

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2011	2012	2013	2014	2015
Capital Expenditures	\$3,155,873	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	(\$2,761,389)	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	\$ 394,484	_____	_____	_____	_____
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes X No _____
 Budget Account No: Fund 4111 Department 121 Unit A283 Object 6504
 Reporting Category _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Approval of this item will provide budget for the contract in Account No. 4111-121-A283-6504.
 Funding sources are FAA and FDOT Grants and PFC Revenues.

C. Departmental Fiscal Review: CM Simms

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:

[Signature]
 OFMB
 VA
 9/20/10
 9/17/10

[Signature] / E Jones 9/22/10
 Contract Dev. and Control

B. Legal Sufficiency:

[Signature] 9/23/10
 Assistant County Attorney

This Contract complies with our contract review requirements.

C. Other Department Review:

 Department Director

Palm Beach County

**Palm Beach International Airport
EMAS Improvements Departure end of Runway 14 (RW 32 end Safety Area)
A.I.P. 3-12-0085-053-2010; FDOT 424449-1-94-01**

Date: September 14, 2010

Engineered Arresting Systems Corporation (ESCO)
2239 High Hill Road
Logan Township, NJ 08085

ESCO will provide materials as identified herein and on-site support services to facilitate the installation of Engineered Materials Arresting System (EMAS) block system. ESCO agrees to furnish the materials and equipment defined below, transportation and insurance; and to provide on-site support services as needed to assist in the Contractor's (Contractor or General Contractor shall refer to the firm selected through a separate, standard competitive bid process and paid by Palm Beach County (hereinafter referred to as The Owner) to perform the project construction) performance of its work to the satisfaction of and in compliance with the directions of the Owner and Owner's Engineer.

Palm Beach County agrees this Contract does not obligate ESCO to provide the overall design for the EMAS project or its sub-base, to construct the bed, or install the EMAS, and the Owner shall make arrangements separately for those services. However, as conditions of ESCO's warranty, the Owner must retain control of their installers and contractors and must require that those persons or entities cooperate to allow ESCO to review the construction documents for compliance with ESCO's installation specifications and Warranty Requirements Contractor must perform installation of EMAS in accordance with the requirements of the project design, drawings, specifications and installation Statement of Work.

Palm Beach County Office of Inspector General: Pursuant to Ordinance No. 2009-049, Palm Beach County has established the Office of the Inspector General, which is authorized and empowered to review past, present and proposed County contracts, transactions, accounts and records. All contractors and parties doing business with the County and receiving County funds shall fully cooperate with the Inspector General. The Inspector General has the power to subpoena witnesses, administer oaths, require the production of records, and to audit, investigate, monitor, and inspect the activities of the contractor, its officers, agents, employees, and lobbyists in order to ensure compliance with contract specifications and to detect waste, corruption and fraud. Where applicable, the cost of the Inspector General's Office shall be incorporated into the contract price of all contracts and shall be one quarter (1/4) of one (1) percent of the contract price.

Total Price **\$ 3,155,873**

ESCO shall provide:

1. 2310 EMAS blocks (\$1106 each). Blocks will be invoiced on a monthly basis and be based on number of blocks stored and insured at or near ESCO's Logan Township, NJ facility when produced. Each block invoiced 1/2310th of the total price for blocks.
Price for this item **\$ 2,554,860**

2. Shipping: ESCO to ship blocks to the Airport to meet installation schedule (estimated at May 2011). ESCO will furnish Owner with evidence that the materials are insured against cargo loss and damage during shipping to the Airport, and that the Owner is listed as an additional insured on freight carrier's insurance policy. Shipping to be invoiced monthly based on percentage of completion of shipping.
Price for this item **\$ 219,406**

3. Installation support materials: debris deflector, backer rod, caulk, silicone seam seal, extruded silicone membrane, side vents. ESCO will also provide 1% (30) of the total number of blocks identified in Paragraph 1 above as spares to replace reasonable losses during shipping. These replacement blocks will not be separately priced, and any replacement blocks not used during the installation will be loaded by Contractor (along with other unused materials and shipping materials) and returned to ESCO without credit to the Owner. Installation materials to be invoiced as they are stored at or near ESCO's Logan Township, NJ facility.
Price for this item **\$ 209,044**

4. ESCO's onsite support services (installation advisors for the block installation). Owner must make it a condition of their construction contract that Contractor will be trained by ESCO on the proper handling and placement of the EMAS material and related subjects during the initial phase of the installation. ESCO shall monitor the progress and quality of the work.. ESCO shall notify Owner if Contractor deviates from manufacturers specifications for installation of an EMAS or the Statement of Work. ESCO shall instruct Contractor, as hired and paid by Owner, on installation specifications and requirements prior to start of installation, instruct airport maintenance crew on EMAS bed maintenance as outlined in the IMR (Inspection Maintenance & Repair) manual, confirm installation is in compliance with the United States FAA Advisory Circular 150/5220-22A. Any material losses incurred during the installation by the installer hired by the Owner shall be invoiced separately by ESCO at the same unit price identified in paragraph 1 above, plus shipping. Pricing for the onsite support service is predicated on installation of the EMAS block system being completed no later than August 31, 2011. If the installation is delayed beyond that time, ESCO shall be entitled to an equitable adjustment of its compensation for providing onsite support services. This support will be invoiced monthly based on the percent of completion at that time.
Price for this item **\$ 172,563**

5. Terms & conditions: The Owner will pay ESCO's invoice for materials and services received in accordance with the Florida Prompt Payment Act, Chapter 218.70, State of

Florida Statutes. The Owner agrees to pay for EMAS blocks and installation materials, which are stored in ESCO's storage facility at or near ESCO's Logan Township, NJ plant, provided ESCO furnishes the Owner with evidence of quality and quantity of the EMAS blocks. Title and risk of loss transfers at the time of invoicing. Price includes insurance policy, provided by ESCO on behalf of the Owner, by adding the Owner as an additional insured on such policy, against loss by damage to or disappearance of such blocks at any time prior to successful shipment to the Palm Beach International Airport. Without changing the contract price, each invoice for payment shall be subject to the Inspector General fee of 0.25%, where applicable, to defray costs of the Office of Inspector General in accordance with Ordinance No. 2009-049, as may be amended.

