

DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION
GRANT AGREEMENT

Part 1 - Offer

Date of Offer **SEP 30** 1994

Palo Alto Airport/Planning Area

Project No. 3-06-0182-03

Contract No. DTFA08-94-C-30707

TO: County of Santa Clara
(herein called the "Sponsor")

FROM: The United States of America (acting through the Federal Aviation
Administration, herein called the "FAA")

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated September 14, 1994, for a grant of Federal funds for a project at or associated with the Palo Alto Airport/Planning Area which Project Application, as approved by the FAA, is hereby incorporated herein and made a part hereof; and

WHEREAS, the FAA has approved a project for the Airport or Planning Area (herein called the "Project") consisting of the following:

Reconstruct/overlay apron (approximately 700,000SF) including tie-down anchors and marking

all as more particularly described in the Project Application.

NOW THEREFORE, pursuant to and for the purpose of carrying out the provisions of the Airport and Airway Improvement Act of 1982, as amended by the Airport and Airway Safety and Capacity Expansion Act of 1987, herein called the "Act," and/or the Aviation Safety and Noise Abatement Act of 1979, and in consideration of (a) the Sponsor's adoption and ratification of the representations and assurances contained in said Project Application and its acceptance of this Offer as hereinafter provided, and (b) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the assurances and conditions as herein provided, THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay, as the United States share of the allowable costs incurred in accomplishing the Project, 90 percent of the allowable project costs.

The Offer is made on and subject to the following terms and conditions:

Conditions

1. The maximum obligation of the United States payable under this offer shall be \$1,000,000.00. For the purposes of any future grant amendments which may increase the foregoing maximum obligation of the United States under the provisions of Section 512(b) of the Act, the following amounts are being specified for this purpose:

| | |
|----------------|--|
| \$-0- | for planning |
| \$1,000,000.00 | for airport development or noise program implementation. |
2. The allowable costs of the project shall not include any costs determined by the FAA to be ineligible for consideration as to allowability under the Act.
3. Payment of the United States share of the allowable project costs will be made pursuant to and in accordance with the provisions of such regulations and procedures as the Secretary shall prescribe. Final determination of the United States share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.
4. The sponsor shall carry out and complete the Project without undue delays and in accordance with the terms hereof, and such regulations and procedures as the Secretary shall prescribe, and agrees to comply with the assurances which were made part of the project application.
5. The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the sponsor.
6. This offer shall expire and the United States shall not be obligated to pay any part of the costs of the project unless this offer has been accepted by the sponsor on or before September 30, 1994 or such subsequent date as may be prescribed in writing by the FAA.

7. The sponsor shall take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner in any project upon which Federal funds have been expended. For the purposes of this grant agreement, the term "Federal funds" means funds however used or disbursed by the sponsor that were originally paid pursuant to this or any other Federal grant agreement. It shall obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. It shall return the recovered Federal share, including funds recovered by settlement, order or judgment, to the Secretary. It shall furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the sponsor, in court or otherwise, involving the recovery of such Federal share shall be approved in advance by the Secretary.
8. The United States shall not be responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this grant agreement.
9. The attached new Part V Assurances dated 7-94, are hereby substituted in lieu of those submitted as a part of the Sponsor's Project Application dated September 14, 1994, and are made a part hereof.
10. Assurance 34 of the Part V Assurances dated 7-94, submitted with the Sponsor's Project Application dated September 14, 1994, is hereby revised to reference the Current Advisory Circulars for AIP Projects dated 8/1/94, which is attached hereto and made a part hereof.
11. Except for instrument landing systems acquired with AIP funds and later donated to and accepted by the FAA, the Sponsor must provide for the continuous operation and maintenance of any navigational aid funded under the AIP during the useful life of the equipment. The Sponsor must check the facility, including instrument landing systems, prior to commissioning to ensure it meets operational standards. The Sponsor must also remove, relocate, or lower each obstruction on the approach or provide for the adequate lighting or marking of the obstruction if any aeronautical study conducted under FAR part 77 determines that to be acceptable; and mark and light the runway, as appropriate. The Federal Aviation Administration will not take over the ownership, operation, or maintenance of any Sponsor-acquired equipment, except for instrument landing systems.
12. **Buy American Requirement.** Unless otherwise approved by the FAA, it will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for airport development or noise compatibility for which funds are provided under this grant.
13. The sponsor agrees to perform the following:
 1. Furnish a construction management program to FAA prior to the start of construction which shall detail the measures and procedures to be used to comply with the quality control provisions of the construction contract, including, but not limited to, all quality control provisions and tests required by the Federal specifications. The program shall include as a minimum:

- a. The name of the person representing the sponsor who has overall responsibility for contract administration for the project and the authority to take necessary actions to comply with the contract.
 - b. Names of testing laboratories and consulting engineer firms with quality control responsibilities on the project, together with a description of services to be provided.
 - c. Procedures for determining that testing laboratories meet the requirements of the American Society of Testing and Materials standards on laboratory evaluation, referenced in the contract specifications (D 3666, C 1077).
 - d. Qualifications of engineering supervision and construction inspection personnel.
 - e. A listing of all tests required by the contract specifications, including the type and frequency of tests to be taken, the method of sampling, the applicable test standard, and the acceptance criteria or tolerances permitted for each type of test.
 - f. Procedures for ensuring that the tests are taken in accordance with the program, that they are documented daily, and that the proper corrective actions, where necessary, are undertaken.
2. Submit at completion of the project, a final test and quality control report documenting the results of all tests performed, highlighting those tests that failed or did not meet the applicable test standard. The report shall include the pay reductions applied and reasons for accepting any out-of-tolerance material. An interim test and quality control report shall be submitted, if requested by the FAA.
 3. Failure to provide a complete report as described in paragraph 2, or failure to perform such tests, shall, absent any compelling justification, result in a reduction in Federal participation for costs incurred in connection with construction of the applicable pavement. Such reduction shall be at the discretion of the FAA and will be based on the type of types of required tests not performed or not documented and will be commensurate with the proportion of applicable pavement with respect to the total pavement constructed under the grant agreement.
 4. The FAA, at its discretion, reserves the right to conduct independent tests and to reduce grant payments accordingly if such independent tests determine that sponsor test results are inaccurate.
14. It is understood and agreed by and between the parties hereto that this Grant Offer is made and accepted upon the basis of preliminary plans and specifications; and the parties agree that within 180 days from the date of acceptance of this Grant Offer, the Sponsor shall furnish final plans and specifications to the FAA, that no construction work will be commenced hereunder, and that no contract will be awarded for the accomplishment of such work until the said final plans and specifications have been approved by the FAA; and the parties do further agree that any reference made in this Grant Offer or in the aforesaid Application to plans and specifications shall be considered as having reference to said final plans and specifications as approved.

The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument

by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, as provided by the Act, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and compliance with the assurances and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION
WESTERN-PACIFIC REGION

John L. Pfeifer
John L. Pfeifer
Manager, Airports District Office

Part II - Acceptance

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

Executed this **SEP 29 1994**

(SEAL)

By Rod Diridon
(SPONSOR'S DESIGNATED OFFICIAL REPRESENTATIVE)
ROD DIRIDON
Title Chairperson, Board of Supervisors
County of Santa Clara

Attest: Phyllis Perez
Title: Clerk of the Board of Supervisors

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Ann Miller Ravel, acting as Attorney for the Sponsor do hereby certify:

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

Dated at San Jose, California this 29 day of September, 1994

Ann Miller Ravel
SIGNATURE OF SPONSOR'S ATTORNEY

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION

Contract No. DTFA08-94-C-30707
Palo Alto Airport
Palo Alto, California

AMENDMENT NO. 1 TO GRANT AGREEMENT FOR PROJECT NO. 3-06-0182-03

WHEREAS, the Federal Aviation Administration, (herein after referred to as the "FAA"), acting for and on behalf of the United States, and the County of Santa Clara, (hereinafter referred to as the "Sponsor"), on the 29th day of September, 1994, entered into a Grant Agreement related to the above numbered project, and;

WHEREAS, it is determined to be in the best interests of the Sponsor and the FAA to amend the description of the airport development on page 1 of the Grant Agreement to add the installation of wash rack waste water treatment system with no change in the maximum obligation of the United States;

NOW THEREFORE, in consideration of the benefits to accrue to the parties hereto, the FAA, acting for and on behalf of the United States of America, on the one part, and the Sponsor, on the other part, do hereby mutually agree that said Grant Agreement be and is hereby amended in the following particulars but in no other:

1. The airport development described on Page 1 of the Grant Agreement is hereby deleted and substituted in lieu thereof the following:

Reconstruct/overlay apron (approx. 700,000SF) including tie-down anchors and marking; install wash rack waste water treatment system.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to said Grant Agreement to be duly executed as of the 23rd day of April, 1996.

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION
WESTERN PACIFIC REGION

By: John L. Pfeifer
John L. Pfeifer

Title: Manager, Airports District Office

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County of Santa Clara
(Name of Sponsor)

By: *Dianne McKenna* 4-23-96
DIANNE MCKENNA

Title: Chairperson, Board of Supervisors

(SEAL)

Attest: *Phyllis A. Perez*
PHYLLIS A. PEREZ

Title: ~~Clerk of the Board of Supervisors~~

CERTIFICATE OF SPONSOR'S ATTORNEY:

I, William I. Anderson, acting as Attorney for the County of Santa Clara, (hereinafter referred to as "Sponsor") do hereby certify:

That I have examined the foregoing Amendment to Grant Agreement and the proceedings taken by said Sponsor relating thereto, and find that the execution thereof by said Sponsor has been duly authorized and is in all respects due and proper and in accordance with the laws of the State of California, and further that, in my opinion, said Amendment to Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at _____, this _____ day of _____, 19____.

By: *WLC*

Title: Chief Deputy County Counsel