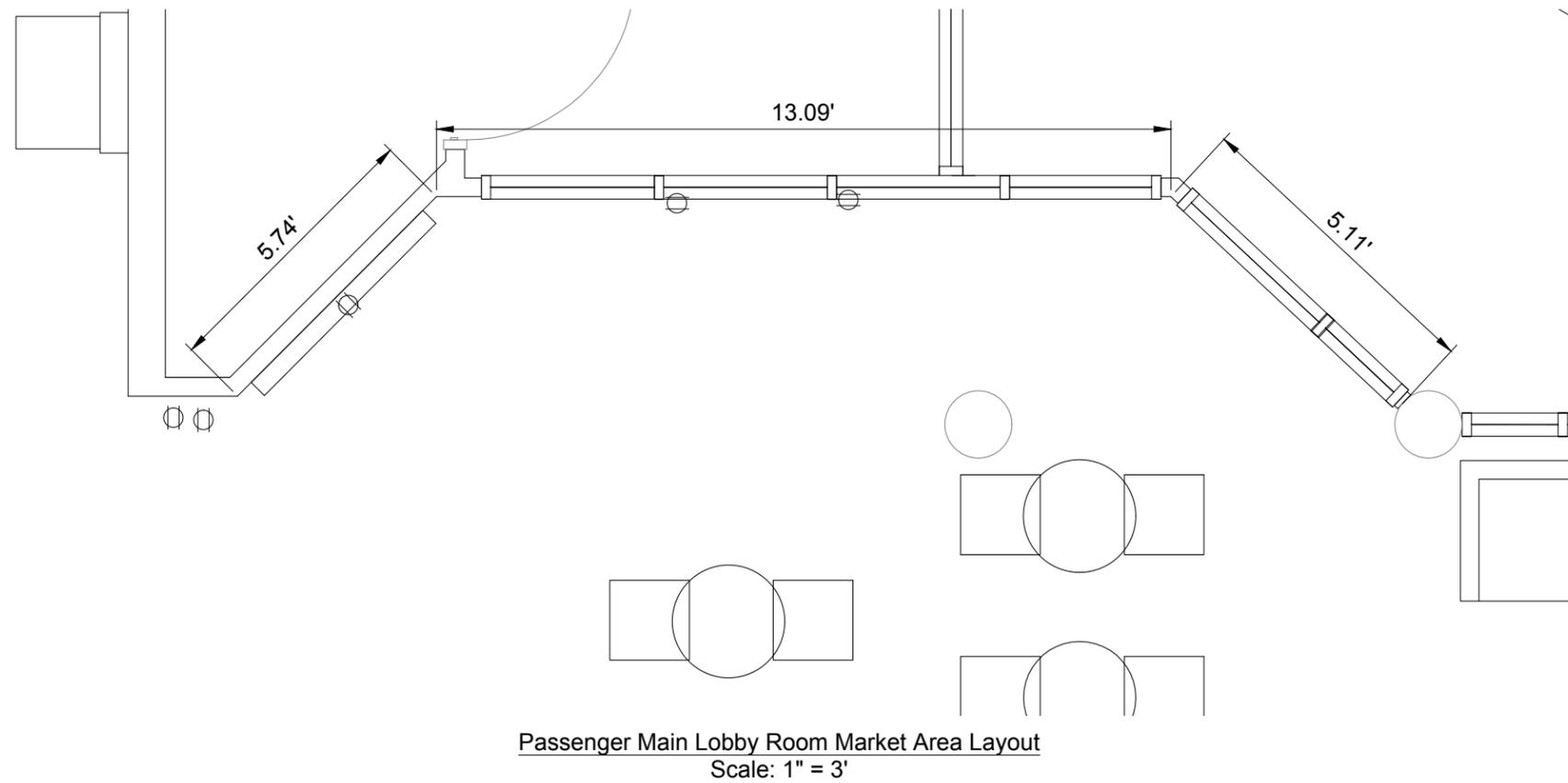
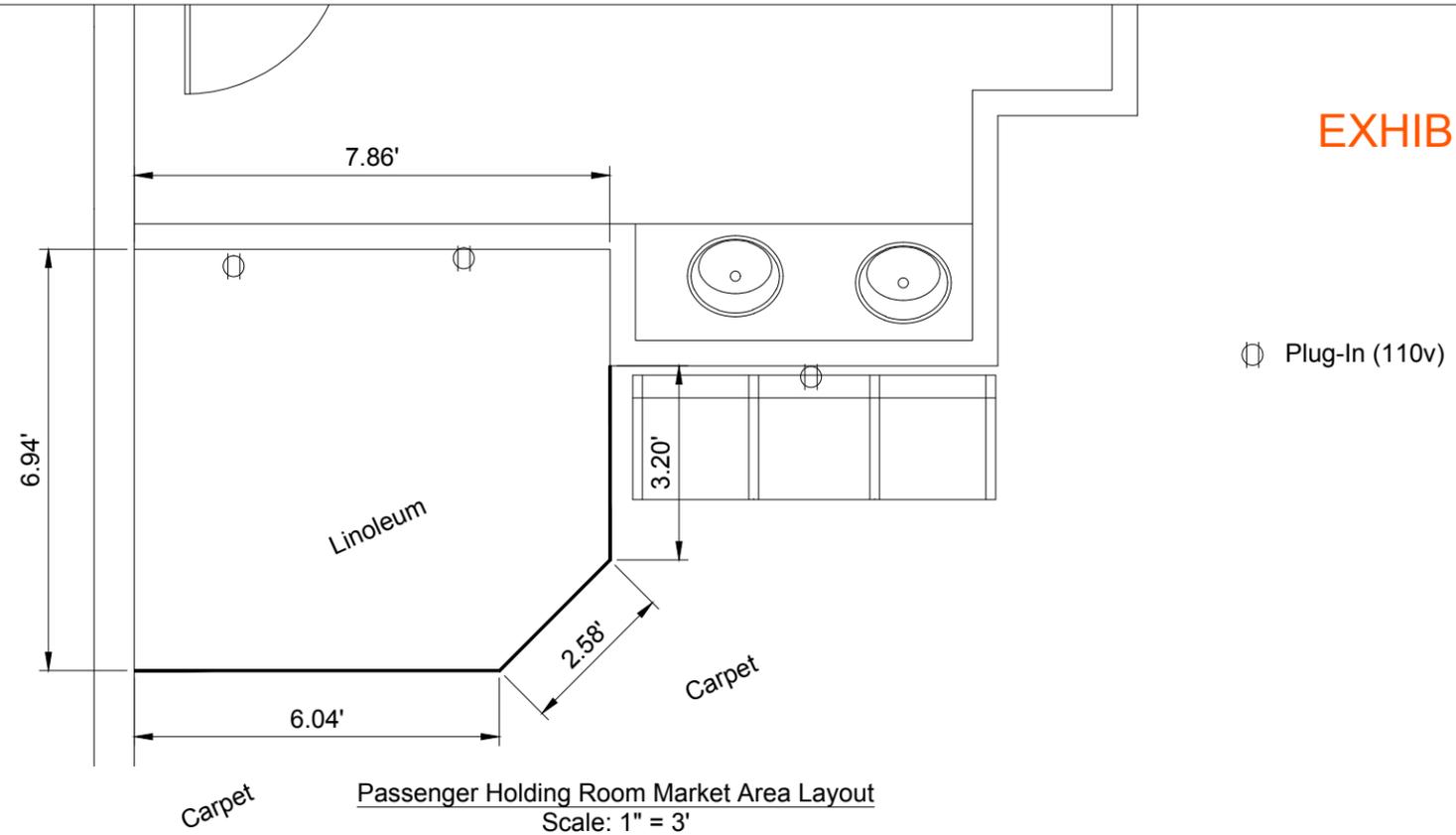
Date 4-13-2020

By: Alan Michaud

Alan Michaud [Name]

Marketing manager [Title]

EXHIBIT A



Drawing Number 2705b-12-19



3237 ARNOLD, SALINA, KS 67401  
(785-827-3914 FAX: 785-827-2221)

Addendum 1 :REVISIONS  
KRB :DESIGNED BY  
KRB :DRAWN BY  
1" = 3' :SCALE  
1/16/20, 16:23 :DATE

**Mahaska Snack Salina – Lease Exhibit B**  
June 20, 2020

<b>Equipment Description</b>	<b>Quantity</b>	<b>Comment</b>
Custom Fixture	1	Lobby
Custom Fixture	1	Gate Area
Double Door Cooler	1	Lobby
Single Door Cooler	2	1 Lobby, 1 Gate area
MZB Pod Brewers	4	1 Lobby, 1 Gate Area, 1 Office, 1 Conference Room
Kiosk	2	1 Lobby, 1 Gate area