6. Total price comprises 2,310 (4' x 4') jet-blast-resistant (JBR) EMAS blocks (EMAS arrestor bed size: 222.72 ft (55 Rows) long by 170.1 ft (42 Columns) wide) and associated installation support as described above. Prices will be prorated up or down if the final bed size approved by FAA is larger or smaller than described herein.
7. Notice to proceed (NTP) is granted upon full execution of this contract. Shipment of blocks will begin at a time mutually agreed upon between ESCO and the Owner as required to meet the Contractor's schedule. ESCO will make good faith, reasonable efforts to accommodate the schedule established by the contractor retained to construct the EMAS bed, provided that ESCO is given sufficient advance notice of the schedule. Owner understands price to be adjusted for extended storage if the blocks are stored for more than two months beyond the target date for installation in ESCO's storage facility (cost approximately \$1660 per month) or more than two weeks beyond target installation start in the trailers onsite (\$775 per trailer per month).
8. Once the blocks are shipped to the Airport, they are to be stored in trailers at a secured location until time for installation. Storage site at Airport to be provided by Owner at no charge to ESCO. Blocks will be shipped starting approximately 2 weeks prior to installation start. Contractor shall immediately assume responsibility for the control and condition of the blocks and installation materials at the airport. Loading and unloading of EMAS blocks and installation support materials shall be by Contractor under the guidance of ESCO's installation support personnel.
9. **WARRANTY & LIABILITY – NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN OR IN ANY OTHER DOCUMENT OR AGREEMENT PERTAINING TO THE EMAS, ESCO IS NOT PROVIDING ANY WARRANTY, INDEMNITY OR HOLD HARMLESS TO ANY PARTY EXCEPT AS SPECIFICALLY PROVIDED IN ESCO'S STANDARD LIMITED WARRANTY, WHICH IS ATTACHED HERETO. THE OWNER ACKNOWLEDGES THAT IT HAS HAD THE BENEFIT OF COUNSEL IN UNDERSTANDING ITS RIGHTS UNDER THIS PURCHASE ORDER AND THE LIMITED WARRANTY EXTENDED TO IT BY ESCO.**
10. Semi-annual inspections of the installed EMAS to be provided by ESCO for one year after date of final acceptance at no additional cost.

11. No sales/use or other taxes are included in the above figures, and under no circumstances shall ESCO be liable for any sales, use or similar tax. In the event sales and/or use taxes are levied against ESCO by either the State, County, City or municipality, the Owner expressly assumes liability for any such sales/use or other taxes.
12. Either of ESCO or Owner shall have the right to terminate this Agreement following a material breach by the other party if the party seeking to terminate has provided the other party with sixty (60) days written notice specifying such breach and the other party has failed to cure. In such event, this Agreement shall terminate and ESCO shall be entitled to receive from Owner payment for the percentage of services performed through the date of termination, including EMAS blocks and installation materials produced and not shipped.
13. ESCO agrees to indemnify and hold harmless the County and its officials, officers, and employees from and against all damages, costs (including reasonable attorneys' fees) and losses relating to third party claims, suits, or other legal proceedings arising from or attributed to ESCO's employees' negligent, reckless or intentionally wrongful conduct while on the airfield providing technical support services during installation of the EMAS.
14. ESCO is familiar with, and certifies that all work shall comply with, all Federal, State and Local laws, ordinances, rules and regulations that in any way affect the cost, progress or performance of the Work. Failure of ESCO to be familiar with applicable laws, ordinances, rules and regulations will in no way relieve ESCO from the responsibility of complying with the applicable laws, ordinances, rules and regulations.
15. Airport work hours available from 8a.m. to 5p.m. at minimum based on 5 days per week minimum.
16. FAA contract clauses are attached hereto as Exhibit 1 and shall be incorporated as if fully restated herein.
17. ESCO shall provide insurance as required on the attached sheet prior to beginning delivery of materials (Exhibit 2).
18. Purchase Orders. No provision of any Owner issued purchase order or other Owner document shall alter or add to this Agreement.

ATTEST: SHARON R. BOCK, Clerk & Comptroller

COUNTY: PALM BEACH COUNTY, FLORIDA BY ITS BOARD OF COUNTY COMMISSIONERS

BY: _____
Deputy Clerk
(SEAL)

BY: _____
Burt Aaronson, Chairman

ATTEST: [Signature]
BY: NICHOLAS M. GALLAGHER
ASST. Secretary

CONTRACTOR: ENGINEERED ACCESSIBILITY SYSTEMS CORP.
BY: [Signature]
TITLE: EXECUTIVE VICE PRESIDENT

(CORPORATE SEAL)

APPROVED TO AS TO TERMS AND CONDITIONS

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

BY: [Signature]
Director of Airports

BY: _____
County Attorney

Exhibit 1 - FAA REQUIRED CONTRACT CLAUSES - EQUIPMENT

Exhibit 2 - INSURANCE

ESCO shall carry and maintain at least the minimum insurance as specified until completion and acceptance of the work.

Exhibit 3 - ESCO'S STANDARD LIMITED WARRANTY

Exhibit 4 - CUSTOMER INFORMATION

Exhibit 1: FAA REQUIRED CONTRACT CLAUSES - EQUIPMENT

BUY AMERICAN PREFERENCES

(a) The Aviation Safety and Capacity Expansion Act of 1990 provides that preference be given to steel and manufactured products produced in the United States when funds are expended pursuant to a grant issued under the Airport Improvement Program. The following terms apply:

1. Steel and manufactured products. As used in this clause, steel and manufactured products include (1) steel produced in the United States or (2) a manufactured product produced in the United States, if the cost of its components mined, produced or manufactured in the United States exceeds 60 percent of the cost of all its components and final assembly has taken place in the United States. Components of foreign origin of the same class or kind as the products referred to in subparagraphs b. (1) or (2) shall be treated as domestic.

2. Components. As used in this clause, components means those articles, materials, and supplies incorporated directly into steel and manufactured products.

3. Cost of Components. This means the costs for production of the components, exclusive of final assembly labor costs.

(b) The successful bidder will be required to assure that only domestic steel and manufactured products will be used by the Contractor, subcontractors, material, men and suppliers in the performance of this contract, except those:

1. that the US Department of Transportation has determined, under the Aviation Safety and Capacity Expansion Act of 1990, are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality;

2. that the US Department of Transportation has determined, under the Aviation Safety and Capacity Expansion Act of 1990, that domestic preference would be inconsistent with the public interest; or

3. that inclusion of domestic material will increase the cost of the overall project contract by more than 25 percent.

BUY AMERICAN CERTIFICATE

By submitting a bid/proposal under this solicitation, except for those items listed by the offeror below or on a separate and clearly identified attachment to this bid/proposal, the offeror certifies that steel and each manufactured product, are produced in the United States, as defined in the clause Buy American - Steel and Manufactured Products for Construction Contracts) and that components of unknown origin are considered to have been produced or manufactured outside the United States.

Offerors may obtain from the owner a listing of articles, materials and supplies excepted from this provision.

Product	Country of Origin

Application

Incorporate into all construction and equipment procurements. Paragraphs (a) and (b) should be placed in the solicitation. The Buy American certificate should be placed in the contract documents.

Reference

Section 9129 of the Aviation Safety and Capacity Expansion Act of 1990
 Title 49 U.S.C. Chapter 501
 AIP Program Guidance Letter 91-3

CIVIL RIGHTS ACT OF 1964, TITLE VI – CONTRACTOR CONTRACTUAL REQUIREMENTS

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

1.1 Compliance with Regulations. The contractor shall comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

1.2 Nondiscrimination. The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

1.3 Solicitations for Subcontracts, Including Procurements of Materials and Equipment. In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

1.4 Information and Reports. The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the sponsor or the FAA, as appropriate, and shall set forth what efforts it has made to obtain the information.

