HONDO

THIS IS GOD'S COUNTRY

REGULAR CITY COUNCIL MEETING

August 14, 2023 at 6:00 PM

City Council Chambers

1600 Avenue M, Hondo, TX

AGENDA

Notice is hereby given that a Regular City Council Meeting of the governing body of the City of Hondo will be held August 14, 2023 at 6:00 p.m. in the City Council Chambers, City Hall at 1600 Avenue M, Hondo, Texas, for the purpose of discussing matters incident and related to the City of Hondo. The following items will be discussed, to-wit:

The public may also access the meeting remotely through video/conference from your computer, tablet or smart phone at: https://boxcast.tv/channel/aetaajdf64jalxx20o9a

Persons may submit questions or comments for items on the agenda by email to: sreyes@hondo-tx.org. Questions or comments submitted by email must be received by the city at least 1 hour prior to the scheduled start of the meeting in order to be presented to the City Council during the meeting

1. Call to order.
2. Quorum check.
3. Invocation by Pastor J. Paul Bruhn, First Methodist Church.
4. Pledge of Allegiance.
5. Citizens'/Public Comments: *Persons who desire to address the City of Hondo City Council will be received at this time. Those persons wishing to speak should complete a Public Comment Form and submit it to the City Secretary prior to the meeting. If the speaker wishes to comment on a particular agenda item, then the speaker should indicate such item(s) to on the form. Public comment is limited to 3 minutes per speaker. Speakers must conduct themselves in a civil manner. In accordance with the Texas Open Meetings Act, the City of Hondo City Council cannot deliberate or take action on items not listed on the meeting agenda.*

PRESENTATIONS

6. Update regarding Animal Shelter and City of Hondo Spay and Neuter Program. (Chief Soza)

7. Update regarding City of Hondo billing concerns which occurred in early August. (Chris Hill)

8. City Manager's Report.

9. Public Works Report.

CONSENT

10. Discuss and consider approving the minutes from July 24, 2023. (SueAnn Reyes)

11. Discuss and consider a Right of Way Agreement with AirCanopy Internet Services, Inc. dba Rise Broadband request to utilize City of Hondo right of way. (Rene Saenz)

12. Discuss and consider making various appointments to Boards and Commissions. (Mayor McAnelly)

OTHER BUSINESS

13. Consider a presentation for a request from Hondo Creek Farms subdivision. This development offers significant infrastructure investment to serve the City of Hondo. The infrastructure plan will be developed upfront. There is no financial investment from the City for this infrastructure. In return, the request is for the City to serve the Hondo Creek Farms development with municipal water and sewer. No action is required to be taken. Presentation only. (Rene Saenz and Jessica Carpenter)

14. Discuss and consider setting a date to review the Withum report. (Robert T. Herrera)

15. Discuss and consider an interlocal agreement between the City of Hondo and Hondo Independent School District regarding Hondo Police Department School Resource Officers. (Molly Solis)

16. Discuss and consider approving the proposed property tax rate and set public hearings for the tax rate and budget by date, time and location. (Chris Hill)

17. Discuss and consider the employee benefit providers for Fiscal Year 2023/2024. (Chris Hill and Marsh McLennan)

18. Discuss and consider the request for the FY23-24 Routine Airport Maintenance Program (RAMP) Grant. (Ryan Elder)

19. Discuss and consider awarding Chip Seal Project to the lowest Bidder. (Rene Saenz)

20. Discuss and consider Ordinance Number 1273-08-23 amending Chapter 12 "Utilities" of the City of Hondo Code of Ordinances to amendment 12.09.011 (a)(2) Emergency Water Use Stage 4 Water Restriction Stage 4 water restrictions approved as part of the water conservation plan attached hereto in exhibit "A"; providing for severability and repealer clauses; providing for an effective date. (Rene Saenz)

EXECUTIVE SESSION

21. Executive Session: The City Council of the City of Hondo may convene in Executive Session in accordance with the Texas Open Meetings Act, Texas Government Code:

    Section 551.071(1) (A) and (2) (Consultations with Attorney) and Section 551.072 (Deliberations about Real Property), Section 551.074 (Personnel Matters), Section 551.076 (Deliberations about Security Devices), or Section 551.087 (Deliberations Regarding Economic Development Negotiations);Section 551.086 (Meeting concerning municipally owned utility-competitive matters);

    a. Discuss the Lease of Airport Water Rights. (Ryan Elder)

    b. Discuss Airport Lease Extension. (Ryan Elder)

22. Discuss and consider appropriate action on items resulting from Executive Session.

23. Adjourn.

ATTEST:

SueAnn Reyes, TRMC
City Secretary

The City Council of the City of Hondo reserves the right to convene in Executive Session in accordance with the Texas Open Meetings Act, Texas Government Code: Section 551.071 (Consultations with Attorney), Section 551.072 (Deliberations about Real Property), Section 551.074 (Personnel Matters), Section 551.076 (Deliberations about Security Devices), or Section 551.087 (Deliberations Regarding Economic Development Negotiations) on any of the above items.

NOTICE OF ASSISTANCE AT PUBLIC MEETINGS
The City of Hondo City Council Meetings is available to all persons regardless of disability. If you require special assistance, contact the City Secretary forty-eight (48) hours prior to the meeting time at 830-426-3378.

HONDO

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City Council Communication

Title: City Manager's Report.	
Date: August 14, 2023	***From:*** Robert Herrera, Interim City Manager

INFORMATION:

1. August 24, 2023 joint meeting between Hondo City Council and the Hondo Economic Development Corporation. The meeting will be held at the South Texas Regional Training Center starting at 6:00 p.m.
2. Seminar sponsored by Linebarge Attorney's at Law on August 8, 2023 concerning tax codes impacted by the 88th Texas Legislature.
3. Introduce the City's new Human Resource Manager, Michelle Thacker.

FINANCIAL IMPACT:
None

STAFF RECOMMENDATION:
N/A

MOTION:
N/A

ATTACHMENTS:
None

STAFF CONTACTS:
Robert T. Herrera
Interim City Manager

Public Works Department

City Council Update

August 14, 2023

I. Downtown Sidewalk project update (CDBG funded)
   - Starting last leg of the project

II. Update on water leaks and power outages
   - Underground utilities issues

III. Hondo Water Tower lighting project update

IV. Stage #4 ordinance update

MINUTES
CITY OF HONDO
REGULAR CITY COUNCIL MEETING
July 24, 2023 at 6:00 p.m.

1. Called the meeting to order.
   Mayor McAnelly called the meeting to order at 6:00 p.m.

2. Quorum check.
   Mayor John McAnelly, Mayor Pro Tem Jose "Porky" Ytuarte, Council Member Brett Williams, Council Member Bobby Vela, Council Member Rachel Ramirez, Council Member John E. Villa.

   Absent: None.

   Staff Present: Interim City Manager Robert T. Herrera, City Attorney Molly Solis, City Secretary Sue Ann Reyes, IT Network Administrator Josh Rodriguez, Police Chief Justin Soza, Lieutenant AJ Garza, Director of Public Information and Recreation Jamie Kindred.

3. Invocation by Pastor Steve Peyton, New Fountain Methodist Church.

4. Pledge of Allegiance.

5. Citizens'/Public Comments: *Persons who desire to address the City of Hondo City Council will be received at this time. Those persons wishing to speak should complete a Public Comment Form and submit it to the City Secretary prior to the meeting. If the speaker wishes to comment on a particular agenda item, then the speaker should indicate such item(s) to on the form. Public comment is limited to 3 minutes per speaker. Speakers must conduct themselves in a civil manner. In accordance with the Texas Open Meetings Act, the City of Hondo City Council cannot deliberate or take action on items not listed on the meeting agenda*)

   Mr. Chavel Lopez, 1002 Avenue S, Hondo, expressed concern regarding the railroad safety and referred to the Railroad Safety Act. Mr. Lopez suggested passing a resolution supporting the Railroad Safety Act and sending it to the legislature.

   Mr. Lopez also stated he felt City should be paying its employees a living wage and asked that the Council consider paying their employees more during the budget sessions.

PRESENTATIONS

6. City Manager's Report. (Robert T. Herrera)

   Interim City Manager Robert T. Herrera gave an update on the electrical outage over the weekend. The chip seal bid will be opened on July 15, 2023. Mr. Herrera stated the County Commission voted unanimously to allow the City of Hondo to join the County Emergency Plan and the City is now up to date. Mr. Herrera stated the proposed budget workshop dates were August 9 and 10. The compensation study was launched on July 12 and the final reports should be ready by the end of August. Mr. Herrera stated Douglas Dowler, the new Economic Development Director start date was August 1, 2023.

CONSENT

Council Member Vela moved to approve consent agenda items 7 through 9; seconded by Council Member Williams. The motion carried by the following vote: AYE: Ytuarte, Williams, Vela, Ramirez, Villa. NAY: None. ABSTAIN: None. ABSENT: None.

7. Discuss and consider approving the minutes from July 10, 2023. (SueAnn Reyes)

8. Discuss and consider approving Resolution 408-23 authorizing the Hondo Police Department to apply for the Operation Lone Star Grant. (Chief Soza)

9. Discuss and consider approving Resolution 409-23 supporting S576 The Railway Safety Act. (Robert T. Herrera)

10. Discuss and consider making appointments to various boards and commissions. (Mayor McAnelly)

    Mayor McAnelly stated the name of Justin Meyers needed to be removed from the motion on the council communication form.

    Council Member Vela moved to approve the appointment of Brendon Lowe to the Planning and Zoning Commission and Tara Mumme to the Library Advisory Board; seconded by Council Member Ytuarte. The motion carried by the following vote: AYE: Ytuarte, Williams, Vela, Ramirez, Villa. NAY: None. ABSTAIN: None. ABSENT: None.

OTHER BUSINESS

11. Discuss and consider an Interlocal agreement between the City of Hondo and Hondo Independent School District regarding Hondo Police Department School Resource Officers. (Chief Soza)

    Item number 11 was moved to executive session per the City Attorney.

The City Council of the City of Hondo convened into executive session at 06:11 p.m.

EXECUTIVE SESSION

12. Executive Session: The City Council of the City of Hondo may convene in Executive Session in accordance with the Texas Open Meetings Act, Texas Government Code:

    Section 551.071(1) (A) and (2) (Consultations with Attorney) and Section 551.072 (Deliberations about Real Property), Section 551.074 (Personnel Matters), Section 551.076 (Deliberations about Security Devices), or Section 551.087 (Deliberations Regarding Economic Development Negotiations); Section 551.086 (Meeting concerning municipally owned utility-competitive matters);

    a. Discussion regarding Project Falcon. (Ryan Elder)
    b. Discussion regarding Withum Auditors. (Mayor McAnelly)
    c. Discussion regarding City Manager employment search. (Mayor McAnelly)

The City Council of the City of Hondo reconvened into regular session at 07:34 p.m.

13. Discuss and consider appropriate action on items resulting from Executive Session.

Council Member Williams stated that while the interlocal agreement was being amended the City would still be providing the same service they were now.

Council Member Vela made a motion to give direction to the City Attorney to draft an amendment to the interlocal agreement with Hondo ISD regarding Hondo Police Department School Resource Officers in compliance with House Bill 3; seconded by Council Member Ytuarte. The motion carried by the following vote: AYE: Ytuarte, Vela, Williams, Ramirez, Villa. NAY: None. ABSTAIN: None. ABSENT: None.

14. Adjourn.

Council Member Ytuarte made a motion to adjourn; seconded by Council Member Wlliams. The motion carried by the following vote: AYE: Ytuarte, Vela, Williams, Ramirez, Villa. NAY: None. ABSTAIN: None. ABSENT: None.

PASSED AND APPROVED THIS 14th DAY OF AUGUST 2023.

____
JOHN McANELLY, JR., MAYOR

ATTEST:

____
SueAnn Reyes, TRMC
City Secretary

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City Council Communication

Title: Discuss and consider a Right of Way Agreement with AirCanopy Internet Services, Inc. dba Rise Broadband request to utilize City of Hondo right of way. (Rene Saenz)
Date: August 14, 2023 ***From:*** Rene Saenz

INFORMATION:

This topic relates to the City's consideration of approval of a Telecommunications License Agreement with AirCanopy Internet Services, Inc. d/b/a Rise Broadband, a "certificated telecommunications provider" under Texas Local Government Code Chapter 283. Rise Broadband proposes to install, operate, and maintain fiber optic cable, conduit, and associated facilities within portions of the City's public right-of-way in the provision of telecommunications and internet services to the area. Provisions of Chapter 283 and associated implementation rules of the Public Utility Commission of Texas apply, but this agreement would be helpful and appropriate to further establish and clarify the parties' relationship. City Council approval is sought due to the benefits the public may experience with additional and improved services.

FINANCIAL IMPACT:

On a quarterly basis, the Company shall pay to the City an amount calculated monthly based on the access line rates set by the TPUC and the number of access lines as reflected in the reports filed with the TPUC under Section 283.055 of the Code and 16 Texas Administrative Code §§ 26.465, 26.467 and 26.468.

STAFF RECOMMENDATION:

Staff recommend the approval of the enclosed agreement with AirCanopy Internet Services, Inc.

MOTION:

Staff recommends approval of agreement between City of Hondo and AirCanopy Internet Services, Inc. DBA Rise Broadband

ATTACHMENTS:

1. DOCS1-#294129-v2-Hondo_TX_Rise_ROW_Telecom_Agreement

STAFF CONTACTS:

Rene Saenz
Public Works Director
City of Hondo

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City Council Communication

Title: Discuss and consider making various appointments to Boards and Commissions. (Mayor McAnelly)	
Date: August 14, 2023	***From:*** Mayor John McAnelly, Mayor

INFORMATION:

Recommendation is to appoint Jeaneete Lunstrum to the Hondo Public LIbrary Advisory Board. (two-year term)

FINANCIAL IMPACT:

None

STAFF RECOMMENDATION:

Appoint Ms. Lunstrum to the HOndo Public Library Advisory Board.

MOTION:

Motion to appoint Jeanette Lunstrum to the Hondo Public Library advisory Board for a two-year term.

ATTACHMENTS:

None

STAFF CONTACTS:

Mayor John McAnelly

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City Council

Title: **Consider a presentation for a request from Hondo Creek Farms subdivision. This development is offering significant infrastructure investment to serve the City of Hondo. The infrastructure plan will be developed upfront. There is no financial investment from the City for this infrastructure. In return the request is for the City to serve the Hondo Creek Farms development with municipal water and sewer. No action is required to be taken. Presentation only.**	
Date: August 14, 2023	***From: Rene Saenz, Public Works Director*** Jessica Carpenter, Development Services Director

<u>Hondo Creek Farms is Offering the Following Infrastructure Investment to Serve the City of Hondo:</u>

The Infrastructure Plan Will Be Developed Upfront.

