

MINUTES
MOUNT AIRY/SURRY COUNTY AIRPORT AUTHORITY
JANUARY 8, 1990

A called meeting of the Mount Airy/Surry County Airport Authority was held at 4:00 P.M. on January 8, 1990, at the office of Insteel Industries, Inc., 1373 Boggs Drive, Mount Airy, North Carolina. The following were in attendance: Howard O. Woltz, Jr., Chairman; Wayne Sawyers, Secretary; Tom Webb, Treasurer; Jim Etchison, FBO; Carl Bell, Attorney; and Dain Riley, Engineer with The LPA Group.

The Minutes of the meeting held on August 28, 1989, were approved as recorded and distributed.

Tom Webb was called upon to report on the status of land acquisition. Mr. Webb suggested that the Authority go into Executive Session to discuss land acquisition and Mr. Etchison was excused from the meeting.

Mr. Webb reported as follows: On the Joe Haymore property, consisting of approximately 8.4 acres, the original appraisal by Massey was in the amount of \$10,570.00. An appraisal by Garson McMillian was in the amount of \$61,900.00. The Authority retained Jack Underdown for an additional appraisal and the appraisal of Mr. Underdown was in the amount of \$19,050.00. Mr. Webb received a final offer from Mr. Haymore in the amount of \$26,200.00, plus the construction of a gravel farm road with a fifty foot easement across the land being acquired, for the purpose of reaching other land owned by Mr. Haymore. Mr. Bell, Attorney for the Airport Authority, suggested it would be impossible to condemn the land and have expenses less than the difference between the Underdown appraisal and the final offer. After much discussion, the Authority voted unanimously to acquire the Joe Haymore property at a price of \$26,200.00, with the agreement to construct the required gravel road and grant the fifty foot easement.

On the Glenn Haymore property, consisting of 2.019 acres, the Airport Authority offered \$4,441.80 based on the Massey appraisal. Mr. Haymore countered with an offer of \$20,800.00 based on a Garson McMillian appraisal. Mr. Underdown made a third appraisal in the amount of \$4,800.00. A final offer to the Authority was submitted by Glenn Haymore in the amount of \$10,000.00. After much discussion, the Authority voted unanimously to accept the Glenn Haymore offer in the amount of \$10,000.00. The Authority authorized Tom Webb to disburse the amount of \$57,500.00 to The Red Fez Club for its property, plus recording fees for the property.

The Executive Session ended and Mr. Etchison was invited to the meeting.

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The Chairman reported that in response to the advertisement, two firms had submitted proposals covering engineering services. The LPA Group of Raleigh and Willis, Skeen & Associates of Norton, Virginia. Copies of the proposals were passed to each of the Authority Members. After much discussion, the Authority voted unanimously to retain the services of The LPA Group for the expansion projects at the Mount Airy/Surry County Airport. The factors involved in this decision are as follows:

- (1) The Master Plan was developed by The LPA Group.
- (2) The LPA Group has worked with the North Carolina Aeronautics Council and Division of Aviation staff on many projects, whereas, Willis, Skeen & Associates has done no airport work in North Carolina.
- (3) The LPA Group prepared the preapplications for funding, has assisted with land acquisition, has assisted with navaid equipment improvements, and runway joint sealing.
- (4) The LPA Group is familiar with area contractors and subcontractors.
- (5) The LPA Group has an excellent relationship with the Civil Rights Staff of the FAA Southern Region and has in place a DBE program and the Mount Airy/Surry County Airport Authority DBE Plan can be properly implemented with the help of The LPA Group.
- (6) The professional fees are approved by the FAA and will probably be substantially the same whatever firm employed.

A schedule for the Runway 36 obstruction clearing project was discussed. It was agreed that advertisement for bids will be on January 19, 1990, and bids will be received at 2:00 P.M. on February 20, 1990, at the office of Insteel Industries, Inc., 1373 Boggs Drive. A meeting of the Airport Authority will be held at 4:00 P.M. on February 20, 1990, to review the bids and award a contract. If favorable bids are received, it is planned to begin construction on March 15, 1990, and complete construction by May 15, 1990.

Jim Etchison presented the FBO report. Mr. Etchison reported that Spencer's informed him of its desire to install improvements to the room of Hanger H-3. The Authority informed Mr. Etchison that none of the hangers have formal leases and that a formal lease would have to be executed prior to the approval of any capital improvements. Wayne Sawyers was appointed by the Authority to study the hanger rental situation and make recommendations to the next meeting of the Authority concerning rental rights, terms of lease, and conditions to be incorporated in leases for each of the hangers owned by the Authority.

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Mr. Etchison reported on the lightning strike and repairs, said lightning strike having occurred on November 15 or 16, 1989. The lights have been properly repaired and are now in good working order.

Mr. Etchison further reported on removing the vines from the security fence around the perimeter of the Airport. He contacted the Surry County Agricultural Extension Service and received a recommendation concerning a chemical to kill the honeysuckle, but was advised it would not be effective until growing season. Mr. Etchison reported that Southern Soaring had moved from the Mount Airy Airport to the old Elkin Airport.

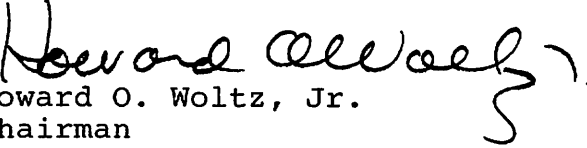
A letter from Laurie Barham was read thanking the Airport Authority for permitting the Jumpathon and reporting that over \$4,000.00 was raised for the Organ Transplant Division of Baptist Hospital and the individual for whom the event was staged.

Mr. Etchison reported on the EPA Petroleum Product Storage Tank situation. It appears that a testing program will need to be initiated by December, 1990, and a further report will be needed.

Mr. Etchison distributed income and expense statements covering his operation and was questioned by the Authority concerning the presentation of financial statements in accordance with generally accepted accounting practices. The Authority requested that such statements be prepared covering the FBO operation as soon as practical and Mr. Etchison agreed to have such statements prepared without further delay.

There being no further business, the meeting was adjourned.

Respectfully submitted,


Howard O. Woltz, Jr.
Chairman

MINUTES
MOUNT AIRY/SURRY COUNTY AIRPORT AUTHORITY
FEBRUARY 20, 1990

A meeting of the Mount Airy/Surry County Airport Authority was held at 4:00 P.M. on Tuesday, February 20, 1990, at the office of Insteel Industries, Inc., 1373 Boggs Drive, Mount Airy, North Carolina. The following Authority Members were in attendance: Tom G. Webb, Richard S. Wimbish, Wayne Sawyers and Howard O. Woltz, Jr. Others in attendance were Thurman Watts, Jim Etchison, Carl Bell and Dain Riley.

The Minutes of the meeting held on January 8, 1990, were approved as recorded and distributed.

Dain Riley reviewed for the Authority, and gave the results of, the bidding on the clearing and grubbing project for Runway 36. A bid tabulation was presented to those present, and a copy of the tabulation is attached to these Minutes. Mr. Riley recommended that the contract be awarded to Phillips & Jordan, Inc., being the low bidder at a price of \$58,940.00. Dick Wimbish made the motion, seconded by Wayne Sawyers, that the contract be awarded to Phillips & Jordan in the amount of \$58,940.00, and the motion passed unanimously.