1.5 Sanctions for Noncompliance. In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the sponsor shall impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:

- a. Withholding of payments to the contractor under the contract until the contractor complies, and/or
- b. Cancellation, termination, or suspension of the contract, in whole or in part.

1.6 Incorporation of Provisions. The contractor shall include the provisions of paragraphs 1 through 5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the sponsor or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Sponsor to enter into such litigation to protect the interests of the sponsor and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

Application

Required in all contracts and subcontracts

Reference

49 CFR Part 21

AC 150/5100-15

**AIRPORT AND AIRWAY IMPROVEMENT ACT OF 1982, SECTION 520 -
GENERAL CIVIL RIGHTS PROVISIONS**

The contractor assures that it will comply with pertinent statutes, Executive orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision obligates the tenant/concessionaire/lessee or its transferee for the period during which Federal assistance is extended to the airport a program, except where Federal assistance is to provide, or is in the

form of personal property or real property or interest therein or structures or improvements thereon. In these cases the provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the airport sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits or (b) the period during which the airport sponsor or any transferee retains ownership or possession of the property. In the case of contractors, this provision binds the contractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

Application

Incorporate in all contracts funded under AIP

Reference

Airport and Airway Improvement Act of 1982, Section 520

Title 49 47123

AC 150/5100-15, Para. 10.c.

DISADVANTAGED BUSINESS ENTERPRISES

Contract Assurance (§26.13) - The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the recipient deems appropriate.

Prompt Payment (§26.29) – Refer to Article 9.2.7 of the Agreement.

Application

The contract assurance clause shall be incorporated verbatim. The prompt payment clause represents sample language that meets the requirements of 49 CFR Part 26.29. Recipients should refer to the language included their approved DBE program.

Reference

49 CFR Part 26

LOBBYING AND INFLUENCING FEDERAL EMPLOYEES

(1) No Federal appropriated funds shall be paid, by or on behalf of the contractor, 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 the making of any Federal grant and the amendment or modification of any Federal grant.

(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 any Federal grant, the contractor shall complete and submit Standard Form-LLL, "Disclosure of Lobby Activities," in accordance with its instructions.

Application

Required in all contracts and subcontracts

Reference

49 CFR Part 20, Appendix A

ACCESS TO RECORDS AND REPORTS

The Contractor shall maintain an acceptable cost accounting system. The Contractor agrees to provide the Sponsor, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly authorized representatives access to any books, documents, papers, and records of the contractor which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The Contractor agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

Application

Incorporate into all procurement contracts that funded by AIP funds

Reference

49 CFR Part 18.36(i)

FAA Order 5100.38

ENERGY CONSERVATION REQUIREMENTS

The contractor agrees to comply with mandatory standards and policies relating to energy efficiency that are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Public Law 94-163).

Application

The regulation does not prescribe the language for the requirement. The above clause represents sample language that meets the intent of 49 CFR Part 18.36(i)(13)

Reference

49 CFR Part 18.36

Public Law 94-163

BREACH OF CONTRACT TERMS

Any violation or breach of terms of this contract on the part of the contractor or their subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement. The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

Application

The FAA does not prescribe the exact language to be incorporated. The above clause represents sample language that addresses the requirements of 49 CFR Part 18.36(i)(1). This provision requires grantees to incorporate administrative, contractual or legal remedies in instances where contractors violate or breach contract terms. Grantees should consult with their legal counsel to develop the appropriate clause that meets the minimum requirements of 49 CFR Part 18.36.

This provision is required in all contracts that exceed the simplified acquisition threshold, presently set at \$100,000.

Reference

49 CFR Part 18.36

RIGHTS TO INVENTIONS

All rights to inventions and materials generated under this contract are subject to regulations issued by the FAA and the Sponsor of the Federal grant under which this contract is executed.

Application

Incorporate into all procurement contracts that funded by AIP funds

Reference

49 CFR Part 18.36(i)(8)

FAA Order 5100.38

TRADE RESTRICTION CLAUSE

The contractor or subcontractor, by submission of an offer and/or execution of a contract, certifies that it:

- a. is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms published by the Office of the United States Trade Representative (USTR);

b. has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country on said list, or is owned or controlled directly or indirectly by one or more citizens or nationals of a foreign country on said list;

c. has not procured any product nor subcontracted for the supply of any product for use on the project that is produced in a foreign country on said list.

Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no contract shall be awarded to a contractor or subcontractor who is unable to certify to the above. If the contractor knowingly procures or subcontracts for the supply of any product or service of a foreign country on said list for use on the project, the Federal Aviation Administration may direct through the Sponsor cancellation of the contract at no cost to the Government.

Further, the contractor agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in each contract and in all lower tier subcontracts. The contractor may rely on the certification of a prospective subcontractor unless it has knowledge that the certification is erroneous.

The contractor shall provide immediate written notice to the sponsor if the contractor learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The subcontractor agrees to provide written notice to the contractor if at any time it learns that its certification was erroneous by reason of changed circumstances.

This certification is a material representation of fact upon which reliance was placed when making the award. If it is later determined that the contractor or subcontractor knowingly rendered an erroneous certification, the Federal Aviation Administration may direct through the Sponsor cancellation of the contract or subcontract for default at no cost to the Government.

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of a contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

Application

Incorporate into all contracts funded by AIP.

Reference

49 CFR Part 30.13

FAA Order 5100.38

VETERAN'S PREFERENCE

In the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Veterans of the Vietnam era and disabled veterans as defined in Section 515(c)(1) and (2) of the Airport and Airway Improvement Act of 1982. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

Application

Incorporate into all construction contracts financed under the AIP program.

Reference

Title 49 U.S.C. 47112(c)

Advisory Circular 150/5100-6d

TERMINATION OF CONTRACT

- a. The Sponsor may, by written notice, terminate this contract in whole or in part at any time, either for the Sponsor's convenience or because of failure to fulfill the contract obligations. Upon receipt of such notice services shall be immediately discontinued (unless the notice directs otherwise) and all materials as may have been accumulated in performing this contract, whether completed or in progress, delivered to the Sponsor.
- b. If the termination is for the convenience of the Sponsor, an equitable adjustment in the contract price shall be made, but no amount shall be allowed for anticipated profit on unperformed services.
- c. If the termination is due to failure to fulfill the contractor's obligations, the Sponsor may take over the work and prosecute the same to completion by contract or otherwise. In such case, the contractor shall be liable to the Sponsor for any additional cost occasioned to the Sponsor thereby.
- d. If, after notice of termination for failure to fulfill contract obligations, it is determined that the contractor had not so failed, the termination shall be deemed to have been effected for the convenience of the Sponsor. In such event, adjustment in the contract price shall be made as provided in paragraph 2 of this clause.
- e. The rights and remedies of the sponsor provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

Application

Incorporate into all procurement contracts that funded by AIP funds that exceed \$10,000.