Water Infrastructure:

- 750k gallon elevated water tank
- 500k gallon water tank at grade
- Build the chlorination system

Sewer Infrastructure:

- Build the Kollman Oaks lift station larger to serve both Hondo Creek Farms and Kollman Oaks
- Gravity main to go under Hwy 90 out to the sewer plant
- Improve the sewer plant to accommodate the increase load from the Hondo Creek Farms development and more.

In Return the request is for the City to serve the Hondo Creek Farms development with municipal water and sewer.

- There is not any upfront "ask" for any money from the City for this infrastructure.
- The County is bonding this project, and Hondo Creek Farms is leveraging the property for the commitment.
- The County TIRZ and the PID will be created.
- This level of new, upgraded, and expanded infrastructure will cost the City to do something like this an amount that would require 20 years of debt service investment.
- Also, the City's current infrastructure will no longer be able to serve new projects, because it is at max capacity for serviceability for water.
- The benefit of the Hondo Creek Farms infrastructure proposal is vitally important for the City

to participate in to benefit for the future of the City infrastructure and not incur a financial investment to receive the infrastructure.

SB 2038

SECTION 1. Chapter 42, Local Government Code, is amended by adding Subchapters D and E to read as follows:

SUBCHAPTER D. RELEASE OF AREA BY PETITION OF LANDOWNER OR RESIDENTS FROM EXTRATERRITORIAL JURISDICTION

Sec. 42.101. AUTHORITY TO FILE PETITION FOR RELEASE.

(a) A resident of an area with a population of less than 200 in a municipality's extraterritorial jurisdiction may file a petition with the municipality in accordance with this subchapter for the area to be released from the extraterritorial jurisdiction.

(b) The owner or owners of the majority in value of an area of land in a municipality's extraterritorial jurisdiction may file a petition with the municipality in accordance with this subchapter for the area to be released from the extraterritorial jurisdiction.

The increase in density is no longer something on the table for council to negotiate. This development will build the density it chooses now that they will be filing to be removed from Hondo ETJ, under SB 2038, come September 1st. The focus and priority is the benefit of providing municipal utilities, because the Hondo Creek Farms infrastructure investment will substantially support the utility need the city currently has and will allow for the City to serve new developments.

Hondo Creek Farms is not ready to begin development yet

Two factors must happen first along with establishing the TIRZ and PID and all contracts etc:

- Their TCEQ permit is administratively complete, but not formally approved yet.
- SB 2038 will be in effect September 1, 2023.
- They will be filing with the city for the process to be removed from the ETJ after September 1st.

CONSIDERATION:

- Providing a letter of serviceability for municipal water and sewer to the Hondo Creek Farms development is vitally important for the substantial need for new and improved infrastructure.
- The City is not financially obligated for any of the proposed infrastructure b y the Hondo Creek Farms development.

- The City’s current infrastructure state will no longer be able to serve new project because it is at max capacity for serviceability for water. A code amendment is in progress to require all future projects to acquire the water rights for their projects from Edwards Aquifer, because the City cannot provide water serviceability of water for new projects.

ATTACHMENTS:
Supplemental Information Package

STAFF CONTACT(S):
Rene Saenz, Public Works Director
Jessica Carpenter, Development Services Director

HONDO

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City Council

August 14, 2023

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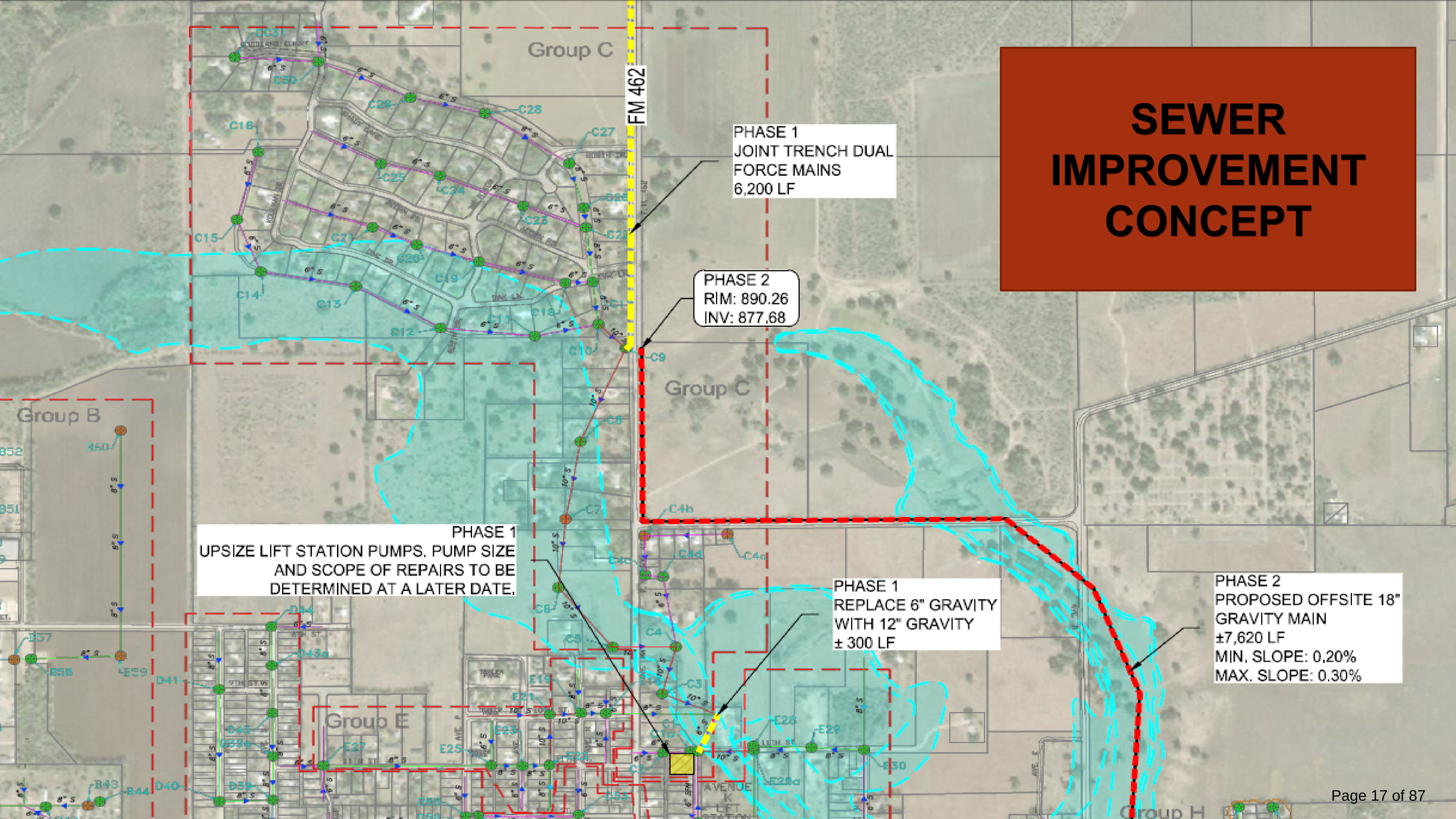
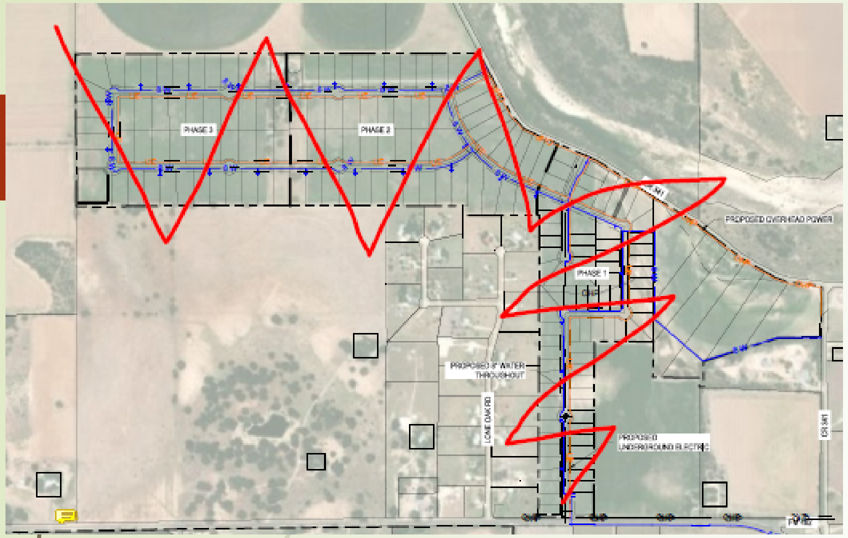
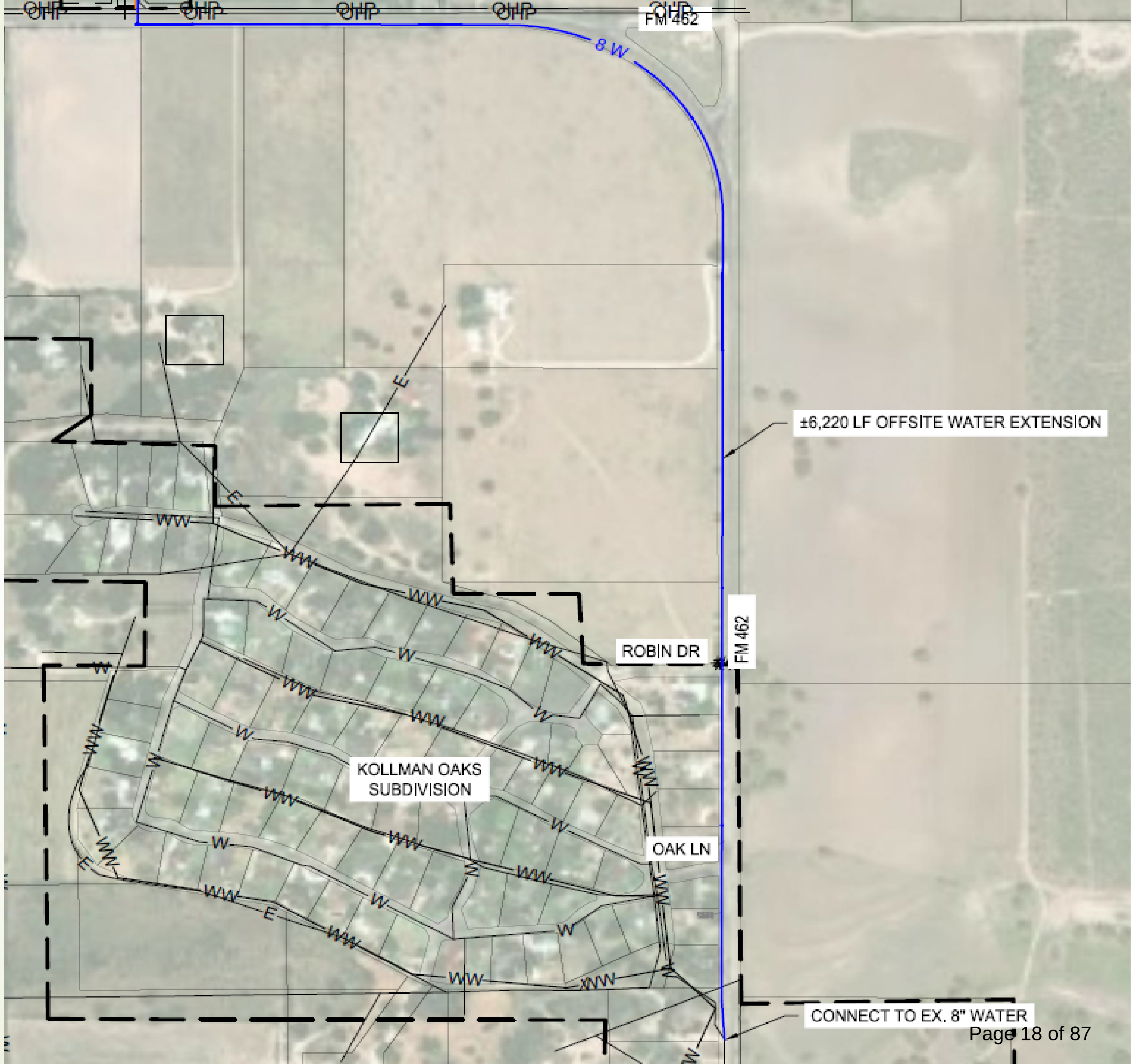


SEWER IMPROVEMENT CONCEPT
Group C
FM 462
PHASE 1
JOINT TRENCH DUAL
FORCE MAINS
6,200 LF
PHASE 2
RIM: 890.26
INV: 877.68
Group C
Group B
PHASE 1
UPSIZE LIFT STATION PUMPS. PUMP SIZE
AND SCOPE OF REPAIRS TO BE
DETERMINED AT A LATER DATE.
PHASE 1
REPLACE 6" GRAVITY
WITH 12" GRAVITY
± 300 LF
PHASE 2
PROPOSED OFFSITE 18"
GRAVITY MAIN
±7,620 LF
MIN. SLOPE: 0.20%
MAX. SLOPE: 0.30%
Group E
Group H