The progress on the runway additions was reviewed by Dain Riley and the status of the land acquisition was reviewed by Tom Webb. It appears that no problems are involved in completing plans and specifications, but a number of problems remain in connection with the required land acquisition. Tom Webb observed that he has been agreeable to donating his time as required for land acquisition but feels he is not able to continue donating his time in connection with land acquisition for the runway expansion project. He stated that his normal fee for professional activities is \$55.00 per hour, and he estimated that the required services for land acquisition on Runway 18 would not exceed 200 hours. A motion was made by Dick Wimbish, seconded by Wayne Sawyers, that Tom Webb be employed to proceed with the land and right of way acquisition as required at a rate of \$55.00 per hour, not to exceed 200 hours, and that this employment contract be subject to a legal opinion by Carl Bell that such action is lawful and an opinion by Dain Riley that such payments will be eligible for reimbursement by FAA and State DOT. The motion passed with Tom Webb abstaining.

Jim Etchison presented the FBO report and as one item in his report he presented a letter from Randy Mason, Chief Pilot for Spencer's, Incorporated, requesting permission of the Airport Authority to make certain improvements to the hangers used by Spencer's. A discussion was held and it was the consensus that it would be inappropriate to approve construction until the new

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leases have been executed. A discussion of rental rates took place. On motion by Wayne Sawyers, seconded by Dick Wimbish, the Authority approved that one year leases, beginning April 1, 1990, be offered to the users of the occupied hangers, with the rental rate for the sixty foot hangers being \$250.00 per month and for the forty foot hangers \$200.00 per month. The motion passed unanimously. Carl Bell was requested to prepare leases and forward in duplicate a lease to every user of a hanger, with the request that an executed copy be returned prior to April 1.

Jim Etchison was instructed to meet with Randy Mason and request that a specific drawing detailing the requested construction be presented for approval after the execution of a lease.

Tom Webb reviewed the quotations presented for removal and relocation of The Red Fez sign. The low bid was submitted by M & M Signs, Inc., in the amount of \$6,028.18. The Authority voted unanimously to award the contract to M & M Signs at a price of \$6,028.18.

Howard Woltz presented a sketch of a proposed fuel facility on the leased land at the Insteel hanger site. Approval of the fuel installation was requested. It was pointed out that the facility would cost about \$12,000.00 and would be the property of the Airport Authority according to the terms of the lease. It was agreed that if fuel was purchased through the FBO the percentage to the Airport Authority would be paid by the FBO. If the fuel is purchased by Insteel directly and not through the FBO, Insteel will pay to the Airport Authority the same percentage as that being paid by the FBO. Tom Webb made the motion, seconded by Dick Wimbish, that the fuel facility be approved as requested. The motion passed with Howard Woltz abstaining.

There being no further business, the meeting was adjourned.

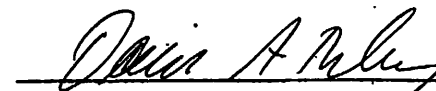
Respectfully submitted,


Howard O. Woltz, Jr.
Chairman

BID TABULATION
MT. AIRY-SURRY COUNTY AIRPORT
RUNWAY 36 OBSTRUCTION CLEARING

CONTRACTOR	LICENSE NO.	BID SECURITY	BID AMOUNT	REMARKS
Phillips & Jordan, Inc. Knoxville, Tennessee	3122	5%	\$58,940.00	Total Properly Extended By The Engineer
Spainhour Brothers, Inc. King, North Carolina	6947	5%	\$65,677.00	Total Properly Extended By The Engineer
Jimmy R. Lynch & Sons Pilot Mountain, NC	7706	5%	\$66,310.00	Total Properly Extended By The Engineer
Sutton Construction, Inc. Rock Hill, South Carolina	18922	5%	\$89,700.00	Total Properly Extended By The Engineer
E. R. Short Company, Inc. Mount Airy, North Carolina	2281	5%	\$93,075.00	
Engineers Estimate			\$79,500.00	

This Bid Tab is certified true and correct to the best of my knowledge.



Dain A. Riley, PE, THE LPA GROUP of North Carolina

01/08/90

MT. AIRY-SURRY COUNTY AIRPORT
PROPOSED CONSTRUCTION SCHEDULE
FOR
RUNWAY 18-36 EXTENSION

<u>TASK</u>	<u>R/W 36 OBSTR. CLEARING</u>	<u>R/W EXTENSION</u>
DESIGN	98% COMPLETE	SPRING, 1990
ADVERTISE	JANUARY 19, 1990	LATE JULY, 1990
RECEIVE BIDS	FEBRUARY ²⁰ 6, 1990	AUGUST, 1990
EXECUTE GRANT	FEBRUARY, 1990	NOVEMBER, 1990
PRECONSTRUCTION CONF.	MARCH 6, 1990	OCTOBER, 1990
BEGIN CONSTRUCTION	MARCH 12, 1990	NOVEMBER, 1990
COMPLETE CONSTRUCTION	APRIL 10, 1990	JULY, 1991

MINUTES
MOUNT AIRY/SURRY COUNTY AIRPORT AUTHORITY
MAY 3, 1990

The Mount Airy/Surry County Airport Authority held a called meeting at 4:00 P.M. on May 3, 1990, at the Operations Building at the Mount Airy/Surry County Airport, with the following in attendance: Don Holder, Tom G. Webb, Richard S. Wimbish, Howard O. Woltz, Jr., Carl E. Bell, Attorney, and Jim Etchison, FBO.

The Minutes of the meeting held on January 8, 1990, were read and approved.

Don Holder was welcomed as a new member of the Authority, being appointed by the County. The Authority directed the Chairman to write a letter of appreciation to Wayne Sawyers for the service he rendered to the Authority. Since Wayne Sawyers had served as Secretary, his departure from the Authority left open the office of Secretary. The Authority unanimously elected Don Holder as Secretary.

The Chairman presented copies of a Grant Agreement between the North Carolina Department of Transportation and the Mount Airy/Surry County Airport Authority, Project Number 9.9574891, in the amount of \$5,017.00, for land acquisition and obstruction removal. On a motion by Richard S. Wimbish, seconded by Tom G. Webb, the Authority voted unanimously to accept the Grant.

The Chairman presented a proposed Amendment Number One to the Agreement with The LPA Group covering professional services. The Amended Agreement provides for fees for job site services and has been approved by Lou Magid of the FAA. The Authority voted unanimously to accept Amendment Number One and directed the Chairman to execute same.

A report was given on the clearing and grubbing project. The project has been satisfactorily completed with the exception of some cleaning up and waiting to be certain that a good stand of grass is in place.

A draft of the Transportation Improvement Program for the period 1991 through 1995 was presented. The plan was discussed and the following changes made: the new NDB moved to 1991 from 1992, the general aviation ramp moved from 1993 to 1992, and a request for a glide slope was added in 1993. The Authority unanimously approved the TIP as modified and the Chairman was instructed to have The LPA Group prepare the proper documents to be filed with DOT. The Authority voted unanimously to request the DOT to make a study evaluating the feasibility of relocating Holly Springs Road to the end that it would be possible to increase runway length to 5,000 feet. The Chairman was instructed to make this request of DOT.

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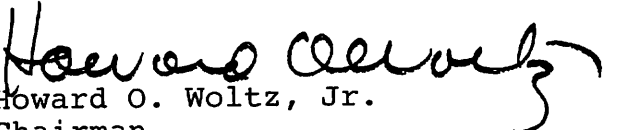
The Authority unanimously approved the engagement of Strand, Skees, Jones & Company for the yearly audit at a fee of \$1,375.00, plus \$275.00 in the event a single audit is required.

Jim Etchison presented the FBO report and furnished to Authority Members financial statements of his operations. Mr. Etchison stated that his business has improved to the extent he feels able to return to the four per cent commission on fuel sales as specified in the contract. He expressed his appreciation for the Authority reducing the commission over the past several years.

The Authority agreed that regular quarterly meetings should be held on the second Monday of May, August, November and February at 4:00 P.M. in the Operations Building at the Airport. A notice should be posted in the Operations Building advising the public of the regular meeting dates. A special meeting may be required from time to time in connection with the expansion program.

