

NON-FEDERAL REIMBURSABLE AGREEMENT

BETWEEN

**DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION**

AND

**CITY OF MCKINNEY
MCKINNEY NATIONAL AIRPORT
MCKINNEY, TEXAS**

WHEREAS, the Federal Aviation Administration (FAA) can furnish directly or by contract, material, supplies, equipment, and services which the **City of McKinney** (Sponsor) requires, has funds available for, and has determined should be obtained from the FAA;

WHEREAS, it has been determined that competition with the private sector for provision of such material, supplies, equipment, and services is minimal; the proposed activity will advance the FAA's mission; and the FAA has a unique capability that will be of benefit to the Sponsor while helping to advance the FAA's mission;

NOW THEREFORE, the FAA and the Sponsor mutually agree as follows:

ARTICLE 1. Parties

The Parties to this Agreement are the FAA and **City of McKinney**.

ARTICLE 2. Type of Agreement

This Agreement is an "other transaction" authorized under 49 U.S.C. § 106(l)(6). It is not intended to be, nor will it be construed as, a partnership, corporation, joint venture or other business organization.

ARTICLE 3. Scope

- A. The purpose of this Agreement between the FAA and the Sponsor is to perform site visit, preliminary design and engineering review, and construction/installation activities in the Sponsor's project to extend Runway (RWY) 18 and Taxiway (TWY) B impacting FAA NAS facilities including the RWY 18 Medium-Intensity Approach Lighting System with Runway Alignment Indicator (MALSR), RWY 18 Glideslope, and associated FAA cabling and infrastructure. This Agreement provides funding for the FAA to establish these services. FAA support may be affected by government shutdowns, pandemics, natural disasters, or other items outside of FAA control. FAA engineer and technician onsite support will be coordinated in advance and scheduled in accordance with FAA travel restrictions. No construction work shall be performed involving FAA facilities, systems, and

equipment during FAA maintenance moratorium periods, which will be provided by FAA. Waivers will not be approved during a FAA moratorium. Therefore, this Agreement is titled:

“McKinney National Airport, TX (TKI) - Extend RWY 18 and TWY B Impacting Runway 18 NAVAIDs”

B. The FAA will perform the following activities:

1. Provide technical assistance to the Sponsor to enable the Sponsor to meet applicable FAA rules, regulations, orders, requirements, standards, and specifications during the construction phases of the project.
2. Locate and physically mark all FAA power and control cables in the areas affected by the Sponsor’s construction. Any excavation required for cable location confirmation will be executed by the Sponsor with FAA oversight.
3. Provide Resident Engineer (RE) oversight for the Sponsor’s project impacting FAA facilities and buried cables, advise Sponsor regarding FAA requirements, and inspect infrastructure being accepted by the FAA. No work will be accepted unless performed under the oversight of the FAA RE. It is the RE’s responsibility to protect the FAA’s interests during the construction phases of the project which impact the FAA facilities, systems, equipment, and their infrastructure. The presence of the FAA RE does not relieve the Sponsor from complying with the agreed to design, including compliance with all applicable FAA rules, regulations, orders, standards, requirements, and agreements. In furtherance of his/her responsibilities, the FAA RE will:
 - a. Be the FAA’s primary point of contact for the Sponsor during the project to ensure that all necessary information is coordinated with the appropriate FAA parties.
 - b. Ensure all reasonable efforts are made to minimize impacts to FAA operations and existing facilities.
 - c. Notify the Sponsor and FAA personnel and document any significant discrepancies observed related to the approved design plans and specifications and the actual work performed.
 - d. Notify the Sponsor of any failure of the work or materials to conform to the contract, the design plans and specifications, drawings, and any delays in the schedule.
 - e. Keep a construction diary and weekly status reports on the FAA facilities, systems, and equipment affected by the project.
 - f. Assist the Sponsor to ensure compliance with all the FAA rules, regulations, orders, standards, requirements, and agreements.
 - g. Witness key events in the project such as, but not limited to, the placement of rebar and pouring of concrete, splicing, connecting, and testing of all the FAA field cables, and exothermic welding of grounding, bonding, and lightning protection connections.

