

Exhibit A
SCOPE OF WORK

1. PROJECT DESCRIPTION: Section 288.101, Florida Statutes (“F.S.”), established the Florida Job Growth Grant Fund (the “Program”) to promote economic opportunity by improving public infrastructure and enhancing workforce training. Funds provided pursuant to this Agreement must be used to support State or local public infrastructure projects that promote economic recovery in specific regions of the state, economic diversification, or economic enhancement in a targeted industry.

Grantee has been awarded \$1,978,322.00 for the Marianna Airport Commerce Park Runway extension project. Funds will be used to lengthen Runway #18/36 from 4,900 feet to 6,000 feet. The current runway is insufficient to accommodate large business jets and makes it difficult to attract potential businesses within the aerospace industries. This project will increase the Grantee’s ability to attract aviation related businesses and improve the Grantee’s competitive posture in the southeastern United States.

2. GRANTEE RESPONSIBILITIES:

a. COMMENCEMENT.

1) Execution of this Agreement by the Parties shall be deemed a Notice to Proceed to Grantee for the design phase of the Project. **Unless expressly agreed to in writing by DEO, any work performed prior to the Effective Date is not eligible for reimbursement.**

2) Grantee shall provide one copy of the final signed and sealed design plans, signed and sealed specifications, and final bid documents to DEO’s Agreement Manager prior to commencing construction of the Project. Prior to commencing the construction work described in this Agreement, Grantee shall request a Notice to Proceed from DEO’s Agreement Manager for this Agreement. **Unless expressly agreed to in writing by DEO, any construction work performed prior to the issuance of the Notice to Proceed for construction is not eligible for reimbursement.**

3) Unless terminated earlier, work on the Project shall commence on [DATE] (the “Commencement Date”), and shall be completed on or before the fifth anniversary of the Effective Date (the “Completion Date”). DEO shall have the immediate right to terminate this Agreement if Grantee fails to commence the construction of the Project by the Commencement Date or complete work by the Expiration Date and, in each case, provide evidence of the same to DEO upon DEO’s request to DEO’s reasonable satisfaction. If construction in connection with the Project does not commence within two (2) years of the date of the initial notice of grant award, attached and incorporated into this Agreement as **Exhibit D, Notice of Grant Award**, DEO may immediately terminate this Agreement.

4) Notwithstanding anything in this Agreement to the contrary, any funds not obligated under this Agreement by June 30, 2022 shall be forfeited and shall revert back to DEO.

b. DESIGN AND CONSTRUCTION STANDARDS AND REQUIRED APPROVALS.

1) Grantee shall undertake the design, construction, and Consultant Construction Engineering Inspection (“CCEI”) of the Project in accordance with all applicable federal, state and local statutes, rules and regulations, including any other applicable standards and specifications. A professional engineer, registered in Florida, shall provide the certification that all design and construction for the Project meets the minimum construction standards established by Grantee.

2) Grantee shall certify to DEO that Grantee’s design consultant and/or construction contractor has secured the necessary permits, including but not limited to, building permits. Grantee shall provide to DEO certification and a copy of appropriate documentation substantiating that all required right-of-way necessary for the Project have been obtained. If Grantee fails to provide each required certification to DEO on or before the Commencement Date, DEO may, in its sole discretion, terminate this Agreement.

3) Grantee shall provide to DEO its written notification of either its intent to:

- a) Award the construction of the Project to a contractor which is the lowest, responsive, and responsible bidder in accordance with applicable state and federal statutes, rules, and

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regulations. Grantee shall then submit a copy of the bid tally sheet(s) and awarded bid contract, or