There being no further business, the meeting was adjourned.

Respectfully submitted,


Howard O. Woltz, Jr.
Chairman

GRANT AGREEMENT

STATE AID TO AIRPORTS

BETWEEN

THE N. C. DEPARTMENT OF TRANSPORTATION,
AN AGENCY OF THE STATE OF NORTH CAROLINA
AND

AIRPORT: Mt. Airy/Surry
County

PROJECT NO: 9.9574891

MOUNT AIRY-SURRY COUNTY AIRPORT AUTHORITY

This Agreement made and entered into this the _____ day of _____, 19____, by and between the NORTH CAROLINA DEPARTMENT OF TRANSPORTATION (hereinafter referred to as "Department") and the MOUNT AIRY-SURRY COUNTY AIRPORT AUTHORITY (hereinafter referred to as "Sponsor").

W I T N E S S E T H

WHEREAS, Chapter 63 of the North Carolina General Statutes authorizes the Department, subject to limitations and conditions stated therein, to provide State Aid in the forms of loans and grants to cities, counties, and public airport authorities of North Carolina for the purpose of planning, acquiring, and improving municipal, county, and other publicly-owned or publicly controlled airport facilities, and to authorize related programs of aviation safety, education, promotion and long-range planning; and

WHEREAS, the Sponsor has made a formal application dated the 24th day of April, 1990, to the Department for State Financial Aid for the Mount Airy-Surry County Airport; and

WHEREAS, a grant in the amount of \$5,017 (not to exceed fifty (50%) percent of the non-federal share of the final, eligible project costs) has been approved subject to the conditions and limitations herein; and

WHEREAS, the Grant of State Airport Aid funds will be used for the following approved Project (if a federal aid project, this scope shall also include any modifications thereto by the Federal Aviation Administration):

"AIP-01: Land Acquisition and Obstruction Removal for Runways 18 and 36 Clear Zones and Transitional Areas"

NOW THEREFORE, the Sponsor and Department do mutually hereby agree as follows:

1) That the Sponsor shall promptly undertake the Project and complete all work on the Project prior to the 1st day of January, 1991, unless a written extension of time is granted by the Department.

2) Work performed under this Agreement shall conform to the approved project description. Any amendments to, or modification of, the scope and terms of this Agreement shall be in the form of a Modified Agreement mutually executed by the Sponsor and the Department, except that an extension of time may be granted by the Department by written notice to the Sponsor.

3) The Sponsor certifies that it has adhered to all applicable laws, regulations, and procedures in the application for and Sponsor's approval of the Grant.

4) For a material breach of this Agreement or the Sponsor's Assurances, the Sponsor shall be liable to the Department for the return of all grant monies received.

5) The Sponsor agrees to adhere to the standards and procedures contained in the State Aid to Airports Program Guidance Handbook (second edition, dated January, 1990), unless the Department issues a written waiver.

6) The Sponsors agree to comply with the "Sponsor's Assurances" contained as a part of this Agreement.

DOA Form (1/90)

SECTION A

SPONSOR'S ASSURANCES: GENERAL CONDITIONS

A-1. The Sponsor certifies that it holds fee simple title to the property on which this project is to be constructed. In the event any work is proposed on property which has an easement or lease in the Sponsor's name, the Sponsor agrees that it will comply with the Department's conditions and receive written approval prior to any construction on such lease or easements. This condition does not apply to planning projects.

A-2. The Sponsor agrees to operate the Airport for the use and benefit of the general public and shall not deny reasonable access to public facilities by the general public.

A-3. The Sponsor agrees to operate, maintain, and control the Airport in a safe and serviceable condition for a minimum of twenty (20) years following the date of this Agreement and shall immediately undertake, or cause to be undertaken, such action to correct safety deficiencies as may be brought to its attention by the Department.

A-4. The Sponsor agrees that any land purchased, facilities constructed, or equipment acquired under this Agreement shall not be sold, swapped, leased or otherwise transferred from the control of the Sponsor without written concurrence of the Department.

A-5. The Sponsor agrees that the state share of any land purchased, facilities constructed, or equipment acquired under this Agreement shall be credited to the Department in a manner acceptable to the Department in the event such land, facilities or equipment are subsequently disposed of through sale or lease.

A-6. Insofar as it is within its power and reasonable, the Sponsor shall, either by the acquisition and retention of property interest, in fee or easement, or by appropriate local zoning action, prevent the construction of

any object which may constitute an obstruction to air navigation under the appropriate category of Federal Air Regulation Part 77, 14 CFR 77.

A-7. Insofar as it is within its power and reasonable, the Sponsor shall, either by acquisition and the retention of property interest, in fee or easement, or by appropriate local zoning action, restrict the use of land in the airport's environs to activities and purposes which are compatible with normal airport operations including landing and takeoff of aircraft and the noise produced by such operations.

A-8. Terminal building spaces constructed under this Grant Agreement shall be for the use of the general public. The Sponsor agrees that it will not use any space so constructed for private use, or charge fees for the use of such space, without the written approval of the Department.

SECTION B

SPONSOR'S ASSURANCES: PROJECT ADMINISTRATION

B-1. The Airport shall comply with all requirements of the State Aid to Airports Program Guidance Handbook (second edition, January, 1990).

B-2. The Sponsor shall submit draft plans and specifications, or approved alternate, for the project for review by the Department prior to advertising for bids on the Project. Should bids not be required on the project, the Sponsor shall submit a detailed work scope and estimated costs prior to requesting "Project Concurrence" to undertaking the project. All plans (and alternate) shall be supported by engineer's report.

B-3. Bids will be taken in accordance with N. C. General Statute 143-129. Following bid opening or final contract negotiations, the Sponsor shall submit the "Project Concurrence" request along with the bid tabulations to the Department for review. The Department will take action on the request including the approval or disapproval of the Sponsor's Employment of specific contractors within ten (10) days of receipt.

B-4. All contractor(s) who bid or submit proposals for contracts in connection with this project must submit a statement of non-collusion to the Sponsor.

B-5. The Sponsor shall not commence construction or award construction contracts on the project until a written "Project Concurrence" is co-signed by the Sponsor's Representative and the Department or alternate written approval is provided by the Department.

B-6. The Sponsor shall submit quarterly status reports to the Department, unless otherwise instructed, and will immediately notify the Department of any significant problems which are encountered in the completion of the project.

B-7. The Sponsor shall notify the Department of any significant meetings or inspections involving the Sponsor, his contractor(s), consultant(s), and/or federal funding agencies concerning Project.

B-8. The Sponsor shall provide the Department with such interim plans, specifications, reports, and other studies as may be produced under the Project prior to the acceptance of such Document by the Sponsor. Further, the Sponsor shall provide the Department with a final copy of such documents following their approval and acceptance by the Sponsor.

B-9. The Sponsor shall notify the Department within thirty (30) days of completion of all work performed under this agreement for the purpose of final acceptance inspection and completion of audit requirements by the Department.

B-10. The Sponsor has full responsibility for assuring the completed Project meets the requirements of the Department and appropriate federal funding agencies. The Sponsor further certifies that all local, state, and federal requirements for the conduct of this Project shall be met.

B-11. It is the policy of the Department not to award contracts to contractors who have been removed from the Department's list of pre-qualified bidders without subsequent reinstatement. Therefore, no State funds will be provided for any work performed by the contractor(s), or

sub-contractor(s) which had been removed from the Department's list of pre-qualified bidders without subsequent reinstatement as of the date of the signing of the construction contract. It shall be the responsibility of Sponsor to insure that only properly qualified contractors are given construction contracts for work.

