

24 Beaulieu



THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



Victoria F. Sheehan
Commissioner

APR 13 2016 10:00 AM
William Cass, P.E.
Assistant Commissioner

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

March 29, 2016
Bureau of Aeronautics

REQUESTED ACTION

Authorize the Department of Transportation to provide funding to the Pease Development Authority, Vendor Code 156846, for SBG-16-05-2016, to procure and implement an identity management system for airport security at the Portsmouth International Airport at Pease. State and Federal participation in the amount of \$372,584.00 is effective upon Governor and Council approval through May 31, 2020. 90% Federal Funds, 5% General Funds, 5% Local Funds.

Funding is available as follows:	<u>FY 2016</u>
04-96-96-960030-0997 FAA Projects 034-500099 Major IT Systems	\$352,974.00
04-96-96-960030-1789 FAA Projects 034-500099 Major IT Systems	<u>\$ 19,610.00</u>
Total	\$372,584.00

EXPLANATION

One Federal Aviation Administration (FAA) State Block Grant was awarded to the State of New Hampshire:

<u>FAA Grant Number</u>	<u>FAA Grant Amount</u>
3-33-SBGP-20-2014	\$3,122,029.00

A total of \$352,974.00 (or 90% of the project cost) is proposed from the grant listed above for this airport development project (SBG-16-05-2016 copy attached), to procure and implement an identity management system for airport security at the Portsmouth International Airport at Pease.

This project will procure and implement a comprehensive Identity Management System (IDMS) for security and badging operations at the airport operations security area. The system will enroll, manage and track security badge applicants, badge holders and visitors to the airport. This project will integrate multiple (off the shelf) systems associated with access to secure airfield operation area, gate access and secure areas within the

existing terminal building. The system will capture, manage this information for positive identification, badging and security clearances from agencies such as the Federal Bureau of Investigation (FBI) and the Transportation Security Administration (TSA). The new system will provide alerts for events such as badge renewals, infractions, and addition of personnel to the no-fly list(s). The benefit of the new system is to create a central database of badge holders and badge enrollees. The new system will connect with and facilitate communication with existing systems, and reduce the number of databases to one. This will dramatically reduce the possibility of human error, facilitate and reduce time for and allow the airport to comply with required TSA audits and security directives.

The breakdown of this project is as follows:

Consultant Fee (Hoyle Tanner & Associates) to design and obtain the IDMS \$392,194.00

The Department of Transportation accepts the Federal Funds for this project as a pass through to the Pease Development Authority in accordance with RSA 422:15. The Pease Development Authority will participate in the amount of \$19,610.00 (5% of this project). State participation in the amount of \$19,610.00 (5 % of this project) is also requested. The total cost of the airport development project is \$392,194.00.

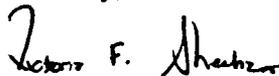
As a State agency, the Pease Development Authority is not obligated to procure insurance. Similarly, the indemnification requirement has been waived for this contract.

The Contract has been approved by the Attorney General as to form and execution, and the Department has verified that the necessary funds are available. Copies of the fully executed contract are on file at the Secretary of State's Office and the Department of Administrative Service's Office, and subsequent to Governor and Council approval will be on file at the Department of Transportation.

In the event that the federal funds are no longer available, General Funds will not be requested to support this program. In accordance with the FAA grant assurances C- Sponsor Certifications, Responsibility and Authority of the Sponsor, the grant funds must be immediately available for the project to execute the grant offer; therefore all funding for this project is encumbered in the first fiscal year.

Please note that the state funds are from the General Fund and have been previously approved in HB25, 2011 253:1 XIV-A, 2013 195:1 XVI-A.1 Capital Budget

Sincerely,



Victoria F. Sheehan
Commissioner

Attachment
VFS/tls1



U.S. Department
of Transportation
Federal Aviation
Administration

GRANT AGREEMENT

PART I – OFFER

Date of Offer March 21, 2016

Airport/Planning Area Portsmouth International Airport at Pease

State Block Grant Number SBG 16-05-2016

DUNS Number 62-009-4771

TO: Pease Development Authority
(herein called the "Sponsor")

FROM: **The State of New Hampshire** (acting through the New Hampshire Department of Transportation, herein called the "State")

WHEREAS, the Sponsor has submitted to the State a Project Application dated January 22, 2016, for a grant of Federal and State funds for a project at or associated with the Portsmouth International Airport at Pease, which as approved by the State, is included as part of this Grant Agreement; and

WHEREAS, the State has approved a project for the Portsmouth International Airport at Pease (herein called the "Project") consisting of the following:

Procure and Implement Identity Management System for Airport Security

which is more fully described in the Project Application.

NOW THEREFORE, According to the applicable provisions of the former Federal Aviation Act of 1958, as amended and recodified, 49 U.S.C. 40101, et seq., and the former Airport and Airway Improvement Act of 1982 (AAIA), as amended and recodified, 49 U.S.C. 47101, et seq., (herein the AAIA grant statute is referred to as "the Act"), the representations contained in the Project Application, and in consideration of (a) the Sponsor's adoption and ratification of the Grant Assurances dated March 2014, and the Sponsor's acceptance of this Offer, and (b) the benefits to accrue to the United States, State of New Hampshire, and the public from the accomplishment of the Project and compliance with the Grant Assurances and conditions as herein provided,

THE NEW HAMPSHIRE DEPARTMENT OF TRANSPORTATION, FOR AND ON BEHALF OF THE UNITED STATES AND THE STATE, HEREBY OFFERS AND AGREES to pay ninety-five (95%) percent of the allowable costs incurred accomplishing the Project as the United States' and State's share of the Project.

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

CONDITIONS

1. **Maximum Obligation.** The maximum obligation of the United States and State payable under this Offer is **\$372,584.00.**

The following amounts represent a breakdown of the maximum obligation for the purpose of establishing allowable amounts for any future grant amendment, which may increase the foregoing maximum obligation of the United States under the provisions of 49 U.S.C. § 47108(b):

\$0.00 for planning

\$372,584.00 for airport development or noise program implementation

\$0.00 for land acquisition.

2. **Period of Performance.** The period of performance begins on the date the Sponsor formally accepts this agreement. Unless explicitly stated otherwise in an amendment from the State, the end date of the project period of performance is 4 years (1,460 calendar days) from the date of formal grant acceptance by the Sponsor.

The Sponsor may only charge allowable costs for obligations incurred prior to the end date of the period of performance (2 CFR § 200.309). Unless the State authorizes a written extension, the sponsor must submit all project closeout documentation and liquidate (pay off) all obligations incurred under this award no later than 90 calendar days after the end date of the period of performance (2 CFR § 200.343).

The period of performance end date does not relieve or reduce Sponsor obligations and assurances that extend beyond the closeout of a grant agreement.

3. **Ineligible or Unallowable Costs.** The Sponsor must not include any costs in the project that the State has determined to be ineligible or unallowable.
4. **Indirect Costs – Sponsor.** Sponsor may charge indirect costs under this award by applying the indirect cost rate identified in the project application and as accepted by the State to allowable costs for Sponsor direct salaries and wages.
5. **Determining the Final Federal and State Share of Costs.** The United States' and State's share of allowable project costs will be made in accordance with the regulations, policies and procedures of the Secretary. Final determination of the United States' and State's share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal and State share of costs.
6. **Completing the Project Without Delay and in Conformance with Requirements.** The Sponsor must carry out and complete the project without undue delays and in accordance with this agreement, and the regulations, policies and procedures of the United States Secretary of Transportation (herein called the "Secretary") and the State. The Sponsor also agrees to comply with the assurances which are part of this agreement.
7. **Amendments or Withdrawals before Grant Acceptance.** The State reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.
8. **Offer Expiration Date.** This offer will expire and the United States and the State will not be obligated to pay any part of the costs of the project unless this offer has been accepted by the Sponsor on or before **April 29, 2016**, or such subsequent date as may be prescribed in writing by the State.

- 9. Improper Use of Federal and State Funds.** The Sponsor must take all steps, including litigation if necessary, to recover Federal and State funds spent fraudulently, wastefully, or in violation of Federal and State antitrust statutes, or misused in any other manner in any project upon which Federal and State funds have been expended. For the purposes of this grant agreement, the terms “Federal funds” and “State funds” means funds however used or dispersed by the Sponsor that were originally paid pursuant to this or any other Federal or State grant agreement. The Sponsor must obtain the approval of the State as to any determination of the amount of the Federal and State share of such funds. The Sponsor must return the recovered Federal and State shares, including funds recovered by settlement, order, or judgment, to the State. The Sponsor must furnish to the State, upon request, all documents and records pertaining to the determination of the amount of the Federal and State shares or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such Federal and State shares require advance approval by the State.
- 10. United States and State Not Liable for Damage or Injury.** Neither the United States nor the State is not responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this grant agreement. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant shall survive the termination of this Agreement.
- 11. System for Award Management (SAM) Registration And Universal Identifier.**
- A. Requirement for System for Award Management (SAM): Unless the Sponsor is exempted from this requirement under 2 CFR 25.110, the Sponsor must maintain the currency of its information in the SAM until the Sponsor submits the final financial report required under this grant, or receives the final payment, whichever is later. This requires that the Sponsor review and update the information at least annually after the initial registration and more frequently if required by changes in information or another award term. Additional information about registration procedures may be found at the SAM website (currently at <http://www.sam.gov>).
- B. Requirement for Data Universal Numbering System (DUNS) Numbers
1. The Sponsor must notify potential subrecipient that it cannot receive a contract unless it has provided its DUNS number to the Sponsor. A subrecipient means a consultant, contractor, or other entity that enters into an agreement with the Sponsor to provide services or other work to further this project, and is accountable to the Sponsor for the use of the Federal and State funds provided by the agreement, which may be provided through any legal agreement, including a contract.
 2. The Sponsor may not make an award to a subrecipient unless the subrecipient has provided its DUNS number to the Sponsor.
 3. Data Universal Numbering System: DUNS number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D & B) to uniquely identify business entities. A DUNS number may be obtained from D & B by telephone (currently 866-606-8220) or on the web (currently at <http://fedgov.dnb.com/webform>).
- 12. Electronic Grant Payment(s).** Unless otherwise directed by the State, the Sponsor must make each payment request under this agreement electronically via the Delphi invoicing System for Department of Transportation (DOT) Financial Assistance Awardees.
- 13. Informal Letter Amendment of AIP Projects.** If, during the life of the project, the State determines that the maximum grant obligation of the United States and State exceeds the expected needs of the Sponsor by \$25,000 or five percent (5%), whichever is greater, the State can issue a letter amendment to the

Sponsor unilaterally reducing the maximum obligation.

The State can also issue a letter to the Sponsor increasing the maximum obligation if there is an overrun in the total actual eligible and allowable project costs to cover the amount of the overrun provided it will not exceed the statutory limitations for grant amendments. The State's authority to increase the maximum obligation does not apply to the "planning" component of condition No. 1.

The State can also issue an informal letter amendment that modifies the grant description to correct administrative errors or to delete work items if the State finds it advantageous and in the best interests of the United States and the State.

An informal letter amendment has the same force and effect as a formal grant amendment.

14. **Air and Water Quality**. The Sponsor is required to comply with all applicable air and water quality standards for all projects in this grant. If the Sponsor fails to comply with this requirement, the State may suspend, cancel, or terminate this grant.
15. **Financial Reporting and Payment Requirements**. The Sponsor will comply with all federal financial reporting requirements and payment requirements, including submittal of timely and accurate reports.
16. **Buy American**. Unless otherwise approved in advance by the State, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for which funds are provided under this grant. The Sponsor will include a provision implementing Buy American in every contract.
17. **Maximum Obligation Increase For Primary Airports**. In accordance with 49 U.S.C. § 47108(b), as amended, the maximum obligation of the United States, as stated in Condition No. 1 of this Grant Offer:
 - A. May not be increased for a planning project;
 - B. May be increased by not more than 15 percent for development projects;
 - C. May be increased by not more than 15 percent for land project.
18. **Suspension or Debarment**. When entering into a "covered transaction" as defined by 2 CFR § 180.200, the Sponsor must:
 - A. Verify the non-federal entity is eligible to participate in this Federal program by:
 1. Checking the excluded parties list system (EPLS) as maintained within the System for Award Management (SAM) to determine if non-federal entity is excluded or disqualified; or
 2. Collecting a certification statement from the non-federal entity attesting they are not excluded or disqualified from participating; or
 3. Adding a clause or condition to covered transactions attesting individual or firm are not excluded or disqualified from participating.
 - B. Require prime contractors to comply with 2 CFR § 180.330 when entering into lower-tier transactions (e.g. Sub-contracts).
 - C. Immediately disclose to the State whenever the Sponsor: (1) learns they have entered into a covered transaction with an ineligible entity or (2) suspends or debar a contractor, person, or entity.

19. Ban on Texting While Driving.

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

20. Trafficking in Persons.

- A. Prohibitions: The prohibitions against trafficking in persons (Prohibitions) apply to any entity other than a State, local government, Indian tribe, or foreign public entity. This includes private Sponsors, public Sponsor employees, subrecipients of private or public Sponsors (private entity). Prohibitions include:
 - 1. Engaging in severe forms of trafficking in persons during the period of time that the agreement is in effect;
 - 2. Procuring a commercial sex act during the period of time that the agreement is in effect; or
 - 3. Using forced labor in the performance of the agreement, including subcontracts or subagreements under the agreement.
- B. In addition to all other remedies for noncompliance that are available to the FAA and State, Section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), allows the FAA and State to unilaterally terminate this agreement, without penalty, if a private entity –
 - 1. Is determined to have violated the Prohibitions; or
 - 2. Has an employee who the FAA or State determines has violated the Prohibitions through conduct that is either:
 - a. Associated with performance under this agreement; or
 - b. Imputed to the Sponsor or subrecipient using 2 CFR part 180, “OMB Guidelines to Agencies on Government wide Debarment and Suspension (Nonprocurement),” as implemented by the FAA at 2 CFR part 1200.

21. Exhibit “A” Property Map. The Exhibit “A” Property Map dated **April 10, 2013**, is incorporated herein by reference or is submitted with the project application and made part of this grant agreement.

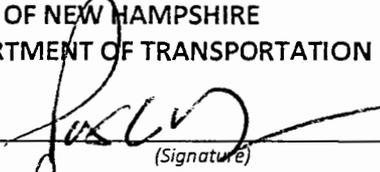
22. Availability of Funds. Notwithstanding anything in this agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of those funds, the State shall have the right to withhold payment until such funds become

available, if ever, and shall have the right to terminate this agreement immediately upon giving the Sponsor notice of such termination. In any event neither the State nor United States shall be required to transfer funds from any other grant, program or account in the event funds under this grant are reduced or become unavailable.

23. **Effective Date.** If the date for commencement precedes the Effective Date, all services performed by the Sponsor between the commencement date and the Effective Date shall be performed at the sole risk of the Sponsor and in the event that this Agreement does not become effective, the State shall be under no obligation to pay the Sponsor for any costs incurred or services performed; however that if this Agreement becomes effective all costs incurred prior to the effective date shall be paid under the terms of this Agreement.
24. **Assignment of Interest.** The Sponsor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the State. None of the Services shall be delegated or subcontracted by the Sponsor without the prior written consent of the State.
25. **Entire Agreement.** This agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understanding both written and verbal relating hereto.
27. **Public Meeting.** By signing this form, the Sponsor certifies that the Sponsor has complied with any public meeting requirement for acceptance of this grant, including, if applicable, NH RSA 31:95-b.

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

STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



(Signature)
Patricia C. Herlihy

(Typed Name)
Director

(Title of NHDOT Official)

Attorney General: This is to certify that the above Agreement has been reviewed by this office, and is approved as to form and execution.

Dated: 4/13/16 By: 

Assistant Attorney General

Secretary of State: This is to certify that the Governor and Council on _____ approved this Agreement.

Dated: _____ Attest: _____
By: _____ (Title)
Secretary of State

PART II - ACCEPTANCE

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

I declare under penalty of perjury that the foregoing is true and correct.¹

Executed this 22nd day of March, 2016.

Pease Development Authority
(Name of Sponsor)



(Signature of Sponsor's Authorized Official)

By: David R Mullen
(Typed Name of Sponsor's Authorized Official)

Title: Executive Director
(Title of Sponsor's Authorized Official)

CERTIFICATE OF SPONSOR'S ATTORNEY

I, LYNN HINCHEE, acting as Attorney for the Sponsor do hereby certify:
(Typed Name of Sponsor's Attorney)

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of NEW HAMPSHIRE. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the Act. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at PORTSMOUTH (location) this 23rd day of MARCH, 2016.

BY: Lynn Hinchee
(Signature of Sponsor's Attorney)

¹ Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. Section 1001 (False Statements) and could subject you to fines, imprisonment, or both.



PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

RECEIVED

MAR 24 2016

NH AERONAUTICS

27 International Blvd, Portsmouth, NH 03803

I, David R. Mullen, Executive Director of the Pease Development Authority, do hereby certify that the following is the motion the Pease Development Authority resolved to adopt at its January 21, 2016 Board meeting:

The Pease Development Authority Board of Directors hereby authorizes the Executive Director to:

- (1) accept on behalf of the PDA for the specification and procurement of an Identity Management System ("IDMS"), a Federal Aviation Administration ("FAA") Grant Offer in AIP funding for FY 16, equal to 90% of the IDMS project costs, in the amount not to exceed \$354,792.60;
- (2) accept from NHDOT Division of Aeronautics 5% of the IDMS project costs in an amount not to exceed \$19,710.70;
- (3) expend PDA funds equal to 5% of the project costs in an amount not to exceed \$19,710.70;
- (4) enter into a contract with Hoyle Tanner & Associates, Inc. for the IDMS project in the total amount of \$394,214; and
- (5) execute such other documents and/or agreements as are necessary or appropriate, e.g. software licensing agreements, to implement the IDMS.

all in accordance with the memorandum from Maria J. Stowell, P.E., dated January 7, 2016 and attached hereto.

In witness hereof, I hereto set my hand at Portsmouth, New Hampshire, this 21ST day of March, 2016

David R. Mullen, Executive Director
Pease Development Authority

JAN 25 2016

OMB Number: 4040-0004

Expiration Date: 8/31/2016

NH AERONAUTICS

Application for Federal Assistance SF-424

* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application		* 2. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision		* If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>	
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* 3. Date Received: <input type="text"/>	4. Applicant Identifier: Hoyle, Tanner Project # 062858
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5a. Federal Entity Identifier: <input type="text"/>	5b. Federal Award Identifier: <input type="text"/>
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State Use Only:

6. Date Received by State: <input type="text"/>	7. State Application Identifier: <u>SBG 16-05-2016</u>
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8. APPLICANT INFORMATION:

* a. Legal Name: Pease Development Authority	
* b. Employer/Taxpayer Identification Number (EIN/TIN): 02-0440365	* c. Organizational DUNS: 62-009-4771

d. Address:

* Street1:	55 International Drive
Street2:	<input type="text"/>
* City:	Portsmouth
County/Parish:	Rockingham
* State:	NH: New Hampshire
Province:	<input type="text"/>
* Country:	USA: UNITED STATES
* Zip / Postal Code:	03801-2882

e. Organizational Unit:

Department Name: Portsmouth International Airpo	Division Name: <input type="text"/>
--	--

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Ms.	* First Name: Maria
Middle Name: <input type="text"/>	
* Last Name: Stowell	
Suffix: <input type="text"/>	

Title: Manager, Engineering

Organizational Affiliation: Pease Development Authority
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* Telephone Number: 603-766-9296	Fax Number: 603-427-0433
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* Email: m.stowell@peasedev.org

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

X: Other (specify)

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

Authority

*** 10. Name of Federal Agency:**

Federal Aviation Administration

11. Catalog of Federal Domestic Assistance Number:

20.106

CFDA Title:

Airport Improvement Program

*** 12. Funding Opportunity Number:**

* Title:

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Portsmouth, Rockingham, New Hampshire

Add Attachment

Delete Attachment

View Attachment

*** 15. Descriptive Title of Applicant's Project:**

PROCUREMENT AND IMPLEMENTATION OF AN IDENTITY MANAGEMENT SYSTEM FOR AIRPORT SECURITY

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant 1st

* b. Program/Project 1st

Attach an additional list of Program/Project Congressional Districts if needed.

Buttons: Add Attachment, Delete Attachment, View Attachment

17. Proposed Project:

* a. Start Date: 01/01/2016

* b. End Date: 10/31/2016

18. Estimated Funding (\$):

* a. Federal	354,792.00
* b. Applicant	19,711.00
* c. State	19,711.00
* d. Local	0.00
* e. Other	0.00
* f. Program Income	0.00
* g. TOTAL	394,214.00

Handwritten: FAA = \$352,974.00
NHDOT = \$19,610.00
PDA = \$19,610.00

Handwritten: TOTAL = \$392,194.00

* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?

- a. This application was made available to the State under the Executive Order 12372 Process for review on
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E.O. 12372.

* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)

- Yes
- No

If "Yes", provide explanation and attach

Buttons: Add Attachment, Delete Attachment, View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: Mr. * First Name: David
 Middle Name: R.
 * Last Name: Mullen
 Suffix:

* Title: Executive Director

* Telephone Number: 603-766-9276 Fax Number: 603-427-0433

Email: d.mullen@peasedev.org

* Signature of Authorized Representative: [Handwritten Signature]

* Date Signed: 1/22/16

Application for Federal Assistance (Development Projects)

PART II – PROJECT APPROVAL INFORMATION

SECTION A	
<p>Item 1. Does this assistance request require State, local, regional, or other priority rating?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>Name of Governing Body:</p> <p>Priority:</p>
<p>Item 2. Does this assistance request require State, or local advisory, educational or health clearances?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>Name of Agency or Board:</p> <p>(Attach Documentation)</p>
<p>Item 3. Does this assistance request require clearinghouse review in accordance with OMB Circular A-95?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>(Attach Comments)</p>
<p>Item 4. Does this assistance request require State, local, regional, or other planning approval?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>Name of Approving Agency:</p> <p>Date:</p>
<p>Item 5. Is the proposal project covered by an approved comprehensive plan?</p> <p style="text-align: center;"><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Check one: State <input type="checkbox"/> Local <input checked="" type="checkbox"/> Regional <input type="checkbox"/></p> <p>Location of Plan:</p>
<p>Item 6. Will the assistance requested serve a Federal installation?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>Name of Federal Installation:</p> <p>Federal Population benefiting from Project:</p>
<p>Item 7. Will the assistance requested be on Federal land or installation?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>Name of Federal Installation:</p> <p>Location of Federal Land:</p> <p>Percent of Project: %</p>
<p>Item 8. Will the assistance requested have an impact or effect on the environment?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>(See instructions for additional information to be provided.)</p>
<p>Item 9. Will the assistance requested cause the displacement of individuals, families, businesses, or farms?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>Number of: Individuals: Families: Businesses: Farms:</p>
<p>Item 10. Is there other related Federal assistance on this project previous, pending, or anticipated?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>(See instructions for additional information to be provided.)</p>

PART II – SECTION C

The Sponsor hereby represents and certifies as follows:

1. Compatible Land Use – The Sponsor has taken the following actions to assure compatible usage of land adjacent to or in the vicinity of the airport:

N/A.

2. Defaults – The Sponsor is not in default on any obligation to the United States or any agency of the United States Government relative to the development, operation, or maintenance of any airport, except as stated herewith:

None.

3. Possible Disabilities – There are no facts or circumstances (including the existence of effective or proposed leases, use agreements or other legal instruments affecting use of the Airport or the existence of pending litigation or other legal proceedings) which in reasonable probability might make it impossible for the Sponsor to carry out and complete the Project or carry out the provisions of the Grant Assurances, either by limiting its legal or financial ability or otherwise, except as follows:

None.

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

Yes.

5. Consideration of Local Interest – It has given fair consideration to the interest of communities in or near where the project may be located.

Yes.

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

Yes.

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

N/A.