- b) Construct the Project utilizing existing Grantee employees, whose qualifications have been reviewed and approved by DEO, if Grantee can complete said Project within the time frame in Section 1 of this Agreement.
 - 4) If the Project is procured pursuant to Chapter 255 for construction services and at the time of the competitive solicitation for the Project 50 percent or more of the cost of the Project is to be paid from state-appropriated funds, then Grantee must comply with the requirements of Sections 255.0991 and 255.0992, F.S.
 - 5) Grantee is responsible for the preparation of all design plans for the Project. Grantee shall hire a qualified consultant for the design phase of the Project using Grantee's normal procurement procedures to perform the design services for the Project.
 - 6) Grantee shall hire a qualified contractor using Grantee's normal bid procedures to perform the construction work for the Project.
 - 7) Grantee shall hire a qualified CCEI to perform construction oversight including the obligation to assure that any and all verification testing is performed in accordance with, as applicable, the 2014 Standard Specifications for Road and Bridge Construction, as amended from time to time. DEO shall have the right, but not the obligation, to perform independent assurance testing during the course of construction of the Project. The CCEI firm may not be the same firm as that of the Engineer of Record for the Project.
 - 8) Grantee shall require Grantee's contractor to post a payment and performance bond in accordance with Section 337.18(1), Florida Statutes.
 - 9) Grantee shall carry or require its contractor/subcontractor/consultant/subconsultant to carry and keep in force during the period of this Agreement a general liability insurance policy or policies with a company or companies authorized to do business in Florida, affording public liability insurance with combined bodily injury limits of at least \$100,000 per person and \$300,000 each occurrence, and property damage insurance of at least \$100,000 each occurrence, for the services to be rendered in accordance with this Agreement. In addition to any other forms of insurance or bonds required under the terms of this Agreement, when it includes construction within the limits of a railroad right-of-way, Grantee must provide or cause its contractor to provide insurance coverage in accordance with Section 7-13 of DEO's Standard Specifications for Road and Bridge Construction (2014), as amended.
 - 10) Grantee shall be responsible for ensuring that the construction work under this Agreement is performed in accordance with the approved construction documents, and that it meets any other applicable standards.
 - 11) Grantee shall expend funds provided pursuant to this Agreement in a timely manner and solely for the purpose of the approved Project. Grantee shall not use the funds for the purchase or planting of any landscape, mitigation, the installation or relocation of utilities, for any legal action against the State or DEO, or costs associated with preparation of the Proposal.
 - 12) Upon completion of the work authorized by this Agreement, Grantee shall notify DEO in writing of the completion of construction of the Project; and for all design work that originally required certification by a Professional Engineer, this notification shall contain an Engineers Certification of Compliance, signed and sealed by a Professional Engineer, the form of which is attached hereto as Exhibit F. The certification shall state that work has been constructed in compliance with the Project design plans and specifications. If any deviations are found from the approved plans, the certification shall include a list of all deviations along with an explanation that justifies the reason to accept each deviation. All deviations shall have had prior written approval from DEO in advance of the deviation being constructed.
 - 13) Upon completion of the Project, Grantee shall be responsible for the perpetual maintenance of the facilities on its system that are constructed under this Agreement as agreed to in Exhibit E. The terms of this provision shall survive the termination of this Agreement and may be enforced by DEO.
- c. **RETURN ON INVESTMENT.** Grantee's failure to meet the Return on Investment criteria set forth herein will result in the additional financial consequences set forth in Section 5, below.

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1) Grantee shall certify that a private capital investment (excluding the acquisition or leasing of real property) of at least **[\$AMOUNT]** has been made and paid for by private businesses at the location of the Project or in connection with the Project, calculated as set forth in section 13 of this Scope of Work, after the Effective Date and on or before December 31st of the year on which the ten (10) year anniversary of the Completion Date falls (such date, the “Capital Investment Date”).

2) Grantee shall certify that at least **[NUMBER]** New Jobs have been created as a result of the Project, calculated as set forth in Section 13 of this Scope of Work, after the Effective Date and on or before December 31st of the year on which the ten (10) year anniversary of the Completion Date falls (such date, the “Job Creation Date”).

3) Grantee shall certify that **[NUMBER]** Retained Jobs have been retained as a result of the Project, calculated as set forth in Section 13 of this Scope of Work.

d. Grantee shall complete construction to extend Runway #18/36 from 4,900 feet to 6,000 feet in accordance with approved engineering designs and in compliance with all required permits.