Reference

49 CFR Part 18.36(i)(2)
FAA Order 5100.38

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY
AND VOLUNTARY EXCLUSION**

The bidder/offeror certifies, by submission of this proposal or acceptance of this contract, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. It further agrees by submitting this proposal that it will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts, and subcontracts. Where the bidder/offeror/contractor or any lower tier participant is unable to certify to this statement, it shall attach an explanation to this solicitation/proposal.

Application

Incorporate into all contracts that exceed \$25,000, which funded under the AIP. Incorporate in all contracts for auditing services regardless of the contract amount.

Reference

49 CFR Part 29
FAA Order 5100.38

CLEAN AIR AND WATER POLLUTION CONTROL

Contractors and subcontractors agree:

- a. That any facility to be used in the performance of the contract or subcontract or to benefit from the contract is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities;
- b. To comply with all the requirements of Section 114 of the Clean Air Act, as amended, 42 U.S.C. 1857 et seq. and Section 308 of the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in Section 114 and Section 308 of the Acts, respectively, and all other regulations and guidelines issued thereunder;
- c. That, as a condition for the award of this contract, the contractor or subcontractor will notify the awarding official of the receipt of any communication from the EPA indicating that a facility to be used for the performance of or benefit from the contract is under consideration to be listed on the EPA List of Violating Facilities;
- d. To include or cause to be included in any construction contract or subcontract which exceeds \$100,000 the aforementioned criteria and requirements.

Application

Incorporate in all contracts and subcontracts that exceed \$100,000.

Reference

49 CFR Part 18.36(i)(12)

Section 306 of the Clean Air Act

Section 508 of the Clean Water Act

Exhibit 2 - INSURANCE

ESCO shall carry and maintain at least the minimum insurance as specified below until completion and acceptance of the work.

INSURANCE Unless otherwise specified in this Contract, the Contractor shall, at its sole expense, maintain in effect at all times during the performance of work, insurance coverages with limits not less than those set forth below with insurers and under forms of policies satisfactory to Owner. All insurance policies shall be with insurers authorized to do business in the State of Florida.

Commercial General Liability: The Contractor shall agree to maintain Commercial General Liability, or similar form, at a limit not less than \$5,000,000 per occurrence and \$10,000,000 general aggregate. In the alternative, however, Contractor may, in lieu of the aforesaid general aggregate requirements, provide proof that the coverage has been endorsed by ISO form CG 25 03 or similar broadening endorsement so that the General Aggregate under the Limits of Insurance of the coverage apply separately to each project away from premises owned by or rented to the Contractor; in an amount not less than \$5,000,000 per project for the work required by this Contract. Coverage shall include Premises and/or Operations, Independent Contractors, Products and/or Completed Operations, Contractual Liability and Broad Form Property Damage coverages. Coverage for the hazards of explosion, collapse and underground property damage (X-C-U) must also be included when applicable to the work to be performed. Coverage may not exclude Cross Liability or Severability of Interests. The certificate(s) of insurance must clearly state that Contractual Liability coverage for this project is included. Contractor agrees this coverage shall be provided on a primary basis.

Business Auto Liability: The Contractor shall agree to maintain Business Auto Liability, or similar form, at a limit not less than \$5,000,000. Coverage shall include all Owned Autos, Hired Autos and Non-owned Autos. In the event Contractor does not own any automobiles, the business auto liability requirement shall be amended to require Hired & Non-Owned Auto Liability only. This amended requirement may be satisfied by way of endorsement to the Commercial General Liability, or separate Business Auto Coverage form. Contractor agrees this coverage shall be provided on a primary basis.

Worker's Compensation: The Contractor shall agree to maintain Worker's Compensation and Employer's Liability coverage. Coverage shall include Employer's Liability with minimum limits of \$100,000 Each Accident, \$500,000 Disease-Policy Limit, \$100,000 Disease-Each Employee. Contractor agrees this coverage shall be provided on a primary basis. Exemptions for a Contractor in or doing work in the construction industry, or proof of worker's compensation coverage provided by an employee leasing arrangement shall not satisfy this requirement.

Builders Risk Insurance: Contractor is not required to purchase Builders Risk Insurance for this project. Builders Risk Insurance for this project shall be provided under Palm Beach County's Master Builders Risk Program.

Additional Insured Endorsement: The Contractor shall agree to endorse the Owner as an Additional Insured on each insurance policy required to be maintained by the Contractor with exceptions for Worker's Compensation and Business Auto Liability. The CG 2026 Additional Insured - Designated Person or Organization endorsement, or its equivalent, shall be endorsed to the Commercial General Liability. The endorsement should read "Palm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents". The Contractor shall agree the Additional Insured endorsement provides coverage on a primary basis.

Umbrella or Excess Liability Contractor may satisfy the minimum liability limits required above for Commercial General Liability and Business Auto Liability under an Umbrella or Excess Liability policy. There is no minimum Per Occurrence limit of liability under the Umbrella or Excess Liability; however, the Annual Aggregate limit shall not be less than the highest "Each Occurrence" limit for the Commercial General Liability and Business Auto Liability. Contractor agrees to endorse COUNTY as an "Additional Insured" on the Umbrella or Excess Liability, unless the Certificate of Insurance states the Umbrella or Excess Liability provides coverage on a pure/true "Follow-Form" basis.

Certificate of Insurance: A signed Certificate(s) of Insurance evidencing required insurance coverages maintained by the Contractor in the types and amounts required hereunder shall be transmitted to Owner prior to Contract execution. Each Certificate(s) shall include a minimum thirty (30) day endeavor to provide written notification to Owner for cancellation or non-renewal of coverage herein. The certificate(s) of insurance shall reference the project name and contract number. The certificate holder shall read: Palm Beach County c/o Department of Airports, 846, P.B.I.A., West Palm Beach, FL 33406.

Waiver of Subrogation: The Contractor shall agree by entering into this contract to a Waiver of Subrogation for each required insurance coverage. When required by the insurer or should a policy condition not permit the Contractor to enter into a pre-loss agreement to waive subrogation without an endorsement, the Contractor shall agree to notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy, which includes a condition specifically prohibiting such an endorsement, or voids coverage should the Contractor enter into such an agreement on a pre-loss basis.

Subcontractor(s) Insurance: The Contractor shall agree to cause each subcontractor hired by Contractor to maintain insurance of the type specified herein, unless the Contractor's insurance provides coverage on behalf of the subcontractor. When requested by Owner, the Contractor shall agree to obtain and furnish copies of certificates of insurance evidencing coverage for each subcontractor.

Deductibles, Coinsurance Penalties, & Self-Insured Retention: The Contractor shall agree to be fully and solely responsible for any costs or expenses as a result of a coverage deductible, coinsurance penalty, or self-insured retention; including any loss not covered because of the operation of such deductible, coinsurance penalty, or self-insured retention.

No Representation of Coverage Adequacy: The coverages and limits identified herein have been determined to protect primarily interests of Owner only, and the Contractor agrees in no way should the coverages and limits herein be relied upon when assessing the extent or determining appropriate types and limits of coverage to protect the Contractor against any loss exposures, whether as a result of the work or otherwise.