SECTION C

SPONSOR'S ASSURANCES: PROJECT ACCOUNTING AND PAYMENT

C-1. The Sponsor shall record all funds received under this Agreement and shall keep the same in an identifiable Project account. The Sponsor, and his contractor(s) and/or consultant(s), shall maintain adequate records and documentation to support all Project costs incurred under this Grant. All records and documentation in support of the Project costs must be identifiable as relating to the Project and must be acceptable costs only. Acceptable costs are defined as those costs which are acceptable under "Federal Acquisition Regulations 1-31.6, 48 CFR (OMC Circular A-87)". Acceptable items of work are those referenced in the State Aid to Airports Program Guidance Handbook and North Carolina General Statutes. The Sponsor's accounting procedures which were established for work as set out in this Agreement must be reviewed and accepted by the Department prior to the final execution of this Agreement and payment of State funds, except for Sponsor reporting under OMB Circular A-128.

C-2. The Sponsor and his contractor(s) and/or consultant(s) shall permit free access to its accounts and records by official representatives of the State of North Carolina. Furthermore, the Sponsor and contractor(s) and/or consultant(s) shall maintain all pertinent records and documentation for a period of not less than three (3) years following the final audit by the Department.

C-3. In accordance with the State's Single Audit Act (House Bill 1036 dated June 4, 1987), the Sponsor agrees to comply with the audit requirements of G.S. 159.34 of the "Local Government Budget and Fiscal Control Act". This statute states that all local governments and public authorities which

receive \$25,000 or more in combined Federal and State funds will have a Single Audit of their records performed and will submit a copy of the audit report to the State's agency(s) providing the funding. This report will replace the site final audit of the individual grant which formerly was performed by the Department's External Audit Branch. A final audit will still be conducted by the Department where funding is less than \$25,000 if the Sponsor fails to comply with the Act, or when the Department deems a final audit to be appropriate.

C-4. Payment of the funds obligated under this Grant Agreement shall be made in accordance with the following schedule, unless otherwise authorized by the Department:

A. Upon final execution of the Grant Agreement and Project Concurrence by the Department, the Department will issue its voucher for ten percent (10%) of the Agreement Amount.

B. Subsequent payments will be made on the basis of progress payments which may be requested by the Sponsor as costs are incurred, but not more frequently than monthly. Progress payments will be made provided the following requirements have been met.

- (1) The Grant Agreement has been executed and a Project Concurrence issued.
- (2) The Project has received an appropriate environmental finding.
- (3) The Sponsor has submitted a Proposed Project Budget Form AC-6 accurately reflecting the costs to date.
- (4) The Sponsor has submitted an executed Interim Payment Request Form AC-7 accurately reflecting the costs incurred to date.
- (5) The Sponsor has complied with all applicable conditions of the State Aid to Airports Program Guidance Handbook (second edition, dated January 1990).

C. The submission of progress payments is expected to parallel the value of work actually completed and costs incurred. At such point the Sponsor has requested payments equalling 100% of the State Grant, it is expected that the approved Project will be 100% complete.

D. Upon receipt of 100% of the State Grant, the Sponsor will promptly complete Project acceptance and submit the Project

Completion Certification Form AC-8 and Final Cost Information Form
AC-9.

C-5. If after the acceptance of the Project by the Department, the final State share of approved eligible items is less than the amount of State funds actually disbursed for the Project, the Sponsor shall reimburse the Department in an amount equal to the difference between the amount of State funds actually disbursed and the final State share of the final, audited, approved eligible Project costs within thirty (30) days of notification by the Department of the amount due.

C-6. If after the acceptance of the Project by the Department, the final State share of approved eligible Project costs shall be more than the amount of State funds obligated for the Project, the Sponsor may make application to the Department for a corresponding increase which will be considered for funding in accordance with their relative priority versus other applications for available State funds.

C-7. Under certain conditions, projects originally involving only State and local funds may subsequently be eligible for reimbursement from federal funding agencies. In such cases, the Sponsor shall notify the Department of its intent to apply for federal reimbursement and shall keep the Department informed of the status of such application. In the event federal funds are obtained for all or a portion of the Project, the Sponsor shall refund to the Department an amount equal to the difference between State funds originally disbursed for the work item(s) subsequently receiving federal funds and the final State share of the costs of the affected item(s) of work. Reimbursement will be made within ninety (90) days of the date of the final execution of the FAA Grant Agreement affecting the work elements in the approved Project.

C-8. For the purpose of calculating the State share of the Project, federal funds are defined as funds provided by an agency of the federal government for the specific purpose of undertaking the Project, including Block Grant funds administered by the Department.

SECTION D

SPONSOR'S ASSURANCES: REAL PROPERTY ACQUISITION

D-1. The acquisition of land, buildings, and other real property involving the use of State Airport Aid funds shall be in compliance with the provisions of this Section.

D-2. The Sponsor shall depict each parcel to be acquired on an airport property map containing the identity of the parcel and its meets and bounds.

D-3. The acquisition cost of each parcel, building, or other real property acquired with State financial assistance shall be based on the fair market value of the property as determined by an appraisal process acceptable to the Department.

D-4. For each parcel or building with an estimated cost of \$100,000 or less, fair market value shall be established by a single original appraisal and a review appraisal. For complex acquisitions, fair market value shall be established by two original appraisals and one review appraisal.

D-5. All original and review appraisals shall be conducted by qualified appraisers who have no financial or other interest in the property to be acquired.

D-6. The fair market value of a parcel will be established by the review appraiser based upon the information contained in the original appraisal or appraisals.

D-7. No negotiation for property acquisition shall be commenced between the Sponsor and the property owner until the fair market value of the property has been established. Initial negotiations shall be based upon the fair market value.

D-8. Negotiated values above the fair market value shall not be eligible for State funds unless, prior to the final agreement for acquisition, the Sponsor has received the concurrence of the Department for paying such negotiated values in lieu of the appraised fair market value.

D-9. Sponsors which adhere to the federal "Uniform Guidelines for the Acquisition of Property" shall be deemed to have conformed to the Department's guidelines, except that Paragraph 8 above shall also be applicable under such acquisitions.

D-10. In the event the Project is a low value, non-complex acquisition, the Department, at its option, may accept the original appraisal without the review appraisal. In such cases, all other provisions of this Section shall apply.

D-11. Failure to follow the requirements of this Section shall disqualify the property from State participation for any parcel which has not been acquired in accordance with such standards.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS GRANT AGREEMENT THE DAY AND YEAR FIRST WRITTEN ABOVE:

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

BY: _____

Secretary of Transportation

NCDOT SEAL

ATTEST: _____

SPONSOR:

Signed: Howard O. Woltz, Jr.

Title: Chairman

Attest: Donald L. Holder
Donald L. Holder, Secretary

SPONSOR SEAL

STATE OF NORTH CAROLINA, COUNTY OF SURRY

I, Ree Edwards, a Notary Public in and for ~~the~~ Alleghany County and State aforesaid, do hereby certify that Howard O. Woltz, Jr. personally came before me this day and acknowledged that he is Chairman of the Mount Airy/Surry County Airport Authority
(Title) (Sponsor)

(hereinafter referred to as "Sponsor") and by authority duly given and as an act of said Sponsor, the foregoing instrument was signed by him, attested by Donald L. Holder, Secretary of the Sponsor,

(Name and Title)

and the Seal of the Sponsor affixed thereto.

WITNESS my hand and Notarial Seal, this the 3rd day of May, 1990.