OFFSITE WATER UTILITY LAYOUT



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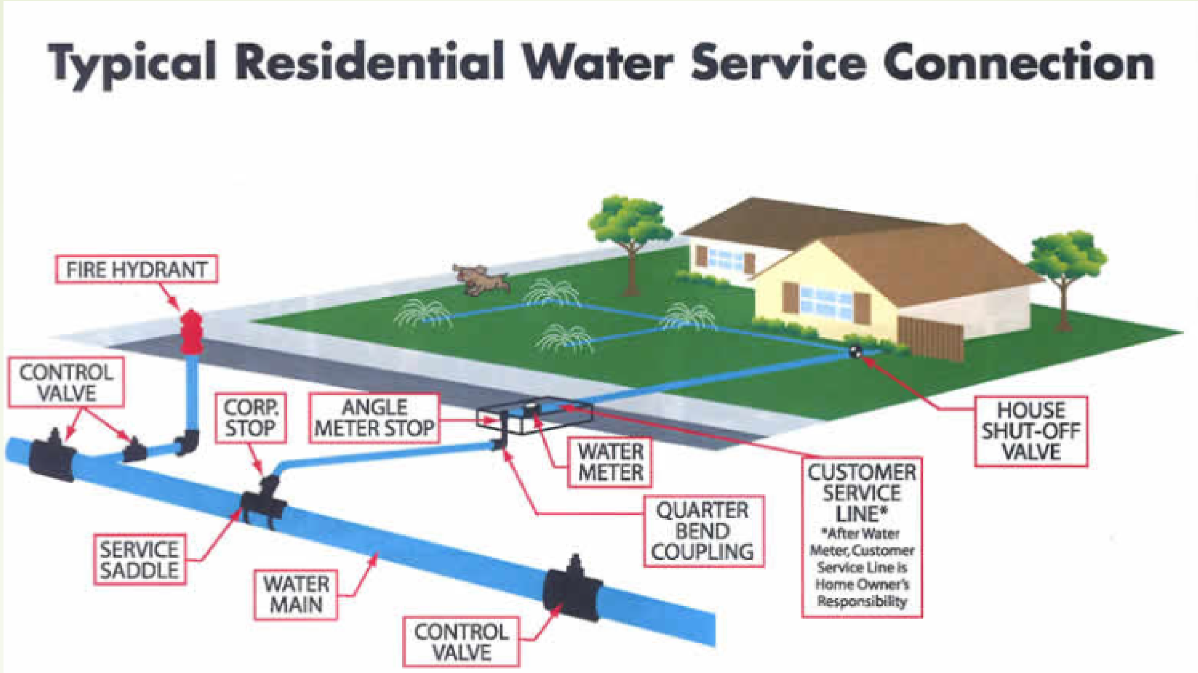

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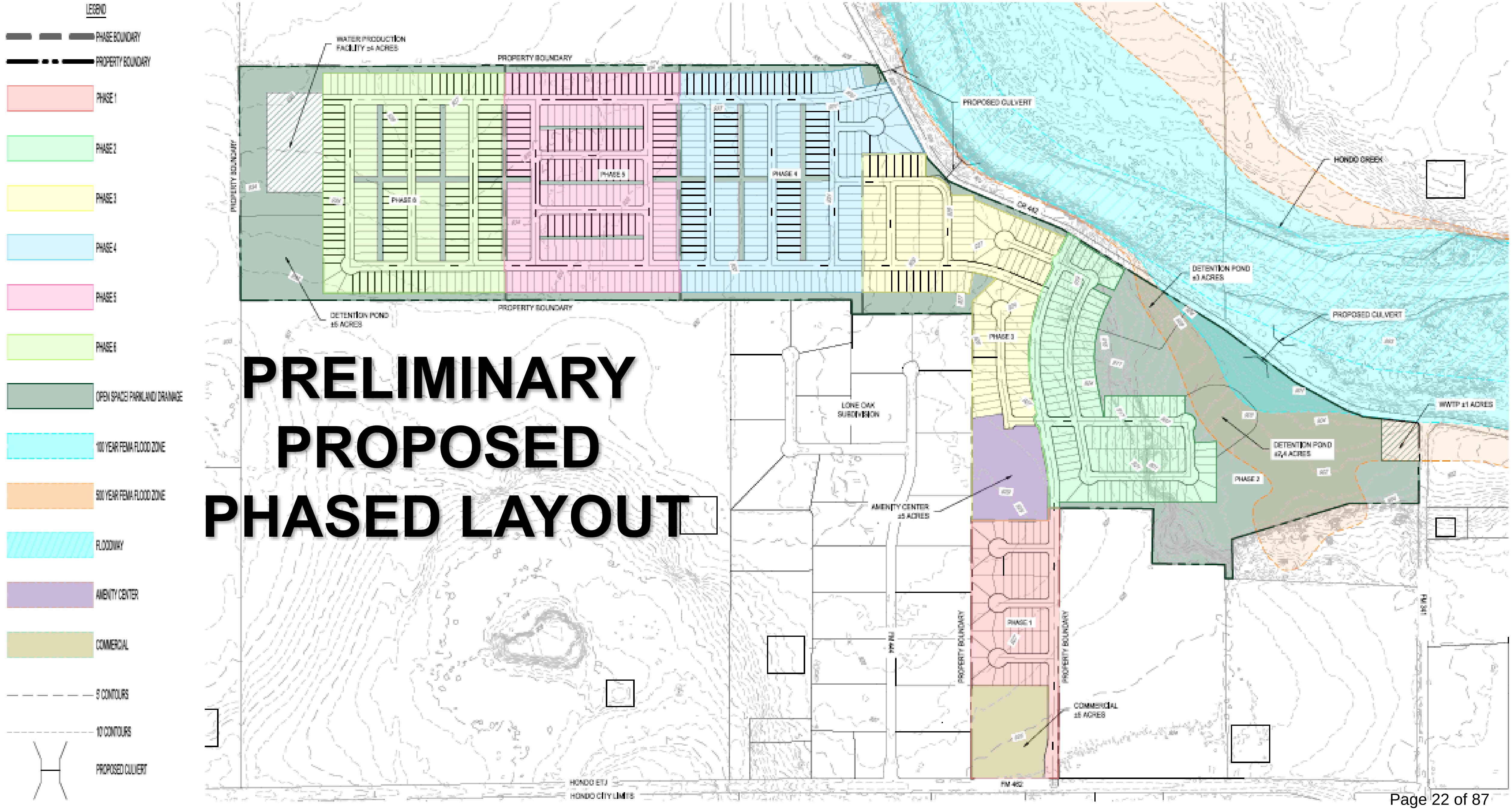
PRELIMINARY PROPOSED PHASED LAYOUT



INTERLOCAL AGREEMENT

This Interlocal Agreement ("Agreement") is executed by and between **Hondo Independent School District** ("Hondo ISD" also referred to as "district") and the **City of Hondo**, a home-rule municipality and political subdivision of the State of Texas ("City")(Hondo ISD and City hereinafter also referred to collectively as "Participating Political Subdivisions" and/or "governmental entities").

RECITALS

WHEREAS, City and Hondo ISD as participating Political Subdivisions are authorized by the Interlocal Cooperation Act, Texas Government Code §791 (the "Act"), to enter into cooperative agreements among themselves, and with and among other political subdivisions of the State of Texas, for the purpose of fulfilling and implementing their respective public and governmental purposes, needs, objectives, and programs; and

WHEREAS, the services made the subject of this Agreement are a governmental function and the Participating Political Subdivisions desire to contract in a manner to require each entity to, respectively, provide the services and to make the payments set forth in this Agreement; and

WHEREAS, City and Hondo ISD have determined that this Agreement will result in improved services being provided more economically and efficiently and will increase public safety for the constituents of the Hondo ISD and the City;

NOW THEREFORE, City and Hondo ISD as Participating Political Subdivisions have agreed, and do hereby agree, as follows:

ARTICLE 1
SERVICES TO BE PROVIDED BY THE CITY

Section 1.01 Campus Security. The City agrees to assign a police officer to serve at any Hondo ISD campus determined by the Board of Trustees. Any such officer shall be assigned by mutual Agreement between the Hondo Chief of Police and the Superintendent of Hondo ISD or designee. The assigned City of Hondo police officer ("officer") shall provide services during regular school hours on each and every day classes are in session. The officer's duties shall include traffic control services, law enforcement, and assisting school administration with security during regular school hours.

The City and the Hondo ISD acknowledge the importance of having the same officer present at the district on a daily basis in order to promote continuity and familiarity with the district and students. The City and the Hondo ISD agree that any substitutions of personnel by the City shall be discussed and mutually agreed upon prior to such substitution being made.

The police officer shall be physically present on the assigned school campus during regular school hours or during such hours as are mutually agreed upon by the Chief of Police and the campus Principal(s), but shall be directly supervised by the Chief of Police of the City. The duties, schedule and responsibilities of the assigned officer on days when classes are not in session will be mutually agreed upon and determined by the Chief of Police of the City and the Superintendent or designee. The parties understand that the officer may be required to carry out certain school district duties and responsibilities, which are not in conflict with the rules or policies of the City of Hondo Police Department. During periods of extended school holidays such as Winter Break, Summer Break, and Spring Break, the Officer will be assigned duties within the City and will have their salary covered by the City. If the Officer is out for vacation or sick leave, the City will provide a replacement officer if staffing levels at the Police Department allow and if there is not an officer available, those dates where a replacement officer is not available those dates will be deducted from the monthly invoice. If there is an extended period of time where the district is closed for circumstances not listed in the paragraph above, the parties agree that they will meet to discuss an agreed upon arrangement for payment as this is a contracted position.

At all times during the term of this Agreement, the police officer(s) provided by the City and assigned to the Hondo ISD shall be considered employees of the City and not employees of the Hondo ISD. The City of Hondo Police Department shall be responsible for maintaining accurate records of the dates of service, and any other information regarding the officer assigned to the Hondo ISD that may be necessary in connection with the performance of this Agreement.

Unless agreed to in advance in particular situations, any officer assigned to serve at any Hondo ISD campus shall dress in a uniform identifying him/her as a member of the City of Hondo Police Department and shall carry the usual and customary equipment such as sidearm, belt and holster, badge, and the like. At all times covered by this Agreement, any other officer assigned to serve at any Hondo ISD campus shall be licensed, full-time, regular-duty peace officer employed and properly trained by the City of Hondo, Texas.

ARTICLE 2
RESPONSIBILITIES OF THE HONDO ISD

Section 2.01 Coordination of Security Services. The Principal of each campus that uses the services of a campus police officer shall coordinate and work with the police officer with respect to the law enforcement services provided and any special issues that warrant increased attention. The campus Principal shall have the discretion to establish the daily tasks of the officer assigned to that campus, including designating specific campus issues to be addressed. The Hondo ISD shall pay and reimburse the City for the services provided as set forth in Section 3.01 below.

In accordance with the Interlocal Cooperation Act, the Hondo ISD agrees that any payments due under this Agreement shall be paid only from current revenues.

Section 2.02 School Safety Measures. Effective September 1, 2023, in accordance with H.B.3 (5) Hondo ISD shall provide DPS and all appropriate local law enforcement agencies and emergency first responders: (a) an accurate map of each district campus and school building that is developed and documented in accordance with the standards described in H.B. 3 related to developing site and floor plans, access control, and exterior door numbering; and (b) an opportunity to conduct a walk-through of each district campus and school building using the map described in 5 (a), above; (6) provides that Hondo ISD and Hondo Police Department will coordination with the Medina County Sheriff's Office, H.B.3 requirement that the Sheriff shall call and conduct semiannual meetings to discuss: (a) school safety; (b) coordinated law enforcement response to school violence incidents; (c) law enforcement capabilities; (d) available resources; (e) emergency radio interoperability; (f) chain of command planning; and (g) other related subjects proposed by a person in attendance of the meeting; and (7) requires the following persons to attend a meeting called under (6), above: (a) the sheriff or designee; (b) the police chief or designee for any police department in the county; (c) each elected constable or designee in the county; (d) each school police department chief or security coordinator; (e) DPS personnel assigned to the county; (f) a person appointed to a command staff position at an emergency medical service in the county; (g) a representative of each other state agency with commissioned peace officers assigned to the county; (h) county and municipal EMS and fire command staff; (i) the superintendent or designee for each district in the county; (j) any federal law enforcement official serving in the county; and (k) any other person the sheriff considers appropriate.

ARTICLE 3
CONSIDERATION AND REVIEW

Section 3.01 Consideration. Hondo ISD agrees to pay, as consideration for the services provided pursuant to this Agreement, a proportionate share (seventy-five percent, 75%) of the salary and benefits costs of the City of Hondo Police Officer(s) assigned to the Hondo ISD pursuant to the Agreement in the amount of $57,866.83 per year per officer -which includes Retirement, FICA, Insurance, Unemployment and Workers' Compensation. The yearly amount will be proportionate amount/pro-rated reflective of the time for which the Officer is providing services to Hondo ISD pursuant to the Agreement. The City maintains a merit pay increase system. It is possible the SRO may receive a merit increase in salary during the term of this agreement. In the event any increase in salary or benefits occurs as the result of action taken by City, the parties shall accordingly amend the yearly salary amount and amend this section pursuant to Section 6.11 herein. The Hondo ISD agrees to make monthly payments upon receipt of invoices from the City. This payment will be made within fifteen (15) days of receipt of invoices in the business office of the Hondo ISD.

Section 3.02 Review and Renewal. Either the City or the Hondo ISD may, no later than thirty (30) days prior to the anniversary date of the execution of the Agreement, give written notice to the other party of a request for formal review of the Agreement and upon the request of either party, any amendment or renewal of the Agreement shall be considered by the respective governing bodies of the parties.

Section 3.03 Automobile. Because the coverage of the Agreement encompasses multiple campuses, which requires regular travel by the each assigned officer, Hondo ISD agrees to reimburse the City for the use of a City patrol vehicle(s) in the amount of three hundred dollars, $300.00, per month ($3,000.00 per year) per vehicle for the term of this Agreement. Such monthly payment shall be made by Hondo ISD upon receipt of invoices from the City as set forth in Section 3.01

Section 3.04 Adjustment of Consideration. In the event of any such review, or the renewal or extension of the term of this Agreement, the consideration to be given and paid by Hondo ISD for the services provided by the City pursuant to this Agreement shall be recalculated and determined for such extended or renewal term based on a sum or amount that is not less than the City's actual costs for providing such services.

ARTICLE 4
TERM OF AGREEMENT AND REVIEW

Section 4.01 Initial Term of Agreement. The term of this Agreement shall begin on August 15, ~~2020~~ 202~~1~~3 and end on August 14, ~~2021~~ 202~~2~~4 after the expiration of the initial term, the Agreement shall continue on a month to month basis until either the Agreement is renewed or is terminated by either party with a thirty (30) written notice.

Section 4.02 Commitment of Current Revenue. Pursuant to Local Government Code Section 271.903 this contract is a commitment of Hondo ISD's current revenue only, and the Board of Trustees retains the continuing right to terminate the Agreement at the expiration of each budget period during the term of the Agreement. Performance under this Agreement is conditioned on a best efforts attempt by the Hondo ISD Board of Trustees to obtain and appropriate funds for payment of any sums due under this Agreement.

Section 4.03. Termination of Agreement. This Agreement may be terminated by either party at any time with or without a reason, upon a thirty (30) day written notice to the other party. Such written notice shall specify the effective date of termination.

ARTICLE 5
INSURANCE AND INDEMNIFICATION

Section 5.01 Government Services. Notwithstanding any provision to the contrary herein, this Agreement is a contract for the performance of governmental functions by governmental entities. The services provided herein are governmental functions and the City and Hondo ISD shall be engaged in the conduct of a governmental function while providing and/or performing any service pursuant to this Agreement. With respect to the services provided pursuant to the Agreement, the City shall be an independent contractor to the Hondo ISD. Any police officer assigned to duty at any Hondo ISD campus pursuant to this Agreement, shall not be considered an employee of Hondo ISD, but shall at all times remain an employee of the City.