8. Air and Water Quality Standards – In projects involving airport location, a major runway extension, or runway location it will provide for the Governor of the state in which the project is located to certify in writing to the Secretary that the project will be located, designed, constructed, and operated so as to comply with applicable and air and water quality standards. In any case where such standards have not been approved and where applicable air and water quality standards have been promulgated by the Administrator of the Environmental Protection Agency, certification shall be obtained from such Administrator. Notice of certification or refusal to certify shall be provided within sixty days after the project application has been received by the Secretary.

N/A.

PART II – SECTION C (Continued)

9. Exclusive Rights – There is no grant of an exclusive right for the conduct of any aeronautical activity at any airport owned or controlled by the Sponsor except as follows:

None.

10. Land – (a) The sponsor holds the following property interest in the following areas of land* which are to be developed or used as part of or in connection with the Airport subject to the following exceptions, encumbrances, and adverse interests, all of which areas are identified on the aforementioned property map designated as Exhibit "A":

N/A.

The Sponsor further certifies that the above is based on a title examination by a qualified attorney or title company and that such attorney or title company has determined that the Sponsor holds the above property interests.

(b) The Sponsor will acquire within a reasonable time, but in any event prior to the start of any construction work under the Project, the following property interest in the following areas of land* on which such construction work is to be performed, all of which areas are identified on the aforementioned property map designated as Exhibit "A":

Exhibit A reflects the ownership of former Pease AFB lands. The Sponsor continues to operate as a civilian airport.

(c) The Sponsor will acquire within a reasonable time, and if feasible prior to the completion of all construction work under the Project, the following property interest in the following areas of land* which are to be developed or used as part of or in connection with the Airport as it will be upon completion of the Project, all of which areas are identified on the aforementioned property map designated as Exhibit "A"

None.

*State the character of property interest in each area and list and identify for each all exceptions, encumbrances, and adverse interests of every kind and nature, including liens, easements, leases, etc. The separate areas of land need only be identified here by the area numbers shown on the property map.

PART III – BUDGET INFORMATION – CONSTRUCTION

SECTION A – GENERAL			
1. Federal Domestic Assistance Catalog Number: <u>20.106</u>			
2. Functional or Other Breakout: <u>Airport Improvement Program</u>			
SECTION B – CALCULATION OF FEDERAL GRANT			
Cost Classification	Use only for revisions		Total Amount Required
	Latest Approved Amount	Adjustment + or (-)	
1. Administration expense	\$	\$	\$
2. Preliminary expense			
3. Land, structures, right-of-way			
4. Architectural engineering basic fees			394,214.00
5. Other Architectural engineering fees			
6. Project inspection fees			
7. Land development			
8. Relocation Expenses			
9. Relocation payments to Individuals and Businesses			
10. Demolition and removal			
11. Construction and project improvement			
12. Equipment			
13. Miscellaneous			
14. Total (Lines 1 through 13)			394,214.00
15. Estimated Income (if applicable)			
16. Net Project Amount (Line 14 minus 15)			394,214.00
17. Less: Ineligible Exclusions			
18. Add: Contingencies			
19. Total Project Amt. (Excluding Rehabilitation Grants)			394,214.00
20. Federal Share requested of Line 19			354,792.00
21. Add Rehabilitation Grants Requested (100 Percent)			
22. Total Federal grant requested (lines 20 & 21)			354,792.00
23. Grantee share			19,711.00
24. Other shares			19,711.00
25. Total Project (Lines 22, 23 & 24)	\$	\$	\$ 394,214.00

SECTION C – EXCLUSIONS		
Classification	Ineligible for Participation (1)	Excluded From Contingency Provision (2)
a.	\$	\$
b.		
c.		
d.		
e.		
f.		
g. Totals	\$	\$
SECTION D – PROPOSED METHOD OF FINANCING NON-FEDERAL SHARE		
27. Grantee Share		
a. Securities		\$
b. Mortgages		
c. Appropriations (By Applicant)		19,711.00
d. Bonds		
e. Tax Levies		
f. Non Cash		
g. Other (Explain)		
h. TOTAL - Grantee share		19,711.00
28. Other Shares		
a. State		19,711.00
b. Other		
c. Total Other Shares		19,711.00
29. TOTAL		\$ 39,422.00
SECTION E – REMARKS		

PART IV – PROGRAM NARRATIVE (Attach – See Instructions)

PART IV
PROGRAM NARRATIVE
(Suggested Format)

PROJECT : PROCUREMENT AND IMPLEMENTATION OF AN IDENTITY MANAGEMENT SYSTEM FOR AIRPORT SECURITY

AIRPORT : Portsmouth International Airport at Pease

1. Objective:

To procure and implement a comprehensive Identity Management System (IDMS) for security and badging operations at the PSM Airport Operations Security area. This system will enroll, manage and track security badge applicants, badge holders and visitors to the airport. It will integrate multiple off the shelf systems associated with access to secure airfield operation areas, gate access, and secure areas within the existing terminal building. It will capture manage and store biometric information and personal information for positive identification, badging and security clearances from agencies such as TSA and FBI. It will provide alerts for such events as badge renewals, infractions, addition of personnel to the no-fly list(s).

2. Benefits Anticipated:

PSM currently is using multiple disparate in-house systems to manage badging, vehicle permits and security clearances. These include approximately a ten databases to store information from systems that do not communicate with each other, such as gate access, electronic locking and monitoring systems in the commercial terminal building, electronic systems to capture fingerprints and photographs. The benefits of this new system is a central database of badge holders (active and inactive), and badge enrollees. It will connect with and facilitate communicate with existing systems, and reduce the number of databases to one. This will dramatically reduce the possibility of human error, facilitate and reduce time for and allow the airport to comply with TSA Audits and Security Directives.

3. Approach: (See approved Scope of Work in Final Application)

Environmental Statement, DBE Statement, Statement of Coordination with Airport Users, Statement Regarding Coordination with State Agencies, and Exhibit A Certification all included in attached SECTION IV NARRATIVE.

4. Geographic Location:

Portsmouth International Airport at Pease
Latitude: 43o 04' 40.64" N
Longitude: 70o 49' 23.60" W

5. If Applicable, Provide Additional Information:

6. Sponsor's Representative: (include address & telephone number)

Hoyle, Tanner & Associates, Inc.
150 Dow Street
Manchester, NH 03101
Michael C. Rogerson, PE, LEED AP (603-669-5555)

**PART IV PROGRAM NARRATIVE
GRANT APPLICATION FOR FEDERAL ASSISTANCE**

PEASE DEVELOPMENT AUTHORITY
Portsmouth International Airport at Pease
Portsmouth, New Hampshire

NHDOT SBG No. xx-xx-2016

SCOPE OF WORK

**PROCUREMENT AND IMPLEMENTATION OF AN
IDENTITY MANAGEMENT SYSTEM FOR AIRPORT SECURITY**

General:

Through contract with Hoyle, Tanner and Associates, Inc., the Pease Development Authority (PDA) will implement a computerized Identity Management System (IDMS) for use at Portsmouth International Airport at Pease (PSM). The system will be designed to be capable of managing employee, contractor tenants and visitor identification; access to secure areas; and will integrate with multiple existing disparate Commercial Off The Shelf (COTS) access control systems, and will also provide badging hardware and software systems.

Hoyle, Tanner will contract with several vendors to provide "off the shelf" proven solutions for these tasks.

Purpose:

Portsmouth International Airport at Pease (PSM) currently has multiple hardware and software solutions to manage, track, report and control personnel with various security access levels to various portions of the airport, including the terminal building. These include several Physical Access Control Systems (PACS), disparate hardware and software for badging, hardware and software for fingerprint scanning and background checking, and several disparate databases that hold the various types of information.

Last year PSM served over 16,000 passengers through various commercial carriers. PSM is also a joint-use airfield, and is home to the 157th Air National Guard refueling wing. PSM is also a designated international point of entry. The commercial airline terminal building houses concessions, Allegiant Air local operations, and other tenants such as TSA and Customs and Border Patrol. In addition, PSM has multiple other tenants throughout the airfield, including various contractors, FAA personnel, military personnel and General Aviation (GA) tenants. The population currently holding Airport ID Badges is approximately 1,000.

In 2013, PSM began hosting Allegiant Airlines for regularly scheduled commercial airline service, and became federalized by the Transportation Security Administration (TSA). This led to a marked increase in badging activity, reporting to the TSA, and management of data by Airport Security. This increase in activity has brought about the requirement for PSM to implement an IDMS to satisfy security requirements of the TSA.

PSM currently is using an in-house-developed badging system, which integrates with multiple disparate systems. The new system is intended to be Contractor supplied, and integrate multiple existing systems

in use by PSM. The system also needs to be configurable and scalable to meet future operational needs at PSM, such as increased number of badges, and integration with existing or future Physical Access Control Systems (PACS).

ARTICLE I - PROJECT ADMINISTRATION

This article is to provide general services related to project scoping, contract work, IDMS Vendor sub-consultant contract work, preparation of a grant application, applications for grant reimbursement requests, project file retention, and general assistance to the OWNER for grant and project contract related matters.

Hoyle, Tanner's work under this paragraph will include:

1. Initial scope development and one (1) scoping meeting, emails and phone calls to OWNER, NHDOT and FAA, compile minutes, compare notes and follow-up emails and calls
2. Develop scope, fee estimate, project timeline and assist with IFE
3. Review billing and invoices, review and approve IDMS subcontractor milestone payments, prepare periodic grant reimbursement requests
4. Complete project progress reports for reimbursement requests
5. Assist the OWNER in updating the Capital Improvement Program (CIP), identifying available funding avenues for this project, including project description write ups, justification narrative, eligibility research, and negotiation and discussion with FAA and NHDOT.
6. Retain project files for OWNER, NHDOT, and FAA
7. Prepare and submit grant application
8. Provide end of year DBE financial participation summary data
9. Provide other project related administration assistance requested by the OWNER

ARTICLE II – REQUIREMENTS ASSESSMENT AND REQUEST FOR PROPOSALS (RFP) DEVELOPMENT

This article first includes efforts to understand the current practices, tools, software/hardware, systems and databases and challenges that currently exist within airport operations, with respect to security and badging for all of PSM. This is to understand the current and future needs of systems and staff, areas for improvement and challenges to be solved by a new IDMS solution.

The second portion of this effort is to develop a Request for Proposals for a new IDMS system, including the proposal process, evaluation, scheduling, pricing and a detailed list of requirements gathered from discussions and input from the PDA staff.

Hoyle, Tanner's work under this paragraph will include:

1. Initial discussions and meetings with Airport Operations to understand existing systems, both hardware and software, and inventory of databases (types and versions). Assume 1 Trip and meeting with Pease, several phone calls, emails, document findings.
2. Fact finding and working detailed discussions and meetings with Airport Operations to understand use cases, needs and wishes in context of a security system for: Badging and tracking, fingerprinting, background checks, expiration procedures, lost badge procedures, vehicle sticker tracking, queries, revocation procedures, internal reporting, TSA reporting, Audits, system access, backups, system maintenance, and more. Assume 5 on-site working meetings with Airport Operations. Generate summary of each use case, including examples, work flow, system

interaction, access and intended results. Document findings.

3. Coordination, phone calls, emails and discussions with PDA IT personnel and outside consultant Daystar to understand system isolation, communication, system topology and physical environment for servers and equipment.
4. Review Columbia Metropolitan Airport RFP, and Portland Oregon RFP, extract pertinent sections for use in an RFP for Pease. Identify differences in these two system goals and objectives, and PDA project goals, and deconflict all dissimilar system design features.
5. With input from Airport Operations, develop the RFP, including the following sections:
 - a. General project information, background and requirements
 - b. General scope of work
 - c. Vendor/contractor qualifications/prequalification's
 - d. IT security requirements and badging
 - e. Schedule
 - f. Proposal evaluation criteria (4 sections, 35 criteria total)
 - g. Evaluation procedures
 - h. Exhibit A "Proposal Form"
 - i. Exhibit B "Requirements Checklist" - 20 pages, 34 sections, 230 +/- functional and technical requirements.
 - j. Exhibit C "Existing Technology Environment" describing and diagramming the existing hardware and software systems in use for security and badging at PSM (Overall Ops computer topology diagram; Badging system topology diagram; fingerprint and CHBC system diagram; Perimeter gate PACS system diagram)
 - k. Exhibit D "Fee Schedule" - for proposals including proposed schedule milestones
 - l. Exhibit E "Security Requirements" - detailing selected vendors badging and overall security requirements and SSI
 - m. Exhibit E1 "PDA Master Agreement" - applying to sub-consultants (selected IDMS vendor)
 - n. Exhibit E2 "Hoyle Tanner Sub Consultant Agreement Terms", including insurance requirements.
6. Research a minimum of 3 potential IDMS software vendor/developers to understand products and features, query each for capabilities matching requirements developed from previous task, Estimate 5 hours per vendor research, attend 1 remote product demonstration by potential vendor and 1 conference call.
7. Develop "cleansed" RFP prequalification list (non-SSI) for distribution to potential vendors.

ARTICLE III – RFP SOLICITATION, PROPOSAL EVALUATIONS, DEMOS AND AWARD

This article first includes efforts to solicit proposals from potential vendors, including prequalification evaluation, and dissemination of RFP, answer questions, and provide 3 addendum during the development of proposals by three (3) potential IDMS vendors

The second part of the effort in this article is to receive and evaluate proposals (both paper and electronic) for acceptance in the evaluation process and notify IDMS vendors.

The third part of this process is a detailed assessment of 3 proposals, rating each against the 35 separate evaluation criteria, 230 requirements and summarize costs for each proposal, including understanding optional items and required hardware/software not provided by the vendors. Contact references as provided in each proposal nine (9) total, document discussions and key points. Create a weighted rating system and generate a numerical score for each vendor. Contact vendors as needed to answer questions.

Fourth, organize attend and document two (2) 3-hour live software demonstrations demos by potential IDMS vendors.

Lastly, discuss evaluations and demonstrations with airport staff, notify selected and non-selected IDMS vendors of the choice.

Hoyle, Tanner's work under this paragraph will include:

1. Solicit proposals with RFP. Investigate venue for advertising, advertise and contact known vendors directly
2. Review of proposals for completeness and acceptability to standards set forth in RFP (assume 3 proposals)
3. Contact and verify vendor references, assume 3 per vendor (9 total), assume 75% will be reached and vendors qualification and delivery discussed with contacts. Evaluate and transcribe telephone notes for distribution.
4. Develop assessment matrix using requirements gathered in Article II, including evaluating 3 proposals (average of 80 pages each, 240 pages total) against the following:
 - a. 35 Evaluation criteria items in RFP
 - b. 230 Technical/functional requirements in Exhibit B
 - c. Summarize costs for each proposal, including understanding optional items and required hardware/software not provided by the vendors
5. Develop average score based on rating scale of 1-10 for each evaluation criteria. Provide evaluation and result summary to the Airport.
6. Develop task list (15 tasks), questions, and organize and attend (2) two live 2.5 hour remote software demonstrations and Q&A sessions
7. Discussion with Airport of evaluations and demonstration results. Agree on selected IDMS vendor during teleconference. Document process and conversations for the file.
8. Coordination of cost estimates for required hardware (servers) and Honeywell Web Services Module (software and labor).
9. Notify successful and unsuccessful vendors of selection, Begin implementation process.

Article IV – IDMS PROCUREMENT AND IMPLEMENTATION

This article includes efforts to assist the Airport in finalizing the contract with the successful vendor, finalizing the scope deliverables and contract, assisting in the procurement of 3rd party hardware and software required for the IDMS implementation. Assist in defining and understanding the implementation process and schedule, security requirements, payment schedule and milestones.

This article also includes attending meetings such as kickoff, milestone and system acceptance testing meetings, plus coordination, distribution of notes. Assist with the final “go-live” event when the IDMS system will be used in “real life” for the first time.

NOT included in this scope is Hoyle Tanner providing System Acceptance Testing (SAT) or User Acceptance Testing (UAT) services. It is assumed both will be provided by PDA staff.

Hoyle, Tanner's work under this paragraph will include:

1. Finalize scope, deliverables and contract parameters with the successful IDMS vendor, including

security (badging) requirements and insurance. Assist in defining project schedule, payment schedule, milestones, and points of contact and system acceptance parameters. Assist owner with acquisition of outside vendor software and hardware components (servers and Honeywell software component) needed for complete working system.

2. Attend kickoff, milestone and system acceptance testing meetings on-site with airport, assume 7 meetings, note taking and distribution of notes.
3. Assist airport with assessment of final acceptance test and "go-live" event.

ARTICLE V – PROJECT CLOSE OUT

This article is for efforts required for completion, acceptance and closeout of the project and closeout of the grant for this project. It includes including summary of software, hardware, labor and expenses components purchased and installed for a complete working IDMS system. Also, all necessary administration and closeout paperwork to complete the closeout.

Hoyle, Tanner's, work under this article will include:

1. Coordination with The OWNER, FAA, & NHDOT
2. Prepare, Print, & Distribute FAA final project reports to the OWNER, FAA and NHDOT, including summary of software, hardware, labor and expenses components purchased and installed for a complete working IDMS system.
3. Provide assistance with other project closeout requirements, as necessary
4. Organize and retain project files and provide copies to PDA upon request

COST BREAKDOWN:

SUMMARY:	Total Engineering Fees	-\$394,214.00	392,194.00
	Hoyle, Tanner & Associates, Inc.	\$71,900.00	
	Quantum Secure (Sub)	\$247,235.00	
	Honeywell (Sub)	-\$30,000.00	27,980.00
	Crossmatch (Sub)	\$17,498.00	
	Day Star (Sub)	\$27,581.00	
	Total Project Cost	\$394,214.00	392,194.00
	Federal Share	\$354,792.00	352,974.00
	State of New Hampshire Share	\$19,711.00	19,610.00
	Sponsor Share	\$19,711.00	19,610.00

PROJECT SCHEDULE

The Consultant shall complete the services outlined in the above articles follows:

- | | |
|--|----------------|
| ➤ Grant Application | January 2016 |
| ➤ Grant Offer (Est.) | Feb/March 2016 |
| ➤ Notice to Proceed | March 2016 |
| ➤ Milestone: Final Specifications | May 2016 |
| ➤ Milestone: Live Test of Test Environment | June 2016 |
| ➤ Milestone: Initial Training Complete | July 2016 |

- | | |
|--|----------------|
| ➤ Milestone: System Acceptance Test | August 2016 |
| ➤ Milestone: System "Go Live" and Final Acceptance | September 2016 |
| ➤ Closeout | October 2016 |

E.O. 12372 COORDINATION

As this project is wholly contained within airport boundaries and no request has been made by the NH Office of Energy and Planning for an E.O. 12372 review, this project is exempt from E.O. 12372 coordination.

ENVIRONMENTAL DECLARATION

Section 106: This project is on the approved list of "projects not needing Section 106 review" per the NH DOT Aeronautics State Block Grant page, Option "1", under the category of "Purchasing snow removal, rescue/firefighting vehicles, and other equipment"

Categorical Exclusion: This project is categorically excluded from requiring a formal Environmental Assessment or Environmental Impact Statement, per FAA Order 1050.1F, Section 5-6.3, paragraph (h):

"Acquisition of equipment required for the safety or security of personnel and property on the airport or commercial space launch site, including safety equipment required by rule or regulation for certification of an airport (see 14 CFR part 139, Certification and Operation: Land Airports Serving Certain Air Carriers), or licensing the operation of a commercial space launch site (see 14 CFR part 420, License to Operate a Launch Site) and acquisition of snow removal equipment. (ARP, AST)"

Furthermore, no extraordinary circumstances were identified in accordance with extraordinary circumstances listed in section 5-2 of FAA Order 1050.1F

USFW: This project has undergone a USFW IPAC review for rare, threatened or endangered species habitats. According to the review, This project will not affect the identified threatened or endangered species as the project is to be wholly contained within the airport operations building and will not extend to the outdoors. Reference: USFW Letter dated 19 Jan 2016, USFW Consultation code 05E1NE00-2016-SLI-0814, USFW Event code 05E1NE00-2016-E-01077.

STATE AGENCY PARTICIPATION

The project was coordinated through New Hampshire DOT. Coordination with New Hampshire DOT included CIP and project document review.

STATEMENT ON DISADVANTAGED BUSINESS ENTERPRISE STATUS

The Pease Development Authority has race neutral goal for Disadvantaged Business Enterprise participation in any airport project of 6%.

STATEMENT OF COORDINATION WITH AIRPORT USERS

The Pease Development Authority has coordinated the project in this application through individual contact with airport users.

EXHIBIT "A" - PROPERTY MAP CERTIFICATION

I hereby certify that the exhibit "a" property map dated **April 10, 2013**, and attached to the grant agreement for AIP project no. **SBG 16-01-2013** reflects the current information as of this date.

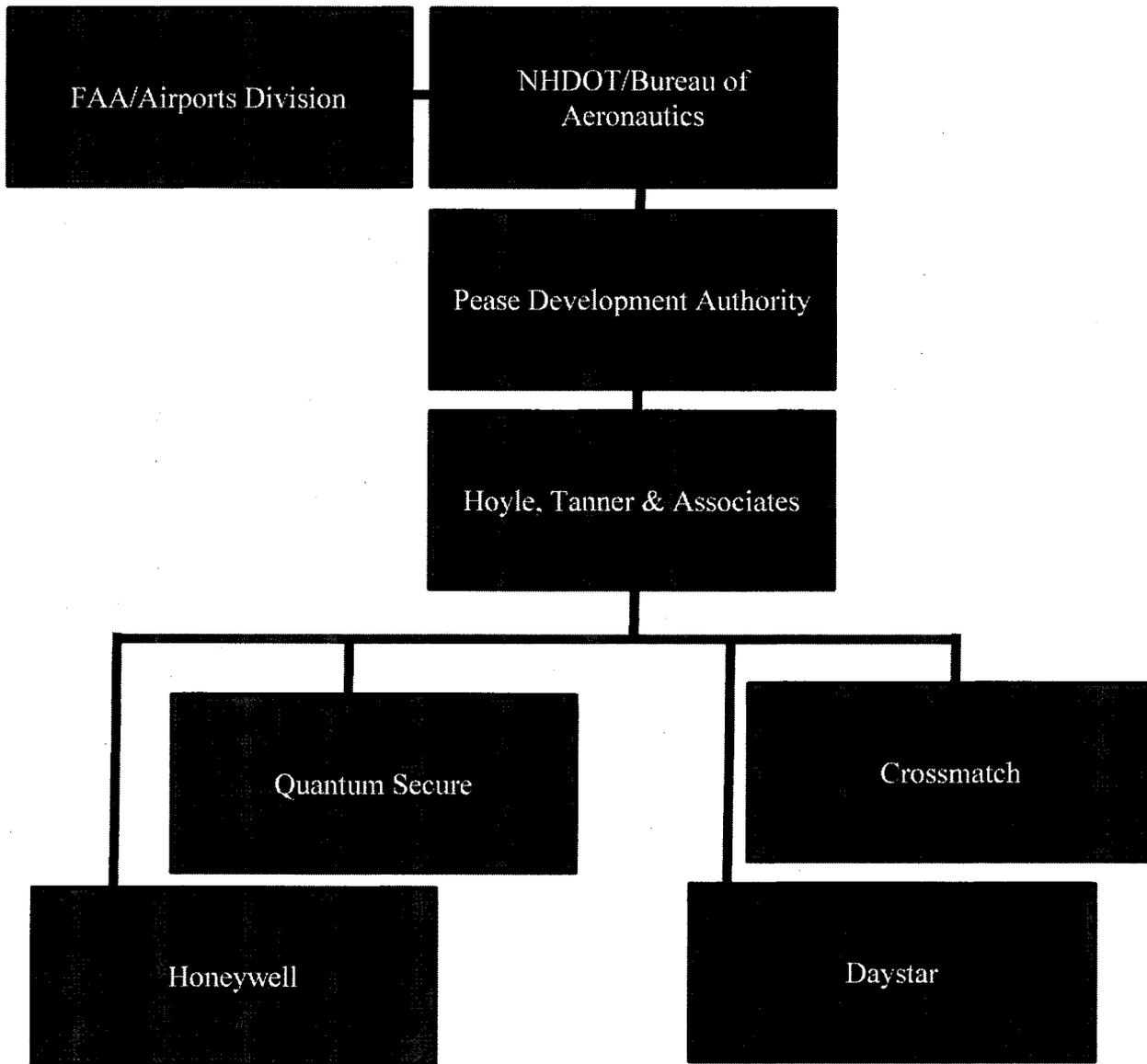
The above mentioned exhibit "A" is, therefore, incorporated into this project application by reference and made a part hereof.

