

GRANT AGREEMENT
IDAHO AIRPORT AID PROGRAM
STATE FISCAL YEAR-26

TO: City of Arco, Idaho
(Hereinafter referred to as the "SPONSOR")

FROM: The State of Idaho, acting through the IDAHO TRANSPORTATION DEPARTMENT, DIVISION OF
AERONAUTICS
(Hereinafter referred to as the "STATE")

WHEREAS, the SPONSOR has submitted to the STATE an application for assistance from the Idaho Airport Aid Program for development of the Arco-Butte County Airport, together with the planning proposal or plans and specifications for the project. The STATE approved the application and it is hereby incorporated herein and made a part thereof:

WHEREAS, the Idaho Transportation Board has approved a project for development of the airport consisting of the following described airport development:

Project Description: Fuel Farm card reader
FS Program Number: L258AOC
Project Number: SP-AOC-25

NOW THEREFORE, for carrying out the provisions of the Uniform State Aeronautics Department Act; Title 21 of the Idaho Code, as amended, and in consideration of the SPONSOR acceptance of this offer, as hereinafter provided, the STATE hereby agrees to pay, as its share of the costs incurred in accomplishing the project, not more than 90% of allowable project costs.

This Grant incorporates the following terms and conditions:

A. The STATE affirms that:

1. The maximum obligation of the STATE payable under this Grant shall be \$28,236.60.
2. This grant expires on June 30, 2027 and the STATE shall have no further obligation after that date.

B. The SPONSOR shall:

1. Certify the availability of at least \$3,137.00 to match STATE participation in said project.
2. The Airport Sponsor agrees to comply with the regulations relative to non-discrimination in State assisted programs of the Idaho Transportation Department.
3. Diligently and expeditiously complete this project by June 30, 2027 and likewise pursue appropriate measures as may be agreed upon by the SPONSOR and the STATE to remedy project delays, including but not limited to litigation or condemnation.

4. Carry out and complete the project in accordance with the plans, specifications, and property map, incorporated herein, as they may be revised or modified, with approval of the STATE.
5. Competitively bid all contracts for construction involved in this project in accordance with bidding procedures outlined in Idaho Statute Title 67, Chapter 28 of the Idaho Code and Title 2 CFR part 200 and provide solicitation documentation to the STATE.
6. In connection with the acquisition of real property for the project, secure at least two written appraisals by licensed appraisers and not pay in excess of the highest appraisal without the written consent of the STATE or except as directed by a court of competent jurisdiction after a contested trial and a judgment not resulting from agreement between the parties.
7. No State funds will be paid to the SPONSOR in any case until it certifies in writing that it has funds available and will spend at least the amount designated for this project in the Grant Agreement, solely for the project in question.
8. The SPONSOR agrees to hold said airport open to the flying public for the useful life of the facilities developed under this project.
9. The SPONSOR shall grant no exclusive use or operating agreements, to any person, company, or corporation for the use of the airport by any person providing or intending to provide aeronautical services to the public. Failure to abide by such agreement shall automatically obligate the immediate and full return of all State of Idaho money expended on behalf of the project to the State of Idaho.
10. Agrees to fulfill the FAA assurances applicable to this project and follow the requirements in 49 USC 471 Airport Development. (Only applies to FAA funded projects)
11. Agrees to follow and include applicable FAA required contract terms to any associated contracts granted in association with this grant. (Only applies to FAA funded projects)
12. Such allocation agreement shall become effective upon the SPONSOR acceptance of this offer and shall remain in full force and effect throughout the useful life of the facilities developed under the project but in any event not to exceed twenty (20) years from the date of acceptance.
13. Said offer and acceptance shall comprise allocation agreement, constituting the obligation and rights of the State of Idaho and the SPONSOR with respect to the accomplishment of the project and the operation and the maintenance of the airport.
14. SPONSOR must develop the airport in accordance with current design standards as set forth by the FAA for airport receiving FAA funding or by the Division of Aeronautics for non-federally funded airports.
15. SPONSOR cannot allow any activity or action on the airport that would interfere with its use for airport purposes.
16. SPONSOR must allow all types, kinds, and classes of aeronautical activities use the airport. This includes such activities as parachute jumping and ultralight vehicles. One possible reason for not allowing an aeronautical activity on the airport is if it cannot be conducted

safely. The final safety determination is the responsibility of the Idaho Division of Aeronautics. FAA funded airports shall abide by FAA guidance as depicted in the FAA grant assurance 22.