- h. Coordinate with the Sponsor's consultant to develop and generate a complete set of FAA formatted project as-builts. This format coordination shall include specific information layout (site plans, details, notes), line/text weights, etc.

The RE does NOT have authority to:

- a. Revoke, alter, or waive any requirement of the design plans and specifications, drawings, or the construction contract let by the Sponsor.
 - b. Act as the contractor's foreman or perform any other duties for the contractor.
 - c. Enter into or take part in any labor dispute between the Sponsor and its construction contractor.
 - d. Participate in, settle, or otherwise decide contractual matters in dispute between the Sponsor and its construction contractor.
- 4. Provide a Technical Onsite Representative (TOR) as necessary and available per Agency guidelines during installation, tune up, checkout, optimizing, and flight inspection activities of the project to inspect the installation and observe the establishment of FAA facilities per FAA Orders and specifications.
 - 5. Coordinate and participate in all activities associated with the restoration of all affected FAA facilities, systems, and equipment, including such activities as performing flight inspections and to identify any necessary mitigation, corrective actions to the Sponsor to re-establish and provide required FAA facility and runway approach operational tolerances.
 - 6. Provide access to impacted FAA facilities.
 - 7. Execute the following activities for the Runway 18 MALSR/GS:
 - a. Witness, monitor and inspect key events/activities in the project such as, but not limited to all construction/modification/installation related to the Runway 18 MALSR/GS and its associated substation building, including electrical, electronic, mechanical equipment and power utility primary feed cables; installation of approach light fixtures and infrastructure including concrete foundations, electrical conduit, and handholes; installation, splicing, connecting, and testing of all FAA field cables and all required grounding, bonding, and lightning protection systems and exothermic welded connections.
 - b. Provide engineering oversight and field monitoring, inspection, or certification of the modified Runway 18 MALSR/GS system, per coordinated FAA reviewed and approved Sponsor engineering design.
 - c. Inspect and provide technical support for installation of stations, lightning protection, and grounding.
 - d. Verify proper Runway 18 MALSR/GS operation via the Air Traffic Control Tower.

- e. Verify and record Runway 18 MALSR aiming adjustments for each station replaced.
 - f. Verify proper operation of the Runway 18 GS after new power utility primary feed installation.
 - g. Coordinate/submit any facility data for the Runway 18 MALSR conversion data sheet/plan and profile to the National Flight Data Center (NFDC) and FAA Flight Procedures Office.
 - h. Coordinate and conduct flight check operations in support of the Runway 18 MALSR/GS after new construction work is completed.
 - i. Coordinate FAA facility operational NOTAM's for any facilities impacted due to project/construction activities if/as required.
- 8. Coordinate flight inspection activities for the Runway 18/36 PAPI's and HIRL's once construction is complete.
 - 9. Provide Government Furnished Materials (GFM) to the Sponsor in the form of selective MALSR related equipment for installation by the contractor.
 - 10. Coordinate with the Airport Sponsor in order to ensure that National Environmental Policy Act (NEPA) documentation for the project incorporates associated FAA actions. Also ensure NEPA documentation meets FAA requirements and approvals.
 - 11. Perform hazardous material studies, investigations and provide disposition recommendations for the required removal of the previously abandoned Runway 18 MALSR shelter.
 - 12. Coordinate with the utility company for termination of electrical service at the previously abandoned Runway 18 MALSR shelter.
 - 13. Coordinate with FAA real estate and the Sponsor for any MOA and related documentation required for removal of the previously abandoned Runway 18 MALSR shelter.
 - 14. Complete environmental due diligence for FAA facilities that are associated with this project.
- C. The Sponsor will perform the following activities:
- 1. Provide funding sufficient to cover costs associated with the applicable phase and activities as outlined in this agreement and approved construction drawings no later than 30 calendar days prior to commencement or sufficient lead time to support contracting activities, whichever is greater.
 - 2. Support FAA's Engineering Services group by understanding that engineering design reviews cannot occur before this Agreement is funded. Should the Sponsor decide to accelerate the schedule ahead of agreed upon dates, Technical Operations technicians and engineers may not be available to provide support. As such, this Agreement would have to be canceled, or amended if Technical Operations staff is available to support an accelerated timeline.