Date: 1/22/16

Pease Development Authority
Name of Sponsor

By: 
David R. Mullen, Executive Director

Organizational Chart
SBG 16-xx-2016
Procure and Implement Identification Management System for Airport Security



APPENDIX 1

**PART IV PROGRAM NARRATIVE
GRANT APPLICATION FOR FEDERAL ASSISTANCE**

**PROCUREMENT AND IMPLEMENTATION OF AN
IDENTITY MANAGEMENT SYSTEM FOR AIRPORT SECURITY**

**BREAKDOWN OF ENGINEERING FEES
INCLUDING PRIME AND SUBCONSULTANTS**

EXHIBIT A, Attachment 1 (b)

**ESTIMATE OF ENGINEERING COST
for
PROCUREMENT AND IMPLEMENTATION OF IDENTITY MANAGEMENT SYSTEM (IDMS)
at
PORTSMOUTH INTERNATIONAL AIRPORT AT PEASE
for
PEASE DEVELOPMENT AUTHORITY
PORTSMOUTH, NEW HAMPSHIRE**

**NHDOT SBG 16-xx-2016
HOYLE, TANNER PROJECT NO. 062858**

Article I - Project Administration	\$9,600	Lump Sum
Article II – Requirements Assessment and RFP Development	\$26,700	Actual Cost NTE plus Fixed Fee
Article III - RFP Solicitation, Proposal Evaluations, Demos and Award	\$16,300	Actual Cost NTE plus Fixed Fee
Article IV - Procurement and Implementation	\$13,500	Actual Cost NTE plus Fixed Fee
Article V - Closeout	\$5,800	Lump Sum
TOTAL PROJECT DESIGN AND PROCUREMENT EFFORT COSTS:	\$71,900	

Pease Development Authority

Article I - Project Administration

PROCUREMENT AND IMPLEMENTATION OF IDENTITY MANAGEMENT SYSTEM (IDMS)

Task	Description	ESTIMATED HOURS BY LABOR CLASSIFICATION							TOTAL HOURS	TOTAL LABOR COST
		Principal Engineer \$50.00 /HR	Project Manager \$46.00 /HR	Senior Engineer \$47.00 /HR	Staff Engineer \$35.00 /HR	CADD Tech \$36.00 /HR	Admin Support \$24.00 /HR			
1.	Initial scope development and one (1) scoping meeting, emails and phone calls to OWNER, NHDOT and FAA, compile minutes, compare notes and follow-up emails and calls	2	8				2		12	\$516.00
2.	Develop scope, fee estimate, project timeline and assist with IFE	2	10				1		13	\$584.00
3.	Review billing and invoices, review and approve IDMS subcontractor milestone payments, prepare periodic grant reimbursement requests		12				12		24	\$840.00
4.	Complete project progress reports for reimbursement requests		6				1		7	\$300.00
5.	Assist the OWNER in updating the Capital Improvement Program (CIP), identifying available funding avenues for this project, including project description write ups, justification narrative, eligibility research, and negotiation and discussion with FAA and NHDOT.		2				2		4	\$140.00
6.	Retain project files for OWNER, NHDOT, and FAA		2				1		3	\$116.00
7.	Prepare and submit grant application		6				6		12	\$420.00
8.	Provide end of year DBE financial participation summary data		1				2		3	\$94.00
9.	Provide other project related administration assistance requested by the OWNER		2				2		4	\$140.00
									0	\$0.00
									0	\$0.00
	TOTAL HOURS	4	49	0	0	0	29		82	
	TOTAL DIRECT LABOR	\$200.00	\$2,254.00	\$0.00	\$0.00	\$0.00	\$696.00			\$3,150.00

REIMBURSABLE EXPENSES:		DIRECT LABOR OVERHEAD	173%	
Travel (Auto Mileage, tolls, etc.)	\$55.60 (Assume 1 trip)			\$3,150.00
Postage & Communications	\$25.00			\$5,449.50
Printing	\$20.00			
Other	\$0.00			
SUBTOTAL:	\$100.60	PROFIT	10%	\$860.00
SUBCONSULTANTS:		REIMBURSABLE EXPENSES		\$100.60
		SUBCONSULTANTS		\$0.00
SUBTOTAL:	\$0.00	ESTIMATED TOTAL COST		\$9,560.10
		USE: LUMP SUM		\$9,600

Hoyle, Tanner & Associates, Inc. 150 Dow Street, Manchester, NH 03101

PROCUREMENT AND IMPLEMENTATION OF IDENTITY MANAGEMENT SYSTEM (IDMS)

NHDOT SBG 16-xx-2016
 HOYLE, TANNER PROJECT NO. 062858

Task	Description	ESTIMATED HOURS BY LABOR CLASSIFICATION						TOTAL HOURS	TOTAL LABOR COST
		Principal Engineer \$60.00 /HR	Project Manager \$46.00 /HR	Senior Engineer \$47.00 /HR	Staff Engineer \$35.00 /HR	CADD Tech \$36.00 /HR	Admin Support \$24.00 /HR		
1.	Discussions and meetings with Airport Operations to understand existing systems, both hardware and software, inventory of databases (types and versions). Assume 1 Trip and meeting with Pease, several phone calls, emails, document findings.	2	24				4	30	\$1,300.00
2.	Fact finding and working detailed discussions and meetings with Airport Operations to understand use cases, needs and wishes in context of a security system for: Badging and tracking, fingerprinting, background checks, expiration procedures, lost badge procedures, vehicle sticker tracking, queries, revocation procedures, internal reporting, TSA reporting, Audits, system access, backups, system maintenance, and more. Assume 5 on-site working meetings with Airport Operations. Generate summary of each use case, including examples, work flow, system interaction, access and intended results. Document findings.	2	48				4	54	\$2,404.00
3.	Coordination, phone calls, emails and discussions with PDA IT personnel and outside consultant Daystar to understand system isolation, communication, system topology and physical environment for servers and equipment		10					10	\$460.00
4.	Review Columbia Metropolitan Airport RFP, and Portland Oregon RFP, extract pertinent sections for use in an RFP for Pease. Identify differences in these two system goals and objectives, and PDA project goals, and deconflict all dissimilar system design features.		6					6	\$276.00
5.	With input from Airport Operations, develop the RFP (approximately 85 pages), including the following sections: a. General project information, background and requirements b. General scope of work c. Vendor/contractor qualifications/prequalification's d. IT security requirements and badging e. Schedule f. Proposal evaluation criteria (4 sections, 35 criteria total) g. Evaluation procedures h. Exhibit A "Proposal Form" i. Exhibit B "Requirements Checklist" - 20 pages, 34 sections, 230 +/- functional and technical requirements. j. Exhibit C "Existing Technology Environment" describing and diagramming the existing hardware and software systems in use for security and badging at PSM (Overall Ops computer topology diagram; Badging system topology diagram; fingerprint and CHBC system diagram; Perimeter gate PACS system diagram) k. Exhibit D "Fee Schedule" - for proposals including proposed schedule milestones l. Exhibit E "Security Requirements" - detailing selected vendors badging and overall security requirements and SSI m. Exhibit E1 "PDA Master Agreement" - applying to sub-consultants (selected IDMS vendor) n. Exhibit E2 "Hoyle Tanner Sub Consultant Agreement Terms", including insurance requirements.		68				8	76	\$3,320.00
6.	Research a minimum of 3 potential IDMS software vendor/developers to understand products and features, query each for capabilities matching requirements developed from previous task, Estimate 5 hours per vendor research, attend 1 remote product demonstration by potential vendor and 1 conference call.		16					16	\$736.00
7.	Develop "cleansed" RFP prequalification list (non-SSI) for distribution to potential vendors.		4				2	6	\$232.00
									\$0.00
									\$0.00
	TOTAL HOURS	4	176	0	0	0	18	198	
	TOTAL DIRECT LABOR	\$200.00	\$8,096.00	\$0.00	\$0.00	\$0.00	\$432.00		\$8,728.00

REIMBURSABLE EXPENSES:

Travel (Auto Mileage, tolls, etc.)	\$222.40	(4 trips, 100 mi/trip)
Postage & Communications	\$15.00	
Printing	\$250.00	(Printing of RFP)
Other	\$0.00	
SUBTOTAL:	\$487.40	

SUBCONSULTANTS:

SUBTOTAL: \$0.00

DIRECT LABOR

OVERHEAD 173% \$15,099.44

REIMBURSABLE EXPENSES

SUBCONSULTANTS

PROFIT

ESTIMATED TOTAL COST

USE: ACTUAL COST NOT-TO EXCEED PLUS FIXED FEE

\$8,728.00

\$15,099.44

\$487.40

\$0.00

\$2,383.00

\$26,697.84

\$26,700

Peace Development Authority

Article III - RFP Solicitation, Proposal Evaluations, Demos and Award

PROCUREMENT AND IMPLEMENTATION OF IDENTITY MANAGEMENT SYSTEM (IDMS)

Task	Description	ESTIMATED HOURS BY LABOR CLASSIFICATION							TOTAL HOURS	TOTAL LABOR COST
		Principal Engineer \$50.00 /HR	Project Manager \$46.00 /HR	Senior Engineer \$47.00 /HR	Staff Engineer \$35.00 /HR	CADD Tech \$36.00 /HR	Admin Support \$24.00 /HR			
1.	Solicit proposals with RFP. Investigate venue for advertising, advertise and contact known vendors directly.	2	12				4	18	\$748.00	
2.	Review of proposals for completeness and acceptability to standards set forth in RFP (assume 3 proposals)		6				2	8	\$324.00	
3.	Contact and verify vendor references, assume 3 per vendor (9 total), assume 75% will be reached and vendors qualification and delivery discussed with contacts. Evaluate and transcribe telephone notes for distribution.		16					16	\$736.00	
4.	Develop assessment matrix using requirements gathered in Article II, including evaluating 3 proposals (average of 80 pages each, 240 pages total) against the following: a. 35 Evaluation criteria items in RFP b. 230 Technical/functional requirements in Exhibit B c. Summarize costs for each proposal, including understanding optional items and required hardware/software not provided by the vendors	4	44				6	54	\$2,368.00	
5.	Develop average score based on rating scale of 1-10 for each evaluation criteria. Provide evaluation and result summary to the Airport.		4					4	\$184.00	
6.	Develop task list (15 tasks), questions, and organize and attend (2) two live 2.5 hour remote software demonstrations and Q&A sessions		12					12	\$552.00	
7.	Discussion with airport of evaluations and demonstration results. Agree on selected IDMS vendor during teleconference.		4					4	\$184.00	
8.	Coordination of cost estimates for required hardware (servers) and Honeywell Web Services Module (software and labor)		4					4	\$184.00	
9.	Notify successful and unsuccessful vendors of selection. Begin contract process.		2					2	\$92.00	
TOTAL HOURS		6	104	0	0	12	12	122	\$0.00	
TOTAL DIRECT LABOR		\$300.00	\$4,784.00	\$0.00	\$0.00	\$288.00			\$5,372.00	

REIMBURSABLE EXPENSES:			
Travel (Auto Mileage, tolls, etc.)	\$55.00	(1 trips, 100 mi/trip)	
Postage & Communications	\$100.00		
Printing	\$50.00		
Other	\$0.00		
SUBTOTAL:	\$205.00		
REIMBURSABLE EXPENSES			\$205.00
SUBCONSULTANTS			\$0.00
PROFIT	10%		\$1,467.00
ESTIMATED TOTAL COST			\$16,337.56
USE: ACTUAL COST NOT-TO EXCEED PLUS FIXED FEE			\$16,300.00

Hoyle, Tanner & Associates, Inc. 150 Dow Street, Manchester, NH 03101

Peace Development Authority

Article IV - Procurement and Implementation

PROCUREMENT AND IMPLEMENTATION OF IDENTITY MANAGEMENT SYSTEM (IDMS)

ESTIMATED HOURS BY LABOR CLASSIFICATION

Task	Description	Principal Engineer \$50.00 /HR	Project Manager \$46.00 /HR	Senior Engineer \$47.00 /HR	Staff Engineer \$35.00 /HR	CADD Tech \$36.00 /HR	Admin Support \$24.00 /HR	TOTAL HOURS	TOTAL LABOR COST
1.	Finalize scope, deliverables and contract parameters with the successful IDMS vendor, including security (badging) requirements and insurance. Assist in defining project schedule, payment schedule, milestones, and points of contact and system acceptance parameters. Assist owner with acquisition of outside vendor software and hardware components (servers and Honeywell software component) needed for complete working system.	2	40				4	46	\$2,036.00
2.	Attend kickoff, milestone and system acceptance testing meetings on-site with airport, assume 7 meetings, note taking and distribution of notes.		40					40	\$1,840.00
3.	Assist airport with assessment of final acceptance test and "go-live" event.	2	8					10	\$468.00
	TOTAL HOURS	4	88	0	0	0	4	96	\$4,344.00
	TOTAL DIRECT LABOR	\$200.00	\$4,048.00	\$0.00	\$0.00	\$0.00	\$96.00		

REIMBURSABLE EXPENSES:

Travel (Auto Mileage, tolls, etc.) \$389.20 (assume 7 trips, 100 mi/trip)
 Postage & Communications \$10.00
 Additional Printing \$25.00
 Other \$0.00
 SUBTOTAL: \$424.20

DIRECT LABOR OVERHEAD

173%

\$4,344.00
\$7,515.12

REIMBURSABLE EXPENSES

\$424.20

SUBCONSULTANTS

\$0.00

PROFIT

10%

\$1,186.00

ESTIMATED TOTAL COST

\$13,469.32

USE: ACTUAL COST NOT-TO EXCEED PLUS FIXED FEE

\$13,500

\$0.00

SUBTOTAL:

Hoyle, Tanner & Associates, Inc.

150 Dow Street, Manchester, NH 03101

PROCUREMENT AND IMPLEMENTATION OF IDENTITY MANAGEMENT SYSTEM (IDMS)

Task	Description	ESTIMATED HOURS BY LABOR CLASSIFICATION							TOTAL HOURS	TOTAL LABOR COST
		Principal Engineer \$50.00 /HR	Project Manager \$46.00 /HR	Senior Engineer \$47.00 /HR	Staff Engineer \$35.00 /HR	CADD Tech \$36.00 /HR	Admin Support \$24.00 /HR			
1.	Coordination with The OWNER, FAA, & NHDOT		10					10	20	\$700.00
2.	Prepare , Print, & Distribute FAA final project reports to the OWNER, FAA and NHDOT, including summary of software, hardware, labor and expenses components purchased and installed for a complete working IDMS system.		10					10	20	\$700.00
3.	Provide assistance with other project closeout requirements, as necessary		6					10	16	\$516.00
TOTAL HOURS		0	26	0	0	0	30	56		
TOTAL DIRECT LABOR		\$0.00	\$1,196.00	\$0.00	\$0.00	\$0.00	\$720.00	\$1,916.00		

REIMBURSABLE EXPENSES:
 Travel (Auto Mileage, tolls, etc.) \$0.00
 Postage & Communications \$0.00
 Additional Printing \$20.00
 Other \$0.00
SUBTOTAL: \$20.00

SUBCONSULTANTS:
 SUBTOTAL: \$0.00

ESTIMATED TOTAL COST
 DIRECT LABOR OVERHEAD 173% \$1,916.00
 REIMBURSABLE EXPENSES \$20.00
 SUBCONSULTANTS \$0.00
 PROFIT 10% \$523.00
\$5,773.68

USE: LUMP SUM \$5,800

Hoyle, Tanner & Associates, Inc. 150 Dow Street, Manchester, NH 03101

**Portsmouth International Airport at Pease (PSM)
Procurement and Implementation of an Identity Management System (IDMS) for Airport Security**

Last saved on: 1/18/2016 11:54 AM

ROLES AND DELIVERABLES OF SUB-CONSULTANTS:

Sub-consultant: Quantum Secure

Quantum Secure (part of HID global) is the primary sub-consultant providing the IDMS (Identity Management System) core software and databases. This also includes installation, project management, implementation training, and partial hardware solution (Servers provided by Daystar, fingerprinting by Crossmatch).

Quantum Secure is providing:

- IDMS Core Software and Module licenses for up to 2000 badges
- Connectivity and "Interaction Agents" to the systems not provided by Quantum Secure
- Project services, including project management, system design and configuration, implementation, integration plan, interface development, system activation/initial operational support and training.
- Travel (NTE Estimate)
- SAFE for Aviation Intelligent Badging Workstation and Hardware peripherals to support use of the IDMS system and 2 Crossmatch fingerprint scanning stations.

Selection criterial: Proposal was highest ranked of 3 proposals reviewed, using competitive ranking system included in a comprehensive RFP.

Sub-consultant: Crossmatch

Crossmatch is a sub-consultant providing the hardware and software needed to capture and process fingerprints in the format required by the FBI to perform a Criminal History Background Check (CHBC) for badge applicants. To facilitate the processing of applicants, the Airport has elected to install two separate stations, with one station replacing a Crossmatch computer that is outdated in both hardware and software (running unsupported Windows XP).

Crossmatch is providing:

- Crossmatch Fingerprinting Software
- Two dedicated Crossmatch workstation PC's, operating system, software and peripherals
- A 10 finger fingerprint capture peripheral
- Installation, configuration and assistance with integration into existing systems, including work necessary to integrate with Quantum Secure.

Selection criteria: Crossmatch currently provides CHBC hardware and software for the airport. The airport opted to continue using their solution, with the addition of a second fingerprinting station. Quantum Secure has successfully worked with Crossmatch and integrated with their solution at other airports.

Sub-consultant: Daystar

Daystar is an IT consulting firm that currently provides IT services to the Pease Development Authority (PDA) and is familiar with and is on-call to maintain the computers and IT infrastructure for the PDA, including at the Operations building where the IDMS system will be installed.

Daystar is providing:

- Server hardware and software x2, virtual servers and peripherals that are necessary for the Quantum Secure IDMS system.
- Backup hardware and software for the IDMS system
- Consultation for connectivity setup (LAN/WAN, routers, switches, hubs and protocol), for the IDMS system itself, and other systems to be connected to the IDMS.

Selection criteria: Daystar is currently the provider of IT infrastructure and support for the Airport, and is familiar with the infrastructure, and has the expertise to procure, configure and set up servers, backup systems and IT/ firewalls/ communication and virus software (Quantum Secure systems and Crossmatch Systems). In addition, the long term maintenance (paid for by the Airport) will most likely continue with DayStar.

Sub-consultant: Honeywell

Honeywell is the current provider of the Physical Access Control System (PACS) that controls and monitors access through various terminal doors in the commercial terminal building. It controls specific terminal area access privileges to workers based on their roles, and is part of the current manual airfield badging process. The Quantum Secure IDMS solution will integrate with the Honeywell system and manage access privileges, but Honeywell needs to provide a communication layer in their system to do this. This communication system known as the "CMS Web Services Component" is not currently installed.

Honeywell is providing:

- Provide and install Honeywell "CMS Web Services Component" on the existing Honeywell PACS system at the airport
- Assist Quantum Secure with the connection to/from the IDMS system and the Honeywell system via the "CMS Web Services Component"

Selection criteria: The current Honeywell PACS system in use for the terminal building will remain. The software and services Honeywell is providing will enable the IDMS system to integrate with these existing systems. The only alternative would be to completely replace the Honeywell PACS system.

SAFE FOR AVIATION™

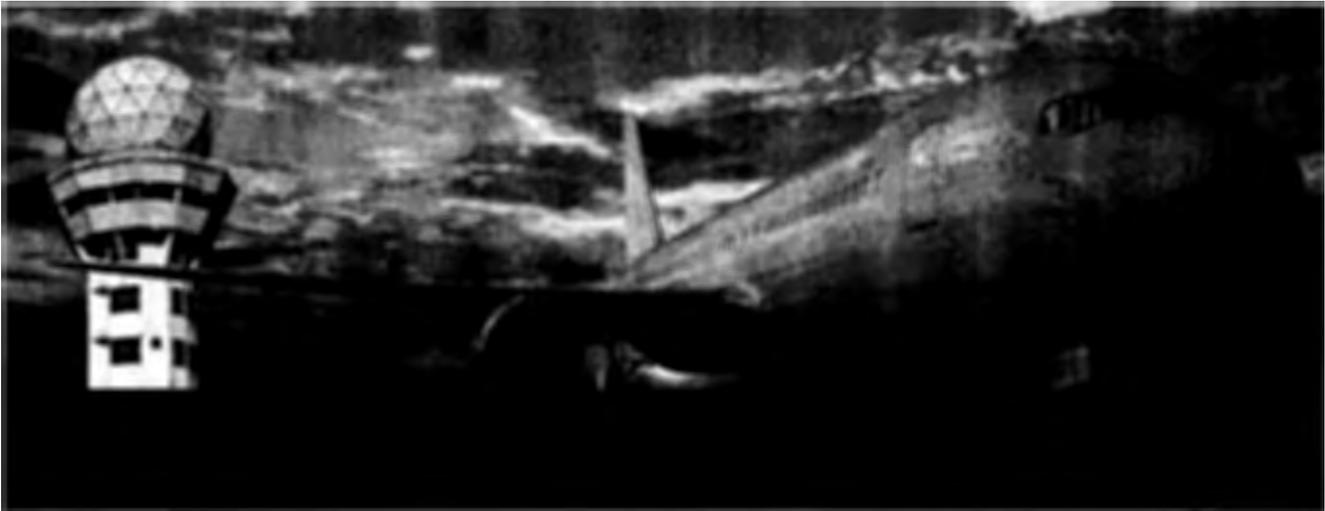
Airport Identity Management Solution

Updated Fee Proposal (3) for: Portsmouth International Airport at Pease

RFP No. 062858

Name: Identity Management System (IDMS) and Installation for the Portsmouth International Airport at Pease

January 13, 2016



Prepared By:

Andy Kuchel

Quantum Secure, part of HID Global

100 Century Center Court, Suite 800

San Jose, CA 95112

(408) 753-5154

akuchel@quantumsecure.com



COVER LETTER

January 12, 2016
Private and Confidential

Michael C. Rogerson, PE
Hoyle, Tanner & Associates, Inc.
150 Dow Street
Manchester, NH 03101

Quantum Secure, Inc.
100 Century Center Court,
Suite 800
San Jose, CA 95112
Phone: 408-453-1008
Fax: 408-453-1009

RE: RFP No: 062858

Dear Mr. Rogerson,

In regards to your recent email request dated January 12, 2016, we have updated the proposal to reflect the following **NEW** changes/additions in bold:

1. SAFE Appointment Scheduler Module-added to module list and provided updated costs associated
2. Additional IBWS Lumidign
3. Additional IBWS Dell Tablet
4. Services required to integrate with a second Crossmatch station
5. **NEW (JAN 12): SAFE Mobile App for IOS/Android**
6. **NEW (JAN 13): additional (1 each) Fujitsu Document scanner, 3M AT9000, Assuretech Software**

I have highlighted the updates in the fee schedule so you can easily reference the changes. Please let us know if you need any additional clarification or changes. We hope you find our updated proposal complete and comprehensive and we look forward to the next steps.