Ree Edwards
Notary Public (Signature)

My Commission Expires: 10/11/92

SEAL

RESOLUTION

A motion was made by Richard S. Wimbish (Vice Chairman)
(Name and Title)
and seconded by Tom G. Webb (Treasurer) for the adoption of the
(Name and Title)
following Resolution, and upon being put to a vote was duly accepted:

WHEREAS, a grant in the amount of \$5,017 has been approved by
the Department based on a total estimated cost of \$100,350; and

WHEREAS, an amount equal to or greater than 50% of the total non
federal share of project cost has been appropriated by the Sponsor for this
Project.

NOW THEREFORE, BE AND IT IS RESOLVED THAT THE Chairman
(Title)

of the Sponsor be and he hereby is authorized and empowered to enter into a
Grant Agreement with the Department, thereby binding the Sponsor to the
fulfillment of its obligation incurred under this Grant Agreement or any
mutually agreed upon modification thereof.

I, Donald L. Holder, Secretary of
(Name and Title)
the Mount Airy/Surry County Airport Authority do hereby
(Sponsor)

certify that the above is a true and correct copy of an excerpt from the
minutes of the Mount Airy/Surry County Airport Authority of a meeting
(Sponsor)

duly and regularly held on the 3rd day of May, 1990.

This, the 3rd day of May, 1990.

SPONSOR SEAL

Signed:

Donald L. Holder

Title:

Secretary

Of The:

Mount Airy/Surry County Airport Authority

MINUTES
MOUNT AIRY/SURRY COUNTY AIRPORT AUTHORITY
AUGUST 13, 1990

A meeting of the Mount Airy/Surry County Airport Authority was held at 4:00 pm on August 13, 1990 at the operations building of the Mount Airy/Surry County Airport. All Authority members were present. Also in attendance were Carl E. Bell, Attorney, Jim Etchison, FOB, Thurman Watts of the Mount Airy Chamber of Commerce, Scott Marion, Airport Manager, County Commissioner Melvin Jackson and Bryan Pierce of the Winston-Salem JC's.

The minutes of the meeting held on May 3, 1990 were approved as recorded and distributed.

Bryan Pierce of the Winston-Salem JC's was welcomed to the meeting by the Chairman. The Winston-Salem JC's are requesting permission to hold a Jump Athon at the Mount Airy/Surry County Airport on October 13, 1990. The Jump Athon would raise funds for the Cancer Patient Support Program at North Carolina Baptist Hospital and the American Red Cross Bone Marrow Registry Program. Jim Etchison had previously taken Mr. Pierce on a tour of the Airport. Mr. Etchison and Mr. Pierce agreed the area used last year would be the best area to use for 1990. It was also agreed to arrange the Jump Athon so it would not interfere with the daily operations of the Airport. Mr. Pierce stated the Winston-Salem JC's would also like to set up a Static Display along the runway on the grass strip at the edge of the woods. The aircraft on display would include DC3's, old military training aircraft, ect. The Jump Athon will also have some concessions. Commissioner Jackson stated he saw no problems with the Static Display as long as it is clear of the runway. The Winston-Salem JC's will be acquiring insurance for the event. After a brief discussion the event would be approved if held one week earlier or one week later due to the Autumn Leaves Festival.

A new hanger lease was approved. The new lease will be for one year, tenants will be responsible for repairs to their hanger, rent will remain the same, \$200 for a 40' hanger and \$250 for a 60' hanger. The new lease will be effective October 1, 1990.

A discussion was held regarding the Red Fez Club Billboard. The billboard was to be moved 123 feet north at a cost of \$9,000 to \$10,000. After discussing this matter with Attorney Carl Bell, the Authority members concluded no action should be taken since the billboard was originally placed where the Department of Transportation said. The Airport Authority feels it has complied with the agreement.

A request is being made to the Department of Transportation to move Holly Springs Road in order to build a 5,000 feet runway. An Engineer with the Department of Transportation will be conducting a study regarding this matter.

*CORRECTION: TO LOWER HOLLY SPRINGS CH. RD. IN
ORDER TO ACC. 5,000 FT. RUNWAY -*

MINUTES
PAGE TWO

Movement of the NDB was discussed briefly. The Airport Authority was still unable to find out why the sight requested was not approved. The Department of Aviation was also unable to find out why. Also, the Aeronautics Council did not reach funding in their last meeting.

Dain Riley with LPA Group of Raleigh gave a lengthy briefing on the Runway Extension, Grading, Paving and Lighting Project. The budget and construction schedule were distributed. It was noted there will be no funds available before December 1990. After discussing these matters a contract between the Airport Authority and LPA Group of Raleigh was approved. Let it be noted that Tom Webb abstained from the vote.

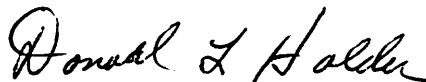
A short briefing was given on the I77 connection at Highway 52. This connection will not interfere with the Airport or Airport traffic.

Scott Marion was introduced as the new Mount Airy/Surry County Airport manager.

A FOB report was given by Mr. Etchison, FOB operations. He reported the fuel tanks will have to be tested each year as per EPA regulations. This will cost \$700 to \$800. He also informed Authority member of having problems with the NDB. The NDB does not always function properly. Also, the runway strobe lights are inoperable. The computer board is to be sent to the factory for repairs. Finally, Mr. Etchison reported the road built by Duke Power for the removal of power lines needs to be seeded. Mr. Etchison will take care of this matter.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Donald L. Holder
Secretary

PRELIMINARY

**MT. AIRY-SURRY COUNTY AIRPORT
R/W 18-36 EXTENSION, GRADING, PAVING AND LIGHTING
PROJECT ESTIMATE**

ADMINISTRATIVE EXPENSE

Advertisement	\$ 500
Printing and Postage	2,500
Administrative and Legal-Construction	2,000
Administration and Legal-Land	15,000
SUBTOTAL	\$ 20,000

PRELIMINARY EXPENSE

Property Surveys	\$ 4,500 X
Predesigned Surveys	3,750
Predesigned Aerial Topo	6,250
Geotechnical Investigation	7,500
SUBTOTAL	\$ 17,500 + X
	22,000

LAND

Acres Fee Simple	\$ 120,000 X
Acres Easement	37,000 X
Relocation	18,000 X
SUBTOTAL	\$ 175,000 X

Architectural/Engineering Basic Fees

Appraisals	\$ 3,074.00
Preliminary Design	3,482
Final Design	37,522
Bidding	3,112
Construction Administration	10,810
SUBTOTAL	\$ 54,926 + X
	58,000

PROJECT INSPECTION/OTHER ENGINEERING FEES

Special Services	\$ 2,686
Resident Inspection	40,000
Quality Assurance	27,314
SUBTOTAL	\$ 70,000

CONSTRUCTION AND PROJECT IMPROVEMENT

Civil Contractor	\$ 850,000
Electrical Contractor	35,000
SUBTOTAL	\$ 885,000

GRAND TOTAL

\$1,047,426 + X

1,210,950 ON.C.

80% Fed.
10% STATE
10% LOCAL

NEW 1,230.00 — TOTAL

mt. Airy TC/W 18-36
Extension . 1

08/09/90

MT. AIRY-SURRY COUNTY AIRPORT
PROPOSED CONSTRUCTION SCHEDULE
FOR
RUNWAY 18-36 EXTENSION

ACTIVITY

DATE

Engineering Agreement	August 13, 1990
DBE Plan	September 10, 1990
90% Plans & Specs	October 22, 1990
FAA/STATE Comments	November 9, 1990
100% Plans & Specs	November 16, 1990
Advertise	November 19, 1990
Receive Bids	December 13, 1990
Grant Application	December 14, 1990
Accept Grant	February, 1991
Award Bid	February, 1991
Complete Land Acquisition	February, 1991
Begin Construction	April 1, 1991
Complete Construction	July 31, 1991

AGREEMENT FOR PROFESSIONAL SERVICES

BETWEEN

MT. AIRY-SURRY COUNTY AIRPORT AUTHORITY

AND

THE LPA GROUP OF NORTH CAROLINA, P.A.