3. Allow the Sponsor's consultant to coordinate with the FAA in order to develop and generate a complete set of FAA formatted project as-builts. This format coordination shall include specific information layout (site plans, details, notes), line/text weights, etc.
4. Perform the following activities on the Runway 18 NAVAIDs.
 - a. Receive and install all FAA provided selective MALSR government furnished materials (GFM) and install in accordance with FAA specifications, standards, and the construction drawings.
 - b. Procure all MALSR related parts (not provided as FAA GFM) including light fixtures, cabling, etc. for the portion of the MASLR the Sponsor will modify and/or relocate (as part of the approved construction scope of work) that meets FAA specifications and standards and are compatible with the system.
 - c. Install all light fixtures, cabling and associated supporting infrastructure in accordance with FAA specifications, standards, and the approved construction drawings.
 - d. Procure and install replacement cabling (new power utility primary feed cables).
 - e. Provide funds for flight check operations in support of the Runway 18 extension and associated FAA equipment impacts including all FAA NAVAID facilities (Runway 18 ILS/MALSR) and both PAPI's and HIRL's for Runway 18/36.
 - f. Coordinate and perform all activities related to the removal of the abandoned Runway 18 MALSR FAA shelter.
 - g. Coordinate with the FAA for RE support and oversight.
5. Provide the following detailed schedules:
 - a. Construction – The Sponsor will provide a detailed schedule of all construction activities involving FAA impacts no later than 60 calendar days prior to commencing construction. The activities will be delineated by location and phases of construction. In general, construction requiring FAA oversight should be phased in such a manner that there are no gaps, which would require multiple return trips. For this project, a schedule was provided by the Sponsor and a gap of approximately 4 months has been coordinated in advance with FAA to allow for large soil fills to settle prior to installation of the MALSR lights. If this gap exceeds more than 6 months, the FAA reserves the right to renegotiate this agreement.
 - b. Work Schedule – The Sponsor will provide a detailed schedule that includes the number of crews, their location and the number of shifts that will be utilized no later than 60 calendar days prior to construction. Update schedule bi-weekly or as soon as changes occur.
6. Facilitate, document, and mitigate issues identified by the FAA in a timely manner in an effort to align with scheduling of FAA or its contracted onsite presence.
7. Verify marked FAA power and control cables by hand digging, or hydro excavation, at multiple locations in the construction zone to establish the depth

and routing of FAA cables. Replace FAA power and control cables for FAA facilities, systems, and equipment impacted by the project activities in accordance with applicable FAA rules, regulations, orders, requirements, and standards.

8. In the case of a cut cable, the Sponsor will replace the damaged cable between termination points. The FAA will participate in a joint inspection of the repaired cable in each hand-hole/manhole for proper racking and tags, as well as grounding and terminations. No splicing of cables is allowed except at existing splice locations.
9. Ensure a splice kit is available and onsite while working around FAA cabling as outlined in FAA-C-1391 (series).
10. Provide copies of all critical shop drawings, as required.
11. Provide all appropriate documentation on make/models numbers and manuals on all systems installed as required.
12. Notify and coordinate with the FAA all requests to shut down any FAA navigation facilities, systems, or equipment no-less-than 45 calendar days prior (preferably 60 days) to the start of construction. A construction schedule must accompany any request for the shutdown of any FAA navigation facility, system, or equipment. There may be times when a request for shutdown of a facility will not be granted due to air traffic operations. A request to shut down a specific FAA navigation facility, system, or equipment is not automatically associated with the shutdown of any other runway, threshold displacement, or pavement or grading work.

Note: No work shall be performed during an FAA moratorium period without an Approved Moratorium Waiver.