Section 5.02 Liability. It is understood and agreed between the parties that each party hereto shall be responsible for its own acts of omissions, including the acts of omissions of its employees, officers, trustees, and agents. Where injury or property damage result from the joint or concurring negligence of both parties, liability, if any, shall be shared by each party on the basis of comparative responsibility in accordance with the applicable laws of the State of Texas, subject to all defenses, including governmental immunity.

Section 5.03 Insurance. The Hondo ISD agrees to obtain and maintain full force and effect, during the term of this Agreement, a policy or polices of insurance, or risk pool coverage, in amounts sufficient to save, protect, and insure itself, its property, its employees, officers, trustees and agents from claim, cause of action, liability arising out of the acts or omissions of the Hondo ISD, its employees, officers, trustees, and agents. The City agrees to obtain and maintain in full force and effect, during the term of this Agreement, a policy or policies of insurance, or risk pool coverage, in amounts sufficient to save, protect, and insure itself, its property, its employees, officers, and agents from any claim, cause of action, or liability arising out of the actor omissions of the City, its employees, officers, or agents.

ARTICLE 6
MISCELLANEOUS

Article 6.01 Policy Making Authority. The Hondo ISD shall have exclusive control, supervision and policy making authority for and with respect to the rules of conduct and regulations regarding crowd control at athletic and special events. The final disciplinary action or other dispensation of any matter or issue involving only a violation of a rule of regulation of the Hondo ISD shall be at the discretion of the Hondo ISD; provided that in the event a sworn officer of the City observes any event, mater or action that appears to constitute a violation of any local, state or federal penal or criminal law, then in such an event, the investigation of a decision to file charge on any such event shall be made by the officer or the Chief of Police.

Article 6.02 Other Services. Nothing in this Agreement shall be deemed to create, by implication or otherwise, any duty, responsibility or right as to either the Hondo ISD or the City except with respect to the use of a general provision of the security services specifically set forth in this Agreement. This Agreement does not and shall not be interpreted to limit or extend any governmental authority for or with respect to the provision of any service or the undertaking of any function or level of service except as specifically set forth herein.

Article 6.03 Jurisdiction. Nothing in this Agreement shall be deemed to extend, increase or limit the jurisdiction or authority of the City or the Hondo ISD except as necessary to implement, perform and obtain the services and duties provided for in this Agreement. The Hondo ISD specifically extends jurisdiction and authority to the City to implement and perform its duties provided for in this Agreement upon all property immediately under control of the Hondo ISD, save and except only as specifically provided in this Agreement, all government functions and services traditionally provided by the Hondo ISD, and all governmental functions and services traditionally provided by the City, shall be and remain the sole responsibility of each respective party. This Agreement shall be governed by the laws of the State of Texas and the County of Medina.

Article 6.04 Government Immunity. Nothing in this Agreement shall be constructed to waive, modify or amend any legal defense available to the Hondo ISD, the City of Hondo, or any past or present Trustee, officer, elected official, agent, or employee of the Participating Political Subdivisions including, but not limited to governmental immunity from suit as provided by law.

Article 6.05 Contract Supervision and Controls. The Hondo ISD and the City shall each monitor, review and provide oversight and supervision of the services as they are proved and each agrees to notify the other as soon as reasonably possible if any of the services becomes unsatisfactory.

Article 6.06 **Notices.** Notices to be provided by any party to this Agreement to the other party shall be writing and directed via U.S. mail or hand delivery, and facsimile, to the other party at the following addresses:

Hondo ISD Superintendent
2604 Avenue E
Hondo, Texas 78861

City of Hondo City Manager
1600 Avenue M
Hondo, Texas 78861

Article 6.07 **Nondiscrimination.** The City and the Hondo ISD agree that in the execution, performance, or attempted performance of this Agreement, they will not discriminate against any person or persons because of gender, race, religion, color, sexual orientation or national origin, nor will the City of Hondo permit its officers to engage in such discrimination.

Article 6.08 **Waiver of Default.** No waiver by the parties hereto of any default or breach or the failure to insist upon the performance of any term, condition, provision, or covenant of this Agreement shall be deemed to be a waiver or relinquishment to any extent of any other breach of the same or any other term, condition, provision, or covenant contained herein or the right of the parties to assert or rely upon any such term.

Article 6.09 **Severability**. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, but rather this entire Agreement will be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligations of the parties hereto shall be construed and enforced in accordance therewith.

Article 6.10 **Gender, Number, and Headings**. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires. The Headings and section numbers for the convenience only shall not be considered in interpreting or constructing this Agreement.

Article 6.11 **Amendment.** No amendment, modification, or alteration of the terms of this Agreement shall be binding unless the same is in writing, dated subsequent to the date hereof, and duly executed by the parties hereto.

Article 6.12 **Execution in Counterparts.** This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall be considered fully executed when all parties have executed an identical counterpart, notwithstanding that all signatures may not appear on the same counterpart.

IN WITNESS WHEREOF, the parties have executed and attested this Agreement by their by their duly authorized representatives as of the date below.

EXECUTED AND DELIVERED initially by and between the City of Hondo, Texas and Hondo ISD on this site this __________day of _______, 2023.

HONDO INDEPENDENT SCHOOL DISTRICT

By: ____________________________________ By: ____________________________
President, Board of Trustees Secretary, Board of Trustees

CITY OF HONDO, TEXAS

By: ____________________________________
Robert Herrera, City Manager

ATTEST

By: _________________________________
Sue Ann Reyes
City Secretary

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City Council Communication

Title: Discuss and consider approving the proposed property tax rate and set public hearings for the tax rate and budget by date, time and location. (Chris Hill)	
Date: August 14, 2023	***From:*** Chris Hill, Robert Herrera, Interim City Manager

INFORMATION:

• Budget Workshops on August 9 and 10 to review the FY 2023/2024 Budget and Property Tax Rate. The proposed budget has no change in the property tax at $.4370. The rate is above the no-new-revenue tax rate of $.4165 but below the voter-approval tax rate of $.4385. The rates are given per $100 property value.

• The Hondo Proposed Property Tax Rate of $.4370 is lower than the majority of the comparable cities and taxing authorities in the area.

• The Proposed new Debt Issuance for FY2023/2024 Budget is $11,550,000 plus closing costs.

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

City Staff recommends city council approve budget plan for property tax rate at $.4370 and set public hearings on August 28, 2023 at 6PM as part of the regular city council agenda in the City Hall Council Chambers for the property tax rate and budget.

MOTION:

Take a **Roll Call Vote** on the proposed property tax rate of $.4370 and set public hearings for Tax Rate and Budget on August 28, 2023 at 6PM in the City Hall Council Chambers.

ATTACHMENTS:

None

STAFF CONTACTS:

Chris Hill
Chief Finance Officer
chill@hondo-tx.org

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City Council Communication

Title: Discuss and consider the employee benefit providers for Fiscal Year 2023/2024. (Chris Hill and Marsh McLennan)	
Date: August 14, 2023	***From:*** Chris Hill, Robert Herrera, Interim City Manager

INFORMATION:

- The medical renewal proposed by Blue Cross Blue Shield (BCBS) is a 20.2% increase over the current year rates. The high claims loss ratio (246%) over the last year is driving the large increase. Marsh McLennan has negotiated the increase down to 15.3%.

- Prior to last fiscal year, the city was fortunate to have three consecutive years without increases in insurance premiums. However, due to a high loss ratio, the city experienced a significant increase in insurance premiums last year of 16%. Unfortunately, the city has experienced another high loss ratio this year.

- The City can reduce the BCBS rate to 11.3% increase by bundling ancillary services currently provided by Mutual of Omaha such as life, disability (LTD/STD), and worksite benefits(Accident/Critical Illness).

- The City has received bid from UHC which would increase the city's rate by 13.4% with the most comparable plan. Also, there are other options with UHC.

FINANCIAL IMPACT:

Potentially $175,000 increase in Insurance Premiums negotiated down to $109,786. Other options could reduce the financial impact further.

STAFF RECOMMENDATION:

City Staff recommends choosing the best option for the city without significant impact to employee coverage and network.

MOTION:

Move to authorize Marsh McLennan to select the best option and bundle ancillary services.

ATTACHMENTS:

1. Marsh McLennan Executive Summary

STAFF CONTACTS:

Chris Hill
Chief Finance Officer
chill@hondo-tx.org

HONDO
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City of Hondo Executive Summary

Anniversary Date for Employee Benefits Package is October 1, 2023

Medical Insurance

- BlueCross BlueShield (BCBS) Renewal: +20.2%
  - Negotiated by MMA down to +15.3%

- BCBS Bundling Offer: With bundling ancillary plans (group life, voluntary life, STD, LTD, Accident and Critical Illness) with BCBS brings the medical increase down to +11.3%

- BCBS Loss Ratio: 246.1% current loss ratio (2022 was 124.9%)
  - This is a significantly high loss ratio, considering that most carriers want a customer to be at or under an 80% Medical Loss Ratio

- Premiums Received Vs Total Claims Paid (July 2022 to June 2023):
  - Total Premiums Received: $793,451
  - Total Claims Paid: $1,952,772

- City of Hondo Medical Employer Contributions:
  - Employee Only Amount: 100% of the Base Plan
  - Dependent Tier Amount: 50% of the Base Plan

BCBS Option 1:

- Renew both medical plans with BCBS "as-is"
- Accept proposed +15.3% total overall negotiated renewal increase
  - Annual Employer Contribution:
    Current: $717,524
    Proposed: $827,310
    Increase: $109,786

BCBS Option 2:

- Renew both medical plans with BCBS along with their bundling discount
- Accept proposed BCBS bundling discount of ancillary plans for a +11.3% total overall renewal increase
  - Annual Employer Contribution:
    Current: $717,524
    Proposed: $798,610
    Difference: $81,086

MarshMcLennan Agency

UHC Option 3:

- UHC's most comparable plan designs to the current BCBS benefits
- The UHC Plans on this option net a +13.4% overall renewal increase
- Totals below include moving both dental and vision plans to UHC for additional bundling discounts
    - Annual Employer Contribution:
      Current: $717,524
      Proposed: $840,907
      Difference: $123,383

UHC Option 4:

- UHC's EPO Plans (Exclusive Provider Organization) offer the exact same in-network benefits as option 3, but with no Out-of-Network benefits
- The UHC EPO plans net a +7.4% overall renewal increase
    - Annual Employer Contribution:
      Current: $717,524
      Proposed: $795,717
      Difference: $78,193

UHC Option 5:

- UHC Surest plans are UHC's newest plan design structure
- There is no deductible or coinsurance involved!
- Each service rendered costs a flat fee/copay per benefit
- Verify the exact cost of your service on the UHC Surest app before your visit to an in-network provider
- UHC's Surest plan designs net a +5.0% total overall renewal increase
    - Annual Employer Contribution:
      Current: $717,524
      Proposed: $768,245
      Difference: $50,721

Dental Insurance

- BCBS Dental Renewal: +5%

- City of Hondo Medical Employer Contributions:
  - Employee Only Amount: 50%

- Annual Employer Contribution:
  - Current: $8,427
    Renewal: $8,849
    Difference: $422

Option 1:

- UHC Bundling Discount Offer: Moving the dental to UHC provides 2% off the medical rates
- UHC dental rates are -5.3% lower than the current rates
  - Annual Employer Contribution:
    Current: $8,427
    Proposed: $7,978
    Increase: -$449

Vision Insurance

- BCBS Vision Renewal: 0% increase, no changes this year

- City of Hondo Medical Employer Contributions:
  - Employee Only Amount: 50%

- Annual Employer Contribution:
  - Current: $2,820
    Renewal: $2,820
    Difference: $0

Option 1:

- UHC Bundling Discount Offer: Moving the vision plan to UHC provides .5% off the medical rates
- UHC vision rates are - 5.4% lower than the current rates
  - Annual Employer Contribution:
    Current: $2,820
    Proposed: $2,667
    Increase: -$153

Group Life/AD&D Insurance

- Mutual of Omaha (MOO) Renewal: 0% increase, no changes this year

- City of Hondo Group Life Employer Contributions:
    - o Employee Only Amount: 100%

- Annual Employer Contribution:
    - o Current: $4,227
      Renewal: $4,227
      Difference: $0

Option 1:

- BCBS Bundling Discount Offer: Move the Group Life/AD&D to BCBS
- *Per BCBS, the group life/ad&d rates are higher when compared to MOO, however, the savings on the medical due to the bundling discount significantly outweighs the increase below.*
    - o Annual Employer Contribution:
      Current: $4,227
      Proposed: $5,905
      Increase: $1,678

Wellness Program:

- Humana GO365: This plan will discontinue as Humana is no longer offering this program due to leaving the commercial/group health insurance market.

Note – This summary of premiums assumes the current City of Hondo employee enrollment.

2022-2023 Current Employer Annual Contribution: $732,998

- BCBS Option 1: Proposed Annual Employer Contribution $827,310 for Medical, Dental, Vision, and Life insurance. (+ $109,786)

- BCBS Option 2: Proposed Annual Employer Contribution $798,610 for Medical, Dental, Vision and Life insurance. (+ $81,086)

- UHC Option 3: Proposed Annual Employer Contribution $573,540 for Medical, Dental and Vision insurance. (+ $123,383)

- UHC Option 4: Proposed Annual Employer Contribution $573,540 for Medical, Dental and Vision insurance. (+ $78,193)

- UHC Option 5: Proposed Annual Employer Contribution $573,540 for Medical, Dental and Vision insurance. (+ $50,721)

MarshMcLennan Agency

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City Council Communication

Title: Discuss and consider the request for the FY23-24 Routine Airport Maintenance Program (RAMP) Grant. (Ryan Elder)	
Date: August 14, 2023	***From:*** Ryan Elder, Director of Aviaion

INFORMATION:

The South Texas Regional Airport participates in the RAMP Grant program every year, and the FY24 grant is available to continue routine airport maintenance efforts. Qualifying maintenance and improvements are eligible for a 50% match reimbursement up to $50,000

FINANCIAL IMPACT:

Projected Expenditures - $100,000
Projected Revenue - $50,000

STAFF RECOMMENDATION:

Staff recommends authorizing the City Manager to execute the FY23-24 RAMP Grant agreement with TxDOT

MOTION:

Motion to approve the City Manager to execute the FY23-24 RAMP Grant agreement with TxDOT

ATTACHMENTS:

1. 2315HONDO_APPA

STAFF CONTACTS:

Ryan Elder

TEXAS DEPARTMENT OF TRANSPORTATION

AIRPORT PROJECT PARTICIPATION AGREEMENT

(Federally Assisted Airport Development Grant)

TxDOT Project No.: 2315HONDO
Commission Approval: April 27, 2023
NPE Funds Applied: FY20, FY21, FY22, FY23
UEI: KBKKTGNAP821
ALN: 20.106

Part I - Identification of the Project

TO: City of Hondo, Texas

FROM: The State of Texas, acting through the Texas Department of Transportation

This Agreement is made and entered into by and between the Texas Department of Transportation, (hereinafter referred to as the "State"), for and on behalf of the State of Texas, and City of Hondo, Texas, (hereinafter referred to as the "Sponsor").