THIS AGREEMENT is made and entered into this 27th day of August, 1990 by and between the MT. AIRY-SURRY COUNTY AIRPORT AUTHORITY, 1373 Boggs Drive, Mt. Airy, North Carolina, 27030, hereinafter referred to as the OWNER and THE LPA GROUP OF NORTH CAROLINA, P. A., of Raleigh, North Carolina, hereinafter referred to as the ENGINEER.

WHEREAS, the OWNER intends to Construct a 300' Extension to Runway 36 and a 500' Extension to Runway 18, hereinafter referred to as the PROJECT; and

WHEREAS, the OWNER desires to employ the ENGINEER to furnish professional consulting services on behalf of the OWNER for consultation, design and construction administration of the PROJECT.

NOW THEREFORE, for and in consideration of their mutual benefit, the parties hereto agree as follows:

SECTION I - BASIC SERVICES

After authorization to proceed, the ENGINEER shall perform the following services:

1. Preliminary Engineering Phase

- a. Consult with the Owner to determine the scope of the project, its phasing and schedule;
- b. Coordinate with the FAA and other agencies to resolve questions of eligibility and project scope;
- c. Prepare a preliminary estimate of project costs; and,
- d. Prepare for and attend a tentative allocation and predesign conference.

2. Design Phase

- a. Prepare an Engineer's Report which describes the methodologies used to develop final plans and contract documents and includes the Engineer's estimate of project costs;
- b. Prepare design plans and calculations necessary for the Project;
- c. Prepare specifications appropriate to the scope and nature of the Project;
- d. Prepare contract documents for the Project; and,
- e. Furnish to the Owner ten (10) copies of each set of completed drawings, specifications, reports, estimates, and contract documents for submittal and coordination with state and federal agencies for necessary approvals.

3. Bidding and Negotiating Phase

- a. Assist the Owner in securing bids, analyzing bid results, and furnishing written recommendations in connection with the award of construction contracts;
- b. Prepare bid tabulation for submission to Owner and FAA; and,
- c. Assist the Owner in the preparation of formal contract documents for the award of construction contracts.

4. Construction Phase

- a. Consult with and advise the Owner and act as his representative as provided in the approved construction specifications and contract documents;
- b. Prepare for and attend a preconstruction conference with the Owner, FAA, State and Contractors;
- c. Make visits to the site at intervals appropriate to the various stages of construction to observe as an experienced and qualified design professional the progress and quality of the executed work of contractor(s), to determine in general if such work is proceeding in accordance with the contract documents and provide reports as necessary to the Owner. Engineer shall not be required by this provision to make exhaustive or continuous on-site inspections to check the quality of the construction work;

- d. Check shop drawings and other submissions of the contractor for compliance with the design concepts and specification requirements;
- e. Review laboratory, shop, and mil test reports and prepare a tabulation or summary of laboratory test results to assist in monitoring the quality of construction;
- f. Make final inspections with Owner and government representatives of the completed work and provide a report of Engineer's recommendations regarding the contractor's final earnings;
- g. Review Pay Requests by Contractors and make recommendations to the Owner; and,
- h. Compute final quantities for the Project.

SECTION II - SPECIAL SERVICES

After authorization to proceed, the ENGINEER shall perform the following services:

- 1. Assist Owner with negotiation and acquisition of properties necessary for this project.
- 2. Update Disadvantaged Business Enterprise (DBE) Plan and Goals for submittal to the FAA;
- 3. Assist the Owner in the preparation of Preapplications and Applications for Federal and/or State Funds;
- 4. Provide aerial photography and digital mapping as necessary for generating base mapping for the Project;
- 5. Perform field surveys as necessary to establish ground controls for Aerial Photography and to provide supplemental topo data and mapping for design of the project;
- 6. Provide predesign subsurface testing and geotechnical analysis of pavement and material sources;
- 7. Reproduction and postage associated with of additional copies of reports, contract documents and specifications above the specified number furnished in Basic Services; and,
- 8. Provide Update of Airport Layout Plan and As-Built Drawings.

At the written request of the Owner, the Engineer shall accomplish such additional special services as required by the Owner to complete the project. At the option of the Owner, special services may be provided by the Owner through contracts with other professionals or may be provided by the Engineer. When the Engineer is requested to provide special services, such services may be provided by the Engineer's own forces or through subcontracts with other professionals. However, contracts with other professionals for additional special services must have the written approval of the Owner before the work is initiated. Special services which may be requested include, but are not necessarily limited to the following:

1. Land Surveys as necessary to establish property boundaries required for property acquisition purposes or preparation of property maps;
2. Additional meetings required to assist the Owner with the securing of bids or the administration of the project;
3. Destructive ^{Pavement} ~~Test~~ Testing and associated repairs as required for additional design information;
4. Material testing as necessary for quality assurance during construction;
5. Technical Inspection of construction by full time resident project representative, as required and approved by the Owner;
6. The accomplishment of special surveys and investigations and the preparation of special reports and drawings as may be requested or authorized in writing by the Owner in connection with the Project;
7. Assistance to the Owner as expert witness in litigation arising from development or construction of the Project;
8. Extra work created by design changes, after approval of plans and specifications by the Owner and FAA, and beyond the control of the Engineer, that may be requested or authorized in writing by the Owner in connection with the Project; and,
9. Extra work required to revise contract documents, plans, and specifications to facilitate the award of more than one construction contract, in the event that the Owner adopts such a construction Project.

SECTION III - RESPONSIBILITIES OF THE OWNER

As a part of this Agreement, the Owner shall:

1. Make available for the Engineer's use all record drawings, maps, soil data, etc., that are readily available to the Owner; and,
2. Designate a person to act with authority on the Owner's behalf and respond in a timely manner to submissions by the Engineer providing approvals and authorizations as appropriate so that work may continue at a normal pace.

SECTION IV - PAYMENTS TO THE ENGINEER

The Engineer's compensation for the work described herein shall be as follows:

1. As compensation for providing Preliminary Engineering Phase services, the Owner shall pay the Engineer the lump sum fee of Three Thousand Four Hundred Eighty Two Dollars and No Cents (\$3,482.00)
2. As compensation for providing Design Phase services, the Owner shall pay the Engineer the lump sum fee of Thirty Seven Thousand Five Hundred Twenty Two Dollars and No Cents (\$37,522.00)
3. As compensation for providing Bidding and Negotiation Phase services, the Owner shall pay the Engineer the lump sum fee of Three Thousand One Hundred Twelve Dollars and Fifty Cents (\$3,112.00)
4. As compensation for providing Construction Administration Phase services, the Owner shall pay the Engineer the lump sum fee of Ten Thousand Eight Hundred Ten Dollars and No Cents (\$10,810.00)
5. Invoices shall be submitted monthly based on the percentage of work actually completed during that month. The Owner shall pay invoices within 30 days of receipt.

C. Special Services:

1. As compensation for providing Special Services, the Consultant shall be paid the following sums:

DBE and Grant Services: As compensation for assisting the Owner in the preparation of a preapplication and of an application for FAA Grant, and for updating the DBE program goals, the Owner shall pay the Engineer the Lump Sum of One Thousand Nine Hundred Seventy Dollars (\$1,970.00).

Reproduction and Postage: As compensation for providing additional Contract Documents and Postage Services for distribution to Bidders, Contractors, and Others, the Owner shall pay the Engineer for the direct cost plus an Administrative Fee of Two Hundred Fifty Dollars (\$250.00) with an estimated upset limit of Two Thousand Five Hundred Dollars (\$2,500).

