

Fayette County Courthouse

# OFFICE OF THE COMMISSIONERS

## FAYETTE COUNTY, PENNSYLVANIA

**VINCENT VICITES** - *Chairman*

**DAVE LOHR** - *Vice-Chairman*

**ANGELA M. ZIMMERLINK** - *Secretary*



724 430-1200  
Fax 724 430-1265

November 21, 2018

Carlos Cabral, Owner/Industrial Engineer  
CRONIMET Mining Processing US  
1 Pilarsky Way  
Aliquippa, PA 15001

RE: Joseph A. Hardy Connellsville Airport

Dear Mr. Cabral:

On behalf of Fayette County, Pennsylvania, I would like to thank you for your interest in assisting our County in developing the Joseph A Hardy Connellsville Airport, which is located within the County. It is my understanding that your company is interested in providing, unloading, and spreading substantial amounts of slag at the County's airport facility. It is my further understanding that this slag and all related in-kind services have considerable value as being particularly useful and necessary for expansion of the airport runway and other surfaces and facilities.

Fayette County is a fourth class county under the County Code, 16 P.S. § 101, et seq., and, therefore, the County is a political subdivision of the Commonwealth of Pennsylvania. As such, it is a "governmental unit" as defined in Internal Revenue Code § 170(b)(1)(A)(v) and 170(c)(1), and is not a private foundation by virtue of Internal Revenue Code § 509(a)(1). All gifts, grants, or other funding received by the County is expressly used for the public purposes for which the County exists and to which the County's activities are legally restricted. Accordingly, any gift, grant, or other funding provided to the County should be tax-deductible to the donor under Internal Revenue Code § 170(c)(1). In order to encourage and support donors in their generosity to the County, the County will issue letters confirming the extent of any donation of materials, funds, and in-kind services to the County. Additionally, in this particular instance, in order to further support and facilitate any applicable tax deduction, the County would be willing to enter into a donation agreement, at your request, specifically identifying your proposed donation and its restricted use for a County project that benefits the public, thereby providing further evidence of qualification for tax deductibility.

Specifically, Fayette County has the right and authority to establish, construct and provide for air navigation facilities pursuant to the County Code. See 16 P.S. § 2201. The County's airport is currently owned and operated by the Fayette County Airport Authority, a constituent unit and municipal authority of Fayette County established

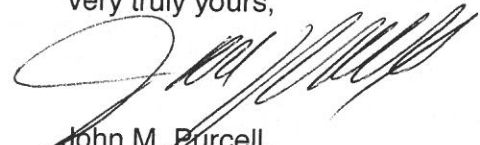
Page Two  
November 21, 2018

under the authority of the Municipality Authorities Act, 53 Pa.C.S.A. § 5601, et seq. Accordingly, the Fayette County Airport Authority is an affiliate of the County, which has appointive, oversight, and governance responsibilities with the Authority and its airport facilities. Fayette County is also expressly empowered by statute to appropriate and provide funding and other resources to the Authority for the acquisition, establishment, operation, and maintenance of any and all air navigation facilities and to engage in the construction and repair of airport runways, roadways, and other facilities. See 16 P.S. §§ 2206-2209. The extent of the County's authority is particularly relevant to the tax deductibility of your proposed donation as it confirms that your donation to the County will be employed solely in a project that is clearly an authorized public purpose and function of the County. See Internal Revenue Code § 170(c)(1). Furthermore, Fayette County would be able to provide you with a governmental information letter issued by the Internal Revenue Service that describes the County's government entity exemption from federal income tax and the tax deductibility of contributions.

At a time when county finances around the country are oftentimes overstretched, and counties are asked to do more with less, any assistance you can provide for this project is appreciated and invaluable. We thank you for being an exemplar of corporate citizenship within our county. Your assistance with this airport project is an excellent example of the public-private partnerships the County is attempting to foster to revitalize our area and further the County's economic development and quality of life.

Thank you, once again, for your interest in helping the County and making this valuable and mutually beneficial donation for its airport.

Very truly yours,



John M. Purcell,  
Chief County Solicitor

JMP/pw

cc: Jeremiah E. Miesel, Operations Manager  
Debra K. Evans-Rhodes, Administrative Specialist  
Dave Lohr, Commissioner  
Timothy J. Witt, Assistant County Solicitor