The Sponsor desires to sponsor a project for the development of a public aviation facility, known or to be designated as the Airport under the Airport and Airway Improvement Act of 1982, as repealed and recodified in Title 49 United States Code, Section 47101 et seq., (hereinafter referred to as "Title 49 U.S.C."), and Rules, Regulations and Procedures promulgated pursuant to; and under V.T.C.A. Transportation Code, Title 3, Chapters 21-22, et seq. (Vernon and Vernon Supp).

The project is described as construction services to: reconstruct taxiway A panels; rehabilitate taxiway A; and pavement markings at South Texas Regional at Hondo Airport.

The Sponsor applies for federal financial assistance and desires the State to act as the Sponsor's agent in matters connected with the project described above.

The parties, by this Agreement, do fix their respective responsibilities, with reference to each other, with reference to the accomplishment of the project and with reference to the United States.

Pursuant to and for the purpose of carrying out the provisions of Title 49 U.S.C., and in consideration of (a) the Sponsor's adoption and ratification of the representations and assurances contained in the Airport Project Participation Agreement and its acceptance of this Offer as provided, and (b) the benefits to accrue to the United States and the public from the accomplishment of the project and compliance with the assurances and conditions as herein provided, **THE TEXAS DEPARTMENT OF TRANSPORTATION, FOR AND ON BEHALF OF THE UNITED STATES, FEDERAL AVIATION ADMINISTRATION (HEREINAFTER REFERRED TO AS THE "FAA"), OFFERS AND AGREES** to pay, as the United States share of the allowable costs incurred in accomplishing the project, ninety percentum of all allowable project costs. This grant is made on and subject to the following terms and conditions:

Part II - Offer of Financial Assistance

1. The allowable costs of the project shall not include any costs determined by the State to be ineligible for consideration as to allowability under Title 49 U.S.C., the V.T.C.A. Transportation Code, Title 3, Chapters 21-22, et seq., (Vernon and Vernon Supp), and the Airport Zoning Act, Tex. Loc. Govt. Code Ann. §§ 241.001 et seq. (Vernon and Vernon Supp).

2. It is estimated that construction project costs will be approximately $1,509,800 (Amount A). It is further estimated that approximately $998,118 (Amount B) of the project costs will be eligible for federal financial assistance, and that federal financial assistance will be for ninety percent (90%) of the eligible project costs. Final determination of federal eligibility of total project costs will be determined by the State in accordance with federal guidelines following completion of project.

3. The maximum obligation of the United States payable under this offer shall be $898,307 (Amount C). Any financial participation over this amount is not guaranteed.

   This grant should not be construed as block grant funds for the Sponsor, but as a grant for funding of the scope items as listed on page one of this agreement. It is the intent of the State to provide funding to complete the approved work items of this grant and not to amend the scope of work to include items outside of the current determined needs of this project. Scope of work may be amended as necessary to fulfill the unforeseen needs of this specific development project within the spirit of the approved scope, subject to the availability of state, federal, and/or local funds.

4. It is estimated that the Sponsor's share of the total project costs will be $611,493 (Amount D), $511,682 is 100% funding. At project closeout, Sponsor will be reimbursed for any credited amounts that exceed Sponsor's share. The Sponsor specifically agrees that it shall pay any project costs, which exceed the sum of the federal share (Amount C). If the sponsor does not move forward with construction, they shall reimburse the state 100% of all costs under contract and/or expended at the point of notification that the project will not be completed.

   It is further agreed that the Sponsor will reimburse the State for any payment or payments made by the State in behalf of the Sponsor which are in excess of the federal percentage of financial participation as stated in Paragraph II-2. The State shall refund to the Sponsor, at the financial closure of the project, any excess funds provided by the Sponsor.

5. If there is an overrun in the eligible project costs, the State may increase the grant to cover the amount of overrun not to exceed the statutory limitations, and will advise the Sponsor by amendment of the increase. Upon receipt of the aforementioned amendment, the

maximum obligation of the United States is adjusted to the amount specified and the Sponsor will remit their share of the increased grant amount.

The State may decrease the agreement after completion of the describer scope. The Sponsor will be notified by letter of the decreased amount.

Participation in additional federally eligible costs may require approval by the Texas Transportation Commission. The State will not authorize expenditures in excess of the dollar amounts identified in this Agreement and any amendments, without the consent of the Sponsor.

Payment of the United States share of the allowable project costs will be made in accordance with the provisions of such regulations and procedures as the State and the FAA shall prescribe. Final determination of the United States share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.

6. Sponsor's share of project costs (Amount D) shall be paid initially in cash when requested by the State. At project closeout, Sponsor will be reimbursed for any credited amounts that exceed Sponsor's share.

7. Sponsor, by executing this Agreement certifies, and upon request, shall furnish proof to the State that it has sufficient funds to meet its share of the costs as stated. The Sponsor grants to the State and federal government the right, upon advance written request during reasonable and regular business hours, to audit any books and records of the Sponsor to verify the funds. In addition, the Sponsor shall disclose the source of all funds for the project and its ability to finance and operate the project.

   Following the execution of this Agreement and upon written demand by the State, the Sponsor's financial obligation (Amount D) shall be due and payable to the State. State may request the Sponsor's financial obligation in partial payments. Should the Sponsor fail to pay said obligation, either in whole or in part, within 30 days of written demand, the State may exercise its rights under Paragraph V-7. Likewise, should the State be unwilling or unable to pay its obligation in a timely manner, the failure to pay shall be considered a breach and the Sponsor may exercise any rights and remedies it has at law or equity.

8. <u>Ban on Texting While Driving</u>.

   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 a 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 funded with this Grant.

9. Trafficking in Persons.

A. The Sponsor, as the recipient, and the Sponsor's your employees, under this award, may not:

1. Engage in severe forms of trafficking in persons during the period of time that the Grant and applicable conditions are in effect;
2. Procure a commercial sex act during the period of time that the Grant and applicable conditions are in effect; or
3. Use forced labor in the performance of the Grant.

B. The State as the awarding agency, may unilaterally terminate this Grant, without penalty, a Sponsor that is a private entity:

1. Is determined to have violated a prohibition in paragraph (a) of this condition; or

2. Has an employee who is determined by the agency official authorized to terminate the Grant to have violated a prohibition in paragraph (a) of this Condition through conduct that is either –

a. Associated with performance under this Grant; 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 our agency at 2 CFR Part 1200.

3. The Sponsor must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph (a) of this Condition.

4. The State's right to terminate unilaterally that is described in paragraph (a) of this Condition:

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 us under this Grant Agreement.

10. Employee Protection from Reprisal.

1.Prohibition of Reprisals

a. In accordance with 41 U.S.C. § 4712, an employee of a State, Sponsor, grantee, subgrantee, contractor, or subcontractor 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) below, information that the employee reasonably believes is evidence of:

   i. Gross mismanagement of a Federal grant;
   ii. Gross waste of Federal funds;
   iii. An abuse of authority relating to implementation or use of Federal funds;
   iv. A substantial and specific danger to public health or safety; or
   v. A violation of law, rule, or regulation related to a Federal grant.

b. Persons and bodies covered. The persons and bodies to which a disclosure by an employee is covered are as follows:

   i. A member of Congress or a representative of a committee of Congress;
   ii. An Inspector General;
   iii. The Government Accountability Office;
   iv. A Federal employee responsible for contract or grant oversight or management at the relevant agency;
   v. A court or grand jury;
   vi. A management official or other employee of the Sponsor, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct; or
   vii. An authorized official of the Department of Justice or other law enforcement agency.

c. Submission of Complaint. A person who believes that they have been subjected to a reprisal prohibited by paragraph (a) of this Condition may submit a complaint regarding the reprisal to the Office of Inspector General (OIG) for the U.S. Department of Transportation.

d. 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.

e. 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).

f. Assumption of Rights to Civil Remedy. Upon receipt of an explanation of a decision not to conduct or continue an investigation by the OIG, the person submitting a complaint assumes the right to a civil remedy under 41 U.S.C. § 4712(c)(2).

11. The Sponsor agree to abide by applicable Executive Orders in effect at the time this Grant Agreement is executed, including Executive Order 14005, Ensuring the Future Is Made in All of America by All of America's Workers.

12. Buy American. Unless otherwise approved in advance by the FAA, in accordance with 49 U.S.C. § 50101, 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 project for which funds are provided under this grant. The Sponsor will include a provision implementing Buy American in every contract and subcontract awarded under this Grant.

13. Build America, Buy America. The sponsor must comply with the requirements under the Build America, Buy America Act (Public Law 117-58).

14. 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 they are not excluded or disqualified from participating; or

      3. Adding a clause or condition to covered transactions attesting the individual or firm are 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 in writing to the FAA whenever (1) the Sponsor learns they have entered into a covered transaction with an ineligible entity or (2) the Public Sponsor suspends or debars a contractor, person, or entity.

15. The period of performance shall commence on the date the State executes this agreement. The end date of the period of performance is four years from the date of execution of the state.

PART III - Sponsor Responsibilities

1. In accepting the Agreement, the Sponsor guarantees that:

   a. it will comply with the Attachment A, Certification of Airport Fund, attached and made a part of this agreement; and

   b. it will comply with the Attachment B, Certification of Project Funds, attached and made a part of this Agreement; and

   c. it will comply with the Attachment E, Certification and Disclosure Regarding Potential Conflicts of Interest, attached and made a part of this Agreement; and

   d. it will comply with the Attachment F, Airport Assurances (5/2022), attached and made a part of this Agreement; and

   e. it will, in the operation of the facility, comply with all applicable state and federal laws, rules, regulations, procedures, covenants and assurances required by the

State of Texas or the FAA in connection with the federal grant; and

f. the Airport or navigational facility which is the subject of this Agreement shall be controlled for a period of at least 20 years, and improvements made or acquired under this project shall be operated, repaired and maintained in a safe and serviceable manner for the useful life of said improvements, not to exceed 20 years; and

g. consistent with safety and security requirements, it shall make the airport or air navigational facility available to all types, kinds and classes of aeronautical use without unjust discrimination between such types, kinds and classes and shall provide adequate public access during the term of this Agreement; and

h. it shall not grant or permit anyone to exercise an exclusive right for the conduct of aeronautical activity on or about an airport landing area. Aeronautical activities include, but are not limited to scheduled airline flights, charter flights, flight instruction, aircraft sales, rental and repair, sale of aviation petroleum products and aerial applications. The landing area consists of runways or landing strips, taxiways, parking aprons, roads, airport lighting and navigational aids; and

i. it shall not permit non-aeronautical use of airport facilities, unless noted on an approved Airport Layout Plan, without prior approval of the State/FAA. This includes but is not limited to: the process of land disposal, any changes to the aeronautical or non-aeronautical land uses of the airport, land's deeded use from non-aeronautical to aeronautical, requests of concurrent use of land, interim use of land, approval of a release from obligations from the State/FAA, any of which will require 18 months, or longer; and

j. through the fence access shall be reviewed and approved by the State; and

k. it will acquire all property interests identified as needed for the purposes of this project and comply with all applicable state and federal laws, rules, regulations, procedures, covenants and assurances required by the State of Texas or the FAA in connection with the federal grant in the acquisition of such property interests; and that airport property identified within the scope of this project and Attorney's Certificate of Airport Property Interests shall be pledged to airport use and shall not be removed from such use without prior written approval of the State; and

l. the Sponsor shall submit to the State annual statements of airport revenues and expenses as requested; and

m. all fees collected for the use of an airport or navigational facility constructed with funds provided under the program shall be reasonable and nondiscriminatory. The proceeds of such fees shall be used solely for the development, operation and maintenance of the Sponsor's system of airport(s) or navigational facility(ites).

n. an Airport Fund shall be established by resolution, order or ordinance in the treasury of the Sponsor, or evidence of the prior creation of an existing airport fund or a properly executed copy of the resolution, order, or ordinance creating such a fund shall be submitted to the State. Such fund may be an account within another fund, but must be accounted for in such a manner that all revenues, expenses, retained earnings, and balances in the account are discernible from other types of moneys identified in the fund as a whole. All fees, charges, rents, and money from any source derived from airport operations must be deposited in said Airport Fund and shall not be diverted to the general revenue fund or any other revenue fund of the Sponsor. All expenditures from the Airport Fund shall be solely for airport or airport system purposes. Sponsor shall be ineligible for a subsequent grant or loan by the State unless, prior to such subsequent approval of a grant or loan, Sponsor has complied with the requirements of this subparagraph; and

o. for federally funded projects any revenue from airport property mineral rights be identified as airport revenue; deposited to the airport fund and used for airport operations; and

p. the Sponsor must operate and maintain the lighting system during the useful life of the system in accordance with applicable FAA standards.

q. insofar as it is reasonable and within its power, Sponsor shall adopt and enforce zoning regulations to restrict the height of structures and use of land adjacent to or in the immediate vicinity of the airport to heights and activities compatible with normal airport operations as provided in Tex. Loc. Govt. Code Ann. §§241.001 et seq. (Vernon and Vernon Supp.). Sponsor shall also acquire and retain aviation easements or other property interests in or rights to use of land or airspace, unless Sponsor can show that acquisition and retention of such interests will be impractical or will result in undue hardship to Sponsor. Sponsor shall be ineligible for a subsequent grant or loan by the State unless Sponsor has, prior to such subsequent approval of a grant or loan, adopted and passed an airport hazard zoning ordinance or order approved by the State; and

r. it will provide upon request of the State, the engineering or planning consultant, and the FAA copies of any maps, plans, or reports of the project site, applicable to or affecting the above project; and

s. after reasonable notice, it will permit the State, the FAA, and any consultants and contractors associated with this project, access to the project site, and will obtain permission for the State, the FAA, and consultants and contractors associated with this project, to enter private property for purposes necessary to this project; and

t. all development of an airport constructed with program funds shall be consistent with the Airport Layout Plan approved by the State and maintained by the Sponsor. A reproducible copy of such plan, and all subsequent modifications, shall be filed with the State for approval; and

u. it shall take all steps, including litigation if necessary, to recover funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner in any project upon which Federal and State funds have been expended. For the purposes of this grant agreement, the term "funds" means funds, however used or disbursed by the Sponsor or Agent that were originally paid pursuant to this or any other grant agreement. It shall obtain the approval of the State as to any determination of the amount of such funds. It shall return the recovered share, including funds recovered by settlement, order or judgment, to the State. It shall furnish to the State, upon request, all documents and records pertaining to the determination of the amount of the funds 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 funds shall be approved in advance by the State.