Best Regards,



Andy Kuchel
Vice President, Business Development
Quantum Secure
akuchel@quantumsecure.com
408-753-5154

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1 COST/FEES

1.1 Exhibit D - Fee Schedule

Complete and submit **Exhibit D – Fee Schedule** including licensing, any services associated with project implementation, and ongoing support costs for the first year, and the next five years of system operation. Identify any other recommended services and costs

Item	Quantity	Cost/Fee each	Total
<p>Software Systems – list system software components to be provided with the solution, take into account hardware and software already in place at the Airport based on Exhibit C- Technology Environment (list as line items), In addition, provide a line item for software upgrades (operating system and software) for the Cross Match system.</p> <p><u>Quantum Secure Software Licenses</u> SAFE for Aviation Core v. 4.9</p> <p><u>Additional Modules:</u> SAFE Asset Manager SAFE Infraction Manager SAFE Vehicle Manager SAFE Finance Manager SAFE Visitor Identity Manager SAFE Watch List Manager 1/7/16 Added SAFE Appointment Manager 1/12/16 Added SAFE Mobile App</p> <p><u>SAFE Integration Agents</u></p>	Software license for up to 2000 identities (active badge holders)	Small airport bundle	\$128,250 <i>Updated with Added option 1/7/16 & 1/12/16</i>

<p>Agents: (6)</p> <ul style="list-style-type: none"> • Honeywell EBI R430 • Crossmatch Livescan • AAAE TSC DACS • Computer Based Training (CBT) • Secura Key System • PDA Finance System (TBD) <p>*For Crossmatch pricing please see separate proposal from Crossmatch included in the Quantum Secure response. Quantum Secure and Crossmatch have independent license agreements. Please see the Crossmatch quote for license information and pricing options. Quantum Secure will act as a pass through to Hoyle, Tanner and Associates Inc. for the Crossmatch system if required.</p> <p>** Integration with Honeywell EBI PACS requires CMS Web Services Component be installed and available. This is a separate component (not supplied by Quantum) which needs to be purchased directly from Honeywell.</p>			
<p>Hardware Systems – list hardware and components (include operating system and security software) that will be required to be provided with the solution, take into account hardware and software already in place at the Airport based on Exhibit C- Technology Environment (list as line items). Also list any hardware required for connectivity (including connectivity to backup). In addition, provide a line item for computer upgrade for the Cross Match system.</p> <p><u>Quantum Secure Hardware</u> Quantum Secure does not sell/support hardware, but our analysis of the existing systems in use as PDA indicate a need for:</p> <ul style="list-style-type: none"> • Minimum of two Microsoft Windows Servers for Production (Inc. MS Windows Server 2012 OS and SQL Server DB – see SAFE for Aviation System Requirements v2.5 for details) • One Microsoft Windows Server for Test/UAT ongoing • One VPN link to AAAE TSC DACS for background check Integration <p><u>Crossmatch Hardware</u></p>	n/a	n/a	n/a *See Crossmatch submitted with this response

<p>*For Crossmatch pricing please see separate proposal from Crossmatch included in the Quantum Secure response. Quantum Secure and Crossmatch have independent license agreements. Please see the Crossmatch quote for license information and pricing options. Quantum Secure will act as a pass through to Hoyle, Tanner and Associates Inc. for the Crossmatch system if required.</p>			
<p>Project Services – project management, including travel, system design and configuration, implementation, integration plan, interface development, system activation/initial operational support (List separately if relevant).</p> <p>Quantum Secure direct Aviation Professional Services team install/configure solution to PSM requirements; Training of PSM staff and documentation of system for on-going training purposes; Payable on mutually agreed milestones.</p> <p>Added Option 1/7/16: Additional services for 2nd Crossmatch System and SAFE Appointment Scheduler</p> <p>Added 1/12/16 Additional services for SAFE Mobile App</p> <p>Added 1/13/16 Additional services for 2nd SAFE IBWS (partial station)</p>	<p>Fixed Cost – complete project</p>	<p>Fixed Cost</p>	<p>\$66,700 updated with added 1/7/16: services for 2nd Crossmatch System & SAFE Appointment Manager Updated 1/12/16 – Mobile App</p>
<p>Quantum Secure estimated travel costs for Professional Services</p>	<p>Billed at actuals</p>	<p>Not to exceed</p>	<p>\$18,000</p>
<p>Training – Include costs for end user and system support training (if not included above)</p>	<p>Included in Project Services; Crossmatch training included in their respective quotation</p>		
<p>Other Proposed Expenses – Any additional expenses (please specify if optional or required) not listed to provide a complete, working IDMS system.</p> <p>OPTIONAL: Quantum Secure recommends our SAFE for</p>	<p>1 Complete Production Station HW/SW including:</p> <ul style="list-style-type: none"> • Camera 	<p>\$8,000</p>	<p>\$8,000</p>

<p>Aviation Intelligent Badging Workstation peripherals / Devices to support a modern and paperless badging solution (exc. Printer)</p> <p>(See SAFE for Aviation Intelligent Badging Workstation document for details)</p> <p>Added 1/7/16 IBWS Lumidign & IBWS Dell Tablet</p> <p>Added 1/13/16 Additional Fujitsu High Speed Document Scanner</p> <p>Added 1/13/16 Additional 3M AT9000 MK2 Identity Scanner</p> <p>Added 1/13/16 Assuretech Identity document software</p>	<ul style="list-style-type: none"> • DL/Passport Scanner & Assure Tech SW • Touchscreen Tablet for document completion and signature capture (ink mount) • Reference fingerprint enroller • High-speed document scanner 	<p>\$1,960</p> <p>\$1,305</p> <p>\$1,599</p> <p>\$1,899</p>	<p>\$1,960</p> <p>\$1,305</p> <p>\$1,599</p> <p>\$1,899</p>
TOTAL SYSTEM/SOLUTION			<p>\$227,713* (*Does not include 1st year warranty. Does not include Crossmatch costs – see separate quote) Updated 1/7/16 & 1/12/16 & 1/13/16</p>
<p>Maintenance and Support (List all components and year-by-year pricing for first 5 years) – describe options for support and maintenance.</p>	<p>1 Year Warranty + 4 years annual</p>	<p>\$19,522 per annum - Revised</p>	<p>5 year total: \$97,612</p>

<p>Must include software upgrades in first year of warranty and subsequent years as part of a maintenance agreement.</p> <p><u>Quantum Secure Silver Level Customer Care</u> Business hour support via email, hotline, and website Maintenance and Security Directive upgrades to software (1542 compliance)</p> <p>Added 1/7/16 Maintenance and Support for SAFE Appointment Manager</p> <p>Added 1/12/16 Maintenance and Support for SAFE Mobile App</p> <p>Added 1/13/16 Maintenance and Support for Assuretech SW</p> <p>*For Crossmatch pricing please see separate proposal from Crossmatch below. Quantum Secure and Crossmatch have independent license agreements. Please see the Crossmatch quote for license information and pricing options. Quantum Secure will act as a pass through to Hoyle, Tanner and Associates Inc. for the Crossmatch system if required.</p>	<p>Software Support & Maintenance (Silver Level Customer Care)</p>	<p>1/7/16 & 1/12/16 & 1/13/16</p>	<p>revised 1/7/16 & 1/12/16 & 1/13/16</p>
<p>Optional Services – any other recommended services that may not have been explicitly requested</p> <p><u>Recommended Services</u> We always recommend the services of Quantum Secure Certified consulting services organizations who can assist your airport teams to undertake these types of projects and provide additional training and supporting change management services to PDA. We believe that Airport Security Consulting (ASC) would be a good fit for your organization and we'd be happy to discuss these services further upon your request.</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>

Please provide a timeline of suggested implementation milestones. Add additional milestones as needed.

Item/Task	Anticipated Responsibility	Calendar Days After Kickoff
Project kickoff	Contractor	0

Functional specification signoff	Contractor	34
Test environment setup	PDA	26 (Including network setup in Test environment)
Sandbox install on test environment	Contractor	36 (Baseline software install, configurations for airport specific badge layouts, business rules will start.)
Final technical specifications	Contractor, PDA	70 (Includes- Technical specifications documents and Interface Control documents for all interfaces)
Live test of test environment	Contractor	92 (QS sanity testing in PDA test environment, includes preliminary data migrations)
Review and signoff of test plan	Contractor, PDA	92
Signoff of user acceptance test	Contractor, PDA	100 (Test plan approval)
Initial training complete	Contractor	113 (Training for UAT testers)
Airport security network integration	Contractor	143 (Production network setup post User Acceptance Testing (UAT))
System acceptance test	Contractor, PDA	146
System live	Contractor	157
Project closeout	Contractor	162 (Includes on-site support up to 20 days for go-live support)

***Crossmatch Proposal:**

Please reference detailed notes in the attached Crossmatch proposal submitted in this response package. Full system support is only available on the current scanner for 3 years from January, 2016. The option to upgrade the scanner and have full system support for 5 years is included in the Crossmatch proposal. The existing 3 years of available maintenance on the current scanner is quoted as well.

1.2 Travel Expenses

Any reimbursable expenses (including travel) contemplated for this work must be estimated and supplied by the Contractor in their RFP. Travel and direct expenses will not be subject to any markup, and must include receipts to be considered for payment under the contract

Quantum Secure has provided estimated travel costs above (Exhibit D).

1.3 Quantum Secure End User License Agreement (EULA)

Quantum Secure, Inc.: End-User License Agreement

This END-USER LICENSE AGREEMENT ("Agreement") is entered into by and between Quantum Secure, Inc., a California Corporation with offices located at 100 Century Center Court, Suite 800, San Jose, CA 95112 (as referred to herein as "Licensor" or "Quantum Secure") and _____, a _____ Corporation (as referred to herein as "You" or "Licensee"). This Agreement is effective upon the date of full execution of the Agreement (the "Effective Date").

THIS AGREEMENT CONSTITUTES THE COMPLETE AGREEMENT BETWEEN YOU AND QUANTUM SECURE.

1. OWNERSHIP AND ADMINISTRATION OF SOFTWARE

1.1 Ownership and Title. As between the parties, Quantum Secure, and its licensors, own and shall retain all right, title, and interest in and to: (i) the Software including all intellectual property rights embodied therein; (ii) all of the service marks, trademarks, trade names, or any other designations associated with the Software; and (iii) all copyrights, patent rights, trade secret rights, and other proprietary rights relating to the Software. (iv) all "Derivative Work" described as work that is based upon or derived (whether directly or indirectly, or in whole or in substantial part) from product implementation or a copyrighted work, such as a revision, modification, enhancement, translation, portation, abridgment, correction, condensation, addition or expansion of or to the copyrighted work, or any form in which the copyrighted work may be recast, transformed or adapted, which represents an original work of authorship and, if prepared other than in accordance with an express license grant in this Agreement and other express terms of this Agreement, would constitute copyright infringement without limitation, all deliverables, computer programs (source, object and custom code), programming aids and tools, documentation, reports, data provided by Quantum, designs, concepts, know-how, and other information provided by Quantum, whether copyrightable / patentable or not.

1.2 Administration of Software. Quantum Secure may include on the media with the Software additional computer programs which are not currently licensed for use by Licensee. Inclusion of such additional computer programs in no way implies a license from Quantum Secure and access or use of such programs is strictly prohibited unless Licensee procures the right to use any such program and the applicable Enabler Code is provided thereto.

2. LICENSE GRANT

2.1 Grant. Quantum Secure grants to Licensee a nonexclusive, nontransferable, non sub-licensable, perpetual, unless terminated in accordance with the provisions of this Agreement, license (the "License") to (i) use the Software installed in accordance with the Documentation and only on the licensed computer solely for its own internal operations; and (ii) move the Software temporarily in case of computer system malfunction. The License granted under this Agreement does not constitute a sale of the Software or any portion or copy of it. Licensee may not use the Software on more than one computer system unless otherwise specifically authorized by an explicit Software product, or additional licenses for additional computers are purchased. Rights not expressly granted are reserved by Quantum Secure.

2.2 Copies. Licensee may make copies of the Software provided that any such copy is: (i) created as an essential step in utilization of the Software according to this Agreement and is used in no other manner; or (ii) used for archival purposes to back up the licensed computers. All trademark and copyright notices must be reproduced and included on such copies. Licensee may not make any other copies of the Software.

2.3 Restrictions on use. Licensee shall not, and shall not aid, abet, or permit any third party to: (i) decompile, disassemble, or otherwise reverse engineer or attempt to reconstruct or discover any source code or underlying ideas or algorithms of the Software by any means whatsoever; (ii) remove any identification, copyright, or other notices from the Software; (iii) provide, lease, lend, use for timesharing or service bureau purposes; (iv) create a derivative work of any part of the Software; or (v) develop methods to enable unauthorized parties to use the Software. If EC law is applicable, the restrictions in Section 3.3 (i) are limited so that they prohibit such activity only to the maximum extent such activity may be prohibited without violating the EC Directive on the legal protection of computer programs. Notwithstanding the foregoing, prior to decompiling, disassembling, or otherwise reverse engineering any of the Software, Licensee shall request Quantum Secure in writing, to provide Licensee with such information or assistance and Licensee shall refrain from decompiling, disassembling, or otherwise reverse engineering any of the Software unless Quantum Secure cannot or has not complied with such request in a commercially reasonable amount of time.

Licensee will not sell, assign or sub-license this license or sell or otherwise transfer the Software or Documentation (or any portion thereof) to any other party except to an affiliate of the Licensee and except with the written consent of Quantum Secure. Licensee will maintain the Software and Documentation ("Confidential Information") in confidence and not disclose any data or other information contained in the Software or Documentation to any party, except for Licensee's employees and agents who require access to the Software for the purposes of Licensee's internal business and only for use in accordance with the terms of this License Agreement. Customer will not use the Software for the provision of time-sharing services to others.

2.4 OEM License. Quantum Secure may OEM or Resell certain software products from third party manufacturers and all such products are subject to strictly this license agreement.

2.5 Non Disclosure. Each party will implement appropriate measures, within each party's reasonable discretion, to satisfy its obligation hereunder and, generally, will treat confidential information, including, but not limited to Software and Documentation, with the same degree of care and confidentiality which the recipient party of the confidential information provides for its own confidential information. Since unauthorized transfer, use or disclosure of the Software and Documentation and other confidential information would diminish their value to Quantum Secure and its suppliers or Licensee, as appropriate, who, may have no adequate remedy at law in the event the recipient of the confidential information materially breaches its obligations under this Agreement, the disclosing party may be entitled to seek injunctive relief, in addition to such other remedies and relief that would be available to them in the event of such a breach. Confidentiality requirements shall not apply to Confidential Information:

- a. Already known by the recipient party without an obligation of confidentiality,
- b. Publicly known or becomes publicly known through no unauthorized act of the recipient party,
- c. Rightfully received from a third party without obligation of confidentiality,
- d. Independently developed by the recipient party without use of the other party's Confidential Information,
- e. Disclosed without similar restrictions by the owner of the Confidential Information to a third party (other than an affiliate or customer of the party owning the Confidential Information),
- f. Approved by the party owning the Confidential Information, in writing, for disclosure, or
- g. Required to be disclosed pursuant to a requirement of a governmental agency or law so long as the recipient party provides the other party with timely prior written notice of such requirement.

2.6 Purchase Orders. Nothing contained in any purchase order, acknowledgment, or invoice shall in any way modify the terms or add any additional terms or conditions to this Agreement.

2.7 Updates. This section applies if the Software acquired is an update to the original Software (the "Update"). An Update does not constitute a legally licensed copy of the Software unless purchased as an Update to a previous version of the same Software. The Update may only be used in accordance with the provisions of this Agreement. The Update, together with the original Software, constitutes one (1) legally licensed copy of the Software.

3. SALES, MAINTENANCE AND SUPPORT

3.1 Attached Exhibit A describes the maintenance and support policies of Quantum Secure under this contract.

3.2 Attached Exhibit B describes the sales terms of Quantum Secure under this contract.

4. LIMITED WARRANTY

4.1 Media and Documentation. Quantum Secure warrants that if the media or documentations are damaged or physically defective at the time of delivery of the first copy of the Software to Licensee and if defective or damaged product is returned to Quantum Secure within ninety (90) days thereafter, then Quantum Secure will provide Licensee with replacements at no cost.

4.2 Limited Software Warranty. Subject to the conditions and limitations of liability stated herein, Quantum Secure warrants for a period of ninety (90) days from the delivery of the first copy of the Software to Licensee that the Software, as delivered, will materially conform to Quantum Secure's then current published Documentation for the Software. This warranty covers only problems reported to Quantum Secure during the warranty period. For customers outside of the United States, this Limited Software Warranty shall be construed to limit the warranty to the minimum warranty required by law. Quantum Secure makes no representations or warranties with respect to third party software and shall not be responsible for any loss of data or other errors resulting from the software's failure to perform.

4.3 Remedies. The remedies available to Licensee hereunder for any such Software which does not perform as set out herein shall be either repair or replacement, or, if such remedy is not practicable in Quantum Secure's opinion, refund of the license fees paid by Licensee upon a return of all copies of the Software to Quantum Secure. In the event of a refund this Agreement shall terminate immediately without notice.

4.4 Virus or Malicious Code. Quantum Secure warrants that it has exercised commercially reasonable measures to ensure Software does not harm, through virus or other malicious code, Licensee technology or network.

4.5 Non-infringement. Quantum Secure warrants that Software does not infringe on any third party intellectual property right and that Quantum Secure has title and authority to license the Software.

EXCEPT AS SET FORTH IN THIS SECTION 4, QUANTUM SECURE DISCLAIMS ANY WARRANTY, EXPRESS OR IMPLIED WITH RESPECT TO THE SOFTWARE OR THE DOCUMENTATION OR THEIR OPERATION OR USE PROVIDED IN CONNECTION THEREWITH WILL BE UNINTERRUPTED OR IS ERROR FREE, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE OR USE. SOME STATES DO NOT ALLOW THE EXCLUSION OF IMPLIED WARRANTIES, SO THE ABOVE EXCLUSION DOES NOT APPLY IN SUCH STATES. THIS WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS AND YOU MAY ALSO HAVE OTHER RIGHTS THAT VARY FROM STATE TO STATE.

5. LIMITATION OF LIABILITY

5.1 Limited Liability. QUANTUM SECURE AND ITS SUPPLIERS, EMPLOYEES, AGENTS, RESELLERS, OEM PARTNERS, DEALERS AND FRANCHISEES WILL IN NO EVENT OTHER THAN GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, OR OTHER DIRECT OR INDIRECT DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOSS OF BUSINESS, LOSS OF PROFITS, BUSINESS INTERRUPTION OR THE LIKE, DAMAGES FOR THE INABILITY TO USE EQUIPMENT OR ACCESS DATA) SUFFERED BY LICENSEE, ANY OF ITS EMPLOYEES OR AGENTS OR ANY OTHER PERSON ARISING OUT OF OR IN CONNECTION WITH THE USE OR INABILITY TO USE THE SOFTWARE OR THE DOCUMENTATION, OR THE MAINTENANCE OR SUPPORT THEREOF AND BASED ON ANY THEORY OF LIABILITY INCLUDING BREACH OF CONTRACT, BREACH OF WARRANTY, TORT (INCLUDING NEGLIGENCE), PRODUCT LIABILITY OR OTHERWISE, EVEN IF QUANTUM SECURE OR ITS REPRESENTATIVES HAVE BEEN

ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IF A REMEDY SET FORTH HEREIN IS FOUND TO HAVE FAILED OF ITS ESSENTIAL PURPOSE.

Each party shall indemnify and hold harmless the other party, its respective employees, officers, directors, shareholders and agents (collectively, the "Indemnitee") and hold the Indemnitee harmless against any and all losses, costs (including court costs and reasonable attorneys' fees), damages, settlements, suits, actions, expenses, liabilities, and claims sustained by the Indemnitee arising out of or resulting from any material breach by the indemnifying party of the terms and conditions of this Agreement.

Quantum Secure neither assumes nor authorizes any employee, agent, dealer or franchisee to assume for Quantum Secure any other liability in connection with the license, use or performance of the Software or Documentation.

Licensee is solely responsible for the selection of the Software to achieve Licensee's intended results, for the conformity of the computer on which the Software is run to Quantum Secure's specifications or requirements and for the maintenance of such computer in good working order and repair.

THE FOREGOING LIMITATIONS ON LIABILITY ARE INTENDED TO APPLY TO THE WARRANTIES AND DISCLAIMERS ABOVE AND ALL OTHER ASPECTS OF THIS EULA.

5. TERM AND TERMINATION

5.1 **Term.** The term of this Agreement is perpetual unless terminated in accordance with its provisions.

5.2 **Termination.** Either party may terminate this Agreement upon thirty (30) days written notice in the event of the breaching party's failure to cure breach within twenty (20) days of receipt of notice of breach from the non-breaching party.

5.3 **Termination for Convenience.** Licensee may terminate this Agreement and the SSA attached as Exhibit "A", without cause and without penalty, at any time upon the provision of sixty (60) days prior written notice to Quantum Secure of intent to terminate.

5.4 **Effect of Termination.** Upon termination of this Agreement, Licensee agrees to cease all use of the Software and to return to Quantum Secure or destroy the Software and all Documentation and related materials in Licensee's possession, and so certify to Quantum Secure. Except for the License granted herein and as expressly provided herein, the terms of this Agreement shall survive termination.

6. PAYMENT; TAXES

6.1 **Payment.** All undisputed amounts payable hereunder are due at net thirty (net 30) term, unless otherwise specified herein. Quantum Secure reserves the right to charge 1.5% / month late fee on any unpaid balance not reasonably disputed by Licensee.

6.2 **Increases.** Unless otherwise specified in this agreement, Quantum Secure's fees for maintenance services may be increased on each annual anniversary of the Effective Date provided that the fees after any such increase shall not exceed the lesser of: (i) five percent (5%) over the amounts charged in the preceding year, or (ii) United States CPI Index for the previous year.

6.3 **Taxes.** Licensee agrees to pay all taxes levied upon the Software and any services based upon their use hereunder, exclusive, however, of taxes based on Quantum Secure's income, which taxes shall be paid by Quantum Secure.

7. U.S. GOVERNMENT RIGHTS

7.1 Restricted Rights. The Software and Documentation are provided with restricted rights. Use, duplication or disclosure by the U.S. Government is subject to restrictions as set forth in subparagraphs (b)(3)(ii) and (c) (1) (ii) of the Rights in Technical Data and Computer Software Clause of Department of Defense Federal Acquisition Supplement (DFARS) 252.227-7013 or in subparagraph (g) (3) (i) of Federal Acquisition Regulations (FAR) 52.227-14, Alternate III as applicable.

8. MISCELLANEOUS

8.1 Governing Law. This Agreement shall be governed by the laws of the State of California, as applied to agreements entered into and to be performed entirely within California between California residents, without regard to the principles of conflict of laws or the United Nations Convention on Contracts for the International Sale of Goods.

8.2 Export and Import Controls. Regardless of any disclosure made by Licensee to Quantum Secure of an ultimate destination of the Products, Licensee will not directly or indirectly export or transfer any portion of the Software, or any system containing a portion of the Software, to anyone outside the United States (including further export if Licensee took delivery outside the U.S.) without first complying with any export or import controls that may be imposed on the Software by the U.S. Government or any country or organization of nations within whose jurisdiction Licensee operates or does business. Licensee shall at all times strictly comply with all such laws, regulations, and orders, and agrees to commit no act which, directly or indirectly, would violate any such law, regulation or order.

8.3 Software Delivery: Quantum Secure delivers all software and documentation via electronic FTP download.

8.4 Assignment. Quantum Secure may assign or otherwise transfer any or all of its rights and obligations under this Agreement upon notice to Licensee in an event of change of control.

8.5 Sole Remedy and Allocation of Risk. Licensee's sole and exclusive remedies are set forth in this Agreement. This Agreement defines a mutually agreed-upon allocation of risk, and the License price reflects such allocation of risk.

8.6 Equitable Relief. The parties agree that a breach of this Agreement adversely affecting Quantum Secure's intellectual property rights in the Software may cause irreparable injury to Quantum Secure for which monetary damages may not be an adequate remedy and Quantum Secure shall be entitled to equitable relief in addition to any remedies it may have hereunder or at law.

8.7 No Waiver. Failure by either party to enforce any provision of this Agreement will not be deemed a waiver of future enforcement of that or any other provision, nor will any single or partial exercise of any right or power hereunder preclude further exercise of any other right hereunder.