Right to Review & Adjust: The Contractor shall agree, notwithstanding the foregoing, that Owner, by and through its Risk Management Department, in cooperation with the Department of Airports, reserves the right to periodically review, modify, reject or accept all required policies of insurance, including limits, coverages, or endorsements, hereunder from time to time throughout the life of this awarded work. Furthermore, Owner reserves the right to review and reject any insurer providing coverage because of poor financial condition or because it is not operating legally. In such event, Owner shall provide Contractor written notice of such adjusted limits and Contractor shall agree to comply within thirty (30) days of receipt thereof and to be responsible for any premium revisions as a result of any such reasonable adjustment.

**Exhibit 3 – ENGINEERED ARRESTING SYSTEMS CORPORATION,
Engineered Material Arresting System LIMITED Warranty**

ENGINEERED ARRESTING SYSTEMS CORPORATION (“ESCO”) warrants to the original purchaser (the “Owner”) of the ESCO Engineered Material Arresting System (“EMAS”) that, for a period of one year from the earlier of the date of acceptance, as evidenced by a final acceptance document signed by the Owner or 30 days from date ESCO notifies Owner that the EMAS is ready for acceptance, and subject to the limitations stated herein, the EMAS arrestor bed (excludes base surface preparation) conforms to the product specifications contained in the documents listed under section entitled Applicable Documents. This Warranty is expressly conditioned on the Owner’s satisfying all of the following requirements:

MAINTENANCE: ESCO requires that the Owner initiate and follow a preventative maintenance program in accordance with the ESCO Inspection, Maintenance and Repair Manual listed under the clause “Applicable Documents”.

RIGHT OF INSPECTION: The Owner shall provide ESCO with reasonable access to the EMAS after its installation for the purpose of conducting semi-annual inspections. Reasonable access shall include, without limitation, access during daylight hours to permit careful visual assessment of the condition of the EMAS and access to all records of maintenance carried out by the Owner.

INSTALLATION: The installer must have successfully completed a training session conducted by ESCO during the initial phase of the installation. Installation must be in strict compliance with ESCO’s specifications, and project drawings and submittals approved by ESCO. There must be no deviations from ESCO’s specifications or the approved project drawings and submittals, without the prior written approval of ESCO. During the entire installation process and upon completion of the installation, the work must be inspected and approved by a technical representative of ESCO as conforming with ESCO’s specifications and approved project drawings and submittals.

NOTIFICATION: If the Owner believes that it has a claim arising from the failure of the EMAS to conform with this Warranty, the Owner must notify ESCO of the claim, within ten (10) days after discovering the conditions giving rise to the claim, and in any case before the Warranty period has expired. All such notices shall be given by certified mail addressed to Director of Quality Assurance, Attention: Warranty Claim Engineered Arresting Systems Corporation, 2239 High Hill Road, Logan Township, NJ 08085, USA.

Failure to adhere to any of the conditions stated above shall void this Warranty.

WARRANTY REMEDY If the Warranty set forth above is breached, ESCO will, at its sole option, either (1) correct the non-conformity at its own cost within a reasonable time after receiving notice of the breach, or (2) replace the non-conforming portion of the EMAS at its own cost within a reasonable time after receiving notice of the breach. The Owner shall give ESCO reasonable access to the EMAS that allows ESCO to perform its warranty obligations on its most cost-effective basis possible.

EXCLUSIONS

ESCO shall not be liable for any damage to the EMAS or other property attributable to any of the following (or any combination thereof):

1. Standing water in and around the EMAS bed,
2. Vehicular traffic,
3. Aircraft traffic in contact with the EMAS bed,
4. Damage caused by snow removal equipment that does not meet ESCO specifications detailed under the clause "Applicable Documents",
5. Acts of nature, including, but not limited to, lightning, flood, winds in excess of 100 mph, earthquake, hurricane, tornado, hail storm, or impact of objects or other violent storm or casualty,
6. Damage caused by wild life indigenous to the installation location,
7. Repairs or alterations of the EMAS, unless performed by personnel trained and qualified by ESCO and in a manner meeting the ESCO specifications and procedures listed under the clause "Applicable Documents",
8. Excessive build up of debris in and around the EMAS bed,
9. Impact or contact with other objects, spilled liquids or immersion in liquids (including fuel dropped from over-flying aircraft),
10. Use of the EMAS for purposes other than those for which it is customarily used,
11. Improper maintenance, abuse or other neglect,
12. Exposure to chemicals other than de-icers and aircraft engine exhaust,
13. Jet Blast in excess of 100 mph, and
14. Damage or defect due to faulty or improper workmanship, including installation of the product that is not in accordance with ESCO's published specifications and installation recommendations in effect at the time of installation.
15. Damage to the EMAS arrestor bed related to or caused by the base surface not being constructed per the drawings and specifications. ESCO must check and accept the base surface prior to the start of EMAS arrestor bed installation.
16. Any subsequent failure of the base surface whether or not originally constructed per the drawings and specifications.

APPLICABLE DOCUMENTS

Project Installation Drawing No. C-105-1, C-105-2, C105-3

Item P-555 RevD, dated July 2010 EMAS Bed Installation by Prime Contractor

EMAS Quality Control plan for EMAS installation at Palm Beach International Airport, with associated Quality Control Instructions.

SM-IMR PBI RWY 14 DEP, Inspection, Maintenance and Repair Manual

Contract number A.I.P. 3-12-0085-053-2010

WARRANTY EXCLUSIVE/LIMITATION OF LIABILITY

THE EXPRESS WARRANTY SET FORTH ABOVE IS EXCLUSIVE AND NO OTHER WARRANTIES OF ANY KIND, WHETHER STATUTORY, ORAL, WRITTEN, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, SHALL APPLY. THE OWNER'S EXCLUSIVE REMEDIES AND ESCO'S ONLY OBLIGATIONS ARISING OUT OF OR IN CONNECTION WITH DEFECTS OR NON-CONFORMITIES IN THE EMAS, WHETHER BASED ON WARRANTY, CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, SHALL BE THOSE STATED HEREIN. NOTWITHSTANDING ANY PROVISION TO THE CONTRARY IN ANY CONTRACT DOCUMENT, ESCO'S TOTAL LIABILITY TO THE OWNER ARISING FROM OR RELATING TO DEFECTS OR NON-CONFORMITIES IN THE EMAS SHALL BE LIMITED TO THE ORIGINAL PURCHASE PRICE OF THE EMAS PAID TO ESCO. ESCO SHALL HAVE NO LIABILITY TO THE OWNER FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES. REGARDLESS OF ANY STATUTORY LIMITATION PERIODS, ESCO SHALL NOT BE LIABLE FOR ANY BREACH OF WARRANTY OF WHICH IT IS NOT NOTIFIED AS REQUIRED BEFORE THE WARRANTY PERIOD HAS EXPIRED.

NO WARRANTY MODIFICATIONS

This Warranty may not be modified except in a writing signed by ESCO's Executive Vice President. No representative, employee, or agent of ESCO, or any person, other than the Executive Vice President of ESCO, has the authority to assume for ESCO any additional liability or responsibility in connection with the EMAS or this Warranty.