2. The Sponsor certifies to the State that it will have acquired clear title in fee simple to all property upon which construction work is to be performed, or have acquired a leasehold on such property for a term of not less than 20 years, prior to the advertisement for bids for such construction or procurement of facilities that are part of the above project, and within the time frame of the project, a sufficient interest (easement or otherwise) in any other property which may be affected by the project.

3. The Sponsor, to the extent of its legal authority to do so, shall save harmless the State, the State's agents, employees or contractors from all claims and liability due to activities of the Sponsor, the Sponsor's agents or employees performed under this agreement. The Sponsor, to the extent of its legal authority to do so, shall also save harmless the State, the State's agents, employees or contractors from any and all expenses, including attorney fees which might be incurred by the State in litigation or otherwise resisting said claim or liabilities which might be imposed on the State as the result of such activities by the Sponsor, the Sponsor's agents or employees.

4. The Sponsor's acceptance of this Offer and ratification and adoption of the Agreement incorporated shall be evidenced by execution of this instrument by the Sponsor, as provided, and the Agreement shall comprise a contract, constituting the obligations and rights of the State of Texas and the Sponsor with respect to the accomplishment of the project and the operation and maintenance of the airport. Such Agreement shall become effective upon execution of this instrument and shall remain in full force and effect for a period of at least 20 years.

5. The Sponsor and not the State shall, for all purposes, be the "Sponsor" of the project identified above as defined in Title 49 U.S.C. Sponsor agrees to assume responsibility for operation of the facility in compliance with all applicable state and federal requirements including any statutes, rules, regulations, assurances, procedures or any other directives before, during and after the completion of this project.

6. The Sponsor shall have on file with the State a current and approved Attorney's Certificate of Airport Property Interests and Exhibit A property map.

7. The Sponsor shall have on file with the State, Attachment C, Certification Regarding Drug-Free Workplace Requirements, attached and made a part of this agreement.

8. Unless otherwise approved by the State, 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 project for airport development or noise compatibility for which funds are provided under this grant. The sponsor will include in every contract a provision implementing this special condition.

9. Except for instrument landing systems acquired with AIP funds and later donated to and accepted by the FAA, the Sponsor must provide for the continuous operation and maintenance of any navigational aid funded under the AIP during the useful life of the equipment unless the equipment is transferred by agreement to the FAA in accordance with 49 U.S.C. § 44502(e); The sponsor must check the facility, including instrument landing systems, prior to commissioning to ensure it meets the operational standards. The Sponsor must also remove, relocate, or lower each obstruction on the approach or provide for the adequate lighting or marking of the obstruction if any aeronautical study conducted under FAR Part 77 determines that to be acceptable; and mark and light the runway, as appropriate. The Federal Aviation Administration will not take over the ownership, operation, or maintenance of any sponsor-acquired equipment, except for instrument landing systems.

10. For a project to replace or reconstruct pavement at the airport, the Sponsor shall implement an effective airport pavement maintenance management program as is required by Airport Sponsor Assurance Number 11. The sponsor shall use such program for the useful life of any pavement constructed, reconstructed, or repaired with Federal financial assistance at the airport. As a minimum, the program must conform to the provisions in Attachment D "Pavement Maintenance Management Program", attached and made a part of this agreement.

11. the Sponsor agree that because State highway specifications will be used for airfield pavement construction instead of FAA standard specifications, it will not seek AIP grant funds or supplemental appropriation funds for the rehabilitation or reconstruction of airfield pavement included in this Grant Agreement for a period of 10 years after construction is completed unless the FAA determines that the rehabilitation or reconstruction is required for safety reasons, per 49 U.S.C § 47015(c) or 47114(d)(5).

12. Fencing- if applicable, the Sponsor understand that the fence is being installed to prevent wildlife from entering the airfield. The Sponsor agrees to maintain the integrity of the fence for its useful life, but no less than 20 years from the date this Grant was issued. The Sponsor understand that maintenance of the fence includes repair of damage to the fence or gates due to any purpose.

Part IV- Nomination of the Agent

1. The Sponsor designates the State as the party to apply for, receive and disburse all funds used, or to be used, in payment of the costs of the project, or in reimbursement to either of the parties for costs incurred.

2. The State agrees to assume the responsibility to assure that all aspects of the grant and project are done in compliance with all applicable state and federal requirements including any statutes, rules, regulations, assurances, procedures or any other directives, except as otherwise specifically provided.

3. The State shall, for all purposes in connection with the project identified above, be the Agent of the Sponsor. The Sponsor grants the State a power of attorney to act as its agent to perform the following services:

Receiving Disbursing Agent:

a. apply for, accept, receive, and deposit with the State Treasury any and all project funds granted, allowed, and paid or made available by the State and/or the United States under Title 49 U.S.C. and congressional appropriation made pursuant thereto, and the Sponsor;

b. receive, review, approve and process Sponsor's reimbursement requests for approved project costs; and

c. pay to the Sponsor, from granted funds, the portion of any approved reasonable and eligible project costs incurred by the Sponsor that are in excess of the Sponsor's share.

Paying Agent:

d. receive, review, approve and pay invoices and payment requests for services and materials supplied in accordance with State executed contracts;

Contracting Agent:

e. advertise for professional engineering and/or planning services for, but not limited to, the preparation of planning studies, plans and specifications for the above project and for the management of the construction of the above project; certify consultant selection procedures; provide notification of contract award for professional services; and negotiate professional services fees; and execute, on behalf of the Sponsor, a professional services agreement as related to this project;

f. administer Disadvantage Business Enterprises (DBE) and/or Historically Underutilized Business (HUB) Programs in accordance with federal and state regulations.

Contract Management Agent:

g. exercise such supervision and direction of the project work as the State reasonably finds appropriate. Where there is an irreconcilable conflict or difference of opinion, judgment, order or direction between the State and the Sponsor, any engineer, contractor, or materialman, the State shall issue a written order, which shall prevail and be controlling;

h. coordinate and review project plans, specifications and construction; coordinate and conduct progress and final inspections.

Construction Phase:

i. authorize the advertisement, receipt and opening of bids for construction of the above project; and award contracts for construction of the above project and acquisition of materials related to it; and execute, on behalf of the Sponsor, construction contracts as related to this project;

j. participate in pre-bid and pre-construction conferences; and issue orders as it deems appropriate regarding construction progress, including but not limited to Notices to Proceed, Stop Work Orders, and Change Orders;

k. review, approve and maintain record drawings.

PART V - Recitals

1. The State and Sponsor shall obtain an audit as required by federal or state regulations.

2. The Sponsor, and not the State, shall be the contractual party to all construction and professional service contracts entered into for the accomplishment of this project. The power of attorney, as granted by the Sponsor to the State in Part IV - Nomination of Agent, is a limited power to perform acts in connection with airport improvements as specified in or necessitated by this Agreement.

3. The Sponsor agrees to pursue and enforce contract items, which are required by federal and/or state regulations, laws and orders to insure satisfactory performance of contract vendors. Such items include, but are not limited to, bid bonds, payment bonds, and performance bonds. Pursuit and enforcement of contract items may require litigation and other remedies of law.

4. The United States and the State of Texas shall not be responsible or liable for damage to property or injury to persons, which may arise from, or be incidental to, compliance with this grant agreement.

5. This Agreement is executed for the sole benefit of the contracting parties and is not intended or executed for the direct or incidental benefit of any third party. Furthermore, the State shall not be a party to any other contract or commitment, which the Sponsor may enter into or assume, or have entered into or have assumed, in regard to the above project.

6. If the Sponsor fails to comply with the conditions of the grant, the State may, by written notice to the Sponsor, suspend the grant in whole or in part. The notice of suspension shall contain the following:

   a. The reasons for the suspension and the corrective action necessary to lift the suspension;

   b. A date by which the corrective action must be taken;

   c. Notification that consideration will be given to terminating the grant after the corrective action date.

   In the case of suspension or termination, the Sponsor may request the State to reconsider the suspension or termination. Such request for reconsideration shall be made within 45 days after receipt of the notice of suspension or termination.

7. This Agreement is subject to the applicable provisions of Title 49 U.S.C., the V.T.C.A. Transportation Code, Title 3, Chapters 21- 22, et seq., (Vernon and Vernon Supp.), and the Airport Zoning Act, Tex. Loc. Govt. Code Ann. §§241.001 et seq. (Vernon and Vernon Supp.). Failure to comply with the terms of this Agreement or with the rules and statutes shall be considered a breach of this contract and will allow the State to pursue the remedies for breach as stated below.

   a. Of primary importance to the State is compliance with the terms and conditions of this Agreement. If, however, after all reasonable attempts to require compliance have failed, the State finds that Sponsor is unwilling and/or unable to comply with any of the terms and conditions of this Agreement, the State may pursue any of the following remedies: (1) require a refund of any money expended pursuant to the Agreement, (2) deny Sponsor's future requests for aid, (3) request the Attorney General to bring suit seeking reimbursement of any money expended on the project pursuant to the Agreement, provided however, these remedies shall not limit the State's authority to enforce its rules, regulations or orders as otherwise provided by law, (4) declare this Agreement null and void, or (5) any other remedy available at law or in equity.

   b. Venue for resolution by a court of competent jurisdiction of any dispute arising under the terms of this Agreement, or for enforcement of any of the provisions of this Agreement, is specifically set by Agreement of the parties in Travis County, Texas.

8. The State reserves the right to amend or withdraw this Agreement at any time prior to acceptance by the Sponsor. The acceptance period cannot be greater than 30 days after issuance unless extended by the State, which extension shall not be unreasonably denied or delayed.

9. This Agreement constitutes the full and total understanding of the parties concerning their

rights and responsibilities in regard to this project and shall not be modified, amended, rescinded or revoked unless such modification, amendment, rescission or revocation is agreed to by both parties in writing and executed by both parties.

10. All commitments by the Sponsor and the State are subject to constitutional and statutory limitations and restrictions binding upon the Sponsor and the State (including §§5 and 7 of Article 11 of the Texas Constitution, if applicable) and to the availability of funds which lawfully may be applied.

11. The Sponsor's acceptance of this Agreement and ratification and adoption of the Airport Project Participation Agreement shall be evidenced by execution of this instrument by the Sponsor. This Offer and Acceptance shall comprise a Grant Agreement, as provided by the Title 49 U.S.C., constituting the contractual obligations and rights of the United States, the State of Texas and the Sponsor with respect to the accomplishment of the Project and compliance with the assurances and conditions as provided.

12. The state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under the contract or indirectly through a subcontract under the contract. Acceptance of funds directly under the contract or indirectly through a subcontract under this contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

13. Termination

This agreement may be terminated in the following manner:

- by mutual written agreement and consent of both parties;
- by either party upon the failure of the other party to fulfill the obligations set forth herein;
- by the State if it determines that the performance of the Project is not in the best interest of the State.

If the contract is terminated in accordance with the above provisions, the Sponsor will be responsible for the payment of Project costs incurred by the State on behalf of the Sponsor up to the time of termination.

A. In the event the State determines that additional funding is required by the Sponsor at any time during the development of the Project, the State will notify the Sponsor in writing. The Sponsor will make payment to the State within thirty (30) days from receipt of the State's written notification.

B. Upon completion of the Project, the State will perform an audit of the Project costs. Any funds due to the Sponsor, the State, or the Federal Government will be promptly paid by the owing party.

C. In the event the Project is not completed, the State may seek reimbursement from the Sponsor of the expended funds. The Sponsor will remit the required funds to the State within sixty (60) days from receipt of the State's notification.

D. The State will not pay interest on any funds provided by the Sponsor.

E. The State will not execute the contract for the construction of the Project until the required funding has been made available by the Sponsor in accordance with this Agreement.

Part VI - Acceptance of the Sponsor

City of Hondo, Texas, does ratify and adopt all statements, representations, warranties, covenants and agreements constituting the described project and incorporated materials referred to in the Agreement, and does accept the Offer, and agrees to all of the terms and conditions of the Agreement.

City of Hondo, Texas
Sponsor

____
Sponsor Signature

____
Sponsor Title

____
Date

Execution by the State

Executed by and approved for the Texas Transportation Commission for the purpose and effect of activating and/or carrying out the orders, established policies or work programs and grants heretofore approved and authorized by the Texas Transportation Commission.

STATE OF TEXAS
TEXAS DEPARTMENT OF TRANSPORTATION

By:_____________________________________

Title: Director, Aviation Division

Date:___________________________________

ATTACHMENT A

CERTIFICATION OF AIRPORT FUND

The Sponsor does certify that an Airport Fund has been established for the Sponsor, and that all fees, charges, rents, and money from any source derived from airport operations will be deposited for the benefit of the Airport Fund and will not be diverted for other general revenue fund expenditures or any other special fund of the Sponsor and that all expenditures from the Fund will be solely for airport purposes. Such fund may be an account as part of another fund, but must be accounted for in such a manner that all revenues, expenses, retained earnings, and balances in the account are discernible from other types of moneys identified in the fund as a whole.

City of Hondo, Texas
(Sponsor)

By:____________________

Title:___________________

Date:___________________

ATTACHMENT B

CERTIFICATION OF PROJECT FUNDS

TxDOT Project No.: 2315HONDO

The Sponsor does certify that sufficient funds to meet the Sponsor's share of project costs as identified in the Airport Project Participation Agreement for said project will be available in accordance with the schedule shown below:

SPONSOR FUNDS

Source	Amount	Date Available
State Treasury	$611,494	Immediately

City of Hondo, Texas
(Sponsor)

By:_______________________________

Title:______________________________

Date:______________________________

ATTACHMENT C

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

A. The grantee certifies that it will or will continue to provide a drug-free workplace by:
(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition:
(b) Establishing an ongoing drug-free awareness program to inform employees about-
(1) The dangers of drug abuse in the workplace;
(2) The grantee's policy of maintaining a drug-free workplace;
(3) Any available drug counseling, rehabilitation, and employee assistance programs; and
(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will-
(1) Abide by the terms of the statement; and
(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
(e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notices shall include the identification number(s) of each affected grant;
(f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted-
(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f),

B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

____

____

____

Check ____ if there are workplaces on file that are not identified here.