8.8 Severability. If for any reason a court of competent jurisdiction finds any provision of this Agreement, or portion thereof, to be unenforceable, that provision of the Agreement will be enforced to the maximum extent permissible so as to affect the intent of the parties, and the remainder of this Agreement will continue in full force and effect.

8.9 Audit Rights. Quantum Secure shall have the right to periodically audit at times and in manners agreed to by Licensee (or to request a report from the Licensee which report will be due fifteen days from the written (letter or email) request from Quantum Secure) the total number of active identities (employees, contractors and physical access cardholders) managed by Quantum Secure software in the records of the Licensee during normal business hours and upon reasonable notice to the Licensee, to verify compliance with the licensing and payment provisions of this Agreement. Licensee shall not unreasonably deny Quantum Secure an opportunity to audit hereunder.

8.10 Publicity / News. Quantum Secure reserves the right to use Licensee's name or logo in publicity releases, promotional material, advertising, marketing or business generating efforts. Quantum Secure will notify the licensee appropriately.

9. ENTIRE AGREEMENT

9.1 This Agreement sets forth the entire understanding and agreement between the parties and may be amended only in a writing signed by authorized representatives of both parties. No vendor, distributor, dealer, retailer, sales person, or other person is authorized by Quantum Secure to modify this Agreement or to make any warranty, representation, or promise which is different than, or in addition to, the warranties, representations, or promises made in this Agreement. No prior agreements, terms or preprinted purchase orders shall in any way modify, replace, or supersede the terms of this Agreement.

IN WITNESS WHEREOF, Quantum Secure and Licensee have each caused this Software License Agreement to be signed and delivered by its duly authorized officer or representative, effective

QUANTUM SECURE

By:

By:

Printed Name:

Printed Name:

Title:

Title:

Date:

Date:

Software Support Agreements (SSA) and Software Maintenance

Quantum Secure offers standard software system support coverage for all their products. This Agreement sets forth the terms and conditions under which Quantum Secure shall maintain its Software Products which have been properly purchased, licensed or sub-licensed to the Customer.

1.0 Maintenance of Software

Beginning on the day of the execution of this agreement, Quantum Secure shall provide the following error-correction, bug fixing and software support services:

(a) telephonic support during the defined days and hours of business operation as per below. Such support shall include consultation on the operation and utilization of the Software.

(b) software error / bug correction services, consisting of Quantum Secure's using all reasonable efforts to design, code and implement programming changes to the Software, and modifications to the documentation, to correct reproducible errors therein so that the Software is brought into substantial conformance with the Specification.

(c) copyrighted software patches, updates, new releases and new versions of the Software, including the PACS agents deployed along with other generally available technical material. Under this agreement, Quantum Secure will release the new PACS agent for the newer release of the PACS (Physical Access Control Systems) software within six months of the new version of that PACS being commercially available in the market by the PACS manufacturer.

The Licensee must inform Quantum Secure at least 90 days before any scheduled upgrades to the SAFE connected systems, such as PACS, IDMS, etc. for receiving appropriate software upgrade. In case Quantum Secure cannot get hold of the newer version of the PACS or any other software from the market / from the original manufacturers, then Quantum Secure will be allowed to develop the upgrade of its software against the copy of the new version of the PACS or any other software belonging to the Licensee.

In order to provide timely support under this support agreement, the Licensee must provide a convenient remote access authorization to Quantum Secure support team to the servers where Quantum Secure products are installed. Without an uninterrupted access to these servers, the support process may be delayed and could lead to longer time for problem diagnostics and resolution.

2.0 Exceptions

Quantum Secure Software Support Agreement does not cover operating systems, backup and/or restoration of the Quantum Secure SOFTWARE and/or associated data, reinstallation of the SOFTWARE on a different or repaired computer, SOFTWARE tampering in any form, accounting issues, Database issues, Internet connection issues, viruses, spy ware, networking issues, hardware or any other third party software or device issues. While we will do our best to help, support of these uncovered issues may incur additional charges on a per incident basis. Software updates does not cover any required data conversion; operating systems, hardware, additional training, government initiated changes which require software programming changes, pre-printed form layouts or the conversion and/or adaptation of any Licensee requested modifications or reports.

3.0 Term

This SSA will be for a period of one year from the first day of the following month the software installation at the Licensee's site begins or the 90 days from the shipment date, whichever comes first and shall be automatically renewed for additional one year terms. Licensee may terminate this SSA at any time without penalty upon sixty (60) days prior written notice to Quantum Secure. This SSA may also be terminated by Quantum Secure if the Customer defaults in the payment of any monies due under this SSA and fails to remedy the default within 15 days after written notice or in the event of a breach by Licensee of any other provision of this SSA.

4.0 Automatic Renewal

Renewing your SSA is one of the most cost-effective ways to protect your software investment. It saves you time, it saves you money, and it ensures your uninterrupted access to vital technical support and product upgrades - features that can make a real difference to your bottom line. Automatic or Continuous Renewal safeguards your Software License, Subscription and Support against unintentional lapses.

The Licensee agrees to automatic renewal of the SSA at its anniversary date or any such date agreed between the parties and will be invoiced based upon the current cost at the time of renewal.

Opting Not to Renew

Quantum Secure recommend all customers to renew their Software Support Agreement to take advantage of continuous product upgrades, research & development and telephonic technical support. But, if Licensee chooses NOT to renew its Software Support Agreement, it must serve thirty days' notice of its intent to terminate the Software Support Agreement in writing to Quantum Secure prior to the end of the then running term. *If at a later date, the Licensee wish to reinstate its Software Support Agreement, it may do so by paying "Software Support Agreement Reinstatement" fees which is 10% of its current year's annual software maintenance cost. In addition, the Licensee will be required to pay all back costs owing Software Maintenance Fees for the entire period elapsed where the support was not in force.*

5.0 Fees & Payments

The support fees will be invoiced annually up to 30 days in advance of the renewal date and invoices are payable 30 days after receipt of invoice by the Customer. In the event that the agreement is not terminated at the end of a running one year term, the Customer is responsible for ensuring that the appropriate customer purchase order is sent to Quantum Secure, if your company requires a PO to pay the invoice.

Late payment of undisputed invoices after the due date on the invoice or after the start date of the new term may be subject to 1.5% per month late charges. The Support services and benefits are suspended upon the expiration of the current Software Support Agreement term if the payment is not received by that time.

Standard Service is our standard support coverage option. It provides telephone support and assistance from our Licensee Support Center during normal support hours (Mon – Fri, 9:00 a.m. – 5:00 p.m. PST) as well as software upgrades if and when available.

Responses to the Licensee's support issues require the Licensee to provide adequate information and documentation to enable Quantum Secure to recreate the problem. Quantum may notify the Licensee that the problem could not be recreated, located or identified, if such is the case. If the reported problem is unrelated to Quantum Secure's installed products, Quantum Secure may notify Licensee that the problem will not be resolved and the reason for this decision. Notwithstanding the provisions of this section, Quantum Secure makes no warranties that the Support Services provided hereunder will be successful in resolving all difficulties or problems or in diagnosing all faults.

Licensee must maintain a functional Internet connection and dial-in (or log in via VPN) capabilities during business hours for any on-line support. Licensee must make sufficient daily, weekly and monthly backups.

NOTE: It is our policy to support the current version of each software product and one full version back. All support calls for products not under Warranty or SSA are subject to T &M charges or will be directed to purchase a SSA.

More details on our support process is available via Quantum Secure published Customer Care documentation which is included (and is downloadable from your customer care site) with the shipment of your products.

The Licensee's Role

The provision of the error correction and support services described above shall be expressly contingent upon the Licensee's reasonable cooperation in providing all relevant information about the errors, promptly reporting any errors in the Software or related documentation to the Quantum Secure's Support Department, providing adequate remote access and not modifying the Software without the written consent from Quantum Secure.

6.0 Limitation of Liability

QUANTUM SECURE AND ITS SUPPLIERS, EMPLOYEES, AGENTS, RESELLERS, OEM PARTNERS, DEALERS AND FRANCISEES WILL IN NO EVENT OTHER THAN QUANTUM SECURE'S GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, OR INDIRECT DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOSS OF BUSINESS, LOSS OF PROFITS, BUSINESS INTERRUPTION OR THE LIKE, DAMAGES FOR THE INABILITY TO USE EQUIPMENT OR ACCESS DATA) SUFFERED BY LICENSEE, ANY OF ITS EMPLOYEES OR AGENTS OR ANY OTHER PERSON ARISING OUT OF OR IN CONNECTION WITH THE USE OR INABILITY TO USE THE SOFTWARE OR THE DOCUMENTATION, OR THE MAINTENANCE OR SUPPORT THEREOF AND BASED ON ANY THEORY OF LIABILITY INCLUDING BREACH OF CONTRACT, BREACH OF WARRANTY, TORT (INCLUDING NEGLIGENCE), PRODUCT LIABILITY OR OTHERWISE, EVEN IF QUANTUM SECURE OR ITS REPRESENTATIVES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IF A REMEDY SET FORTH HEREIN IS FOUND TO HAVE FAILED OF ITS ESSENTIAL PURPOSE.

Quantum Secure neither assumes nor authorizes any employee, agent, dealer or franchisee to assume for Quantum Secure any other liability in connection with the license, use of performance of the Software or Documentation.

Each party shall indemnify and hold harmless the other party, its respective employees, officers, directors, shareholders and agents (collectively, the "Indemnitee") and hold the Indemnitee harmless against any and all losses, costs (including court costs and reasonable attorneys' fees), damages, settlements, suits, actions, expenses, liabilities, and claims sustained by the Indemnitee arising out of or resulting from any material breach by the indemnifying party of the terms and conditions of this SSA.

Quantum Secure will undertake all reasonable efforts to provide technical assistance under this SSA and to rectify or provide solutions to problems where the Software does not function as described in the Software documentation, but Quantum Secure does not guarantee that the problems will be solved or that any item will be error-free. This SSA is only applicable to Quantum Secure's Software running under the certified environments specified in the release notes for that product.

Software Support Agreements

Services	Standard
Telephone Support Mon – Fri, 9:00 a.m. – 5:00 p.m. (PST)	X
If & when available, Software Maintenance and/or Enhancement Release Updates (Software Upgrades)	X

7.0 Software System Support

Standard Software Support Agreement (SSA) coverage, as listed, is in force for the customer after the initial warranty period. In addition, systems integrators opting to purchase support services on an "as needed" basis only, may do so at prevailing **Time and Materials Rates (T&M)**. Quantum Secure requires a signed Purchase Order prior to providing T & M support services. If the end user requires on-site

installation of the software upgrades from Quantum Secure, then the end-user may do so at the prevailing time and material rates from Quantum Secure. Licensee will reimburse Quantum Secure for the actual cost of reasonable, documented travel and living expenses of the support representative, and pre-approved by Licensee for on-site activity outside of normal support.

8.0 Telephone Technical Support

During the Agreement, Quantum Secure will only accept service calls from the end –user or the employees of the Systems Integrator of Record for the specific installation to which the support inquiry relates. The standard technical support telephone number is (800) 776-3414. The preferred way to report issues is through our web site: <http://support.quantumsecure.com/Login.asp>

This SSA may be modified only in writing by authorized representatives of Quantum Secure, Inc. and the Customer.

NOTE: Quantum Secure does not guarantee defects will be fixed in any specific time duration due to the nature of software operating in a multi-vendor environment. It is the goal of Quantum Secure to deliver our best effort to satisfactorily resolve each incident using the best judgment under each circumstance.

Proposal Number: Opp-1823513

Proposal Name: Portsmouth International Airport Quantum Secure Interface Project

Date: January 15, 2016

Provider:

Honeywell Building Solutions
915 Holt Avenue
Manchester, NH 03103

Customer:

Portsmouth International Airport at Pease
36 Airline Avenue
Portsmouth, NH 03801

Work Site Location Name: Portsmouth International Airport at Pease

Work Site Location Address: Portsmouth, NH

Scope of Work: Honeywell shall provide the following equipment and services ("Scope of Work") in accordance with the terms and conditions, which form a part of this Agreement.

Honeywell shall furnish and install a software upgrade to the existing EBI system to allow Quantum Secure to interface into the Honeywell EBI database. The software to be installed includes:

- Card Holder Services Read Software
- Card Holder Services Read and Write Software (both software packages required)

The software will be installed on the existing R430 EBI server and will allow Quantum Secure to access the Honeywell database, extract information so that they can manage the database for Portsmouth Airport. Quantum manipulates the database (steps provided include the badge ID, provide card number facility codes, privileges, etc.,) and that information is sent back to EBI to allow the Honeywell EBI/Nexwatch system to control door lock/unlock functions.

Honeywell will support Portsmouth International Airport by:

- Reviewing and assisting with database clean-up to ensure the information is as accurate and up to date as possible before Quantum Secure extracts information from the database.
- Technical assistance when Quantum Secure begins to extract data from the database.
- Technical assistance as they test the database transfer.
- Technical assistance when the system goes live.

Proposal Includes:

- Work to be performed during normal working hours of 0700-1600.
- Up to 40 hours of technical assistance is included in this agreement. Additional hours required to support this interface will be billed on a time and material basis.

Proposal Does Not Include:

- Providing any hardware.
- Any non-standard request from Quantum Secure may result in additional engineering resources and software design support that may exceed the hours allocated for this project.

Under this proposal Honeywell will furnish the necessary software and deliver to the job site, furnish technical software installation labor, technical labor, project supervision and a final system testing support.

Price: All for the net sum of Twenty Seven Thousand Nine Hundred Eighty (\$27,980.00) U.S. Dollar

Sales Tax will be invoiced separately Use Tax is included in the price This sale is tax exempt

Payment: Upon Customer acceptance of this proposal or contract execution, whichever occurs first, the Customer shall pay Honeywell Twenty percent (20%) of the Price. Such payment shall be used for engineering, drafting, and other mobilization costs reasonably incurred prior to on-site installation.

This proposal is valid for 30 days.

Proposal Submitted By: John V. Nanof
(Signature)

Name: **John Nanof**
Title: **Senior Account Manager**

Acceptance: This proposal and the pages attached shall become an Agreement in accordance with Article 13 of the General Terms and Conditions below and only upon signature below by an authorized representative of Honeywell and Customer, subject to credit approval by Honeywell.

Accepted by:
HONEYWELL INTERNATIONAL INC.
acting through **Honeywell Building Solutions**

CUSTOMER: (Portsmouth International Airport)

Signature: _____

Signature: _____

Name: Craig Maynard

Name: _____

Title: District Operations Leader

Title: _____

Date: _____

Date: _____

General Terms and Conditions

1. WORKING HOURS

Unless otherwise stated, all labor and services under this Agreement will be performed during the hours of 8:00 a.m. - 4:30 p.m. local time Monday through Friday, excluding federal holidays. If for any reason Customer requests Honeywell to furnish any such labor or services outside of the hours of 8:00 a.m. - 4:30 p.m. local time Monday through Friday (or on federal holidays), any overtime or other additional expense occasioned thereby, such as repairs or material costs not included in this Agreement, shall be billed to and paid by Customer.

2. TAXES

2.1 Customer agrees to pay the amount of any new or increased taxes or governmental charges upon labor or the production, shipment, sale, installation, or use of equipment or software which become effective after the date of this Agreement. If Customer claims any such taxes do not apply to transactions covered by this Agreement, Customer shall provide Honeywell with a tax exemption certificate acceptable to the applicable taxing authorities.

2.2 **Tax-Related Cooperation.** Customer agrees to execute any documents and to provide additional reasonable cooperation to Honeywell related to Honeywell tax filings under Internal Revenue Code Section 179D. Honeywell will be designated the sole Section 179D beneficiary.

3. PROPRIETARY INFORMATION

3.1 All proprietary information (as defined herein) obtained by Customer from Honeywell in connection with this Agreement shall remain the property of Honeywell, and Customer shall not divulge such information to any third party without prior written consent of Honeywell. As used herein, the term "proprietary information" shall mean written information (or oral information reduced to writing), or information in machine-readable form, including but not limited to software supplied to Customer hereunder which Honeywell deems proprietary or confidential and characterizes as proprietary at the time of disclosure to Customer by marking or labeling the same "Proprietary," "Confidential," or "Sensitive". The Customer shall incur no obligations hereunder with respect to proprietary information which: (a) was in the Customer's possession or was known to the Customer prior to its receipt from Honeywell; (b) is independently developed by the Customer without the utilization of such confidential information of Honeywell; (c) is or becomes public knowledge through no fault of the Customer; (d) is or becomes available to the Customer from a source other than Honeywell; (e) is or becomes available on an unrestricted basis to a third party from Honeywell or from someone acting under its control; (f) is received by Customer after notification to Honeywell that the Customer will not accept any further information.

3.2 Customer agrees that Honeywell may use nonproprietary information pertaining to the Agreement, and the work performed under the Agreement, for press releases, case studies, data analysis, promotional purposes, and other similar documents or statements to be publicly released, as long as Honeywell submits any such document or statement to Customer for its approval, which shall not be unreasonably withheld.

4. INSURANCE OBLIGATIONS

4.1 Honeywell shall, at its own expense, carry and maintain in force at all times from the effective date of the Contract through final completion of the work the following insurance. It is agreed, however, that Honeywell has the right to insure or self-insure any of the insurance coverages listed below:

- (a) Commercial General Liability Insurance to include contractual liability, products/completed operations liability with a combined single limit of USD \$2,000,000 per occurrence. Such policy will be written on an occurrence form basis;
- (b) If automobiles are used in the execution of the Contract, Automobile Liability Insurance with a minimum combined single limit of USD \$2,000,000 per occurrence. Coverage will include all owned, leased, non-owned and hired vehicles.
- (c) Where applicable, "All Risk" Property Insurance, including Builder's Risk insurance, for physical damage to property which is assumed in the Contract.
- (d) Workers' Compensation Insurance Coverage A - Statutory limits and Coverage B-Employer's Liability Insurance with limits of USD \$1,000,000 for bodily injury each accident or disease.

Honeywell will not issue coverage on a per project basis.

4.2 Prior to the commencement of the Contract, Honeywell will furnish evidence of said insurance coverage in the form of a Memorandum of Insurance which is accessible at: <http://honeywell.com/sites/moi/>. All insurance required in this Article will be written by companies with a rating of no less than "A-, XII" by A.M. Best or equivalent rating agency. Honeywell will endeavor to provide a thirty (30) day notice of cancellation or non-renewal to the Customer. In the event that a self-insured program is implemented, Honeywell will provide adequate proof of financial responsibility.

5. HAZARDOUS SUBSTANCES, MOLD AND UNSAFE WORKING CONDITIONS

5.1 Customer has not observed or received notice from any source (formal or informal) of (a) Hazardous Substances or Mold, either airborne or on or within the walls, floors, ceilings, heating, ventilation and air conditioning systems, plumbing systems, structure, and other components of the Site, or within furniture, fixtures, equipment, containers or pipelines in a Site; or (b) conditions that, to Customer's knowledge, might cause or promote accumulation, concentration, growth or dispersion of Hazardous Substances or Mold on or within such locations.

5.2 Honeywell is not responsible for determining whether the Covered Equipment or the temperature, humidity and ventilation settings used by Customer, are appropriate for Customer and the Site except as specifically provided in an attached Work Scope Document.

5.3 If any such materials, situations or conditions, whether disclosed or not, are in fact discovered by Honeywell or others and provide an unsafe condition for the performance of the work or Services, the discovery of the condition shall constitute a cause beyond Honeywell's reasonable control and Honeywell shall have the right to cease the work or Services until the area has been made safe by Customer or Customer's representative, at Customer's expense. Honeywell shall have the right to terminate this Agreement if Customer has not fully remediated the unsafe condition within sixty (60) days of discovery.

5.4 Customer represents that Customer has not retained Honeywell to discover, inspect, investigate, identify, prevent or remediate Hazardous Substances or Mold or conditions caused by Hazardous Substances or Mold.

5.5 THE FULLEST EXTENT ALLOWED BY LAW, CUSTOMER SHALL INDEMNIFY AND HOLD HONEYWELL HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS AND COSTS OF WHATEVER NATURE, INCLUDING BUT NOT LIMITED TO, CONSULTANTS' AND ATTORNEYS' FEES, DAMAGES FOR BODILY INJURY AND PROPERTY DAMAGE, FINES, PENALTIES, CLEANUP COSTS AND COSTS ASSOCIATED WITH DELAY OR WORK STOPPAGE, THAT IN ANY WAY RESULTS FROM OR ARISES UNDER THE BREACH OF THE REPRESENTATIONS AND WARRANTIES IN THIS SECTION, THE EXISTENCE OF MOLD OR A HAZARDOUS SUBSTANCE AT A SITE, OR THE OCCURRENCE OR EXISTENCE OF THE SITUATIONS OR CONDITIONS DESCRIBED IN THIS SECTION, WHETHER OR NOT CUSTOMER PROVIDES HONEYWELL ADVANCE NOTICE OF THE EXISTENCE OR OCCURRENCE AND REGARDLESS OF WHEN THE HAZARDOUS SUBSTANCE OR OCCURRENCE IS DISCOVERED OR OCCURS. THIS INDEMNIFICATION SHALL SURVIVE TERMINATION OF THIS AGREEMENT FOR WHATEVER REASON.

6. WARRANTY AND LIMITATION OF LIABILITY

6.1 Honeywell will replace or repair any product Honeywell provides under this Agreement that fails within the warranty period (one) 1 year because of defective workmanship or materials, except to the extent the failure results from Customer negligence, or from fire, lightning, water damage, or any other cause beyond the control of Honeywell. This warranty applies to all products Honeywell provides under this Agreement, whether or not manufactured by Honeywell. The warranty is effective as of the date of Customer acceptance of the product or the date Customer begins beneficial use of the product, whichever occurs first.

6.2 THE WARRANTIES SET FORTH HEREIN ARE EXCLUSIVE, AND HONEYWELL EXPRESSLY DISCLAIMS AND CUSTOMER EXPRESSLY WAIVES ALL OTHER WARRANTIES, WHETHER WRITTEN OR ORAL, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO, ANY WARRANTY OF WORKMANSHIP, CONSTRUCTION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE SERVICES, EQUIPMENT, AND MATERIALS PROVIDED HEREUNDER. HONEYWELL SHALL NOT BE LIABLE FOR ANY PROPERTY DAMAGE, PERSONAL INJURY, LOSS OF INCOME, EMOTIONAL DISTRESS, DEATH, LOSS OF USE, LOSS OF VALUE, ADVERSE HEALTH EFFECT OR ANY SPECIAL, INCIDENTAL, INDIRECT, SPECULATIVE, REMOTE, CONSEQUENTIAL, PUNITIVE, OR EXEMPLARY DAMAGES, ARISING FROM, OR RELATING TO, THIS LIMITED WARRANTY OR ITS BREACH.

6.3 Honeywell makes no representation or warranty, express, implied or otherwise, regarding Hazardous Substances or Mold. Honeywell shall have no duty, obligation or liability, all of which Customer expressly waives, for any damage or claim, whether known or unknown, including but not limited to property damage, personal injury, loss of income, emotional distress, death, loss of use, loss of value, adverse health effect or any special, consequential, punitive, exemplary or other damages, regardless of whether such damages may be caused by or otherwise associated with defects in the Services, in whole or in part due to or arising from any investigation, testing, analysis, monitoring, cleaning, removal, disposal, abatement, remediation, decontamination, repair, replacement, relocation, loss of use of building, or equipment and systems, or personal injury, death or disease in any way associated with Hazardous Substances or Mold.

7. INDEMNITY

Honeywell agrees to indemnify and hold Customer and its agents and employees harmless from all claims for bodily injury and property damages to the extent such claims result from or arise under Honeywell's negligent actions or willful misconduct in its performance of the Work required under this Agreement, provided that such indemnity obligation is valid only to the extent (i) Customer gives Honeywell immediate notice in writing of any such claims and permits Honeywell, through counsel of its choice and Honeywell's sole cost and expense, to answer the claims and defend any related suit and (ii) Customer gives Honeywell all needed information, assistance and authority, at Honeywell's expense, to enable Honeywell to defend such suit. Honeywell shall not be responsible for any settlement without its written consent. Honeywell shall not be liable for loss or damage caused by the negligence of Customer or any other party or such party's employees or agents. This obligation shall survive termination of this Agreement. Notwithstanding the foregoing, Customer agrees that Honeywell will not be responsible for any damages caused by Mold or any other fungus or biological material or agent, including but not limited to property damage, personal injury, loss of income, emotional distress, death, loss of use, loss of value, adverse health effect or any special, consequential, punitive, exemplary or other damages, regardless of whether such damages may be caused by or otherwise associated with defects in the Services.