13. Notify the POC(s) listed in Article 4 below at least 60 calendar days in advance of when FAA construction oversight services are required. An RE will be required when any construction associated with or on FAA facilities, systems, or equipment or the infrastructure associated with the foregoing takes place. The presence or absence of an FAA RE does not relieve the Sponsor or its contractor from any requirement contained in this Agreement, nor is the RE authorized to change any term or condition of the Agreement without the FAA Contracting Officer's written authorization. **No work will be accepted unless performed under the oversight of the FAA RE.**
14. For any items corrected by the Sponsor's contractor, the Sponsor will be responsible for payment to the contractor.
15. For any items completed by the FAA, the Sponsor will pay the FAA in advance.
16. Provide the FAA unencumbered access to all site areas impacting FAA facilities.
17. Per FAA Advisory Circular 150/5370-12B, the Sponsor must provide and maintain competent technical supervision at the construction site throughout the project to ensure the work conforms to the plans, specifications, and schedules approved by the FAA for the project. The Sponsor must provide adequate construction quality assurance inspection for all stages of work. This

- includes adequate documentation of the quality assurance results and reporting on the contractor's work progress. All work is subject to FAA inspection at all places and at all reasonable times before acceptance. If applicable, refer to *AIP Grant Assurance 17, Construction Inspection and Approval*.
18. Ensure that no other activities or projects at the Airport, scheduled or otherwise, interfere with the FAA's acceptance testing or other scheduled activities.
 19. Participate in any and all Contractor Acceptance Inspection(s) (CAI) and Joint Acceptance Inspections (JAI) of all FAA impacted facilities at the end of construction for the purpose of identifying any deficiencies or corrections required, otherwise noted as exceptions. The FAA will conduct a JAI prior to the commissioning and return-to-service of any FAA system. Exceptions noted will be remedied by the Sponsor no later than 60 calendar days after the CAI/JAI. If exceptions are not corrected within 60 calendar days of the CAI/JAI, the FAA will clear the remaining exceptions and charge the cost to the Sponsor through the reimbursable agreement. All exceptions must be cleared or otherwise resolved before the agreement can be closed out.
 20. Provide to the FAA at the time of the CAI, all warranty information and documentation for all FAA facilities, systems, and infrastructure on work done by the Sponsor's contractor, including material and equipment provided, and cable and grounding/lightning protection system testing.
 21. Provide the FAA three (3) sets of ANSI size "D" of "As-Built" drawings of the construction phase in hard copy format and one set in electronic file, using AutoCAD format. The electronic file shall include all the accompanying library files needed to generate a complete set of drawings. If the Sponsor does not provide the "As-Built" drawings within 60 calendar days of completion of the project, as required by this Agreement, the FAA will complete the "As-Built" drawings and bill the Sponsor. The As-Built drawings must show what was actually built, not just the proposed construction.
- D. This agreement is not being funded in whole or in part from an Airport Improvement Program grant.

ARTICLE 4. Points of Contact

A. FAA:

1. The FAA Central Service Area, Planning and Requirements will provide administrative oversight of this Agreement. Kim Brockman is the Lead Planner and liaison with the Sponsor and can be reached at (817) 222-4825 or via email at kim.brockman@faa.gov. This liaison is not authorized to make any commitment, or otherwise obligate the FAA, or authorize any changes which affect the estimated cost, period of performance, or other terms and conditions of this Agreement.

2. The FAA Central Service Area, NAVAIDs Engineering Center will perform the scope of work included in this Agreement. The NAVAIDs Center Manager is the liaison with the Sponsor and can be reached at the phone number or via the email listed below. The liaison is not authorized to make any commitment, or otherwise obligate the FAA, or authorize any changes which affect the estimated cost, period of performance, or other terms and conditions of this Agreement.

FAA NAVAIDs Engineering Center
ATTN: Richard Bellows, Engineering Manager, AJW-2C14C
10101 Hillwood Parkway
Fort Worth, TX 76244
Phone: (817) 222-4085
Email: richard.bellows@faa.gov

3. FAA Contracting Officer: The execution, amendment, and administration of this Agreement must be authorized and accomplished by the Contracting Officer, Bradley K. Logan who can be reached at (817) 222-4395 or via email at brad.logan@faa.gov.