Land Acquisition Services: As compensation for assisting the Owner in the negotiations and acquisition, the Owner shall pay the Engineer on the fee schedule basis at the rates outlined in Exhibit "A-1" and "A-2". The estimated cost of the Land Acquisition Services is Ten Thousand Dollars (\$10,000).

Predesign Field Surveys: As compensation for performing ground control surveys and supplemental topo data and mapping, the Owner shall pay the Engineer on the fee schedule basis as described in Exhibit "A-1" and "A-3". The estimated cost of Predesign Field Surveys is Three Thousand Seven Hundred Fifty Dollars (\$3,750).

Aerial Photography and Mapping Services: As compensation for providing predesign aerial photography and mapping services, the Owner shall pay the Engineer on fee schedule basis as described in Exhibit "A-4". The estimated cost of Mapping Services is Six Thousand Two Hundred Fifty Dollars (\$6,250).

Predesign Geotechnical: As compensation for performing Predesign Geotechnical Services, the Authority will pay the Consultant the cost of the Geotechnical Subconsultant plus an Administrative Fee of Four Hundred Fifty Dollars (\$450). The Subconsultant's Fee Schedule is shown in Exhibit "A-5". The estimated cost of Predesign Geotechnical Services is Seven Thousand Five Hundred Dollars (\$7,500).

2. Invoices shall be submitted monthly based on the percentage of work actually completed during that month. The Owner shall pay invoices within 30 days of receipt.

SECTION V - MISCELLANEOUS PROVISIONS

- A. Estimates: Since the Engineer has no control over the cost of labor and materials or over competitive bidding and market conditions, the estimates of construction costs provided for herein are to be made on the basis of his experience and qualifications, but the Engineer does not guarantee the accuracy of such estimates as compared to the Contractor's bids or the project construction cost.

- B. Extra Work: It is mutually understood and agreed that the Owner will compensate the Engineer for services resulting from significant changes in general scope of the project or its design, including but not necessarily limited to, changes in size, complexity, project schedules, character of construction, revisions to previously accepted studies, reports, design documents or contract documents and for preparation of documents for separate bids, when such revisions are due to causes beyond the Engineer's control and when requested or authorized by the Owner.

Compensation for such extra work when authorized by the Owner shall be in accordance with Section II - Special Services.

- C. Reuse of Documents: All documents including drawings and specifications prepared by the Engineer pursuant to this Agreement are instruments of service with respect to the project. They are not intended or represented to be suitable for reuse by Owner or others on extensions of the project or on any other project. Any reuse without written verification will be at Owner's sole risk and without liability or legal exposure to Engineer; and Owner shall indemnify and hold harmless Engineer from all claims, damages, losses, and expenses including attorney's fees arising out of or resulting therefrom. Any such verification or adaptation will entitle Engineer to further compensation at rates to be agreed upon by Owner and Engineer. Notwithstanding these provisions the Owner shall be provided upon request a reproducible copy of any drawing produced under this Agreement at the cost of reproduction.

D. Responsibility of the Engineer:

1. The Engineer shall be responsible for the professional quality, technical accuracy, timely completion, and the coordination of all designs, drawings, reports, and other services furnished by the Engineer under this Agreement. The Engineer shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in his designs, drawings, specifications, reports, and other services.
2. Approval by the Owner of drawings, designs, reports, and incidentals engineering work or materials furnished hereunder shall not in any way relieve the Engineer of his responsibility for the technical adequacy of this work.

3. The Engineer shall be and remain liable in accordance with applicable law for all damages to the Owner caused by the Engineer's negligent performance of any of the services furnished under this Agreement, except for errors, omissions, or other deficiencies to the extent attributable to the Owner, Owner furnished data or any third party. The Engineer shall not be responsible for any time delays in the project caused by circumstances beyond the Engineer's reasonable control.

E. Termination:

1. This Agreement may be terminated in whole or in part in writing by either party in the event of substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party provided that no such termination may be effected unless the other party is given:
 - a. Not less than 10 calendar days written notice of intent to terminate; and
 - b. An opportunity for consultation with the terminating party prior to termination.
2. This Agreement may be terminated in whole or in part in writing by the Owner for its convenience provided that such termination is for good cause (such as for legal or financial reasons or major changes in the work or program requirements) and that the Engineer is given:
 - a. Not less than 10 calendar days written notice of intent to terminate; and
 - b. An opportunity for consultation with the terminating party prior to termination.
3. Upon receipt of a termination notice, the Engineer shall promptly discontinue all services affected (unless the notice directs otherwise) and deliver or otherwise make available to the Owner all data, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated by the Engineer in performing this Agreement, whether completed or in process.

4. If this Agreement is terminated by either party, the Engineer shall be paid for services rendered and expenses incurred prior to the termination in addition to termination settlement costs reasonably incurred by the Engineer relating to commitments which had become firm prior to the termination. If termination of the Agreement occurs at the conclusions of one phase and prior to authorization of the Owner to begin the next phase, payment by the Owner of the completed phase shall be considered full compensation due the Engineer. If the Agreement is terminated by the Owner for default of the Engineer the amount due the Engineer may be adjusted to the extent of any additional costs incurred by the Owner as a result of the Engineer's default.

F. Audit: Access to Records

1. The Engineer shall maintain books, records, documents, and other evidence directly pertinent to the work under this Agreement in accordance with generally accepted accounting principals and practices. The Owner, the Federal Aviation Administration, the Comptroller General of the United States or any of their duly appointed representatives shall have access to any books, documents, papers, records, and other evidence for the purpose of examination, audit, excerpts, and transcriptions.
2. Records described above shall be maintained and made available during the performance under this Agreement and for a period of three years after the Owner makes final payment and all other pending matters are closed.
3. The Engineer shall keep records in order to successfully withstand a State or Federal Audit on this project relative to these Engineering Services. If through an audit by the State Government of North Carolina, the Federal Government, or the Owner, the Engineer's record keeping is not found to be substantial enough to verify all costs and all billings, the Engineer shall then strike such costs and billings and reimburse any amount due to the Owner for payment of these items not substantiated in the audit.

G. Civil Rights Assurances:

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

1. Compliance with Regulations: The Contractor shall comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are being incorporated by reference and made a part of this contract.
2. Nondiscrimination: The Contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, national origin or sex in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The Contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including practices when the contract covers a program set forth in Appendix "B" of the Regulations.
3. Solicitations for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Contractor of the Contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
4. Information and Reports: The Contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Owner or the Federal Aviation Administration to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a Contractor is in the exclusive possession of another who fails or refuses to furnish this information the Contractor shall so certify to the Owner or the Federal Aviation Administration as appropriate and shall set forth what efforts it has made to obtain the information.
5. Sanctions for Noncompliance: In the event of the Contractor's noncompliance with the nondiscrimination provisions of this contract, the Owner shall impose

such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

- a. Withholding of payments to the Contractor under the contract until the Contractor complies, and/or
 - b. Cancellation, termination, or suspension of the contract, in whole or in part.
6. Incorporation of Provisions: The Contractor shall include the provisions of paragraphs 1 through 5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the regulations or directives issued pursuant thereto. The Contractor shall take such action with respect to any subcontract or procurement as the Owner or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the Contractor may request the Owner to enter into such litigation to protect the interests of the Owner and in addition, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

H. Disadvantaged Business Enterprise (DBE) Assurances:

1. Policy: It is the policy of the DOT that minority business enterprises as defined in 49 CFR Part 23 shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with federal funds under this Agreement. Consequently, the MBE requirements of 49 CFR Part 23 apply to this Agreement.
2. DBE Obligation: The Contractor agrees to ensure that disadvantaged business enterprises as defined in 49 CFR Part 23 have the maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with federal funds provided under this Agreement. In this regard, all Contractors shall take all necessary and reasonable steps in accordance with 49 CFR Part 23 to ensure that minority business enterprises have the maximum opportunity to compete for and perform contracts. Contractors shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of DOT assisted contracts.