8. LIMITATION OF LIABILITY

8.1 IN NO EVENT SHALL HONEYWELL BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, SPECULATIVE, REMOTE, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES, WHETHER ARISING OUT OF OR AS A RESULT OF BREACH OF CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, MOLD, MOISTURE, INDOOR AIR QUALITY, OR OTHERWISE, ARISING FROM, RELATING TO, OR CONNECTED WITH THE SERVICES, EQUIPMENT, MATERIALS, OR ANY GOODS PROVIDED HEREUNDER.

8.2 NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, IF A PORTION OF THE SERVICES INVOLVES THE INSTALLATION AND/OR MAINTENANCE OF SYSTEMS ASSOCIATED WITH SECURITY AND/OR THE DETECTION OF AND/OR REDUCTION OF RISK OF LOSS ASSOCIATED WITH FIRE, HONEYWELL'S TOTAL LIABILITY ARISING OUT OF OR AS A RESULT OF ITS PERFORMANCE UNDER THIS AGREEMENT SHALL NOT EXCEED THE AMOUNT OF THIS AGREEMENT.

9. EXCUSABLE DELAYS

Honeywell shall not be liable for damages caused by delay or interruption in Services due to fire, flood, corrosive substances in the air, strike, lockout, dispute with workmen, inability to obtain material or services, commotion, war, acts of God, the presence of Hazardous Substances or Mold, or any other cause beyond Honeywell's reasonable control. Should any part of the system or any Equipment be damaged by fire, water, lightning, acts of God, the presence of Hazardous Substances or Mold, third parties, or any other cause beyond the control of Honeywell, any repairs or replacement shall be paid for by Customer. In the event of any such delay, date of shipment or performance shall be extended by a period equal to the time lost by reason of such delay, and Honeywell shall be entitled to recover from Customer its reasonable costs, overhead, and profit arising from such delay.

10. PATENT INDEMNITY

10.1 Honeywell shall, at its expense, defend or, at its option, settle any suit that may be instituted against Customer for alleged infringement of any United States patents related to the hardware or software manufactured and provided by Honeywell under this Agreement ("the equipment"), provided that a) such alleged infringement consists only in the use of such equipment by itself and not as part of, or in combination with, any other devices, parts or software not provided by Honeywell hereunder, b) Customer gives Honeywell immediate notice in writing of any such suit and permits Honeywell, through counsel of its choice, to answer the charge of infringement and defend such suit, and c) Customer gives Honeywell all needed information, assistance and authority, at Honeywell's expense, to enable Honeywell to defend such suit.

10.2 If such a suit has occurred, or in Honeywell's opinion is likely to occur, Honeywell may, at its election and expense: a) obtain for Customer the right to continue using such equipment; b) replace, correct or modify it so that it is not infringing; or if neither a) or b) is feasible, then c) remove such equipment and grant Customer a credit therefore, as depreciated.

10.3 In the case of a final award of damages in any such suit, Honeywell will pay such award. Honeywell shall not, however, be responsible for any settlement made without its written consent.

10.4 THIS ARTICLE STATES HONEYWELL'S TOTAL LIABILITY AND CUSTOMER'S SOLE REMEDY FOR ANY ACTUAL OR ALLEGED INFRINGEMENT OF ANY PATENT BY THE HARDWARE MANUFACTURED AND PROVIDED BY HONEYWELL HEREUNDER.

11. SOFTWARE LICENSE

All software provided in connection with this Agreement shall be licensed and not sold. The end user of the software will be required to sign a license agreement with provisions limiting use of the software to the equipment provided under these specifications, limiting copying, preserving confidentiality, and prohibiting transfer to a third party. Licenses of this type are standard for computer-based equipment of the type covered by this Agreement. Customer shall be expected to grant Honeywell access to the end user for purposes of obtaining the necessary software license.

12. DISPUTE RESOLUTION

With the exception of any controversy or claim arising out of or related to the installation, monitoring, and/or maintenance of fire and/or security systems, the Parties agree that any controversy or claim between Honeywell and Customer arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in a neutral venue, conducted in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association. Any award rendered by the arbitrator shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. Any controversy or claim arising out of or related to the installation, monitoring, and/or maintenance of systems associated with security and/or the detection of, and/or reduction of risk of loss associated with fire shall be resolved in a court of competent jurisdiction.

13. ACCEPTANCE OF THE CONTRACT

This proposal and the pages attached shall become an Agreement upon signature above by Honeywell and Customer. The terms and conditions are expressly limited to the provisions hereof, including Honeywell's General Terms and Conditions attached hereto, notwithstanding receipt of, or acknowledgment by, Honeywell of any purchase order, specification, or other document issued by Customer. Any additional or different terms set forth or referenced in Customer's purchase order are hereby objected to by Honeywell and shall be deemed a material alteration of these terms and shall not be a part of any resulting order.

14. MISCELLANEOUS

14.1 This Agreement represents the entire Agreement between Customer and Honeywell for the Work described herein and supersedes all prior negotiations, representations or Agreements between the Parties related to the work described herein.

14.2 None of the provisions of this Agreement shall be modified, altered, changed or voided by any subsequent Purchase Order or other document unilaterally issued by Customer that relates to the subject matter of this Agreement. This Agreement may be amended only by written instrument signed by both Parties.

14.3 This Agreement shall be governed by the law of the State where the work is to be performed.

14.4 Any provision or part of this Agreement held to be void or unenforceable under any laws or regulations shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Honeywell and Customer, who agree that this Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

14.5 Customer may not assign its rights or delegate its obligations under this Agreement, in whole or in part, without the prior written consent of Honeywell. Honeywell may assign its right to receive payment to a third party.

15. TERMS OF PAYMENT

Subject to Honeywell's approval of Customer's credit, payment terms are as follows:

Progress Payments - Honeywell will invoice at least monthly for all materials delivered to the job site or to an off-site storage facility and for all installation, labor, and services performed, both on and off the job site. Customer agrees to pay the full amounts invoiced, less retainage, upon receipt of the invoice at the address specified by the Customer. Invoices not paid within thirty (30) days of the invoice date are past due and accrue interest from the invoice date to the date of payment at the rate of one percent (1%) per month, compounded monthly, or the highest legal rate then allowed.

Retainage - Customer shall not withhold, as retainage, a greater percentage than is withheld from Customer under a prime contract, if applicable. Customer shall pay all retainage to Honeywell within 30 days after Honeywell's work is substantially complete.

Suspension of work - If Honeywell, having performed work per Agreement requirements, does not receive payment within thirty (30) days after submission of a Honeywell invoice, Honeywell may suspend work until Customer remedies.

16. WORK BY OTHERS

16.1 Unless otherwise indicated, the following items are to be furnished and installed by others: electric wiring and accessories, all in-line devices (including but not limited to flow tubes, hand valves, orifice plates, orifice flanges, etc.), pipe and pipe penetrations including flanges for mounting pressure and level transmitters, temperature sensors, vacuum breakers, gauge glasses, water columns, equipment foundations, riggings, steam tracings, and all other items and work of like nature. Automatic valve bodies and dampers furnished by Honeywell are to be installed by others.

16.2 Services Honeywell will provide under this Agreement specifically exclude professional services which constitute the practice of architecture or engineering unless specifically set forth in the Scope of Work. Customer or Owner will specify all performance and design criteria that Honeywell will follow in performing Work under this Agreement. If professional design services or certifications by a design professional related to systems, materials, or equipment is required, such services and certifications are the responsibility of others. To the fullest extent permitted by law, Customer shall indemnify and hold harmless Honeywell and its agents and employees from and against any and all claims, damages, losses and expenses, including but not limited to attorneys' fees, that in any way result from or arise under breach of the representations in this Section 16. This indemnification shall survive termination of this Agreement for whatever reason. Nothing in this Section 16 shall be construed to require that Customer indemnify and hold harmless Honeywell from claims and costs resulting from Honeywell's negligent actions or willful misconduct.

17. IVERY

Delivery of equipment not agreed on the face hereof to be installed by or with the assistance of Honeywell shall be F.O.B. at Honeywell's factory, warehouse, or office selected by Honeywell. Delivery of equipment agreed on the face hereof to be installed by or with the assistance of Honeywell shall be C.I.F. at site of installation.

18. DAMAGE OR LOSS

Honeywell shall not be liable for damage to or loss of equipment and software after delivery to destination determined by this Agreement or any applicable prime contract. If thereafter, and prior to payment in full to Honeywell by Customer, any such equipment or software is damaged or destroyed by any cause whatsoever, other than by the fault of Honeywell, the Customer agrees promptly to pay or reimburse Honeywell for such loss.

19. TERMINATION

19.1 By Customer. Customer may terminate this Agreement for cause if Honeywell defaults in the performance of any material term of this Agreement, or fails or neglects to carry forward the Work in accordance with this Agreement, after giving Honeywell written notice of its intent to terminate. If Honeywell has not, within seven (7) business days after receipt of such notice, acted to remedy and make good such deficiencies, Customer may terminate this Agreement and take possession of the site together with all materials thereon, and move to complete the Work itself expeditiously. Upon request of Honeywell, Customer will furnish to Honeywell a detailed accounting of the costs incurred by Customer in finishing the Work. If the unpaid balance of the contract price exceeds the expense of finishing the Work, the excess shall be paid to Honeywell, but if the expense exceeds the unpaid balance, Honeywell shall pay the difference to Customer.

19.2 By Honeywell. Honeywell may terminate this Agreement for cause (including, but not limited to, Customer's failure to make payments as agreed herein) after giving Customer written notice of its intent to terminate. If, within seven (7) days following receipt of such notice, Customer fails to make the payments then due, or otherwise fails to cure or perform its obligations, Honeywell may, by written notice to Customer, terminate this Agreement and recover from Customer payment for Work executed and for losses sustained for materials, tools, construction equipment and machinery, including but not limited to, reasonable overhead, profit and applicable damages.

20. CHANGES IN THE WORK

20.1 A Change Order is a written order signed by Customer and Honeywell authorizing a change in the Work or adjustment in the price or a change to the schedule.

20.2 Customer may request Honeywell to submit proposals for changes in the Work, subject to acceptance by Honeywell. If Customer chooses to proceed, such changes in the Work will be authorized by a Change Order. Unless otherwise specifically agreed to in writing by both parties, if Honeywell submits a proposal pursuant to such request but Customer chooses not to proceed, Customer shall issue a Change Order to reimburse Honeywell for any and all costs incurred in preparing the proposal.

20.3 Honeywell may make a written request to Customer to modify this Agreement based on the receipt of, or the discovery of, information that Honeywell believes will cause a change to the scope, price, schedule, level of performance, or other facet of the Agreement. Honeywell will submit its request to Customer within a reasonable time after receipt of, or the discovery of, information that Honeywell believes will cause a change to the scope, price, schedule, level of performance, or other facet of the Agreement. This request shall be submitted by Honeywell before proceeding to execute the Work, except in an emergency endangering life or property, in which case Honeywell shall have the authority to act, in its discretion, to prevent threatened damage, injury or loss. Honeywell's request will include information necessary to substantiate the effect of the change and any impacts to the Work, including any change in schedule or contract price. If Honeywell's request is acceptable to Customer, Customer will issue a Change Order consistent therewith. If Customer and Honeywell cannot agree on the amount of the adjustment in the Price, or the Schedule, it shall be determined pursuant to the Dispute Resolution article of this Agreement. Any change in the Price or the Schedule resulting from such claim shall be authorized by Change Order.

21. ACCEPTANCE OF THE WORK

Upon receipt of notice by Honeywell that the Work is ready for final inspection and acceptance, Customer will make such final inspection and issue acceptance within three (3) business days. Acceptance will be in a form provided by Honeywell, stating that to the best of Customer's knowledge, information and belief, and on the basis of Customer's on-site visits and inspections, the Work has been fully completed in accordance with the terms and conditions of this Agreement. If Customer finds the Work unacceptable due to non-compliance with a material element of this Agreement, which non-compliance is due solely to the fault of Honeywell, Customer will notify Honeywell in writing within the three (3) business days setting forth the specific reasons for non-acceptance. Customer agrees that failure to inspect and/or failure to issue proper notice of non-acceptance within three (3) business days shall constitute final acceptance of the Work under this Agreement. Customer further agrees that partial or beneficial use of the Work by Customer or Owner prior to final inspection and acceptance will constitute acceptance of the Work under this Agreement. To the fullest extent permitted by law, Customer shall indemnify and hold harmless Honeywell and its agents and employees from and against any and all claims, damages, losses and expenses, including but not limited to attorneys' fees, that in any way result from or arise under breach of the representations in this Section 21. This indemnification shall survive termination of this Agreement for whatever reason. Nothing in this Section 21 shall be construed to require that Customer indemnify and hold harmless Honeywell from claims and costs resulting from Honeywell's negligent actions or willful misconduct.

22. DEFINITIONS

22.1 "Hazardous substance" includes all of the following, and any by-product of or from any of the following, whether naturally occurring or manufactured, in quantities, conditions or concentrations that have, are alleged to have, or are believed to have an adverse effect on human health, habitability of a Site, or the environment: (a) any dangerous, hazardous or toxic pollutant, contaminant, chemical, material or substance defined as hazardous or toxic or as a pollutant or contaminant under state or federal law, and (b) any petroleum product, nuclear fuel or material, carcinogen, asbestos, urea formaldehyde, foamed-in-place insulation, polychlorinated biphenyl (PCBs), and (c) any other chemical or biological material or organism, that has, is alleged to have, or is believed to have an adverse effect on human health, habitability of a Site, or the environment.

22.2 "Mold" means any type or form of fungus or biological material or agent, including mold, mildew, moisture, yeast and mushrooms, and any mycotoxins, spores, scents, or by-products produced or released by any of the foregoing. This includes any related or any such conditions caused by third parties.

22.3 "Covered Equipment" means the equipment covered by the Services to be performed by Honeywell under this Agreement, and is limited to the equipment included in the respective work scope attachments.



Quote Number: 01160209
 Quote Created: September 28, 2015
 Quote Expiration: April 06, 2016

Crossmatch
 3950 RCA Blvd Suite 5001
 Palm Beach Gardens, FL 33410
 US HeadQuarters: 561 622 1650
<http://www.crossmatch.com>

Account Manager: David Bronger

Sales Channel: National End user

Phone: (866) 260-2763

Status: Open

Mobile: +1 5612843461

Type: Simple

Fax: (561) 828-8018

Email: dave.bronger@crossmatch.com

Bill To Name: Hoyle, Tanner and Associates Inc.

Ship To Name: Pease International Tradeport

Contact: Mike Rogerson

Contact: Ed Pottberg

Phone: (603) 669-5555

Phone: (603) 433-6536

Email: mrogerson@hoyletanner.com

Email: e.pottberg@peasedev.org

Bill To: 150 Dow Street
 Manchester, New Hampshire 03101
 United States

Ship To: 36 Airline Avenue
 Portsmouth, New Hampshire 03801
 United States

Item	Product	Part Number	Quantity	Sales Price	Total Price	Price Basis
1	SHIPPING ASSEMBLY, GUARDIAN, WITH SILICONE PAD KIT, WITH ROLLS, US POWER CABLE	920183-002US	1	\$4,275.00	\$4,275.00	Open Market
2	COMPUTER, DESKTOP, DELL OPTIPLEX 70XX SERIES, 2G MEM, WIN 7	420329	1	\$1,400.00	\$1,400.00	Open Market
3	SOFTWARE, LSMS UPGRADE 500 DPI, UPGRADE TO CURRENTLY RELEASED VERSION	850026-U	1	\$600.00	\$600.00	Open Market



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8	CMT ADVANTAGE MAINT, YR 1, HW, GUARDIAN V, USB, FW, NG, DEVICE ONLY DOMESTIC	930164	2	\$384.00	\$768.00	Open Market
9	CMT ADVANTAGE MAINT, YR 1, STANDARD CMT SW, LSMS	950083	2	\$300.00	\$600.00	Open Market
10	CMT ADVANTAGE MAINT, YR 1, STANDARD CMT SW, LSMS SUBMISSION SOFTWARE	950084	2	\$100.00	\$200.00	Open Market
11	CMT ADVANTAGE MAINT, YR 1, HW, ALL SYSTEM PERIPHERALS INTEGRATED AND PROVIDED BY CMT, DOMESTIC	930158	2	\$300.00	\$600.00	Open Market
12	SOFTWARE, LSMS CONFIGURATION, AAAE	850391-002	2	\$0.00	\$0.00	Open Market
13	SOFTWARE, RELOAD, AAAE	850181-202	1	\$0.00	\$0.00	Open Market
14	SOFTWARE, XML BASED DEMOGRAPHIC DATA INTERFACE, LIVE SCAN	850085	1	\$1,500.00	\$1,500.00	Open Market
15	SOFTWARE, CMT FILE COPY SUBMISSION WITH SERVICE	850352	2	\$0.00	\$0.00	Open Market
16	IMPLEMENTATION, FIRST DAY ON-SITE	930100-01	1	\$2,500.00	\$2,500.00	Open Market
17	FREIGHT	FREIGHT	1	\$50.00	\$50.00	Open Market
18	WORKSTATION DESKTOP FOR USB 10 PRINT LIVESCAN	925244-003	1	\$2,250.00	\$2,250.00	Open Market
19	IMPLEMENTATION AND TRAINING, SUBSEQUENT DAY ON-SITE	930000-5	1	\$1,500.00	\$1,500.00	Open Market
20	SOFTWARE, SEAT LICENSE FOR IMPORT DEMOGRAPHICS INTERFACE	850085-001	1	\$500.00	\$500.00	Open Market
21	MONITOR, 17" FLAT	420093	1	\$255.00	\$255.00	Open Market
22	SOFTWARE, SUBMISSION, AAAE, SEAT LICENSE	850181-102	1	\$500.00	\$500.00	Open Market

Grand Total: \$17,498.00

Optional Items



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Item	Product	Part Number	Quantity	Sales Price	Total Price	Price Basis
4	CMT ADVANTAGE MAINT, SUBSEQUENT 1 YR, HW, GUARDIAN V, USB, FW, NG, DEVICE ONLY, DOMESTIC	930164-12	1	\$460.80	\$460.80	Open Market
5	CMT ADVANTAGE MAINT, SUBSEQUENT 1 YR, STANDARD CMT SW, LSMS	950083-12	1	\$300.00	\$300.00	Open Market
6	CMT ADVANTAGE MAINT, SUBSEQUENT 1 YR, STANDARD CMT SW, LSMS SUBMISSION SOFTWARE	950084-12	1	\$100.00	\$100.00	Open Market
7	CMT ADVANTAGE MAINT, SUBSEQUENT 1 YR HW, ALL SYSTEM PERIPHERALS INTEGRATED AND PROVIDED BY CMT, DOMESTIC	930158-12	1	\$300.00	\$300.00	Open Market

Notes: This quote is for Portsmouth New Hampshire Airport. With this quote, customer is getting Windows 7 computer along with upgraded software. This also includes 1 yr total system coverage covering scanner, computers, software, and Intellicheck DL reader. We are adding the software that interfaces with Quantum Secure SAFE where Quantum supplies an XML file that meets AAAE standards and that XML file is imported into the Cross Match software. The original scanner was installed in January 2012, and the way we handle maintenance is that the scanner is eligible for coverage for 7 yrs from the date of original install. Based on this information, the scanner is 4 yrs old now, so we cannot cover the scanner for an additional 5 yrs unless they want to replace the scanner with a new scanner. Note optional pricing for the newest Guardian we are selling- see attached product sheet. You can provide them full system support for 3 more yrs if they continue to use the old scanner. In yrs 4&5 the customer will need to order a new scanner and maintenance to have coverage for 2 more yrs. (To calculate 1 yr of maintenance, please use the total of parts 930164-12, 950083-12, 950084-12, 930158-12 or \$1160.80/yr)



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STANDARD SALES TERMS AND CONDITIONS

Purchase Order # _____

1) **Terms of Order.** The terms contained herein shall govern unless Purchaser orders under Crossmatch's GSA Schedule Number GS-35F-0199R or if there is an existing signed agreement between Purchaser and Crossmatch with respect to the products to be purchased. Notwithstanding any term or provision to the contrary contained in any Purchase Order, upon Purchaser's written acknowledgement below, the terms of this Agreement shall apply to Purchaser's Purchase Orders for the quoted products. In no event shall the pre-printed terms and conditions of any Purchase Order alter, amend or supersede any provision of this Agreement. In the case of any conflict between the terms of a Purchase Order and the terms of this Agreement, the terms of this Agreement shall prevail. An omission of reference to this Agreement in a Purchase Order shall not affect the application of this Agreement to such Purchase Order.

2) **Prices.** Unless otherwise indicated, prices for products and associated support services are firm fixed price (FFP). Pricing remains valid for 90 calendar days from the date of quotation, unless otherwise specified by Quote Expiration above. All sales are final; no refunds, credits or exchanges will be accepted. The price for the products does not include sales, use, excise or similar taxes assessed at any time. All applicable taxes shall be paid by Purchaser including applicable sales tax unless a valid sales tax exemption certificate is provided.

3) **Shipment:** Shipment date(s) provided in the quotation or in confirmation of the Purchase Order is/are approximate and subject to change. Crossmatch shall not be liable for any delays in shipment which are caused by events beyond the control of Crossmatch including, but not limited to, delays caused by inaccurate or incomplete data, changes or revisions in the work to be performed, Purchaser's insufficient credit or financing, acts of Purchaser or Purchaser's agent, Force Majeure, accidents, strikes, inability to obtain labor or materials, or delay in transportation.

4) **Storage:** Once Purchaser has been notified that its order is ready for shipment, if Purchaser requests that the order (in whole or in part) not be shipped until a later date, the equipment will be segregated from other inventory. Purchaser will be required to execute Crossmatch's Transfer of Title form evidencing transfer of title and transfer of risk of loss from Crossmatch to Purchaser. Purchaser is responsible for all costs associated with shipping the equipment to a storage facility or from said storage facility to the destination point in addition to all costs associated with insurance and storage fees.

5) **Title & Risk of Loss:** Crossmatch's prices are F.O.B. Crossmatch's Factory and are exclusive of taxes, shipping, handling and insurance. Title to all equipment and risk of loss, deterioration or damage shall pass to Purchaser upon delivery to a carrier; except that a security interest in the equipment or any replacement shall remain in Crossmatch's name until the full purchase price has been received by Crossmatch. Any claim by Purchaser against Crossmatch for shortage or damage occurring prior to delivery must be made in writing within ten (10) calendar days after receipt of shipment and accompanied by an original transportation bill signed by the carrier noting that carrier received goods from Crossmatch in the condition claimed. Crossmatch shall have the right to ship all goods at one time or in portions, within the time for shipping provided in such order, unless specifically requested in writing by the Purchaser that these shipments be made in total by a date certain. Any shipments returned to Crossmatch as a result of Purchaser's unexcused delay or failure to accept delivery will require Purchaser to pay all additional costs incurred by Crossmatch, including any storage costs as discussed above.

6) **Excusable Delays:** Crossmatch shall not be liable for any failure to continue to perform as required or meet the delivery date if such failure is due to the non-performance of the Purchaser or third party and/or due to a reason beyond its reasonable control. Such events also include without limitation, acts or omissions of carriers, labor difficulties, shortages, Force Majeure, lack of, incomplete or inaccurate information provided by the Purchaser, or any other cause that is outside of Crossmatch's control. In any such event the Parties will mutually develop a critical path in which performance and/or schedule is re-defined and any equitable adjustment in price is finalized.