B. Sponsor:

City of McKinney
Kenneth Carley, A.A.E.
Airport Director
1500 E. Industrial Blvd., Suite 201
McKinney, TX 75069
kcarley@flytki.com
972.562.4053

ARTICLE 5. Non-Interference with Operations

The Sponsor understands and hereby agrees that any relocation, replacement, or modification of any existing or future FAA facility, system, and/or equipment covered by this Agreement during its term or any renewal thereof made necessary by Sponsor improvements, changes, or other actions which in the FAA's opinion interfere with the technical and/or operations characteristics of an FAA facility, system, and/or piece of equipment will be at the expense of the Sponsor, except when such improvements or changes are made at the written request of the FAA. In the event such relocations, replacements, or modifications are necessitated due to causes not attributable to either the Sponsor or the FAA, the parties will determine funding responsibility.

ARTICLE 6. Property Transfer

- A. To the extent that the Sponsor provides any material associated with the Project, and to the extent that performance of the requirements of this Project results in the creation of assets constructed, emplaced, or installed by the Sponsor, all such material (buildings, equipment, systems, components, cable enclosures, etc.) and assets will be transferred to and become the property of the FAA upon project completion. For

purposes of this Article 6, "project completion" means that FAA has inspected the specific equipment or construction and has accepted it as substantially complete and ready for use. The creation of an additional agreement will not be required, unless such other agreement is required by the laws of the state in which the subject property is located. The Sponsor and FAA acknowledge by execution of this agreement the FAA will accept the fundamental responsibilities of ownership by assuming all operations and maintenance requirements for all property transferred to the FAA. The transfer of asset(s) will occur on the date the asset(s) is placed in service. It has been determined the subject transfer(s) to FAA is in the best interest of both the Sponsor and FAA.

- B. In order to ensure that the assets and materials subject to this Article remain fully accounted-for and operational, the Sponsor will provide the FAA any additional documents and publications that will enhance the FAA's ability to manage, maintain and track the assets being transferred. Examples may include, but are not limited to, operator manuals, maintenance publications, warranties, inspection reports, etc. These documents will be considered required hand-off items upon Project completion.

ARTICLE 7. Estimated Costs

The estimated FAA costs associated with this Agreement are as follows:

DESCRIPTION OF REIMBURSABLE ITEM	ESTIMATED COST
Labor	
Engineering Support	\$ 82,575.84
Environmental Support	\$ 3,876.00
Labor Subtotal	\$ 86,451.84
Labor Overhead	\$ 17,186.63
Total Labor	\$ 103,638.47
Non-Labor	
Engineering Travel	\$ 4,900.00
Environmental Travel	\$ 2,200.00
Environmental Hazmat Survey	\$ 6,000.00
Drafting	\$ 5,000.00
Supplies/Materials	\$ 3,000.00
Flight Inspection (per Article 3.C.4.e)	\$ 28,000.00
Technical Support Service Contract (TSSC)	\$ 549,000.00
Non-Labor Subtotal	\$ 598,100.00
Non-Labor Overhead	\$ 47,848.00
Total Non-Labor	\$ 645,948.00
TOTAL ESTIMATED COST	\$ 749,586.47

ARTICLE 8. Period of Agreement and Effective Date

The effective date of this Agreement is the date of the last signature. This Agreement is considered complete when the final invoice is provided to the Sponsor and a refund is sent or payment is received as provided for in Article 9 of this Agreement. This Agreement will not extend more than five years beyond its effective date.