3. **DEO’S RESPONSIBILITIES:** DEO shall monitor progress, review reports, conduct site visits, as determined necessary by DEO, and process payments to Grantee.

4. **DELIVERABLES:** Grantee shall provide the following services as specified:

Deliverable No. 1: Construction of Runway #18/36 Extension		
Tasks	Minimum Level of Service	Financial Consequences
Complete construction of the runway extension in accordance with Section 2 of Scope of Work.	Grantee may request reimbursement upon completion of construction in the following increments: 10%, 20%, 30%, 40%, 50%, 60%, 70%, 80%, 90% and 100%, evidenced by the following documentation: a. Completed AIA Forms G702 and G703, signed by a licensed professional certifying to the percentage of project completion; b. Photographs of project in progress; and c. Invoice package in accordance with Section 7 of the Scope of Work. DEO shall retain 10% of total grant award (\$197,832.20) to be paid upon evidence of 100% construction completion.	Failure to complete the minimum level of service will result in non-payment.
DELIVERABLE NOT TO EXCEED: \$1,978,322.00		
TOTAL AMOUNT NOT TO EXCEED \$1,978,322.00		

5. **Additional Financial Consequences:** The following financial consequences apply under the following circumstances:

a. **RETURN ON INVESTMENT.** If Grantee does not satisfy the requirements set forth in Section 2(c)(1) of this Scope of Work, then DEO may demand, and Grantee shall repay to the State, a prorated amount of forty percent (40%) of the total award under this Agreement. If Grantee does not satisfy the requirements set forth in Section 2(c)(2) and (3) of this Scope of Work, then DEO may demand, and Grantee shall repay to the State, a prorated amount of one hundred percent (100%) of the total award under this Agreement. If Grantee has not received reimbursement for the total amount of funds

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available under this Agreement, then DEO will reduce the total award amount under this Agreement by an amount equal to such sanction, and Grantee shall only be required to repay out of Grantee's funds the difference thereon. DEO has the right, in its sole discretion, to demand repayment of all funds provided to Grantee under this Agreement if Grantee has not met all of the performance requirements set forth herein as of the Expiration Date or the date this Agreement is otherwise terminated. If DEO makes such a demand for repayment, Grantee shall remit funds to DEO within twenty-four (24) months of such demand. In addition to any other remedies available to DEO, in the event that Grantee fails to remit such funds to DEO within twenty-four (24) months of such demand, then the amounts due from Grantee will accumulate interest from the date of such demand until the repayment. DEO will calculate interest based on a 365-day year using a fixed annual rate equal to 500 basis points over the "Prime Rate" as reported in *The Wall Street Journal* on the Effective Date. DEO shall calculate interest on the basis of the number of days elapsed after the 24th month and until the day Grantee actually makes repayment. Notwithstanding anything in Sections 4 and 5 of this Scope of Work to the contrary, in no event shall the aggregate sanctions imposed pursuant to Sections 4 and 5 of this Scope of Work exceed the total award under this Agreement plus interest, if any, as determined pursuant to this Section 5.

- b. Grantee shall only be eligible for its pro rata costs relative to its timely completion of the Project, and DEO shall withhold the remainder until the earlier of Grantee's realization of timely performance under the work schedule, or completion of the Project. For example, if Grantee submits an invoice for reimbursement for \$100,000 and the project is behind schedule by 10%, then Grantee shall only be reimbursed for \$90,000, and the remaining \$10,000 will be withheld.
- c. Notwithstanding anything in this Scope of Work to the contrary, subject to the terms and conditions of this Section 5(c), DEO hereby grants to Grantee the one-time right, privilege and option (the "Option") to extend the Expiration Date, the Completion Date, the Job Creation Date, and the Capital Investment Date by twelve (12) months. In the event that Grantee exercises the Option, within ten (10) business days of exercising the Option, Grantee shall pay to DEO a sanction equal to ten percent (10%) of the total award under this Agreement. The Option shall be exercisable in whole but not in part at any time from and after the Effective Date. Grantee may exercise the Option by delivering to DEO written notice of Grantee's intention to exercise the Option (an "Exercise Notice"). Upon DEO's receipt of an Exercise Notice, the exercise of the Option shall be irrevocable.
- d. The Parties acknowledge and agree that the remedies set forth in this Section 5 constitute liquidated damages and that in the event of a breach of this Scope of Work, the actual damages suffered by DEO would be unreasonably difficult to determine and that the Parties would not have a convenient and adequate alternative to the liquidated damages set forth in Sections 4 and 5 of this Scope of Work. Each of the Parties further acknowledges and agrees that the liquidated damages provided in Sections 4 and 5 of this Scope of Work bears a reasonable relationship to the anticipated harm that would be caused by any such breach, is a genuine pre-estimate of the damages that DEO will suffer or incur as a result of any such breach, and is not a penalty. Grantee irrevocably waives any right that it may have to raise as a defense that any such liquidated damages are excessive or punitive. The Parties acknowledge that the provisions contained in Sections 4 and 5 of this Scope of Work are an integral part of the transactions contemplated by this Agreement and that without these provisions DEO would not enter into this Agreement.