7) **Changes:** Purchaser may make changes to the specific products/services being ordered, quantity, schedule and/or, the customization requirements of a product or service or any other provision of the Purchase Order or quotation providing such change is communicated in advance and in writing to Crossmatch. If any such change causes a change in the price, schedule or other provision of the quote or Purchase Order, Crossmatch shall notify Purchaser in writing no later than five (5) days from the date of receipt by Crossmatch of such request from Purchaser. Crossmatch will submit a Request for Equitable Adjustment or Change Order proposal which the Parties shall mutually negotiate and such will be incorporated into the Purchase Order or quotation by written bi-lateral Amendment or Change Order ("Change Order").

8) **Installation and Training.** If installation and training services are purchased, Purchaser shall appoint a contact person to coordinate the installation to be performed by Crossmatch, its agent or contractor. The number of days allocated, and charges for installation and training are stated herein. If Crossmatch cannot complete the installation or extensions into additional days or additional trips are caused by Purchaser's failure to complete its assigned tasks, or issues beyond the reasonable control of Crossmatch such as, but not limited to, Purchaser network problems, Purchaser firewall problems or delays of schedule due to unavailability of Purchaser resources, Purchaser shall be responsible for additional charges required to complete the installation. Such charges shall be billable at Crossmatch's rates in effect at the time of the service extension or additional trip. A minimum charge of \$500 will be assessed if Purchaser cancels or re-schedules on-site installation and/or training within 14 days of the originally scheduled installation. Upon completion of installation and training (including delivery of the training materials), Purchaser agrees to sign Crossmatch's Professional Services Acceptance Form acknowledging receipt of installation and training services within fifteen (15) days from the completion date. If Purchaser fails to respond within fifteen (15) days from the completion date, installation and training will be deemed accepted.



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9) **Limited Warranty:** Crossmatch warrants that the hardware products purchased will be free from defects in material and workmanship in normal service and under normal conditions for a period of one (1) year from the date of shipment. Normal service and normal conditions are defined within the product documentation. The Limited Warranty is subject to the specific terms and conditions set forth in the warranty documentation, which is hereby made part of and incorporated into the quotation.

10) **Silicon Product Use Restrictions:** TouchChip Silicon Fingerprint Sensor Products, including but not limited to touch and swipe products, related software, developer kits and tools ("TouchChip Product Line") are subject to field of use restrictions ("Field of Use Restrictions") attached hereto as Appendix 1 and incorporated by reference herein. When applicable products are purchased, Purchaser shall adhere to the Field of Use Restrictions set forth in Appendix 1 and shall require any of its distributors, resellers, developers or sales representatives to comply with such Field of Use Restrictions. Any material or repetitive breach of the restrictions contained in Appendix 1 by Purchaser or Purchaser's direct or indirect distributors, resellers or sales representatives shall constitute a material breach.

11) **Software License.** The term "Software" refers to the Software installed on the equipment or hardware product, any custom software or interfaces developed by Crossmatch for Purchaser and if applicable, Crossmatch's Software Development Kit (SDK) software. Purchaser will be required to accept Crossmatch's standard license agreement prior to using any Software. The terms and conditions which govern the right and usage of the software are set forth in the license documentation, which is hereby made part of and incorporated into the quotation.

12) **Equipment Upgrade:** Equipment upgrades are not covered under the limited warranty and are subject to independent pricing and terms and conditions, as deemed applicable by the nature of the upgrade activity.

13) **Equipment Maintenance Plan:** Purchaser may purchase a Crossmatch Advantage Maintenance Plan for the hardware products. The Maintenance Plan is contracted for annually at the then prevailing price and can be renewed for a period of years mutually agreed to by the Parties, The Maintenance Plan is subject to the specific terms and conditions set forth in the Maintenance Plan documentation, which is hereby made part of and incorporated into the quotation.

14) **Software Maintenance Plan:** Purchaser must buy the Crossmatch Advantage Software Maintenance plan for all applicable Crossmatch software products. Crossmatch will provide maintenance services for the current and future Major Release of the Software for a period of twelve (12) months for each term of the Software Maintenance plan. As used herein, a "Major Release" is any version of the Software that in Crossmatch's sole determination provides substantial new features, additional functionality, or makes use of different architecture. Crossmatch will receive Company reported defects or issues 24 hours a day, 7 days a week and acknowledge any such reported defect or issue within two (2) hours and use best efforts to address and remedy such defect or issue. At no additional cost to Company, Cross Match will deliver to Company, as made commercially available by Cross Match, bug fixes, Maintenance updates, state-mandated updates and Major Releases for the Software ("Updates")

15) **Invoicing and Payment.** Crossmatch will invoice Purchaser for all Products, (including services), and Maintenance Plans. All Maintenance Plans are invoiced annually in advance are are non-refundable. All Crossmatch invoices for Products must be paid in full by Purchaser prior to shipment. Any other payment arrangement must be pre-approved by Crossmatch in writing. All sales are final; no refund, credits or exchanges will be accepted Crossmatch. A late charge of the lesser of 1.5% per month or the maximum amount permitted by law, will be added to past due accounts. All reasonable costs and expenses, including but not limited to attorneys' fees, court costs and service charges incurred by Crossmatch in collecting payment will be an expense of and charged to Purchaser

Purchaser may be required to complete a credit application. Crossmatch reserves the right to extend credit to the Purchaser based upon credit determination. Specific financing arrangements will be considered on a case by case basis and the terms and conditions for such will be defined by Crossmatch and binding upon the Purchaser.

Crossmatch shall have the right to suspend performance, including the non-shipment of product, under a specific Purchase Order and/or any other Purchase Order(s) where Purchaser has failed to maintain its account within agreed to credit terms. Crossmatch shall resume performance under said Order(s) upon verified receipt of the required funds, as determined by Crossmatch. Purchaser hereby agrees to waive all rights to seek damages and/or other remedies against Crossmatch if Crossmatch's actions taken under this provision have an adverse impact upon Purchaser and/or its ability to perform and/or meet business obligations. In addition, Crossmatch shall have the right to cancel or hold any and/or all orders placed by Purchaser and any and/or all shipments of the Product, regardless of any prior confirmation or acceptance by Crossmatch, if: (a) Purchaser is or becomes insolvent, (b) Purchaser makes an assignment for the benefit of creditors, or a receiver or trustee is appointed to take charge of any of Purchaser's assets; or (c) Purchaser is the subject of a bankruptcy or reorganization proceeding, whether voluntary or involuntary.

16) **Indemnification.** By Purchaser. Purchaser shall indemnify, defend and hold Crossmatch and its respective directors, officers, employees and agents harmless against any and all losses, claims, damages or expenses (including reasonable attorneys' fees) arising out of or related to: (i) any personal injury to or death of any person or persons, any loss or damage of any property or any interruption of services which are caused or claimed to have been caused directly or indirectly from Purchaser's (including its employees or independent contractors) negligent operation and/or related use or misuse of the Product; (ii) use of any equipment not provided or approved for use with the Product by Crossmatch.

By Crossmatch. Crossmatch hereby agrees to indemnify, defend and hold Purchaser harmless from and against any and all claims, demands, actions, costs, liabilities and losses resulting from the Software or other Product infringing a United States patent, copyright or trademark or misappropriating the trade secret of a third party provided that: (i) Purchaser promptly notifies Crossmatch in writing of the claim; (ii) Crossmatch has control of the defense and all related settlement negotiations, provided however that Purchaser must approve in writing any settlements before they are executed (provided, however, that Purchase shall not unreasonably withhold its



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approval thereof); and (iii) Purchaser fully cooperates with Crossmatch, at Crossmatch's cost, in the defense or settlement of such actions. Crossmatch's obligation under this Article is conditioned on Purchaser's agreement that if the Software, or the use or operation thereof, becomes, or in Crossmatch's opinion is likely to become, the subject of such a claim, Purchaser will permit Crossmatch at Crossmatch's option and expense, either to procure the right for Purchaser to continue using the Software or to replace or modify the same so that it becomes non infringing. If neither of the foregoing alternatives is available on terms which are reasonable in Crossmatch's reasonable judgment, then (1) Purchaser will return or destroy the Software on written request of Crossmatch; and (2) Crossmatch shall pay Purchaser an amount equal to the amount paid for the Software less an amount equal to the current depreciation of such Software (such depreciation amount calculated on a straight line basis over four years commencing on the Effective Date). The foregoing indemnity extends to Purchaser only and states the sole and exclusive liability and remedy of the parties hereto for patent infringement, and is in lieu of all warranties, express, implied, or statutory, in regard thereto.

17) **Limitation of Liability.** IN NO EVENT SHALL Crossmatch BE LIABLE TO PURCHASER FOR ANY CONSEQUENTIAL OR SPECIAL DAMAGES, INCLUDING BUT NOT LIMITED TO ANY LOST PROFITS, LOST SAVINGS, BUSINESS INTERRUPTION OR OTHER INCIDENTAL DAMAGES ARISING OUT OF THE USE OR INABILITY TO USE, OR THE DELIVERY OF, OR FAILURE TO DELIVER, THE PRODUCT, EVEN IF Crossmatch HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHER, THE ENTIRE LIABILITY OF Crossmatch FOR ANY CLAIM OR CAUSE OF ACTION ARISING HEREUNDER (WHETHER IN CONTRACT, TORT, OR OTHERWISE) SHALL NOT EXCEED THE PURCHASE PRICE PAID FOR THE PRODUCT THAT IS THE SUBJECT OF SUCH CLAIM OR CAUSE OF ACTION. Except as to title, all such liability shall terminate upon the expiration of the original applicable warranty period.

18) **Intellectual Property and Use Limitations.** The sale of the Product to Purchaser does not convey to Purchaser any intellectual property rights in the Product or Software, including but not limited to any copyright, patent or trademark rights (except for any license rights granted hereunder). Further, the sale of the Products confers on Purchaser no license, express or implied, by estoppel or otherwise, under any patents of Crossmatch or others covering or relating to any other product or invention or any combination, machine, or process in which such Product might be used. All intellectual property rights in the Products and Software, any documentation therefore, and other materials supplied by Crossmatch, are owned by Crossmatch and are protected by United States copyright laws, other applicable copyright laws, and international treaty provisions.

19) **Choice of Law and Forum.** This Agreement shall be governed by and construed under the laws of the State of Florida, without reference to its conflict of laws provisions. All disputes arising hereunder shall be heard only by a Florida State court or U.S. District Court with competent jurisdiction in Palm Beach County, Florida.

20) **Compliance with Laws.** Each party to the Agreement shall comply with all applicable laws and regulations. Purchaser will not directly or indirectly export or re-export any Products or "technical data" furnished to Purchaser under this Agreement without obtaining appropriate authorizations from the U.S. Department of Commerce or other U.S. government agency and will otherwise comply with all U.S. export control laws applicable thereto.

21) **Entire Agreement.** These terms and conditions constitute the entire agreement between Crossmatch and Purchaser with respect to the sale and purchase of the Products and license of the Software and shall supersede all prior agreements, understandings and representations between Purchaser and Crossmatch, both written and oral, with respect to the subject matter hereof. No additions or modifications of this Agreement or any Exhibit hereto shall be effective unless made in writing and signed by the authorized representatives of Crossmatch and Purchaser. Crossmatch's delay or failure to enforce at any time any provision of this Agreement shall not constitute a waiver of Crossmatch's right thereafter to enforce each and every provision of the Agreement. If any of the provision(s) of this Agreement is determined to be invalid, illegal, or otherwise unenforceable, the remaining provisions of the Agreement shall remain in full force and effect.

PURCHASER ACKNOWLEDGEMENT:

By: _____
Name: _____
Title: _____
Date: _____



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CREDIT CARD AUTHORIZATION FORM

By signing this form you confirm you are an authorized representative to make binding commitments on behalf of your company/firm.

It is therefore by your signature below that you are authorizing Cross Match Technologies, Inc. to charge the below credit card for the amount stated below in addition to any applicable tax.

If your company is a tax exempt entity, please provide your tax exemption certificate.

Company Name: _____

Invoice/SO #: _____

Amount Authorized: USD\$ _____

Credit Card Type: Visa Master Card American Express

Is this a Government wide Commercial Purchase Card? Yes No

Credit Card Number: _____

Expiration Date: _____

Sec Code: _____

Credit Card Complete Billing Address: _____

Signature: _____ **Date:** _____

Printed Name _____

Title _____



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Upgrade/Trade Up Survey

To facilitate the upgrade process, please answer the following questions

Customer Name: Hoyle, Tanner and Associates Inc. State:

Contact Name: Mike Rogerson Phone Number: (603) 669-5555

Current Scanner Model: Gua USB Scanner Serial number: 000657749.J2011
(If scanner is an ID500 please provide the Rev #)

How is your scanner connected to your computer? USB

What Agency are you submitting records to? AAAE

How do you submit your records? Electronically

Is your current system operational & submitting electronic records? Yes

Software

Demographic interface? No

If Yes, please enter RMS vendor name, and contact information for this vendor. Adding Quantum Secure

Child ID software Yes

If Yes, please enter version:

What Cross match Software version are you currently using?

(click on Help>About in the Cross Match software and you will find the version of software)

For the purpose of determining if online training or support is an option; do you have internet access by way of Hi-speed wide band internet connection? Yes

If not, can your IT personnel implement temporary access by opening necessary ports in order to allow such training or support? Yes

Hardware

Is Your Live Scan device configured in a console? No (If YES, please provide a picture of the console with the completed form)

Desk Top computer Yes Do you want the same for replacement system Yes



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Lap Top computer Do you want the same for replacement system

FBI certified Printer No

If Yes, please enter make and model:

Do you want reuse or replace?

Camera No

If Yes, please enter make and model:

Do you want reuse or replace?

Flatbed scanner No

If Yes, please enter make and model:

Do you want reuse or replace

Driver license reader Yes

If Yes, please enter make and model: Intellicheck DL reader

Do you want reuse or replace Reuse

Signature pad No

If Yes, please enter make and model:

Do you want reuse or replace?



Prepared for:

Pease Development Authority

Prepared by:

Cynthia Bowden

OPS Tower Server

Quote # 001423 | Version 1

Hardware

Item	Description	Price	Qty	Ext. Price
	Dell PE T430 Server: (2) Intel® Xeon® 2.4GHz, 20M Cache, 64GB RAM, RAID 6, (4) 600GB HDD, DVD Drive, Dell 5 Year Pro Support 4HR Onsite	\$8,499.00	2	\$16,998.00
	Microsoft Windows Server 2012 R.2 Standard - License - 1 Server, 2 CPU - Government Use - Volume, Government - Open License for Government - PC - English	\$685.00	2	\$1,370.00
	Microsoft Windows Server 2012 - License - 1 User CAL - Government Use - Volume, Local Government - Open License for Government - PC - English	\$31.00	10	\$310.00
	Microsoft SQL Server Standard - License - 1 Server - Government Use - Local - Open License for Government - PC - English	\$699.00	1	\$699.00
	Microsoft SQL Server 2014 - License - 1 User CAL - Government Use - Local - Open License for Government - PC - English	\$167.00	10	\$1,670.00
	VMware vSphere v.6.0 Essentials Kit - License - 3 Hosts	\$579.00	1	\$579.00
	Buffalo LinkStation 210 4 TB 1-Drive NAS	\$229.00	3	\$687.00
	Acronis Backup v.9.0 for VMware - License - Unlimited Virtual Machine - Government	\$519.00	2	\$1,038.00
Subtotal				\$23,351.00

Services

Item	Description	Price	Qty	Ext. Price
	Configuration of two host servers and 4 virtual servers, installation of SQL, FortiGate and backup configurations.	\$2,880.00	1	\$2,880.00
	troubleshooting issues	\$1,350.00	1	\$1,350.00
Subtotal				\$4,230.00

OPS Tower Server

Prepared for:

Pease Development Authority
36 Airline Avenue
Portsmouth, NH 03801
Ed Pottberg
e.pottberg@peasedev.org
(603) 433-6088

Prepared by:



HQ (Newington, NH)
Cynthia Bowden
(603) 766-5924 ext 113
Fax (603) 766-5925
cbowden@daystarinc.com

Quote Information:

Quote #: 001423
Version: 1
Delivery Date: 01/08/2016
Expiration Date: 01/13/2016

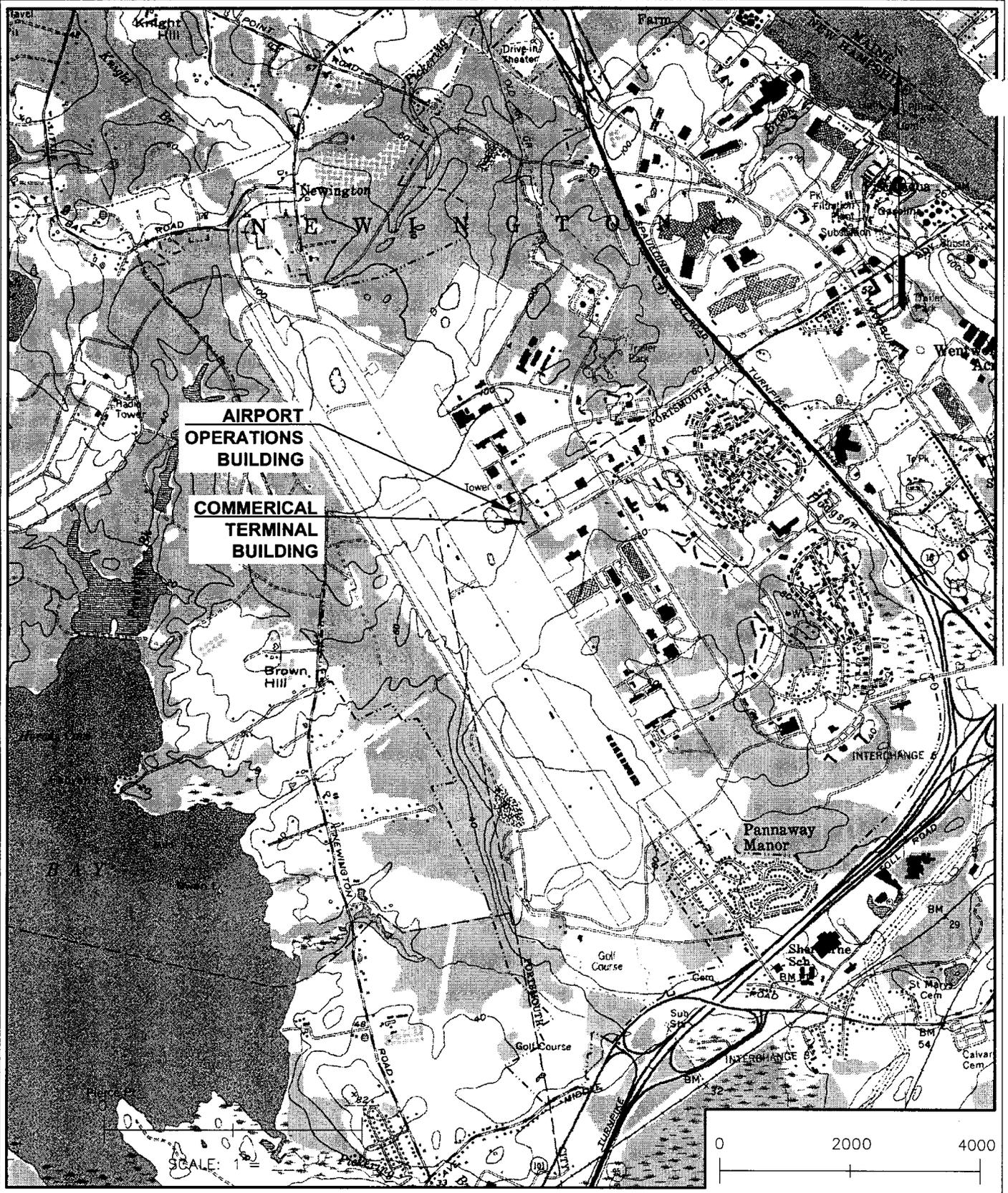
Quote Summary

Description	Amount
Hardware	\$23,351.00
Services	\$4,230.00
Total	\$27,581.00

Signature _____

Date _____

Drawing name: H:\0628GEN\DWG\exhibits\PSM-IMDS-LOCATION-SKETCH-8X11.dwg Jan 20, 2016 12:22pm



Hoyle, Tanner & Associates, Inc.

150 Dow Street
 Manchester, NH 03101-1227
 Tel 603-669-5555
 Fax 603-669-4168
 Web Page www.hoyletanner.com
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PORTSMOUTH INTERNATIONAL AT PEASE
 PORTSMOUTH, NEW HAMPSHIRE

FIGURE

1

IMDS PROCUREMENT
 AND IMPLEMENTATION
 LOCATION MAP

CHKD. BY MCR	DR. BY JLC	DES. BY MCR	DATE: JAN, 2016	SCALE: AS SHOWN
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Certification of Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid, by, or on behalf of, the undersigned, to any person for influencing, or attempting to influence, an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, subgrants and contracts under grants, loans, and cooperative agreements), and that all subrecipients shall certify and disclose accordingly.

This certification is a material representative of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

Date: 1/22/16

Pease Development Authority
Name of Airport Sponsor


Signature of Authorized Official

David R. Mullen, Executive Director
Name/Title of Authorized Official

Certification and Disclosure Regarding Potential Conflicts of Interest Airport Improvement Program Sponsor Certification

Sponsor: **Pease Development Authority**

Airport: **Portsmouth International Airport at Pease**

Project Number: **Hoyle, Tanner Project # 062858 / SBG-xx-xx-2016**

Description of Work: **Procurement and Implementation of an Identity Management System for Airport Security**

A sponsor must disclose in writing any potential conflict of interest to the Federal Aviation Administration (FAA) or pass-through entity. No employee, officer or agent of the sponsor or subgrant recipient shall participate in selection, or in the award or administration of a contract supported by federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

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

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

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

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

Yes No

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

Yes No

3. Explanation of items marked "no":

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and have the explanation for any item marked "no" is correct and complete.

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Executed on this 22 day of JANUARY, 2016.

Name of Sponsor: **Pease Development Authority**

Name of Sponsor's Designated Official Representative: **David R. Mullen**

Title of Sponsor's Designated Official Representative: **Executive Director**

Signature of Sponsor's Designated Official Representative: _____



Construction Project Final Acceptance Airport Improvement Program Sponsor Certification

Sponsor: **Pease Development Authority**

Airport: **Portsmouth International Airport at Pease**

Project Number: **Hoyle, Tanner Project # 062858 / SBG-xx-xx-2016**

Description of Work: **Procurement and Implementation of an Identity Management System for Airport Security**

Application

49 USC § 47105(d), authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program. General standards for final acceptance and close out of federally funded construction projects are in 2 CFR § 200.343 - Closeout. The sponsor shall determine that project costs are accurate and proper in accordance with specific requirements of the grant agreement and contract documents.

Certification Statements

Except for the certification statement below marked as not applicable (N/A), this list includes major requirements for this aspect of project implementation. This list is not comprehensive nor does it relieve the sponsor from fully complying with all applicable statutory and administrative standards.