ARTICLE 9. Reimbursement and Accounting Arrangements

- A. The Sponsor agrees to prepay the entire estimated cost of the Agreement. The Sponsor will send a copy of the executed Agreement and submit full advance payment in the amount stated in Article 7 to the Reimbursable Receipts Team listed in Section C of this Article. The advance payment will be held as a non-interest bearing deposit. Such advance payment by the Sponsor must be received before the FAA incurs any obligation to implement this Agreement. Upon completion of this Agreement, the final costs will be netted against the advance payment and, as appropriate, a refund or final bill will be sent to the Sponsor, except as described in Section D of this Article. Per U.S. Treasury guidelines, refunds under \$1.00 will not be processed. Additionally, FAA will not bill the Sponsor for amounts less than \$1.00.
- B. The Sponsor certifies that arrangements for sufficient funding have been made to cover the estimated costs of the Agreement.
- C. The Reimbursable Receipts team is identified by the FAA as the billing office for this Agreement. The preferred method of payment for this agreement is via Pay.Gov. The Sponsor can use a check or credit card to provide funding in this manner and receipt-processing time is typically within 3 working days. Alternatively, the Sponsor can mail the payment to the address shown below. When submitting funding by mail, the Sponsor must include a copy of the executed Agreement and the full advance payment. All payments mailed to the FAA must include the Agreement number, Agreement name, Sponsor name, and project location. Payments submitted by mail are subject to receipt-processing delay of up to 10 working days.

FAA payment remittance address using USPS or overnight method is:

Federal Aviation Administration
Reimbursable Receipts Team
800 Independence Ave S.W.
Attn: Rm 612A
Washington D.C. 20591
Telephone: (202) 267-1307

The Sponsor hereby identifies the office to which the FAA will render bills for the project costs incurred as:

City of McKinney
Kenneth Carley, A.A.E.
1500 E. Industrial Blvd., Suite 201
McKinney, TX 75069
kcarley@flytki.com
972.562.4053

- D. The FAA will accept payments under this Article from only one of two sources: either (1) the Sponsor or (2) a Third Party on behalf of the Sponsor, and the same source must make all required payments. If a Third Party makes the payments, then any refund due from FAA upon completion of the Agreement will be returned to that Third Party.
- E. The FAA will provide the Sponsor a quarterly Statement of Account of costs incurred against the advance payment.
- F. The cost estimates contained in Article 7 are expected to be the maximum costs associated with this Agreement but may be amended to recover the FAA's actual costs. If during the course of this Agreement actual costs are expected to exceed the estimated costs, the FAA will notify the Sponsor immediately. The FAA will also provide the Sponsor an amendment to the Agreement which includes the FAA's additional costs. The Sponsor agrees to prepay the entire estimated cost of the amendment. The Sponsor will send a copy of the executed amendment to the Agreement to the Reimbursable Receipts Team with the additional advance payment. Work identified in the amendment cannot start until receipt of the additional advance payment. In addition, in the event that a contractor performing work pursuant to the scope of this Agreement brings a claim against the FAA and the FAA incurs additional costs as a result of the claim, the Sponsor agrees to reimburse the FAA for the additional costs incurred whether or not a final bill or a refund has been sent.

ARTICLE 10. Changes and Amendments

Changes and/or amendments to this Agreement will be formalized by a written amendment that will outline in detail the exact nature of the change. Any amendment to this Agreement will be executed in writing and signed by the authorized representative of each party. The parties signing this Agreement and any subsequent amendment(s) represent that each has the authority to execute the same on behalf of their respective organizations. No oral statement by any person will be interpreted as amending or otherwise affecting the terms of the Agreement. Any party to this Agreement may request that it be amended, whereupon the parties will consult to consider such amendments.

ARTICLE 11. Termination

In addition to any other termination rights provided by this Agreement, either party may terminate this Agreement at any time prior to its expiration date, with or without cause, and without incurring any liability or obligation to the terminated party other than payment of amounts due and owing and performance of obligations accrued, in each case

on or prior to the termination date, by giving the other party at least thirty (30) days prior written notice of termination. Payment of amounts due and owing may include all costs reimbursable under this Agreement, not previously paid, for the performance of this Agreement before the effective date of the termination; the total cost of terminating and settling contracts entered into by the FAA for the purpose of this Agreement; and any other costs necessary to terminate this Agreement. Upon receipt of a notice of termination, the receiving party will take immediate steps to stop the accrual of any additional obligations which might require payment. All funds due after termination will be netted against the advance payment and, as appropriate, a refund or bill will be issued.