6. REPORTING:

- a. Quarterly: Grantee shall report on a quarterly basis all progress relating to the tasks identified in Section 4. Quarterly reports are due to DEO no later than 30 calendar days after the end of each quarter of the program year and shall be sent each quarter until submission of the administrative close-out report. The ending dates for each quarter of the program year are September 30, December 31, March 31, and June 30. The quarterly report shall include a summary of project progress, indicating percentage of completion of each task identified in Section 4, and the Minority and Service-Disabled Veteran

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Business Enterprise Report required in this Agreement. The summary shall also include any issues or events occurring which affect the ability of Grantee to meet the terms of this Agreement.

- b. Close-out Report: No later than 60 calendar days after this Agreement ends or is terminated, Grantee shall provide copies of all paid invoices to document completed work.
- c. Follow-up Reports: By no later than January 31st of the year immediately following the year on which the ten (10) year anniversary of the Completion Date falls, Grantee shall provide DEO with a written certification of the actual number of New Jobs created by each business as a result of the Project (including the name of each business), Retained Jobs retained by each business as a result of the Project (including the name of each business) (if applicable), and the amount of private capital investment made and paid for by private businesses at the location of the Project or in connection with the Project after the Effective Date (including the name of each business). This paragraph will survive termination of this Agreement.

7. INVOICE SUBMITTAL AND PAYMENT SCHEDULE: DEO shall pay Grantee in accordance with the following schedule in the amount identified per deliverable in Section 4 above. The deliverable amount specified does not establish the value of the deliverable. In accordance with the Funding Requirements of s. 215.971(1), F.S. and Section 5 of this Agreement, Grantee and its subcontractors may only expend funding under this Agreement for allowable costs resulting from obligations incurred during this Agreement. To be eligible for reimbursement, costs must be in compliance with laws, rules and regulations applicable to expenditures of State funds, including, but not limited to, the Reference Guide for State Expenditures (http://www.myfloridacfo.com/aadir/reference_guide/).

- a. Grantee shall provide one invoice per month for all services rendered during the applicable period of time.
- b. The following documents shall be submitted with the itemized invoice:
 - 1) A cover letter signed by Grantee's Agreement Manager certifying that the costs being claimed in the invoice package: (1) are specifically for the project represented to the State in the budget appropriation; (2) are for one or more of the components as stated in Section 4, DELIVERABLES, of this SCOPE OF WORK; (3) have been paid; and (4) were incurred during this Agreement.
 - 2) Grantee's invoices shall include the date, period in which work was performed, amount of reimbursement, and work completed to date;
 - 3) A certification by a licensed engineer using AIA forms G702 and G703, or their substantive equivalents, certifying that the project, or a quantifiable portion of the project, is complete.
 - 4) Photographs of the project in progress and completed work;
 - 5) A copy of all supporting documentation for vendor payments;
 - 6) A copy of the cancelled check(s) specific to the project; and
 - 7) A copy of the bank statement that includes the cancelled check.
- c. The State may require any other information from Grantee that the State deems necessary to verify that the services have been rendered under this Agreement.
- d. All documentation necessary to support payment requests must be submitted with Grantee's invoice for DEO's review.