1. The personnel engaged in project administration, engineering supervision, construction inspection and testing were or will be determined to be qualified as well as competent to perform the work.
 Yes No N/A

2. Daily construction records were or will be kept by the resident engineer/construction inspector as follows:
 - a. Work in progress
 - b. Quality and quantity of materials delivered
 - c. Test locations and results
 - d. Instructions provided the contractor
 - e. Weather conditions
 - f. Equipment use
 - g. Labor requirements
 - h. Safety problems
 - i. Changes required Yes No N/A

3. Weekly payroll records and statements of compliance were or will be submitted by the prime contractor and reviewed by the sponsor for conformance with federal labor and civil rights requirements as required by FAA and U.S. Department of Labor.
- Yes No N/A
4. Complaints regarding the mandated federal provisions set forth in the contract documents have been or will be submitted to the Federal Aviation Administration (FAA).
- Yes No N/A
5. All tests specified in the plans and specifications were or will be performed and the test results documented as well as made available to the FAA.
- Yes No N/A
6. For any test results outside of allowable tolerances, appropriate corrective actions were or will be taken.
- Yes No N/A
7. Payments to the contractor were or will be made in compliance with contract provisions as follows:
- a. Payments are verified by the sponsor's internal audit of contract records kept by the resident engineer, and
- b. If appropriate, pay reduction factors required by the specifications are applied in computing final payments and a summary of pay reductions made available to the FAA.
- Yes No N/A
8. The project was or will be accomplished without significant deviations, changes, or modifications from the approved plans and specifications, except where approval is obtained from the FAA.
- Yes No N/A
9. A final project inspection was or will be conducted with representatives of the sponsor and the contractor, and project files contain documentation of the final inspection.
- Yes No N/A
10. Work in the grant agreement was or will be physically completed and corrective actions required as a result of the final inspection are completed to the satisfaction of the sponsor.
- Yes No N/A
11. If applicable, the as-built plans, an equipment inventory, and a revised airport layout plan have been or will be submitted to the FAA.
- Yes No N/A
12. Applicable close out financial reports have been or will be submitted to the FAA.
- Yes No N/A

13. The construction of all buildings have complied or will comply with the seismic construction requirements of 49 CFR § 41.120.

Yes No N/A

Additional documentation for any above item marked "no":

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Executed on this 22 day of January, 2016.

Name of Sponsor: **Pease Development Authority**

Name of Sponsor's Designated Official Representative: **David R. Mullen**

Title of Sponsor's Designated Official Representative: **Executive Director**

Signature of Sponsor's Designated Official Representative: _____



Drug-Free Workplace Airport Improvement Program Sponsor Certification

Sponsor: **Pease Development Authority**

Airport: **Portsmouth International Airport at Pease**

Project Number: **Hoyle, Tanner Project # 062858 / SBG-xx-xx-2016**

Description of Work: **Procurement and Implementation of an Identity Management System for Airport Security**

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General requirements on the drug-free workplace within federal grant programs are described in 2 CFR part 182. Sponsors are required to certify they will be, or will continue to provide, a drug-free workplace in accordance with the regulation. The AIP project grant agreement contains specific assurances on the Drug-Free Workplace Act of 1988.

Certification Statements

Except for the certification statement below marked as not applicable (N/A), this list includes major requirements for this aspect of project implementation. This list is not comprehensive nor does it relieve the sponsor from fully complying with all applicable statutory and administrative standards.

1. A statement has been or will be published notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the sponsor's workplace, and specifying the actions to be taken against employees for violation of such prohibition.
 Yes No N/A

2. An ongoing drug-free awareness program has been or will be established to inform employees about:
 - a. The dangers of drug abuse in the workplace
 - b. The sponsor's policy of maintaining a drug-free workplace
 - c. Any available drug counseling, rehabilitation, and employee assistance programs
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace Yes No N/A

3. Each employee to be engaged in the performance of the work has been or will be given a copy of the statement required within item 1 above.
 Yes No N/A

4. Employees have been or will be notified in the statement required by item 1 above that, as a condition employment under the grant, the employee will:
 - a. Abide by the terms of the statement
 - b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction

Yes No N/A

5. The Federal Aviation Administration (FAA) will be notified in writing within 10 calendar days after receiving notice under item 4b above from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title of the employee, to the FAA. Notices shall include the project number of each affected grant.

Yes No N/A

6. One of the following actions will be taken within 30 calendar days of receiving a notice under item 4b above with respect to any employee who is so convicted:
 - a. Take appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended
 - b. Require such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency

Yes No N/A

7. A good faith effort will be made to continue to maintain a drug-free workplace through implementation of items 1 through 6 above.

Yes No N/A

Site(s) of performance of work:

Location 1

Name of Location: Portsmouth International Airport at Pease, Operations Building
 Address: 36 Airline Avenue, Portsmouth, NH 03801

Location 2 (if applicable)

Name of Location: Hoyle, Tanner & Associates, Inc.
 Address: 150 Dow Street, Manchester, NH 03101

Location 3 (if applicable)

Name of Location:
 Address:

Additional documentation for any above item marked "no":

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Executed on this 22 day of January, 2016.

Name of Sponsor: **Pease Development Authority**

Name of Sponsor's Designated Official Representative: **David R. Mullen**

Title of Sponsor's Designated Official Representative: **Executive Director**

Signature of Sponsor's Designated Official Representative: 

Equipment and Construction Contracts Airport Improvement Sponsor Certification

Sponsor: **Pease Development Authority**

Airport: **Portsmouth International Airport at Pease**

Project Number: **Hoyle, Tanner Project # 062858 / SBG-xx-xx-2016**

Description of Work: **Procurement and Implementation of an Identity Management System for Airport Security**

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General procurement standards for equipment and construction contracts within Federal grant programs are described in 2 CFR §§ 200.317-200.326. Labor and Civil Rights Standards applicable to the AIP are established by the Department of Labor (www.dol.gov) AIP Grant Assurance C.1—General Federal Requirements identifies all applicable Federal Laws, regulations, executive orders, policies, guidelines and requirements for assistance under the AIP. Sponsors may use state and local procedures provided procurements conform to these federal standards.

This certification applies to all equipment projects. Equipment projects may or may not employ laborers and mechanics that qualify the project as a "covered contract" under requirements established by the Department of Labor requirements. Sponsor shall provide appropriate responses to the certification statements that reflect the character of the project.

Certification Statements

Except for the certification statement below marked as not applicable (N/A), this list includes major requirements for this aspect of project implementation. This list is not comprehensive nor does it relieve the sponsor from fully complying with all applicable statutory and administrative standards.

1. A written code or standard of conduct conforming to 2 CFR § 200.319 is or will be in effect governing the performance of the sponsor's officers, employees, or agents in soliciting, awarding and administering procurement contracts.
 Yes No N/A

2. For all contacts, qualified and competent personnel are or will be engaged to perform contract administration, engineering supervision, construction inspection, and testing in accordance with grant assurance C.17.
 Yes No N/A

3. Sponsors that have or are required to have a Disadvantage Business Enterprise (DBE) program on file with the FAA have included or will include clauses required from Title VI of the Civil Rights Act and 49 CFR 23 and 49 CFR 26 for Disadvantaged Business Enterprises in all contracts and subcontracts

Yes No N/A

4. Sponsor procurement actions using the competitive sealed bid method was or will be:
- a. Publicly advertised, allowing a sufficient response time to solicit an adequate number of interested contractors or vendors.
 - b. Prepared to include a complete, adequate and realistic specification that defines the items or services in sufficient detail to allow prospective bidders to respond.
 - c. Publicly opened at a time and place prescribed in the invitation for bids
 - d. Prepared such that it allows a firm fixed price contract award to the lowest responsive and responsible bidder.

Yes No N/A

5. For projects where the Sponsor intends to use the competitive proposal procurement method, Sponsor has or will obtain FAA approval prior to proceeding with a competitive proposal procurement by submitting to the FAA the following:
- a. Written request to use competitive proposal procurement method
 - b. Written justification that supports use of competitive proposal method in lieu of the preferred sealed bid procurement method.

Yes No N/A

6. For construction and equipment installation projects, the bid solicitation includes or will include the current federal wage rate determination for the appropriate type of project

Yes No N/A

7. All construction and equipment installation contracts contain or will contain provisions for:

- a. Access to Records
- b. Buy American Preferences
- c. Civil Rights (General Provisions and Title VI Assurances)
- d. Federal Fair Labor Standards
- e. Occupational Safety and Health Act requirements
- f. Seismic Safety (applies only to projects that include buildings)
- g. State Energy Conservation Requirements (as applicable)
- h. U.S. Trade Restriction
- i. Veterans Preference per 49 USC § 47112(c) (applies only to construction and equipment installation projects)

Yes No N/A

8. All construction and equipment installation contracts exceeding \$2,000 contain or will contain the provisions established by:

- a. Davis-Bacon and Related Acts
- b. Copeland "Anti-Kickback" Act

Yes No N/A

9. All construction and equipment installation contracts exceeding \$3,000 contain or will contain a contract provision that discourages distracted driving

Yes No N/A

10. All contracts exceeding \$10,000 contain or will contain the following provisions as applicable:

- a. Construction and equipment installation projects - Applicable clauses from 41 CFR Part 60 for compliance with Executive Orders 11246 and 11375 on Equal Employment Opportunity.
- b. Construction and equipment installation - Contract Clause prohibiting segregated facilities in accordance with 41 CFR part 60-1.8
- c. All Contracts - Requirement to maximize use of products containing recovered materials in accordance with 2 CFR § 200.322 and 40 CFR part 247.
- d. All Contracts - Provisions that address termination for cause and termination for convenience

Yes No N/A

11. All contracts exceeding \$25,000, an appropriate check of the System for Award Management has been or will be made to assure that contracts or subcontracts are not awarded to those individuals or firms suspended, debarred, or excluded from participating in this federally assisted project

Yes No N/A

12. Contracts exceeding the simplified acquisition threshold (currently \$150,000) include or will include provisions, as applicable, that address the following:

- a. Construction and equipment installation contracts - a bid guarantee of 5%, a performance bond of 100%, and a payment bond of 100%
- b. Construction and equipment installation contracts - requirements of the Contract Work Hours and Safety Standards Act 40 USC 3701-3708), Sections 103 and 107
- c. All contracts, Restrictions on Lobbying and Influencing (2 CFR part 200, Appendix II(J))
- d. All contracts - Conditions specifying administrative, contractual and legal remedies for instances where contractor or vendor violate or breach the terms and conditions of the contract
- e. All Contracts - Applicable standards and requirements issued under Section 306 of the Clean Air Act (42 USC 7401-7671q), Section 508 of the Clean Water Act (33 USC 1251-1387, and Executive Order 11738

Yes No N/A

13. Concurrence was or will be obtained from the Federal Aviation Administration (FAA) prior to contract award under any of the following circumstances:

- a. Only one qualified person/firm submits a responsive bid
- b. The contract is to be awarded to other than the lowest responsible bidder
- c. Life cycle costing is a factor in selecting the lowest responsive bidder
- d. Proposed contract prices are more than 10% over the sponsor's cost estimate

Yes No N/A

Additional documentation for any above item marked "no":

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Executed on this 22 day of January, 2016.

Name of Sponsor: **Pease Development Authority**

Name of Sponsor's Designated Official Representative: **David R. Mullen**

Title of Sponsor's Designated Official Representative: **Executive Director**

Signature of Sponsor's Designated Official Representative: _____



Project Plans and Specifications

Airport Improvement Program Sponsor Certification

Sponsor: **Pease Development Authority**

Airport: **Portsmouth International Airport at Pease**

Project Number: **Hoyle, Tanner Project # 062858 / SBG-xx-xx-2016**

Description of Work: **Procurement and Implementation of an Identity Management System for Airport Security**

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP) labor and civil rights standards applicable to AIP are established by the Department of Labor (www.dol.gov/). AIP Grant Assurance C.1—General Federal Requirements identifies applicable federal laws, regulations, executive orders, policies, guidelines and requirements for assistance under AIP. A list of current advisory circulars with specific standards for design or construction of airports as well as procurement/ installation of equipment and facilities is referenced in standard airport sponsor Grant Assurance 34 contained in the grant agreement.

Certification Statements

Except for the certification statement below marked as not applicable (N/A), this list includes major requirements for this aspect of project implementation. This list is not comprehensive nor does it relieve the sponsor from fully complying with all applicable statutory and administrative standards.

1. The plans and specifications were or will be prepared in accordance with applicable federal standards and requirements, so no deviation or modification to standards set forth in the advisory circulars, or state standard, is necessary other than those previously approved by the Federal Aviation Administration (FAA).
 Yes No N/A

2. Specifications for the procurement of equipment are not or will not be proprietary or written so as to restrict competition. At least two manufacturers can meet the specification.
 Yes No N/A

3. The development that is included or will be included in the plans is depicted on the airport layout plan approved by the FAA.
 Yes No N/A

4. Development that is ineligible for AIP funding has been or will be omitted from the plans and specifications.
 Yes No N/A

5. The process control and acceptance tests required for the project by standards contained in Advisory Circular 150/5370-10 are or will be included in the project specifications.
 Yes No N/A

6. If a value engineering clause is incorporated into the contract, concurrence was or will be obtained from the FAA.
 Yes No N/A

7. The plans and specifications incorporate or will incorporate applicable requirements and recommendations set forth in the federally approved environmental finding.
 Yes No N/A

8. For construction activities within or near aircraft operational areas, the requirements contained in Advisory Circular 150/5370-2 have been or will be discussed with the FAA as well as incorporated into the specifications, and a safety/phasing plan has FAA's concurrence, if required.
 Yes No N/A

9. The project was or will be physically completed without federal participation in costs due to errors and omissions in the plans and specifications that were foreseeable at the time of project design.
 Yes No N/A

10. The design of all buildings have complied or will comply with the seismic design requirements of 49 CFR § 41.120.
 Yes No N/A

Attach Additional documentation for any above item marked "no":

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Executed on this 22 day of January, 2016.

Name of Sponsor: **Pease Development Authority**

Name of Sponsor's Designated Official Representative: **David R. Mullen**

Title of Sponsor's Designated Official Representative: **Executive Director**

Signature of Sponsor's Designated Official Representative: 

Selection of Consultants

Airport Improvement Program Sponsor Certification

Sponsor: **Pease Development Authority**

Airport: **Portsmouth International Airport at Pease**

Project Number: **Hoyle, Tanner Project # 062858 / SBG-xx-xx-2016**

Description of Work: **Procurement and Implementation of an Identity Management System for Airport Security**

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General requirements for selection of consultant services within federal grant programs are described in 2 CFR §§ 200.317-200.326.2 CFR 200. Sponsors may use other qualifications-based procedures provided they are equivalent to specific standards in 2 CFR §§ 200.317-200.326 and FAA Advisory Circular 150/5100-14, Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects.

Certification Statements

Except for the certification statement below marked as not applicable (N/A), this list includes major requirements for this aspect of project implementation. This list is not comprehensive nor does it relieve the sponsor from fully complying with all applicable statutory and administrative standards.

1. Solicitations were or will be made to ensure fair and open competition from a wide area of interest.
 Yes No N/A

2. Consultants were or will be selected using competitive procedures based on qualifications, experience, and disadvantaged enterprise requirements with the fees determined through negotiations after initial selection.
 Yes No N/A

3. A record of negotiations has been or will be prepared reflecting considerations involved in the establishment of fees, which are not significantly above the sponsor's independent cost estimate.
 Yes No N/A

4. If engineering or other services are to be performed by sponsor force account personnel, prior approval was or will be obtained from the Federal Aviation Administration (FAA).
 Yes No N/A

5. The consultant services contracts clearly or will clearly establish the scope of work and delineate the division of responsibilities between all parties engaged in carrying out elements of the project.
 Yes No N/A

6. Costs associated with work ineligible for AIP funding are or will be clearly identified and separated from eligible items in solicitations, contracts, and related project documents.
 Yes No N/A

7. Mandatory contact provisions for grant-assisted contracts have been or will be included in consultant services contracts.
 Yes No N/A

8. The cost-plus-percentage-of-cost methods of contracting prohibited under federal standards were not or will not be used.
 Yes No N/A

9. If the services being procured cover more than the single grant project referenced in this certification, the scope of work was or will be specifically described in the advertisement, and future work will not be initiated beyond five years.
 Yes No N/A

Additional documentation for any above item marked "no":

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Executed on this 22 day of JANUARY, 2016.

Name of Sponsor: **Pease Development Authority**

Name of Sponsor's Designated Official Representative: **David R. Mullen**

Title of Sponsor's Designated Official Representative: **Executive Director**

Signature of Sponsor's Designated Official Representative: _____





**FAA
Airports**

ASSURANCES

Airport Sponsors

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this grant agreement.

B. Duration and Applicability.

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

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

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

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

3. Airport Planning Undertaken by a Sponsor.

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

C. Sponsor Certification.

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

1. General Federal Requirements.

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

Federal Legislation

- a. Title 49, U.S.C., subtitle VII, as amended.
- b. Davis-Bacon Act - 40 U.S.C. 276(a), et seq.¹
- c. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
- d. Hatch Act - 5 U.S.C. 1501, et seq.²
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq.^{1,2}
- f. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f).¹
- g. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469 through 469c.¹
- h. Native Americans Grave Repatriation Act - 25 U.S.C. Section 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended.
- j. Coastal Zone Management Act, P.L. 93-205, as amended.
- k. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.¹
- l. Title 49, U.S.C., Section 303, (formerly known as Section 4(f))
- m. Rehabilitation Act of 1973 - 29 U.S.C. 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.), prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968 - 42 U.S.C. 4151, et seq.¹
- s. Power plant and Industrial Fuel Use Act of 1978 - Section 403- 2 U.S.C. 8373.¹
- t. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq.¹
- u. Copeland Anti-kickback Act - 18 U.S.C. 874.1
- v. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.¹
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended.
- x. Single Audit Act of 1984 - 31 U.S.C. 7501, et seq.²
- y. Drug-Free Workplace Act of 1988 - 41 U.S.C. 702 through 706.

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

Executive Orders

- a. Executive Order 11246 - Equal Employment Opportunity¹
- b. Executive Order 11990 - Protection of Wetlands
- c. Executive Order 11998 – Flood Plain Management
- d. Executive Order 12372 - Intergovernmental Review of Federal Programs
- e. Executive Order 12699 - Seismic Safety of Federal and Federally Assisted New Building Construction¹
- f. Executive Order 12898 - Environmental Justice

Federal Regulations

- a. 2 CFR Part 180 - OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
- b. 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [OMB Circular A-87 Cost Principles Applicable to Grants and Contracts with State and Local Governments, and OMB Circular A-133 - Audits of States, Local Governments, and Non-Profit Organizations].^{4, 5, 6}
- c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment
- d. 14 CFR Part 13 - Investigative and Enforcement Procedures 14 CFR Part 16 - Rules of Practice For Federally Assisted Airport Enforcement Proceedings.
- e. 14 CFR Part 150 - Airport noise compatibility planning.
- f. 28 CFR Part 35- Discrimination on the Basis of Disability in State and Local Government Services.
- g. 28 CFR § 50.3 - U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964.
- h. 29 CFR Part 1 - Procedures for predetermination of wage rates.¹
- i. 29 CFR Part 3 - Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.¹
- j. 29 CFR Part 5 - Labor standards provisions applicable to contracts covering federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).¹
- k. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements).¹
- l. 49 CFR Part 18 - Uniform administrative requirements for grants and cooperative agreements to state and local governments.³
- m. 49 CFR Part 20 - New restrictions on lobbying.
- n. 49 CFR Part 21 – Nondiscrimination in federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964.
- o. 49 CFR Part 23 - Participation by Disadvantage Business Enterprise in Airport Concessions.

- p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs.^{1 2}
- q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Programs.
- r. 49 CFR Part 27 – Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.¹
- s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities conducted by the Department of Transportation.
- t. 49 CFR Part 30 - Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors.
- u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)
- v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 41 - Seismic safety of Federal and federally assisted or regulated new building construction.

Specific Assurances

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

Footnotes to Assurance C.1.

¹ These laws do not apply to airport planning sponsors.

² These laws do not apply to private sponsors.

³ 49 CFR Part 18 and 2 CFR Part 200 contain requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation and circular shall also be applicable to private sponsors receiving Federal assistance under Title 49, United States Code.

⁴ On December 26, 2013 at 78 FR 78590, the Office of Management and Budget (OMB) issued the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200. 2 CFR Part 200 replaces and combines the former Uniform Administrative Requirements for Grants (OMB Circular A-102 and Circular A-110 or 2 CFR Part 215 or Circular) as well as the Cost Principles (Circulars A-21 or 2 CFR part 220; Circular A-87 or 2 CFR part 225; and A-122, 2 CFR part 230). Additionally it replaces Circular A-133 guidance on the Single Annual Audit. In accordance with 2 CFR section 200.110, the standards set forth in Part 200 which affect administration of Federal awards issued by Federal agencies become effective once implemented by Federal agencies or when any future amendment to this Part becomes final. Federal agencies, including the Department of Transportation, must implement the policies and procedures applicable to Federal awards by promulgating a regulation to be effective by December 26, 2014 unless different provisions are required by statute or approved by OMB.

⁵ Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.

⁶ Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

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

3. Sponsor Fund Availability.

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

4. Good Title.

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

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

5. Preserving Rights and Powers.

a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this grant agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

- b. It will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this grant agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this grant agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this grant agreement.
- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to insure that the airport will be operated and maintained in accordance Title 49, United States Code, the regulations and the terms, conditions and assurances in this grant agreement and shall insure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

6. Consistency with Local Plans.

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

7. Consideration of Local Interest.

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

8. Consultation with Users.

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

9. Public Hearings.

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

10. Metropolitan Planning Organization.

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

11. Pavement Preventive Maintenance.

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

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under section 44706 of Title 49, United States Code, and all the security equipment required by rule or regulation, and

has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

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

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

14. Minimum Wage Rates.

It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this grant agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

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

16. Conformity to Plans and Specifications.

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

specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this grant agreement.

17. Construction Inspection and Approval.

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

18. Planning Projects.

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal,

state and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for-

- 1) Operating the airport's aeronautical facilities whenever required;
 - 2) Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
 - 3) Promptly notifying airmen of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.
- b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

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

21. Compatible Land Use.

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

22. Economic Nondiscrimination.

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or

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

- 1) furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
 - 2) charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
 - d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
 - e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.
 - f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees [including, but not limited to maintenance, repair, and fueling] that it may choose to perform.
 - g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.
 - h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
 - i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

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

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

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

25. Airport Revenues.

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
 - 1) If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or

operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

- 2) If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
 - 3) Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at Section 47102 of title 49 United States Code), if the FAA determines the airport sponsor meets the requirements set forth in Sec. 813 of Public Law 112-95.
- b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.
 - c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of Section 47107 of Title 49, United States Code.

26. Reports and Inspections.

It will:

- a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;
- b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this grant agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and

- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
 - 1) all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
 - 2) all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that –

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

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

29. Airport Layout Plan.

- a. It will keep up to date at all times an airport layout plan of the airport showing
 - 1) boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;
 - 2) the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and

roads), including all proposed extensions and reductions of existing airport facilities;

- 3) the location of all existing and proposed nonaviation areas and of all existing improvements thereon; and
 - 4) all proposed and existing access points used to taxi aircraft across the airport's property boundary. Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.
- b. If a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary (1) eliminate such adverse effect in a manner approved by the Secretary; or (2) bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

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

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

- 3) Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

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

- 1) So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
- 2) So long as the sponsor retains ownership or possession of the property.

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

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

e. Required Contract Provisions.

- 1) It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the DOT, and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.
- 2) It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
- 3) It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
- 4) It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin, creed, sex, age, or handicap as a

covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:

- a) For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b) For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
- f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.
- g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order, (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund. If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.
- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, (1) upon application to the Secretary, be reinvested or transferred to another

eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order: (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund.

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

32. Engineering and Design Services.

It will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services with respect to the project in the same manner as a contract for architectural and engineering services is negotiated under Title IX of the Federal Property and Administrative Services Act of 1949 or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

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

34. Policies, Standards, and Specifications.

It will carry out the project in accordance with policies, standards, and specifications approved by the Secretary including but not limited to the advisory circulars listed in the Current FAA Advisory Circulars for AIP projects, dated 31 Dec 2015 (the latest approved version as of this grant offer) and included in this grant, and in accordance

with applicable state policies, standards, and specifications approved by the Secretary.

35. Relocation and Real Property Acquisition.

- a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.
- b. It will provide a relocation assistance program offering the services described in Subpart C and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
- c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

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

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its DBE and ACDBE programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1936 (31 U.S.C. 3801).

38. Hangar Construction.

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

39. Competitive Access.

- a. If the airport owner or operator of a medium or large hub airport (as defined in section 47102 of title 49, U.S.C.) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that-
 - 1) Describes the requests;
 - 2) Provides an explanation as to why the requests could not be accommodated;
and
 - 3) Provides a time frame within which, if any, the airport will be able to accommodate the requests.
- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.