ARTICLE 12. Order of Precedence

If attachments are included in this Agreement and in the event of any inconsistency between the attachments and the terms of this Agreement, the inconsistency will be resolved by giving preference in the following order:

- A. This Agreement
- B. The attachments

ARTICLE 13. Legal Authority

This Agreement is entered into under one or more of the following authorities: 49 U.S.C. § 106(l), 31 U.S. Code 6505 Intergovernmental Cooperation Act. Under these authorities, the Administrator of the FAA is authorized to enter into and perform such contracts, leases, cooperative agreements and other transactions as necessary to carry out the functions of the Administrator and the Administration on such terms and conditions as the Administrator considers appropriate. Nothing in this Agreement will be construed as incorporating by reference or implication any provision of Federal acquisition law or regulation.

ARTICLE 14. Disputes

Where possible, disputes will be resolved by informal discussion between the parties. In the event the parties are unable to resolve any dispute through good faith negotiations, the dispute will be resolved by alternative dispute resolution using a method to be agreed upon by the parties. The outcome of the alternative dispute resolution will be final unless it is timely appealed to the Administrator, whose decision is not subject to further administrative review and, to the extent permitted by law, is final and binding (see 49 U.S.C. § 46110).

ARTICLE 15. Warranties

The FAA makes no express or implied warranties as to any matter arising under this Agreement, or as to the ownership, merchantability, or fitness for a particular purpose of any property, including any equipment, device, or software that may be provided under this Agreement.

ARTICLE 16. Insurance

The Sponsor will arrange by insurance or otherwise for the full protection of itself from and against all liability to third parties arising out of, or related to, its performance of this Agreement. The FAA assumes no liability under this Agreement for any losses arising out of any action or inaction by the Sponsor, its employees, or contractors, or any third party acting on its behalf.

ARTICLE 17. Limitation of Liability

To the extent permitted by law, the Sponsor agrees to indemnify and hold harmless the FAA, its officers, agents and employees from all causes of action, suits or claims arising out of the work performed under this Agreement. However, to the extent that such claim is determined to have arisen from the act or omission by an officer, agent, or employee of the FAA acting within the scope of his or her employment, this hold harmless obligation will not apply and the provisions of the Federal Tort Claims Act, 28 U.S.C. § 2671, et seq., will control. The FAA assumes no liability for any losses arising out of any action or inaction by the Sponsor, its employees, or contractors, or any third party acting on its behalf. In no event will the FAA be liable for claims for consequential, punitive, special and incidental damages, claims for lost profits, or other indirect damages.

ARTICLE 18. Civil Rights Act

The Sponsor will comply with Title VI of the Civil Rights Act of 1964 relating to nondiscrimination in federally assisted programs.

ARTICLE 19. Protection of Information

The parties agree that they will take appropriate measures to identify and protect proprietary, privileged, or otherwise confidential information that may come into their possession as a result of this Agreement.

ARTICLE 20. Security

In the event that the security office determines that the security requirements under FAA Order 1600.72A applies to work under this Agreement, the FAA is responsible for ensuring that security requirements, including compliance with AMS clause 3.14.2.1, Contractor Personnel Suitability Requirements are met.

ARTICLE 21. Entire Agreement

This document is the entire Agreement of the parties, who accept the terms of this Agreement as shown by their signatures below. In the event the parties duly execute any amendment to this Agreement, the terms of such amendment will supersede the terms of this Agreement to the extent of any inconsistency. Each party acknowledges participation in the negotiations and drafting of this Agreement and any amendments thereto, and, accordingly that this Agreement will not be construed more stringently

against one party than against the other. If this Agreement is not executed by the Sponsor within 120 calendar days after the FAA transmits it to the Sponsor, the terms contained and set forth in this Agreement shall be null and void. Additionally, the FAA expects this agreement to be funded within 120 days of execution, if funding is not received by that date; the FAA may exercise the right to renegotiate estimated costs.

AGREED:

**FEDERAL AVIATION
ADMINISTRATION**

CITY OF MCKINNEY

SIGNATURE _____
NAME _____
TITLE Contracting Officer
DATE _____

SIGNATURE _____
NAME _____
TITLE _____
DATE _____