

EXHIBIT "A"  
AIRPORT SPONSOR ASSURANCES FOR STATE AGREEMENTS

1. Allowable costs. The total cost of the Project eligible for payment shall be composed of the allowable direct costs of the Project plus any indirect costs specifically approved by the Department.

2. Project account. The Airport Sponsor shall maintain a separate and special account for all Projects ("Project Account"). The Airport Sponsor shall credit all Federal, State, and local funds used to pay Project costs to the Project Account. The Airport Sponsor shall submit to the Department an itemized report of this credit and all monies expended from the Project Account.

3. Cost documentation. All Project costs, including the cost of services performed by the Airport Sponsor or others, shall be charged to the Project Account. Costs so charged shall be supported by properly certified payrolls, invoices, contracts, vouchers, and other records showing in appropriate detail the nature and propriety of the charges.

4. Cost administration. All Project obligations and disbursements of Project funds shall be made only in conformity with the Project Application as approved by the Department.

5. Use for aviation purposes. The Airport Sponsor shall not use runways, taxiways, aprons, seeded areas or any other appurtenance or facility constructed, repaired, renovated or maintained under the terms of this Agreement for activities other than aviation. However, the Department may grant a waiver for the purpose of enabling non-aeronautical activities based on a case by case analysis of a written request submitted by the Airport Sponsor.

6. Maintenance of Facilities. All Project facilities must be used by the Sponsor for aviation purposes and activities approved by the Department. If any Project facilities are not used for aviation purposes, or if the airport for which the Project is approved ceases to function as a public airport, for ten years from the date of Project completion or at any time during the estimated useful life of the Project facilities or equipment, whichever period is greater, the Sponsor shall be liable for repayment to the Department of any or all funds contributed by the Department under this Agreement. Such repayment must be made promptly by the Sponsor upon receipt of written demand from the Department. If the airport at which the Project is constructed is abandoned for any reason, the Department may in its discretion discharge the Sponsor from any repayment obligation upon written request by the Sponsor.

7. Records. The Airport Sponsor shall, at its principal place of business, maintain full and accurate records pertaining three years beyond the date of final Project payment. The Airport Sponsor shall permit the Department, during regular business hours and at all other reasonable times, to have free access to original instruments, including any records or copies of records in the Airport Sponsor's possession, custody, or control, for examination and audit. The access shall include the right to make and carry away transcripts and copies and to inspect all Project-related data, documents, proceedings, records, and notes of activities. If, as a result of an audit, the Department is found to have made overpayments or payments of ineligible charges, the Airport

Sponsor agrees, upon the demand of the Department, to refund the overpaid or ineligible amounts. In the event of its failure to comply, the Airport Sponsor expressly authorizes the Department to deduct the amount demanded from payments due in this or any other project undertaken by the Airport Sponsor.

8. Reports. The Airport Sponsor shall, at such times and in such form as the Department may require, furnish the Department with periodic reports concerning the status of the Project and the Project Account and with statements certificates, approvals, and proposed budgets, as well as copies of proposed and executed contracts, purchase orders, salary schedules, and other information relative to the Project. The Airport Sponsor shall furnish the Department, at no charge, two copies each of all studies, reports, surveys, proposals, plans, codes and regulations, maps, charts, schedules, photographs, exhibits, and other materials prepared or developed in connection with or as part of the Project.

9. Notice of assistance. All reports, maps, and other documents completed as part of the Project, other than documents prepared exclusively for internal use by the Airport Sponsor, shall contain an appropriate notice of the financial assistance provided by the Department.

10. Equal Employment Opportunity. The Airport Sponsor shall comply with the terms of the Commonwealth Nondiscrimination/Sexual Harassment Clause for grants dated July 19, 2010, which is incorporated by reference into this Agreement. The Airport Sponsor shall incorporate this clause into all Project contracts and require all Project contractors to incorporate the clause into all Project subcontracts. In addition, the Airport Sponsor shall comply, and require its contractors to comply, with the provisions of Title VI of the Civil Rights Act of 1964 (P.L. 88-352).

11. Copyrights. The Airport Sponsor agrees that the Department shall have unrestricted authority to reproduce, distribute, and use, in whole or in part, any submitted report, data or material. No report, document or other material produced in whole or in part with the funds provided to the Airport Sponsor shall be subject to copyright in the United States or any other jurisdiction. The Airport Sponsor shall not include in its data any copyrighted matter without the written approval of the copyright owner and the Department.

12. Conflict of Interest. No officer, employee, or agent of the Airport Sponsor who has exercised or will exercise any functions or responsibilities in connection with the review or approval of the undertaking or carrying out of any work contemplated by the Agreement has acquired or shall voluntarily acquire, prior to the completion of Project work, any personal interest, direct or indirect, incompatible or in conflict with the discharge of his functions or responsibilities with respect to the Project. Any person who shall involuntarily acquire any such incompatible or conflicting personal interest shall immediately disclose his interest to the Department in writing. Thereafter he shall not participate in any action affecting the work under the Agreement unless the Department shall have determined that, in light of the personal interest disclosed, his participation in such action would not be contrary to the public interest.

13. Employer responsibilities. The Airport Sponsor certifies that it has performed and will perform its services under the grant agreement as an independent contractor and that, in

performing all of its services under the terms of the Agreement, it has made provision for Workmen's Compensation where required and has carried out or will carry out full responsibilities for the payment of Social Security taxes as well as all income tax deductions and any other taxes or payroll deduction required by law for its employees who have performed services under the Agreement.

14. Offset provision. The Airport Sponsor agrees that the Commonwealth may offset the amount of any state tax or Commonwealth liability of the Airport Sponsor or its affiliates and subsidiaries that is owed to the Commonwealth against any payments due the Airport Sponsor under this or any other contract with the Commonwealth.

15. Liability and indemnification. The Airport Sponsor shall indemnify, save harmless and defend (if requested) the Department, its officers, agents, and employees from any all claims, demands and actions based upon or arising out of any services performed by the Airport Sponsor, its officers, employees, agents and contractors under the Agreement. The Airport Sponsor's standard liability insurance policies have been, or shall be, endorsed to protect the Airport Sponsor from all claims of bodily injury (including death) and property damage arising out of any of the services performed by the Airport Sponsor and its employees and agents under this Agreement.

16. Assignment; novation. The Airport Sponsor certifies that it has not assigned or transferred any interest in the Agreement through either assignment or novation and agrees that it will not do so, without prior written approval of the Secretary of Transportation.

17. Required provisions. The Airport Sponsor agrees to comply with the Commonwealth Contractor Integrity Provisions dated June 17, 2010; the Provisions concerning the Americans with Disabilities Act amended January 16, 2001; the Commonwealth Contractor Responsibility Program dated April 16, 1999, all of which are incorporated by reference into this Agreement.

18. Compliance. If the Airport Sponsor should fail to comply with any grant or licensing requirements, the Department, in its sole discretion, may withhold payments to the Airport Sponsor for existing grants and may refuse to consider the Airport Sponsor's future grant pre-applications. The Department will, however, consider Airport Sponsor pre-applications for work to bring the airport into compliance with licensing criteria.

19. Contract award. The Airport Sponsor shall award the construction contract or contracts for the Project to the lowest responsive and responsible bidder after a review of competitive bids solicited under a procedure acceptable to the Department.

The Airport Sponsor agrees to comply, and to have its contractor(s) comply, with the following Pennsylvania Department of Transportation Publications:

a. Pub. 405-Sponsor's Guide (Latest Version)

20. Cash Flow Requirements. The Sponsor must provide the Bureau of Aviation with quarterly cash flow updates until the project is completed.