To ensure registration of this Warranty, please return a signed copy to:

Contract Administrator
Engineered Arresting Systems Corporation
2239 High Hill Road
Logan Township, NJ 08085
Phone (856) 241-8620
Fax (856) 241-8621

Name (Please Print) of Authorized Airport Individual: _____

Signature: _____ Date: _____

Exhibit 4 – Customer Information

Customer Name Palm Beach County/Department of Airports

Corporate/Headquarters:

Street 846 Palm Beach International Airport

City, State, Zip West Palm Beach, Florida 33406

Telephone Number (561) 471-7443

Fax Number (561) 471-7427

Main Contact

Name Cynthia Portnoy, Project Manager

Telephone Number (561) 471-7411

Email Address cportnoy@pbia.org

Delivery Information

Delivery Location:

Street 846 Palm Beach International Airport

City, State, Zip West Palm Beach, Florida 33406

Telephone Number (561) 471-7443

Contact at Delivery Location Cynthia Portnoy, Project Manager

Invoice Recipient

Contact Name Cynthia Portnoy, Project Manager

Street 846 Palm Beach International Airport

City, State, Zip West Palm Beach, Florida 33406

Telephone Number (561) 471-7411

Email Address cportnoy@pbia.org



Aviation

8 Devonshire Square
London
EC2M 4PL
tel: 0207 623 5500
fax: 0207 621 1511
5th August 2010

To Palm Beach County c/o Department of Airports
846, P.B.I.A.
West Palm Beach, FL 33406

CERTIFICATE OF INSURANCE

C10/ZODIAC/022

BASIS	This Certificate of Insurance is issued by Aon Limited, Aviation in our capacity as Insurance Brokers to the Insured in respect of certain insurance policies issued to them and placed with Lloyd's of London and various insurance companies for 100% of the Sums Insured as set forth below.
DESCRIPTION OF INSURANCES	AVIATION LIABILITY INSURANCE
INSURED	ZODIAC AEROSPACE and/or subsidiary companies and/or associated companies and/or joint venture companies as now existing or may hereafter be constituted or acquired including ESCO, jointly and severally for their respective rights and interests as they may appear.
PERIOD OF INSURANCE	From 1 st July 2010 to 30 th June 2011 both days inclusive, Local Standard Time at the address of the Insured.
GEOGRAPHICAL LIMITS	Unrestricted
INTEREST	All sums the Insured shall become legally liable to pay as damages arising from or in connection with their aviation operations.
SUM INSURED	Combined Single Limit (Bodily Injury/Property Damage/Grounding) USD10,000,000 any one occurrence and in the annual aggregate in respect of Products and Grounding Liability.

Aon Limited

Registered office: 8 Devonshire Square, London EC2M 4PL

Registered in London No. 210725 • VAT Registration No. 480 8401 48

Aon Limited is authorised and regulated by the Financial Services Authority in respect of insurance mediation services only

It is noted that the Insured has entered into a contract to supply EMAS at Palm Beach International Airport and as a consequence the following is certified:

- Palm Beach County is added as an additional Insured for their respective rights and interest.
- To provide that except in respect of any provision for Cancellation or Automatic Termination specified in the Policy or any endorsement thereof, cover provided by this Endorsement may only be cancelled or materially altered in a manner adverse to the Additional Insured by the giving of not less than Thirty (30) days notice (but not less than seven (7) days (or such lesser period as may be customarily available) in respect of war and allied perils coverage) in writing to the appointed broker. Notice shall be deemed to commence from the date such notice is given by the Insurers. Such notice will NOT, however, be given at normal expiry date of the Policy or any endorsement.
- To waive rights of subrogation against any other insurance that may be available to the Additional Insured's and their respective members, officers, directors, employees, agents, representatives, contractors, assignees and subcontractors.
- To provide that all provisions of the insurance coverages referenced above, except the limits of liability, will operate to give each Insured or additional insured the same protection as if there were a separate Policy issued to each

Coverage is subject to:

War, Hi-jacking and Other Perils Exclusion Clause AVN48B.
Date Recognition Exclusion Clause AVN2000A.
Date Recognition Limited Coverage Clauses AVN2001A and AVN2002A.

Other terms, conditions, limitations and exclusions as more fully defined in policy number AB1031601.

Aon Limited, Aviation

Authorised Signatory

Aon is not an insurer (or reinsurer) of any of these coverages. Except in the case of Aon's fraud or deliberate misstatement, this Certificate is issued without any liability in any circumstances on the part of Aon Ltd, or the members of the Aon group of companies or their respective directors and staff, past and present. Claims against Aon in respect of or arising out of this Certificate must be brought exclusively in the English courts and will be governed by English law.

The Policy (ies) are subject to (Re) Insurers Liability Clause LMA 3333 21/06/07

Aon Limited

Registered office: 8 Devonshire Square, London EC2M 4PL

Registered in London No. 210725 • VAT Registration No. 480 8401 48

Aon Limited is authorised and regulated by the Financial Services Authority in respect of insurance mediation services only

CERTIFICATE OF INSURANCE

We hereby certify that insurance coverage is now in force with our Company as outlined below. This certificate does not amend, extend or alter the coverage afforded by the policy.

TITLE OF INSURED:

ZODIAC U.S.
IDD Aerospace Corp.

Policy No: LM308

Effective: 30-Jun-2010

Account No: 1-06292

Expires: 30-Jun-2011

Description & Location of Property Covered:

Personal Property
EMAS
Aerosafety Systems & Technology
2239 High Hill Road
LOGAN TOWNSHIP, NJ 080854531

Index No: 033080.09
Ins Loc: US23

COVERAGE IN FORCE: (Subject to limits of liability, deductibles and all conditions in the policy)

Insurance Provided:	Peril:	Limit of Liability:
PROPERTY DAMAGE	ALL RISK	\$2,763,904

ADDITIONAL INTERESTS:

Additional interests under the policy, consisting of, but not limited to mortgagees, lenders loss payees, loss payees, and additional named insureds, are covered in accordance with Certificates of Insurance issued to such interests and on file with this Company. Loss, if any, shall be payable to such additional interests, as their interests may appear, and in accordance with loss payment provisions of the policy.

Type - Loss Payee in accordance with the Additional Interests clause stated above.

Name - PALM BEACH COUNTY
Address - C/O DEPARTMENT OF AIRPORTS
846, P.B.I.A.
WEST PALM BEACH, FL 33406

Personal Property consisting of: 2,310 EMAS blocks with a total value of \$2,554,860 and installation support materials valued at \$209,044 to be stored at Engineered Arresting Systems, 2239 High Hill Road, Logan Township, NJ 08085.

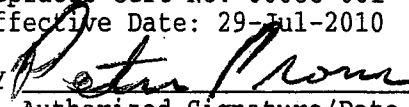
Notice of Cancellation: 30 days

All Risks of Physical Loss or Damage coverage applies, subject to the Terms and Conditions of this policy.