This Agreement constitutes the entire agreement between the Owner and the Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or cancelled by a duly executed written instrument.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement as of the day and year first written above.

MT. AIRY-SURRY COUNTY AIRPORT AUTHORITY

ATTEST: Donald L. Halden

BY: Heavena Ollwey

TITLE: Chairman

THE LPA GROUP OF NORTH CAROLINA

ATTEST: Rosie K. Halden

BY: David A. Halden

TITLE: Principal Associate

EXHIBIT "A-1"

SCHEDULE OF FEES
FOR
THE LPA GROUP

CLASSIFICATION

RATES

Office Engineering Personnel

Project Manager	\$ 75.00
Sr. Eng./Arch./Planner	64.00
Engineer/Architect/Planner	48.00
Survey Supervisor	43.00
Designer	40.00
Technician - Regular Time	25.00
- Overtime	38.00
Secretary - Regular Time	24.00
- Overtime	36.00

Field Engineering Personnel

2-Member Survey Party - Regular Time	\$ 55.00
- Overtime	82.50
3-Member Survey Party - Regular Time	70.00
- Overtime	105.00
4-Member Survey Party - Regular Time	82.50
- Overtime	123.50

NOTE: The hourly rate shown above includes salaries, payroll costs, additives, overhead and profit. Direct nonsalary expenses such as travel, subsistence, reproduction, etc., are not included and shall be changed at the actual cost multiplied by a factor of 1.15. These rates shall remain valid until September 30, 1991. Work required at a later date will be subject to renegotiation of these rates.

EXHIBIT "A-2"

SCHEDULE OF FEES
FOR
WEBB & ASSOCIATES

CLASSIFICATION

RATES

Land Acquisition Personnel

Negotiator

\$ 55.00

NOTE: The hourly rate shown above includes salaries, payroll costs, additives, overhead and profit. Direct nonsalary expenses such as travel, subsistence, reproduction, etc., are not included and shall be changed at the actual cost multiplied by a factor of 1.15. These rates shall remain valid until September 30, 1991. Work required at a later date will be subject to renegotiation of these rates.

EXHIBIT "A-3"

**SCHEDULE OF FEES
FOR
MERRITT LAND SURVEYING & MAPPING**

CLASSIFICATION	RATES
<u>Office Personnel</u>	
Registered Land Surveyor	\$ 30.00
Registered Land Surveyor and Computer	35.00
Mileage	0.30
<u>Field Engineering Personnel</u>	
2-Member Survey Party	\$ 50.00
3-Member Survey Party	70.00
4-Member Survey Party	85.00
Mileage	0.30

NOTE: The hourly rate shown above includes salaries, payroll costs, additives, overhead and profit. Direct nonsalary expenses such as staking materials, reproduction, etc., are not included and shall be changed at the actual cost multiplied by a factor of 1.15. These rates shall remain valid until September 30, 1991. Work required at a later date will be subject to renegotiation of these rates.

EXHIBIT "A-4"

SCHEDULE OF FEES
FOR
AERO-DYNAMICS CORPORATION

CLASSIFICATION	RATES
B/W Aerial Photography, Lump Sum	\$1,900.00
Photo-Lab Support, Lump Sum	\$ 750.00
Digital Mapping, Per Acre	\$ 42.00

NOTE: The hourly rate shown above includes salaries, payroll costs, additives, overhead and profit. Direct nonsalary expenses such as travel, subsistence, reproduction, etc., are not included and shall be changed at the actual cost multiplied by a factor of 1.15. These rates shall remain valid until September 30, 1991. Work required at a later date will be subject to renegotiation of these rates.

EXHIBIT "A-5"

**SCHEDULE OF FEES
FOR
BHATE ENGINEERING**

CLASSIFICATION

RATES

Geotechnical Investigation

I. Field Services

- | | |
|-------------------------------|----------|
| a. Mobilization | \$300.00 |
| b. Soil Test Boring, per foot | 8.50 |

II. Laboratory Services

- | | |
|---------------------------|---------|
| a. Natural Moisture, each | \$ 5.50 |
| b. Atterburg Limits, each | 35.00 |
| c. Soil Proctor, each | 80.00 |
| d. Grain Size, each | 35.00 |
| e. CBR, each | 250.00 |

III. Engineering Services

- | | |
|------------------------------|----------|
| a. Senior Engineer, per hour | \$ 75.00 |
| b. Staff Engineer, per hour | \$ 45.00 |

NOTE: The hourly rate shown above includes salaries, payroll costs, additives, overhead and profit. Direct nonsalary expenses such as travel, subsistence, reproduction, etc., are not included and shall be changed at the actual cost multiplied by a factor of 1.15. These rates shall remain valid until September 30, 1991. Work required at a later date will be subject to renegotiation of these rates.

MINUTES
MOUNT AIRY/SURRY COUNTY AIRPORT AUTHORITY
NOVEMBER 12, 1990

A meeting of the Mount Airy/Surry County Airport Authority was held at 4:00 pm on November 12, 1990 at the operations building of the Mount Airy/Surry County Airport. All authority members were present except Dick Wimbish, who was out of town, and Newell Baker, who had been hospitalized. Others in attendance were Carl E. Bell, Attorney, Jim Etchison, FBO, Thurman Watts of the Mount Airy Chamber of Commerce and Dane Riley of the LPA Group.

Minutes of the August 13, 1990 meeting were approved with one correction to page one, paragraph six. The paragraph should have read, "A request had been made to lower Holly Springs Church Road".

A discussion was held regarding the moving of the Red Fez Club (Tuttle) billboard. The Red Fez Club agreed to pay for the moving of the poles and to hook up the lighting. The Airport Authority will be responsible for the framing, cat walk and moving the lighting. The cost will be \$1,465.00 and will be added to the Land Acquisition and Construction Clearing Project. Motion to approve was made by Don Holder and was seconded by Tom Webb.

A lengthy discussion was held regarding expanding the runway to 5,000 feet. It was decided 5,000 feet was not feasible due to the cost involving housing and other structures surrounding the airport. It was also decided to expand the runway to approximately 4,400 feet and remove the displaced threshold if and when Holly Springs Church Road is lowered. Dane Riley will study the 5,000 feet runway but will not jeopardize the length already approved.

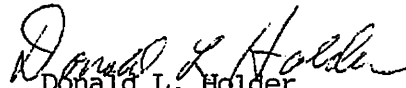
A FBO report was given by Mr. Etchison, FBO operations. He reported that an airport facility survey was conducted on November 2, 1990. The airport will be receiving a copy of that report. Also, testing of the underground storage tank was done. The tank tested ok but additional testing will be done on the lines. And lastly, the check valve on the 100 low lead tank needs to be repaired but will not be done until all other work is completed so there will not be people in to work twice.

A lengthy discussion was held regarding aircraft maintenance. Mr. Etchison has informed pilots leasing parking spaces at the Mount Airy/Surry County Airport they may no longer bring in individual mechanics to perform maintenance at the Mount Airy/Surry County Airport. Mr. Etchison feels all maintenance to be done at the airport should be performed by Carolina Air Academy. Carl Bell will be reviewing Mr. Etchison's lease to determine the legality of maintenance control. Mr. Etchison will have his policy drawn up and distributed to the Airport Authority for review. A special meeting regarding this matter will be held if necessary.

MINUTES
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There being no further business, the meeting was adjourned.

Respectfully submitted,


Donald L. Holder
Secretary