8. FINANCIAL CONSEQUENCES FOR FAILURE TO TIMELY AND SATISFACTORILY PERFORM: Failure to complete the deliverables and/or tasks in accordance with the requirements of this Agreement, and in particular, as specified above in Section 4, DELIVERABLES, will result in DEO's assessment of the specified financial consequences. If appropriate, should the Parties agree in writing to a corrective action plan in lieu of the immediate imposition of financial consequences, the plan shall specify additional financial consequences to be applied after the effective date of the corrective action plan. This provision for financial consequences shall in no manner affect DEO's rights under this Agreement, at law, or in equity, including but not limited to, DEO's right to terminate this Agreement as provided elsewhere in this Agreement. Grantee's payment of imposed financial consequences shall be in accordance with applicable provisions of this Agreement, and this Scope of Work.

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9. **NOTIFICATION OF INSTANCES OF FRAUD:** Upon discovery, Grantee shall report all known or suspected instances of Grantee, or Grantee's agents, contractors, or employees, operational fraud or criminal activities to DEO's Agreement Manager in writing within 24 chronological hours.

10. **GRANTEE'S RESPONSIBILITIES UPON TERMINATION:** If DEO issues a Notice of Termination to Grantee, except as otherwise specified by DEO in that notice, Grantee shall: (1) stop work under this Agreement on the date and to the extent specified in the notice; (2) complete performance of such part of the work as shall not have been terminated by DEO; (3) take such action as may be necessary, or as DEO may specify, to protect and preserve any property which is in the possession of Grantee and in which DEO has or may acquire an interest; and (4) upon the effective date of termination of this Agreement, Grantee shall transfer, assign, and make available to the DEO all property and materials belonging to DEO. No extra compensation will be paid to Grantee for its services in connection with such transfer or assignment.

11. **NON-DISCRIMINATION:** Grantee shall not discriminate unlawfully against any individual employed in the performance of this Agreement because of race, religion, color, sex, physical handicap unrelated to such person's ability to engage in this work, national origin, ancestry, or age. Grantee shall provide a harassment-free workplace, with any allegation of harassment to be given priority attention and action.

12. **DISPOSITION OF PROJECT PROPERTY:**

- a. Pursuant to the NONEXPENDABLE PROPERTY Section of this Agreement, upon termination of this Agreement, Grantee is authorized to retain ownership of any nonexpendable property purchased under this Agreement; however, Grantee hereby grants to DEO a right of first refusal in all such property prior to disposition of any such property during its depreciable life, in accordance with the depreciation schedule in use by Grantee, Grantee shall provide written notice of any such planned disposition and await DEO's response prior to disposing of the property. "Disposition" as used herein, shall include, but is not limited to, Grantee no longer using the nonexpendable property for the uses authorized herein; the sale, exchange, transfer, trade-in, or disposal of any such nonexpendable property. DEO, in its sole discretion, may require Grantee to refund to DEO the fair market value of the nonexpendable property at the time of disposition rather than taking possession of the nonexpendable property.
- b. Grantee shall provide advance written notification to DEO, if during the five-year period following the termination of this Agreement, Grantee proposes to take any action that will impact Grantee's ownership of this Agreement property or modify the use of this Agreement property from the purposes authorized herein. If either of these situations arise, DEO shall have the right, in DEO's sole discretion, to demand that Grantee reimburse DEO for part or all of the funding provided to Grantee under this Agreement.
- c. Upon termination of this Agreement, Grantee shall be authorized to retain ownership of the improvements to real property set forth in this Agreement in accordance with the following:
 - 1) Grantee is authorized to retain ownership of the improvements to real property so long as:
 - (1) Grantee is not sold, merged or acquired; (2) the real property subject to the improvements is owned by Grantee; and (3) the real property subject to the improvements is used for the purposes provided in this Agreement.
 - 2) If within five years of the termination of this Agreement, Grantee is unable to satisfy the requirements stated above, Grantee shall notify DEO in writing of the circumstances that will result in the deficiency upon learning of it, but no later than 30 calendar days prior to the deficiency occurring. In such event, DEO shall have the right, within its sole discretion, to demand reimbursement of part or all of the funding provided to Grantee under this Agreement.