Mailing:

PALM BEACH COUNTY
C/O DEPARTMENT OF AIRPORTS
846, P.B.I.A.
WEST PALM BEACH, FL 33406

Certificate: 00088-002
Replaces Cert No: 00088-001
Effective Date: 29-Jul-2010

BY 
Authorized Signature/Date
PETER D PROWE 16-Sep-2010

Certificate of Insurance

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON YOU THE CERTIFICATE HOLDER. THIS CERTIFICATE IS NOT AN INSURANCE POLICY AND DOES NOT AMEND, EXTEND, OR ALTER THE COVERAGE AFFORDED BY THE POLICIES LISTED BELOW. POLICY LIMITS ARE NO LESS THAN THOSE LISTED, ALTHOUGH POLICIES MAY INCLUDE ADDITIONAL SUBLIMIT/LIMITS NOT LISTED BELOW.

This is to Certify that

Engineered Arresting Systems Corp.

2550 Market Street

Aston

PA 19014

NAME AND ADDRESS OF INSURED



Liberty Mutual

is, at the issue date of this certificate, insured by the Company under the policy(ies) listed below. The insurance afforded by the listed policy(ies) is subject to all their terms, exclusions and Conditions and is not altered by any requirement, term or condition of any contract or other document with respect to which this certificate may be issued.

TYPE OF POLICY	EXP DATE	POLICY NUMBER	LIMIT OF LIABILITY		
	<input type="checkbox"/> CONTINUOUS <input type="checkbox"/> EXTENDED <input checked="" type="checkbox"/> POLICY TERM				
WORKERS COMPENSATION Policy Effective 8/5/2009 - 8/5/2010	8/5/2010	WC7-631-509744-019	COVERAGE AFFORDED UNDER WC LAW OF THE FOLLOWING STATES: CA, NJ, PA	EMPLOYERS LIABILITY	
				Bodily Injury by Accident \$1,000,000 Each Accident	
				Bodily Injury By Disease \$1,000,000 Policy Limit	
				Bodily Injury By Disease \$1,000,000 Each Person	
COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> OCCURRENCE <input type="checkbox"/> CLAIMS MADE			General Aggregate		
			Products / Completed Operations Aggregate		
			Each Occurrence		
			Personal & Advertising Injury Per Person / Organization		
			Other	Other	
AUTOMOBILE LIABILITY <input type="checkbox"/> OWNED <input type="checkbox"/> NON-OWNED <input type="checkbox"/> HIRED			Each Accident—Single Limit B.I. And P.D. Combined		
			Each Person		
			Each Accident or Occurrence		
			Each Accident or Occurrence		
OTHER					
ADDITIONAL COMMENTS Additional Insured : Palm Beach County c/o Department of Airports 846, P.B.I.A. West Palm Beach FL 33406					

* If the certificate expiration date is continuous or extended term, you will be notified if coverage is terminated or reduced before the certificate expiration date.

NOTICE OF CANCELLATION: (NOT APPLICABLE UNLESS A NUMBER OF DAYS IS ENTERED BELOW.) BEFORE THE STATED EXPIRATION DATE THE COMPANY WILL NOT CANCEL OR REDUCE THE INSURANCE AFFORDED UNDER THE ABOVE POLICIES UNTIL AT LEAST 60 DAYS NOTICE OF SUCH CANCELLATION HAS BEEN MAILED TO:

Liberty Mutual
Insurance Group

Palm Beach County c/o Department of Airports

846, P.B.I.A.
West Palm Beach FL 33406

Vincent Valle

Vincent Valle

Roseland 0324 AUTHORIZED REPRESENTATIVE
 3 Becker Farm Road
 Roseland NJ 07068 973-533-6509 7/29/2010
 OFFICE PHONE DATE ISSUED

This certificate is executed by LIBERTY MUTUAL INSURANCE GROUP as respects such insurance as is afforded by those Companies NM 772 07-10

PALM BEACH COUNTY
BOARD OF COUNTY
COMMISSIONERS
Burt Aaronson, Chair
Karen T. Marcus, Vice Chair
Shelley Vana
Steven L. Abrams
Jess R. Santamaria
Priscilla A. Taylor

COUNTY ADMINISTRATOR
Robert Weisman
DEPARTMENT OF AIRPORTS



MEMORANDUM

To: Charles Mansen, County Finance

From: Bruce V. Pelly, Director
Department of Airports

Date: September 15, 2010

Re: Sole Source

CC: Jerry L. Allen – DOA
Mike Simmons – DOA

Please accept this memorandum as a request to sole source Engineered Arresting Systems Corporation (ESCO) for the production, shipping and installation support for an Engineered Material Arresting System (EMAS) to be installed at the departure end of Runway 14 at Palm Beach International Airport. This contract will facilitate the direct procurement of these goods and services between Palm Beach County and Engineered Arresting Systems Company, Inc. (ESCO). At the present time, ESCO is the only enterprise that has demonstrated and validated a design method, material and manufacturing process meeting the satisfaction of the Federal Aviation Administration (FAA) and the requirements of the FAA's Advisory Circular (AC) 150/5220/22A which contains standards for arresting systems on U.S. civil airports. This work can only be done by ESCO; please see the attached Fact Sheet published by the Federal Aviation Administration (FAA), as well as a letter from the Manager of the FAA's Airport Engineering Division. The cost proposal to provide these services is attached. If you have any questions regarding this request, please contact Jerry L. Allen at (561) 471-7423.

BVP:nh

Attachments

846 PALM BEACH INTERNATIONAL AIRPORT
West Palm Beach, Florida 33406-1470
(561) 471-7412 FAX: (561) 471-7427 www.pbia.org

PALM BEACH COUNTY GLADES AIRPORT
Pahokee

PALM BEACH COUNTY PARK AIRPORT
Lantana

NORTH COUNTY GENERAL AVIATION AIRPORT
Palm Beach Gardens

"An Equal Opportunity-Affirmative Action Employer"



Federal Aviation
Administration

Fact Sheet

For Immediate Release

July 1, 2010

Contact: Marcia Alexander-Adams

Phone: (202) 267-3488

Engineered Material Arresting System (EMAS)

Background

The Federal Aviation Administration (FAA) requires that commercial airports, regulated under Part 139 safety rules, have a standard Runway Safety Area (RSA) where possible. At most commercial airports the RSA is 500 feet wide and extends 1,000 feet beyond each end of the runway. The FAA has this requirement in the event that an aircraft overruns, undershoots, or veers off the side of the runway. The most dangerous of these incidents are overruns, but since many airports were built before the 1,000-foot RSA length was adopted some 20 years ago, the area beyond the end of the runway is where many airports cannot achieve the full standard RSA. This is due to obstacles such as bodies of water, highways, railroads, and populated areas or severe drop-off of terrain.