Signed: __________________________________ Dated: __________________

____
Title

ATTACHMENT D

PAVEMENT MAINTENANCE MANAGEMENT PROGRAM

The Sponsor agrees to implement an effective airport pavement maintenance management program as required by Airport Sponsor Grant Assurance 11, Pavement Preventive Management, which is codified at 49 U.S.C. § 47105(e). The Sponsor agrees that it will use the program for the useful life of any pavement constructed, reconstructed, rehabilitated, or repaired with Federal financial assistance at the airport. The Sponsor further agree, that the program will:

a. Follow FAA Advisory Circular 150/5380-6, "Guidelines and Procedures for Maintenance of Airport Pavements," for specific guidelines and procedures for maintaining airport pavements, establishing an effective maintenance program, specific types of distress and its probable cause, inspection guidelines, and recommended methods of repair;

b. Detail the procedures to be followed to assure that proper pavement maintenance, both preventive and repair, is performed;

c. Include a Pavement Inventory, Inspection Schedule, Record Keeping, Information Retrieval, and Reference, meeting the following requirements:

    1. Pavement Inventory. The following must be depicted in an appropriate form and level of detail:

        i. Location of all runways, taxiways, and aprons;

        ii. Dimensions;

        iii. Type of pavement; and

        iv. Year of construction or most recent major reconstruction, rehabilitation, or repair.

    2. Inspection Schedule.

        i. Detailed Inspection. A detailed inspection must be performed at least once a year. If a history of recorded pavement deterioration is available, i.e., Pavement Condition Index (PCI) survey as set forth in the Advisory Circular 150/5380-6, the frequency of inspections may be extended to three years.

        ii. Drive-By Inspection. A drive-by inspection must be performed a minimum of once per month to detect unexpected changes in the pavement condition. For drive-by inspections, the date of inspection and any maintenance performed must be recorded.

1. Record Keeping. Complete information on the findings of all detailed inspections and on the maintenance performed must be recorded and kept on file for a minimum of five years. The type of distress, location, and remedial action, scheduled or performed, must be documented. The minimum information is:
   - i. Inspection date;
   - ii. Location;
   - iii. Distress types; and
   - iv. Maintenance scheduled or performed
2. Information Retrieval System. The Sponsor must be able to retrieve the information and records produced by the pavement survey to provide a report to the State as may be required.

ATTACHMENT E

Certification and Disclosure Regarding Potential Conflicts of Interest Certification Form

A sponsor must disclose in writing any potential conflict of interest to the Texas Department of Transportation. No employee, officer or agent of the sponsor shall participate in selection, or in the award or administration of a contract supported by federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

1. The employee, officer or agent,
2. Any member of his immediate family,
3. His or her partner, or
4. An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The sponsor's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements.

   Sponsor may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by state or local law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's and subgrant recipient's officers, employees, or agents, or by contractors or their agents.

The sponsor must maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts.

1. By checking "Yes," the sponsor certifies that it does not have any potential conflict of interest or Significant Financial Interests. By checking "No," the sponsor discloses that it does have a potential conflict of interest, which is further explained below.

   ☐ Yes ☐ No

2. The sponsor maintains a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. By checking "No", the sponsor discloses that it does not have a written policy, which is further explained below.

   ☐ Yes ☐ No
3. Explanation of items marked "no":

Sponsor's Certification
I certify, for the project identified herein, responses to the forgoing items are accurate as marked and have the explanation for any item marked "no" is correct and complete.
I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Signature of Sponsor's Designated Official Representative: ___________________________________

Date:____

ATTACHMENT F

ASSURANCES

AIRPORT SPONSORS 5/2022

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. 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.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this Grant Agreement.

B. Duration and Applicability.

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

   The terms, conditions and assurances of this Grant Agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

   The preceding paragraph (1) also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. **Airport Planning Undertaken by a Sponsor.**

   Unless otherwise specified in this Grant Agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 23, 25, 30, 32, 33, 34, and 37 in Section C apply to planning projects. The terms, conditions, and assurances of this Grant Agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

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

1. General Federal Requirements

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

a. 49, U.S.C., subtitle VII, as amended.

b. Davis-Bacon Act, as amended — 40 U.S.C. §§ 3141-3144, 3146, and 3147, et seq.[1]

c. Federal Fair Labor Standards Act - 29 U.S.C. § 201, et seq.

d. Hatch Act – 5 U.S.C. § 1501, et seq.[2]

e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. § 4601, et seq.[1], [2]

f. National Historic Preservation Act of 1966 – Section 106 - 54 U.S.C. § 306108.1.[1]

g. Archeological and Historic Preservation Act of 1974 - 54 U.S.C. § 312501, et seq.[1]

h. Native Americans Grave Repatriation Act - 25 U.S.C. Section § 3001, et seq.

i. Clean Air Act, P.L. 90-148, as amended - 42 U.S.C. § 7401, et seq.

j. Coastal Zone Management Act, P.L. 92-583, as amended - 16 U.S.C. § 1451, et seq.

k. Flood Disaster Protection Act of 1973 – Section 102(a) - 42 U.S.C. § 4012a.[1]

l. 49 U.S.C. § 303, (formerly known as Section 4(f)).

m. Rehabilitation Act of 1973 - 29 U.S.C. § 794.

n. 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).

o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.) (prohibits discrimination on the basis of disability).

p. Age Discrimination Act of 1975 - 42 U.S.C. § 6101, et seq.

q. American Indian Religious Freedom Act, P.L. 95-341, as amended.

r. Architectural Barriers Act of 1968, as amended - 42 U.S.C. § 4151, et seq.[1]

s. Powerplant and Industrial Fuel Use Act of 1978 – Section 403 - 42 U.S.C. § 8373.[1]

t. Contract Work Hours and Safety Standards Act - 40 U.S.C. § 3701, et seq.[1]

u. Copeland Anti-kickback Act - 18 U.S.C. § 874.[1]

v. National Environmental Policy Act of 1969 - 42 U.S.C. § 4321, et seq.[1]

w. Wild and Scenic Rivers Act, P.L. 90-542, as amended – 16 U.S.C. § 1271, et seq.

x. Single Audit Act of 1984 - 31 U.S.C. § 7501, et seq.[2]

y. Drug-Free Workplace Act of 1988 - 41 U.S.C. §§ 8101 through 8105.

z. The Federal Funding Accountability and Transparency Act of 2006, as amended (P.L. 109-282, as amended by section 6202 of P.L. 110-252).

aa. Civil Rights Restoration Act of 1987, P.L. 100-259.

bb. Build America, Buy America Act, P.L. 117-58, Title IX.

EXECUTIVE ORDERS

a. Executive Order 11246 – Equal Employment Opportunity[1]

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[1]

f. Executive Order 12898 – Environmental Justice

g. Executive Order 13166 – Improving Access to Services for Persons with Limited English Proficiency

h. Executive Order 13985 – Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government

i. Executive Order 13988 – Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation

j. Executive Order 14005 – Ensuring the Future is Made in all of America by All of America's Workers

k. Executive Order 14008 – Tackling the Climate Crisis at Home and Abroad

FEDERAL REGULATIONS

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.[4, 5]

c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment.

d. 14 CFR Part 13 – Investigative and Enforcement Procedures.

e. 14 CFR Part 16 – Rules of Practice For Federally-Assisted Airport Enforcement Proceedings.

f. 14 CFR Part 150 – Airport Noise Compatibility Planning.

g. 28 CFR Part 35 – Nondiscrimination on the Basis of Disability in State and Local Government Services.

h. 28 CFR § 50.3 – U.S. Department of Justice Guidelines for the Enforcement of Title VI of the Civil Rights Act of 1964.

i. 29 CFR Part 1 – Procedures for Predetermination of Wage Rates.[1]

j. 29 CFR Part 3 – Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States.[1]

k. 29 CFR Part 5 – Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act).[1]

l. 41 CFR Part 60 – Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally-assisted contracting requirements).[1]

m. 49 CFR Part 20 – New Restrictions on Lobbying.

n. 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.

o. 49 CFR Part 23 – Participation by Disadvantage Business Enterprise in Airport Concessions.

p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs.[1] [2]

q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.

r. 49 CFR Part 27 – Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance.[1]

s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation.

t. 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.

u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance).

v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).

w. 49 CFR Part 38 – Americans with Disabilities Act (ADA) Accessibility Specifications for Transportation Vehicles.

x. 49 CFR Part 41 – Seismic Safety.

FOOTNOTES TO ASSURANCE (C)(1)

[1] These laws do not apply to airport planning sponsors.
[2] These laws do not apply to private sponsors.
[3] 2 CFR Part 200 contains requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation shall apply where applicable to private sponsors receiving Federal assistance under Title 49, United States Code.
[4] Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.
[5] Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

SPECIFIC ASSURANCES

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.

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 project; 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.

b. Private Sponsor:

It has legal authority to apply for this Grant and to finance and carry out the proposed project 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. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this Grant Agreement which it will own or control.

4. Good Title.

a. 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.

b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. 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. Subject to the FAA Act of 2018, Public Law 115-254, Section 163, it will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this Grant Agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this Grant Agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this Grant Agreement.

c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.

d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.

e. 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 these assurances for the duration of these assurances.

f. 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 ensure that the airport will be operated and maintained in accordance with Title 49, United States Code, the regulations and the terms, conditions and assurances in this Grant Agreement and shall ensure that such arrangement also requires compliance therewith.

g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance-Management.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under 49 U.S.C. § 44706, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this Grant, the total cost of the project in connection with which this Grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. 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 project 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.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of $2,000 for work on any projects funded under this Grant Agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor under 40 U.S.C. §§ 3141-3144, 3146, and 3147, Public Building, Property, and Works), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this Grant Agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in 49 U.S.C. § 47112. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this Grant Agreement, and, upon approval of the Secretary, shall be incorporated into this Grant Agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this Grant Agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.

b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.

c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.

d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.

e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.

f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.

g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.

h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, State and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for:

    1. Operating the airport's aeronautical facilities whenever required;

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

3. Promptly notifying pilots of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance. Further, 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.

b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, 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. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.

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

   1. Furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and

   2. Charge 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. Each fixed-based operator at the 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 and utilizing the same or similar facilities.

d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.

e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.

f. It will not exercise or grant any right or privilege which operates 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, repair, and fueling) that it may choose to perform.

g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.

h. The sponsor may establish such reasonable, 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.

i. 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.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and

b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport 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, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a Grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it 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 and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:

   1. If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

   2. If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.

   3. Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at 49 U.S.C. § 47102), if the FAA determines the airport sponsor meets the requirements set forth in Section 813 of Public Law 112-95

b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.

c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of 49 U.S.C. § 47107.

26. 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. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;

c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this Grant Agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and

d. 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.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, 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 Secretary, would unduly interfere with use of the landing areas 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) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

a. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, it will keep up to date at all times an airport layout plan of the airport showing:

1. 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;
3. the location of all existing and proposed non-aviation areas and of all existing improvements thereon; and
4. all proposed and existing access points used to taxi aircraft across the airport's property boundary.

Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.

b. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, if a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary:
   1. eliminate such adverse effect in a manner approved by the Secretary; or
   2. bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, color, and national origin (including limited English proficiency) 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); creed and sex (including sexual orientation and gender identity) per 49 U.S.C. § 47123 and related requirements; age per the Age Discrimination Act of 1975 and related requirements; or disability per the Americans with Disabilities Act of 1990 and related requirements, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program and 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 49 CFR §§ 21.23(b) and 21.23(e), 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.

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

"The (**[Selection Criteria: Sponsor Name]**), 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 or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, [select businesses, or disadvantaged business enterprises or airport concession disadvantaged business enterprises] will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in consideration for an award."

e. 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 Department of Transportation (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 (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability 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, project, 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, project, or program.

f. 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.

g. 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.

31. Disposal of Land.

a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:

1. Reinvestment in an approved noise compatibility project;
2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117
4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or
5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.

If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:

1. Reinvestment in an approved noise compatibility project;

2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117
4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or
5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.

c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.

d. Disposition of such land under (a), (b), or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

If any phase of such project has received Federal funds under Chapter 471 subchapter 1 of Title 49 U.S.C., it will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 U.S.C., or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this Grant to be used to fund any project which 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.

34. Policies, Standards, and Specifications.

It will carry out any project funded under an Airport Improvement Program Grant in accordance with policies, standards, and specifications approved by the Secretary including, but not limited to, current FAA Advisory Circulars (https://www.faa.gov/airports/aip/media/aip-pfc-checklist.pdf) for AIP projects as of [Selection Criteria: Project Application Date].

35. Relocation and Real Property Acquisition.

a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.

b. It will provide a relocation assistance program offering the services described in Subpart C of 49 CFR Part 24 and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.

c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin, or sex, in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. §§ 3801-3809, 3812).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

a. If the airport owner or operator of a medium or large hub airport (as defined in 49 U.S.C. § 47102) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that:

   1. Describes the requests;
   2. Provides an explanation as to why the requests could not be accommodated; and
   3. Provides a time frame within which, if any, the airport will be able to accommodate the requests.

b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six- month period prior to the applicable due date.

View the most current Series 150 Advisory Circulars (ACs) for Airport Projects:

http://www.faa.gov/airports/resources/advisory_circulars and

http://www.faa.gov/regulations_policies/advisory_circulars

I have read and agree to follow the attached FAA Grant Assurances.