13. **CRITERIA FOR MEASURING RETURN ON INVESTMENT:**

- a. **Project Jobs Definitions and Determination.** The following definitions and procedures will be used in determining and reporting the number of new jobs created as a result of the Project.

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- 1) New Job – means a full-time salaried employee, or a full-time equivalent (an “FTE”) employee who works at least 35 paid hours per week, created as a result of the Project. New Jobs may include positions obtained from a temporary employment agency or employee leasing company, through a union agreement, or co-employment under a professional employer organization agreement that result directly from the Project in this state. New Jobs may not include temporary or seasonal jobs associated with cyclical business activities, or to substitute for permanent employees on a leave of absence, or temporary construction jobs related to the Project. In tabulating hours worked, any paid leave an employee takes during the pay period, such as vacation or sick leave, may be included. Jobs only constitute New Jobs if they are created on or after the Effective Date, **and only if** they result in a net increase in overall employment as a result of the Project. Jobs are **not** considered new if they moved from another Florida location to the location of the Project, unless the relocated positions are back-filled with net new-to-Florida full-time-equivalent jobs paying at least the wage of the transferred position(s).
 - 2) Retained Jobs – Retained Jobs are jobs that would have been eliminated, or relocated to another Florida location or outside of the state, if the Project was not undertaken by Grantee.
 - 3) Leased Employees – Leased employees may be counted toward Grantee’s jobs requirement if they are engaged to meet an on-going labor requirement directly resulting from the Project. Independent Contractors meeting the criteria of leased employees may also be counted towards Grantee’s job requirement so long as the actual wages paid, excluding expenses, by a business are documented on a form 1099 Miscellaneous Income to the individual person. Unless payments are in substance for individual independent contractors, payments made to limited liability companies or other business entities (identified on the 1099 with an FEIN) generally do not qualify as New Jobs as they relate to the “fee-for-service” arrangement described below. Employees of a business that has entered into a fee-for-service contract with a business benefiting from the Project in which the primary purpose of the contract is to perform services (rather than to provide individual employees) are not Project Jobs. Examples of fee-for-service contracts in which the service providers’ employees are generally not considered “New Jobs” include, but are not limited to, mail-room services, janitorial and landscaping services, food-service providers, accounting services provided by independent certified public accounting firms and legal services provided by law firms.
- b. **Calculation of Project Jobs.** The following methods will be used to determine the number of Project Jobs.
- 1) Monthly Head count of Salaried Project Jobs: For salaried Project Jobs, add the monthly totals of salaried full-time jobs and divide by the number of months.
 - 2) Monthly Average of FTE Project Jobs: For FTE Project Jobs, add the hours worked each month by hourly employees and divide by 151.6 hours (*1,820 hours per year divided by 12 months*) to calculate the number of FTE Project Jobs. If Grantee uses pay periods of less than one month, total all of the reported hours worked by the FTEs during the Performance Certification Period and divide by 1,820 (*35 hours x 52 weeks*) to determine the average FTE employment for the Period. No individual may be considered more than one FTE regardless of the number of hours worked by such individual.
 - 3) New Job Calculation – The number of New Jobs created on or after the Effective Date must equal or exceed the number of jobs in existence prior to the Effective Date. The number of New Jobs required to be created in accordance with this Scope of Work for the applicable performance period must exceed the number of existing jobs plus the number of New Jobs created in any performance period.
- c. **Determination of Capital Investment.** DEO accepts as capital investment so-called “hard” costs (such as construction and renovations of buildings, and acquisition of equipment) and “soft” costs (such as eligible capitalized labor, architectural and engineering services, and document printing and mailing costs). Eligible capital investment expenditures are those that are ordered/invoiced and paid for on or after the Effective Date and before the Capital Investment Date.

- *End of Exhibit A (SCOPE OF WORK)* -

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