17. SPONSOR must allow people to service their own aircraft according to all applicable Federal Aviation Regulations (FARs). IDAPA 39.04.01
 18. All revenue generated on the airport by the Sponsor will be used for airport purposes only.
 19. SPONSOR should have a master plan or an airport or heliport layout plan to be eligible for participation in the allocation program. The plan must be accepted by the Division of Aeronautics. IDAPA 39.04.01
 20. SPONSOR will have proof of ownership or lease of all land upon which any project is proposed in order to protect the investment of public funds.
 21. SPONSOR will maintain a fee and rental structure for services and facilities at the airport, which will make the airport as self-sustaining as possible taking into account such factors as the volume of traffic and economy of collection. The Division of Aeronautics can provide assistance with establishing the structure base.
 22. SPONSOR is required to make selection for professional engineering or construction management pursuant to Idaho Code Title 54 and will provide evidence of based selection to the Division of Aeronautics. Idaho Code 67-2320
 23. SPONSOR will have compatible land use and height zoning for the airport to prevent incompatible land uses and the creation or establishment of structures or objects of natural growth, which would constitute hazards or obstructions to aircraft operating to, from, on, or in the vicinity of the subject airport. Idaho Statute 67-6508q
- C. The allowable costs of the project shall not include any costs determined by the STATE to be ineligible.
- D. The STATE reserves the right to amend or withdraw this offer at any time prior to its acceptance by the SPONSOR.
- E. This offer shall expire and the STATE shall not be obligated to pay any part of the costs of the project unless the final agreement has been accepted by the SPONSOR on or before 3/1/2025 or such subsequent date as may be prescribed in writing by the STATE.

Except for those projects receiving both State and Federal Aid (submit copies of FAA Application and Agreement), the following inspection schedule, and reporting system is required:

F. **Inspection Schedule and Reporting System:**

Inspection Schedule and Reporting System will vary for each project. The SPONSOR must make reports and be subject to inspections on the following schedule:

1. SPONSOR shall report project commencement date.
2. SPONSOR shall make quarterly reports during construction.

3. SPONSOR shall receive approval prior to any change in the scope of the project.
4. SPONSOR shall report project completion date and request final inspection and payment.
5. STATE may participate in the final inspection and shall sign off the project as completed.
6. STATE may arrange for audit of account in accordance with regularly scheduled audit program.

The execution of this instrument by the SPONSOR and ratification and adoption of the project application incorporated herein provides proof of the Sponsors commitment, as hereinafter provided. Said offer and acceptance shall comprise allocation agreement, constituting the obligation and rights of the State of Idaho and the SPONSOR with respect to the accomplishment of the project and the operation and the maintenance of the airport. Such allocation agreement shall become effective upon the SPONSOR acceptance of this offer and shall remain in full force and effect throughout the useful life of the facilities developed under the project but in any event not to exceed twenty (20) years from the date of acceptance.

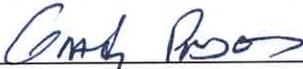
STATE OF IDAHO, ITD
Division of Aeronautics

By: _____
Thomas Mahoney, Administrator

ACCEPTANCE

THE SPONSOR DOES HEREBY RATIFY AND ADOPT ALL STATEMENTS, representations, warranties, covenants, and agreements contained in the project application and incorporated materials referred to in the foregoing offer and does hereby accept said offer and by such acceptance agrees to all of the terms and conditions thereof.

Executed this 24 day of February, 2025.

By: 
Grady Parsons, Mayor

City of Arco, City Council

ATTEST:

Dana Jensen, City Clerk

I, Dana Jensen, City Clerk do hereby certify that the foregoing is a full, true, and correct copy of Resolution No. 01-25 adopted at a regular meeting of the City Council held on the 24 day of February, 2025, and that the same is now in full force and effect. IN WITNESS WHEREOF, I have hereunto set my hand and impressed the official seal of the City, this 24 day of February, 2025.


Dana Jensen, City Clerk

City Resolution

Exact from the minutes of a regular meeting
of the City Council of City of Arco, Idaho
Held on February 24, 2025.

Councilman Teggsmed, introduced the following Resolution, was read in full, considered, and adopted:

Resolution number 01-25 of City of Arco, Idaho accepting the Grant Offer of the State of Idaho through the Idaho Transportation Department, Division of Aeronautics, in the maximum amount of \$28,236.60 to be used under the Idaho Airport Aid Program, FS Program number: L258AOC, Project number: SP-AOC-25 in the development of the Arco-Butte County Airport; and

Be it resolved by the Mayor and City Council of City of Arco, Idaho (herein referred to as the City as follows:

Sec. 1. That the City shall accept the Grant Offer of the State of Idaho in the amount of \$28,236.60, for the purpose of obtaining State Aid under FS Program Number: L258AOC, Project Number: SP-AOC-25 in the development of the Arco-Butte County Airport; and

Sec. 2. That the Mayor of the City of Arco City Council is hereby authorized and directed to sign the statement of Acceptance of said Grant Offer (entitled Acceptance) on behalf of the City, the City Clerk is hereby authorized and directed to attest the signature of the Mayor and to impress the official seal of the City on the aforesaid statement of Acceptance; and

Sec. 3. A true copy of the Grant Agreement referred to herein be attached hereto and made a part thereof.

Passed by the City Council and approved by the Mayor this 24 day of February, 2025.

Grady Parsons
Grady Parsons, Mayor

ATTEST:

Dana Jensen, City Clerk

CERTIFICATE

I, Dana Jensen, City Clerk do hereby certify that the foregoing is a full, true, and correct copy of Resolution No. 01-25 adopted at a regular meeting of the City Council held on the 24 day of February, 2025, and that the same is now in full force and effect. IN WITNESS WHEREOF, I have hereunto set my hand and impressed the official seal of the City, this 24 day of February, 2025.

Dana Jensen
Dana Jensen, City Clerk