City of Hondo, Texas
(Sponsor)

By:_______________________________

Title:______________________________

Date:______________________________

For more information, please consultant the AIP handbook.
https://www.faa.gov/airports/aip/aip_handbook/

Table 2-5 Duration and Applicability of Grant Assurances (Airport Sponsors)

Assurances that…	Include (by assurance # if applicable)…
d. Apply for the useful life of the project (not to exceed 20 years from the grant acceptance date) except in the case of a land acquisition grant, for which the useful life is indefinite and the assurance obligations do not expire.	#5 Preserving Rights and Powers #11 Pavement Preventive Maintenance (This applies to all of the airfield pavement on the airport, not just the specific pavement in the grant.) #19 Operations and Maintenance #20 Hazard Removal and Mitigation #21 Compatible Land Use #22 Economic Nondiscrimination #24 Fee and Rental Structure #27 Use by Government Aircraft #28 Land for Federal Facilities #29 Airport Layout Plan #36 Access by Intercity Buses #37 Disadvantaged Business Enterprises (See 49 CFR parts 23 and 26, since certain program requirements may extend the obligation beyond the 20 year period, while the DBE requirements for the project apply until the project is closed.) #38 Hangar Construction #39 Competitive Access
e. Last for as long as the airport is owned and operated as an airport	#23 Exclusive Rights #25 Airport Revenue #30 Civil Rights #31 Disposal of Land

Table 3-7 Minimum Useful Life

Project Type	Useful Life
a. All construction projects (unless listed separately below)	20 years
b. All equipment and vehicles (unless listed separately below)	10 years
c. Pavement rehabilitation (not reconstruction, which is 20 years)	10 years
d. Asphalt seal coat, slurry seal, and joint sealing	3 years
e. Concrete joint replacement	7 years
f. Airfield lighting and signage	10 years
g. ARFF vehicles	15 years
h. ARFF structural gear (firefighting suits), which has less heat insulation than proximity gear (per the National Fire Protection Association 1971 Standard on Protective Ensembles for Structural Firefighting and Proximity Firefighting)	7 years
i. ARFF proximity gear (firefighting suits), which is also referred to as slicks, bunker, or turn out gear (per the National Fire Protection Association 1971 Standard on Protective Ensembles for Structural Firefighting and Proximity Firefighting)	5 years
j. NAVAIDs and Weather Reporting Equipment	15 years
k. Buildings	40 years
l. Land	Unlimited
m. Loading Bridges	20 years
n. Fencing	20 years

HONDO

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City Council Communication

Title: Discuss and consider awarding Chip Seal Project to the lowest Bidder. (Rene Saenz)	
Date: August 14, 2023	***From:*** Rene Saenz, Public Works Director

INFORMATION:

Public Works Department was given approval for a Chip-Seal project that would encompass approximately 14 miles of roads within Hondo City limits. The project was advertised for bidding on July 3rd, and the bid opening was held on July 25th. The bid consisted of a base bid (Double course Chip Seal), Alternate 1-Mill and overlay and Alternate 2-Full Depth patching (where needed). Three bids were received (CK Newberry, Blacksmith Ventures, and Lone Star Paving), with CK Newberry being the low bidder out of Karnes City, Texas. (Award letter enclosed for review).

FINANCIAL IMPACT:

The funding for the Chip-Seal project will be from the Certificates of Obligation ($ 4 Million), monies. The amount approved by the Council (6/26/23), was $2.2 million dollars, and not to exceed $2.7 million dollars.

STAFF RECOMMENDATION:

Staff recommends approval of the Bid results and tabulation letter to move forward and award the project to the lowest bidder (CK Newberry, LLC)

MOTION:

Staff recommends motion to approve bid results and tabulation letter and award Chip-Seal project to CK Newberry, LLC.

ATTACHMENTS:

1. Bid Award Letter_102322

STAFF CONTACTS:

Rene Saenz
Director of Public Works
rsaenz@hondo-tx.org

4833 Spicewood Springs Road, Suite 204
Austin, TX 78759
512.342.6868

August 3, 2023

Rene Saenz, Jr., CPM, CFM
Public Works Director
City of Hondo
1600 Avenue M
Hondo, Texas 78861

via email
rsaenz@hondo-tx.org

RE: City-Wide Street Chip Seal
Bid Results and Tabulation

Dear Mr. Saenz,

Bids for the above referenced project were received on Tuesday, July 25, 2023, at City Hall and were publicly read aloud the same day and location. KSA Engineers has reviewed the bids and prepared a Bid Tabulation indicating the bid results. This Bid Tabulation is enclosed for your review. A total of three (3) bids were received. All bidders referenced the two addenda and submitted the required bid security. All bidders also provided qualification statements that included project references of a similar scope and scale. Additionally, an optional pre-bid meeting was held where the project scope, phasing, and expectations were discussed.

As shown in the bid tabulation, the low bidder is CK Newberry, LLC of Karnes City, Texas, in the following amounts:

<u>Bid Schedule 1</u>
Base Bid – Double Course Chip Seal..$1,406,325.00
Alternate 1 – Mill and Overlay $800,262.00
Alternate 2 – Full Depth Patching $139,607.00

Total of Bid Schedule 1 Base Bid…..$1,406,325.00
Total of Bid Schedule 1 Base Bid + Alternate 1………………………...........$2,206,587.00
Total of Bid Schedule 1 Base Bid + Alternate 1 + Alternate 2………………..$2,346,194.00

The original intent and scope of the project includes a double-course chip seal for all streets within the project; therefore, this scope is included in the Base Bid. During the project's engineering design phase, KSA identified a number of areas along the streets scoped for chip seal that would be candidates for a mill and overlay or full depth patching. Allowance quantities of these more extensive pavement improvements were included in the project's design documents. These items of work were included as Alternatives 1 and 2, respectively, to provide the City flexibility in the construction contract award to ensure a project within the allowable budget amount with the maximum pavement improvements possible. The project's contract time is 150 calendar days.

Based upon our review of the information submitted by the low bidder, the list of similar project experience provided, and references contacted, CK Newberry, LLC, appears to be qualified to perform the work required. Four references responded to KSA's inquiry regarding CK Newberry, LLC, and all four were positive.

If the City of Hondo awards this contract, our office will issue a notice of award to the low bidder and prepare Construction Contract Documents for execution by the Contractor and the City of Hondo. KSA looks forward to working with the City during the construction phase on this important project to ensure a quality job.

If you have any questions about the Bid Tabulation or this award recommendation, please do not hesitate to contact us.

Sincerely,
KSA

Grayson Cox
____
Grayson M. Cox, P.E.
Project Manager

Enclosure: Bid Tabulation (1 page)

Bid Date: Tuesday, July 25, 2023
Bid Time: 2:00 pm

City of Hondo
City-Wide Street Chip Seal

KSA Project No. 102322

Bid NO.	SPEC	DESCRIPTION (with unit price in words)	UNIT	QTY	CK NEWBERRY, LLC 1538 CR 345 KARNES CITY, TX 78118 830-217-9256		BLACKSMITH VENTURES, LLC PO BOX 188 BRYSON, TX 76427 940-507-1680		LONE STAR PAVING 4310 JUNG RD SAN ANTONIO, TX 78247 512-738-2260	
					UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
	Bid Schedule 1.00 Base Bid									
1.01	316-6224	AGGR (TY-PB GR-4 SAC-B)	CY	2,175	$120.00	$261,000.00	$125.00	$271,875.00	$180.00	$391,500.00
1.02	316-6226	AGGR (TY-PB GR-5 SAC-B)	CY	2,175	$119.00	$258,825.00	$125.00	$271,875.00	$180.00	$391,500.00
1.03	316-6413	ASPH (AC-15P, HFRS-2P OR CRS-2P)	GAL	171,800	$4.25	$730,150.00	$6.00	$1,030,800.00	$4.50	$773,100.00
1.04	500-2001	MOBILIZATION	LS	1	$120,000.00	$120,000.00	$80,000.00	$80,000.00	$200,000.00	$200,000.00
1.05	502-2001	BARRICADES, SIGNS, AND TRAFFIC HANDLIN	MO	4	$2,500.00	$10,000.00	$5,000.00	$20,000.00	$45,000.00	$180,000.00
1.06	666-6048	REFL PAV MRK TY I (W) 24" (SLD) (100MIL)	LF	330	$20.00	$6,600.00	$30.00	$9,900.00	$17.00	$5,610.00
1.07	666-6347	REF PROF PAV MRK TY I (Y) 6" (SLD) (100MIL)	LF	9,875	$2.00	$19,750.00	$3.00	$29,625.00	$4.00	$39,500.00
		Total Bid Schedule 1 Base Bid Amount				**$1,406,325.00**		**$1,714,075.00**		**$1,981,210.00**
	Bid Schedule Alternate 1.00									
2.01	310-6005	PRIME COAT (MC-30 OR AE-P)	GAL	12,853	$4.00	$51,412.00	$5.00	$64,265.00	$4.00	$51,412.00
2.02	341-6040	D - GR HMA TY-D PG64 - 22 (2")	TON	5,202	$125.00	$650,250.00	$155.00	$806,310.00	$120.00	$624,240.00
2.03	354-6045	PLANE ASPH CONC PAVE (2")	SY	49,300	$2.00	$98,600.00	$3.00	$147,900.00	$2.30	$113,390.00
		Total Bid Schedule 1 Alternate 1 Amount				**$800,262.00**		**$1,018,475.00**		**$789,042.00**
	Bid Schedule Alternate 2.00									
3.01	105-6018	REMOVING STAB BASE & ASPH PAV (7")	SY	3,700	$10.00	$37,000.00	$7.00	$25,900.00	$13.00	$48,100.00
3.02	310-6005	PRIME COAT (MC-30 OR AE-P)	GAL	398	$4.00	$1,592.00	$6.00	$2,388.00	$4.00	$1,592.00
3.03	340-6011	D - GR HMA (SQ) TY-B PG64 - 22 (5")	TON	504	$160.00	$80,640.00	$150.00	$75,600.00	$150.00	$75,600.00
3.04	341-6040	D - GR HMA TY-D PG64 - 22 (2")	TON	163	$125.00	$20,375.00	$155.00	$25,265.00	$190.00	$30,970.00
		Total Bid Schedule 1 Alternate 2 Amount				**$139,607.00**		**$129,153.00**		**$156,262.00**

Denotes correction by Engineer

SUMMARY OF BIDS

	CK NEWBERRY, LLC	BLACKSMITH VENTURES, LLC	LONE STAR PAVING
BID SCHEDULE 1 BASE BID	$1,406,325.00	$1,714,075.00	$1,981,210.00
BID SCHEDULE 1 BASE BID + ALTERNATE 1	$2,206,587.00	$2,732,550.00	$2,770,252.00
BID SCHEDULE 1 BASE BID + ALTERNATE 1 + ALTERNATE 2	$2,346,194.00	$2,861,703.00	$2,926,514.00

ORDINANCE NO. 1273-08-23

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HONDO, TEXAS, AMENDING CHAPTER 12 "UTILITIES" OF THE CITY OF HONDO CODE OF ORDINANCES TO AMENDMENT 12.09.011 (a)(2) EMERGENCY WATER USE REDUCTION STAGE 4 WATER RESTRICTIONS APPROVED AS PART OF THE WATER CONSERVATION PLAN ATTACHED HERETO IN EXHIBIT "A"; PROVIDING FOR SEVERABILITY AND REPEALER CLAUSES; PROVIDING FOR AN EFFECTVE DATE.

WHEREAS, the City OF Hondo has a current Water Conservation Plan in its Code of Ordinances Article 12.09, "Water Conservation Plan" which was originally adopted in September 2006; and

WHEREAS, the City Council later revised its Water Conservation Plan to comply with revised rules and regulations issued by the Texas Commission on Environmental Quality (TCEQ) through Ordinance No. 1003-11-13, adopted on November 12, 2013 and later amended by Ordinance No. 1174-05-18 adopted on May 14, 2018; and

WHEREAS, the City Council has determined the need to implement certain modifications to the Water Conservation Plan, Emergency water use reduction measures to address Stage 4 Water Restrictions and the process required to implement Stage 4 Water Restrictions, as part of the Water Conservation Plan in accordance with Section 288.2 of the Texas Administrative Code; and

WHEREAS, the City Council of the City of Hondo believes that it is in the best interest of the City of Hondo to amend its current ordinance regarding Stage 4 Water Restrictions as part of the water conservation plan.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HONDO, TEXAS:

SECTION 1. The City of Hondo Code of Ordinances is hereby amended by Article **12.09.011, Emergency water use reduction, as follows:**

(a) **Declaration of emergency stages:**

> **(2) When the water level for Stage 4 is reached (Stage 4 = 630 feet), the city manager shall implement Stage 4 Water Restrictions to further restrict uses of water or other appropriate action to enforce compliance with the Stage 4 Water Restrictions attached hereto and incorporated herein for all purposes in Exhibit "A".**

SECTION 2. That the Stage 4 Water Restrictions in Exhibit "A" attached hereto are made part hereof for all purposes be, and the same is hereby, adopted as the official policy of the City.

SECTION 3. That the City Manager or his designee is hereby directed to file a copy of the Plan and this Ordinance with the Texas Commission on Environmental Quality in accordance with Title 30, Chapter 288 of the Texas Administrative Code, and said Plan meets all the requirements of Section 288.2 of the Texas Administrative Code;

SECTION 4. That if any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be unconstitutional or illegal, such decision shall not affect the validity of the remaining sections of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared void;

SECTION 5. That all ordinances or parts of ordinances, in conflict herewith are to the extent of such conflict hereby repealed, and the balance of such ordinance is hereby saved from repeal;

SECTION 6. That the ordinance shall be effective immediately following adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HONDO, TEXAS, THIS 14TH DAY OF AUGUST 2023.

____
JOHN MCANELLY, MAYOR

ATTEST:

____
SUE ANN REYES
CITY SECRETARY

HONDO

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City Council Communication

Title: Discuss the Lease of Airport Water Rights. (Ryan Elder)	
Date: August 14, 2023	***From:*** Ryan Elder, Director of Aviaion

INFORMATION:

Airport staff have been approached regarding the potential to lease BIG rights for CY23. We have 237AF of base rights remaining for CY23.

FINANCIAL IMPACT:

Additional Revenue to the Airport Fund

STAFF RECOMMENDATION:

Staff recommends discussing the issuance of an RFB for the lease of Airport BIG rights

MOTION:

Motion to approve staff to issue an RFB for the lease of Airport Base Irrigation Ground Water Rights for CY 23

ATTACHMENTS:

None

STAFF CONTACTS:

Ryan Elder

HONDO

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City Council Communication

Title: Discuss Airport Lease Extension. (Ryan Elder)	
Date: August 14, 2023	***From:*** Ryan Elder, Director of Aviaion

INFORMATION:

Corrigan Air Center approached staff regarding the potential to extend a ground lease assignment executed in April 2017 in exchange for upgrades and repairs to the Hangar.

FINANCIAL IMPACT:

No negative financial impact to the Airport fund. Lessee CAPEX approx $425K

STAFF RECOMMENDATION:

Staff recommends discussing and considering extending the Ground Lease Assignment for Hangar MR-1

MOTION:

Motion to approve the City Manager to execute an Amendment with Corrigan Air Center to the Ground Lease Assignment for Hangar MR-1.

ATTACHMENTS:

None

STAFF CONTACTS:

Ryan Elder