The FAA has a high-priority program to enhance safety by upgrading the RSAs at commercial airports and provide federal funding to support those upgrades. However, it still may not be practical for some airports to achieve the standard RSA. The FAA, knowing that it would be difficult to achieve a standard RSA at every airport, began conducting research in the 1990s to determine how to ensure maximum safety at airports where the full RSA cannot be obtained. Working in concert with the University of Dayton, the Port Authority of New York and New Jersey, and the Engineered Arresting Systems Corporation (ESCO) of Logan Township, NJ, a new technology emerged to provide an added measure of safety. An Engineered Materials Arresting System (EMAS) uses materials of closely controlled strength and density placed at the end of a runway to stop or greatly slow an aircraft that overruns the runway. The best material found to date is a lightweight, crushable concrete. When an aircraft rolls into an EMAS arrestor bed, the tires of the aircraft sink into the lightweight concrete and the aircraft is decelerated by having to roll through the material.

Benefits of the EMAS Technology

The EMAS technology provides safety benefits in cases where land is not available, where it would be very expensive for the airport sponsor to buy the land off the end of the runway, or where it is otherwise not possible to have the standard 1,000-foot overrun. A standard EMAS installation extends 600 feet from the end of the runway. An EMAS arrestor bed can still be installed to help slow or stop an aircraft that overruns the runway, even if less than 600 feet of land is available.

Current FAA Initiatives

The Office of Airports prepared an RSA improvement plan for the runways at approximately 575 commercial airports in 2005. This plan allows the agency to track the progress and to direct federal funds for making all practicable improvements, including the use of EMAS technology. Of the approximately 1,000 RSAs at these airports, an estimated 60 percent have been improved to full standards, and an estimated 79 percent have been improved to the extent practicable.

Presently, the EMAS system developed by ESCO using crushable concrete is the only system that meets the FAA standard. However, FAA has conducted research through the Airport Cooperative Research Program (ACRP) that examined a number of alternatives to the existing approved system. ACRP Report 29, *Developing Improved Civil Aircraft Arresting Systems*, published in January 2010, provides the industry with the most up-to-date and complete resource on potentially viable materials that can be used in future arresting systems. More information on the project, including a free copy of the report, can be found at the Transportation Research Board web site at <http://www.trb.org/ACRP/>.

Many of the EMAS beds installed prior to 2006 need periodic re-painting to maintain the integrity and functionality of the bed. FAA is working with ESCO to develop a retrofit of the older beds with plastic lids that are used on newer installations. The lid should eliminate the need for the periodic re-painting. The FAA's Technical Center and ESCO continue to conduct research that will further improve EMAS.

EMAS Arrestments

To date, there have been six incidents where the technology has worked successfully to arrest aircraft which overrun the runway and in several cases has prevented injury to passengers and damage to the aircraft.

May 1999: A Saab 340 commuter aircraft overran the runway at JFK

May 2003: Gemini Cargo MD-11 overran the runway at JFK

January 2005: A Boeing 747 overran the runway at JFK

July 2006: Mystere Falcon 900 airplane overran the runway at the Greenville Downtown Airport in South Carolina

July 2008: An Airbus A320 overran the runway at ORD

January 2010: A Bombardier CRJ-200 regional jet overran the runway at Yeager Airport in Charleston, WVA

EMAS Installations

Currently, EMAS is installed at 44 runway ends at 30 airports in the United States, with plans to install 10 EMAS systems at eight additional U.S. airports.

Airport	Location	No. of Systems	Installation Date
JFK International	Jamaica, NY	2	1996 (1999)/2007
Minneapolis St. Paul	Minneapolis, MN	1	1999(2008)
Little Rock	Little Rock, AR	2	2000/2003
Rochester International	Rochester, NY	1	2001
Burbank	Burbank, CA	1	2002*
Baton Rouge Metropolitan	Baton Rouge, LA	1	2002

Greater Binghamton	Binghamton, NY	2	2002
Greenville Downtown	Greenville, SC	1	2003**
Barnstable Municipal	Hyannis, MA	1	2003
Roanoke Regional	Roanoke, VA	1	2004
Fort Lauderdale International	Fort Lauderdale, FL	2	2004
Dutchess County	Poughkeepsie, NY	1	2004**
LaGuardia	Flushing, NY	2	2005
Boston Logan	Boston, MA	2	2005/2006
Laredo International	Laredo, TX	1	2006
San Diego International	San Diego, CA	1	2006
Teterboro	Teterboro , NJ	1	2006+
Chicago Midway	Chicago, IL	4	2006/2007
Merle K. (Mudhole) Smith	Cordova, AK	1	2007
Charleston Yeager	Charleston , WV	1	2007
Manchester	Manchester, NH	1	2007
Wilkes-Barre/Scranton Intl.	Wilkes-Barre, PA	2	2008
San Luis Obispo	San Luis Obispo, CA	2	2008
Chicago-O'Hare	Chicago, IL	2	2008
Newark Liberty International	Newark, NJ	1	2008
Charlotte Douglas Intl	Charlotte, NC	1	2008
St. Paul Downtown	St. Paul, MN	2	2008+

Worcester Regional	Worcester, MA	2	2008/2009**
Reading Regional	Reading, PA	1	2009**
Kansas City Downtown	Kansas City, MO	1	2009+

() Bed replaced

*Widened in 2008

** General aviation airport

+ Reliever airport

Additional Projects Currently Under Contract

Location	No. of Systems	Expected Installation Date
Arcata, CA	1	2010
Winston-Salem, NC	1	2010
Wilmington, DE	1	2010
Key West, FL	1	2010
Teterboro, NJ	1	2010
Kansas City, MO	1	2010
Telluride, CO	2	2010
Stuart, FL	2	2010

###



U.S. Department
of Transportation
**Federal Aviation
Administration**

Office of Airport Safety
and Standards

800 Independence Ave., SW.
Washington, DC 20591

March 8, 2010

To Whom It May Concern:

The Federal Aviation Administration Circular 150/5220-22A, Engineered Materials Arresting Systems (EMAS) for Aircraft Overruns, contains standards for arresting systems installed on U.S. civil airports.

As of the date of this letter, Engineered Arresting Systems Company, Inc. (ESCO) is the only enterprise that has demonstrated and validated a design method, material and manufacturing process meeting the Advisory Circular requirements to the satisfaction of the FAA.

Sincerely,

A handwritten signature in cursive script that reads "Rick Marinelli".

Rick Marinelli, P.E.
Manager, Airport Engineering
Division



ZODIAER-01

JOHN

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

9/16/2010

PRODUCER License # PA 56658 (215) 497-9240
 GMG Insurance Agency
 60 Blacksmith Road
 Newtown, PA 18940

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
 Engineered Arresting Systems Corporation
 2550 Market Street
 Aston, PA 19014

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: PMA Insurance Group	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
		GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
		EXCESS / UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below Y/N <input checked="" type="checkbox"/> N	2010002233492	8/5/2010	8/5/2011	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
		OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Including Waiver of Rights of recovery Against Others. *30 Day Notice of cancellation except for non-payment of premium

CERTIFICATE HOLDER**CANCELLATION**

Palm Beach County c/o Department of Airports
 846, P.B.I.A
 West Palm Beach, FL 33406

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

ACORD 25 (2009/01)

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IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.