

COUNTY OF SAN MATEO

Inter-Departmental Correspondence

Date: September 27, 2001

Board Meeting Date: October 2, 2001

TO: Honorable Board of Supervisors

FROM: Neil R. Cullen, Director of Public Works

SUBJECT: Grant Agreement with the Federal Aviation Administration - Half Moon Bay Airport

RECOMMENDATION

Adopt a resolution authorizing the President of the Board to execute a Grant agreement with the Federal Aviation Administration dated September 30, 2001, for the Half Moon Bay Airport.

Key Facts

1. The Federal Aviation Administration (FAA) notified us on September 26th that the County was eligible for a FAA grant in the amount of \$1,187,347 for the Half Moon Bay Airport.
2. The grant offer is for funds that are being made available in the 2000-01 Federal fiscal year.

Discussion

We had submitted a project application to the FAA for the Half Moon Bay Airport that outlined needed work to maintain the existing Airport facilities. The work includes resurfacing and restriping the runway, repairing isolated pavement failures, grading of the adjacent shoulder areas, and drainage improvements adjacent to the runway. No expansion of Airport facilities is proposed as part of this work.

The FAA, as explained in Key Facts above, offered this Federal fiscal year 2000-01 grant to us by letter dated September 24th, which was received on September 26th. We explained to the FAA that the earliest that we could have this considered by your Board was October 2nd, and the FAA staff indicated that receipt of the executed grant agreement within a week would be acceptable to them. We have therefore, with the help of the County Manager's staff, expedited the process to have the grant agreement considered by your Board at your October 2nd meeting.

Honorable Board of Supervisors

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Fiscal Impact

FAA grants are given on a reimbursable basis and require ten percent (10%) matching funds from the receiving agency. There are sufficient funds in the Airport Enterprise Fund to provide the ten percent (10%) match of \$118,000. The grant also provides for the partial reimbursement of costs during the course of a project financed with grant funds, and we believe there are sufficient funds in the Airport Enterprise Fund to manage the cash flow of the project which will be accomplished through the competitive bid process.

There is no impact to the General Fund.

We will prepare the necessary environmental document, apply for a Coastal Development Permit as may be required, and return to your Board with contract plans and specifications for the work proposed to be financed with grant funds.

A form of resolution and agreement has been approved by County Counsel and the FAA has executed the agreement.



Neil R. Cullen
Director of Public Works

NRC:sdd

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cc: Milt Mares, County Counsel
Brian C. Lee, P.E., Division Manager, Programs and Engineering Services
Mark Larson, Airport Manager
Andrew Swanson, San Carlos Airport

Resolution No. _____

Board of Supervisors, County of San Mateo, State of California

* * * * *

**Resolution Authorizing the President of the Board to Execute a Grant Agreement with the
Federal Aviation Administration Dated September 30, 2001, for the Half Moon Bay
Airport. AIP Project No. 3-06-0097-06 No. DTFA08-01-C-31186**

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of
California, that

WHEREAS, the Federal Aviation Administration (FAA) has offered a Grant in the
amount of \$1,187,347.00 to the County for the rehabilitation of improvements at the Half Moon
Bay Airport; and

WHEREAS, it is necessary to enter into an agreement with the FAA which provides the
conditions governing the use of said grant funds by the County; and

WHEREAS, this Board has reviewed said agreement and considered same.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that

1. the President of this Board of Supervisors is hereby authorized to sign said
grant agreement dated September 30, 2001, on behalf of the County of San Mateo; and
2. the Clerk of the Board is hereby authorized and directed to attest to the
signature of the President of this Board to said agreement.

* * * * *

ORIGINAL

DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION
GRANT AGREEMENT

Part 1 - Offer

Date of Offer September 24, 2001

Half Moon Bay Airport/Planning Area

Project No. 3-06-0097-06

Contract No. DTFA08-01-C-31186

TO: County of San Mateo
(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 January 18, 2001, for a grant of Federal funds for a project at or associated with the Half Moon Bay 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:

REHABILITATE RUNWAY 12-30 (approx. 750,000 S.F.), PHASE I

all as more particularly described in the Project Application.

NOW THEREFORE, pursuant to and for the purpose of carrying out the provisions of Title 49, United States Code, as amended, 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, 90.00 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 \$1,187,347.00. 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:

\$0.00	for planning
\$1,187,347.00	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, 2001, 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. **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.
10. 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.
11. The sponsor agrees to request cash drawdowns on the letter of credit only when actually needed for its disbursements and to timely reporting of such disbursements as required. It is understood that failure to adhere to this provision may cause the letter of credit to be revoked.
12. 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.

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 30th day of September, 2001 .

County of San Mateo
(NAME OF SPONSOR)

(SEAL)

By _____
(SPONSOR'S DESIGNATED OFFICIAL REPRESENTATIVE)

Title _____

Attest: _____

Title: _____

CERTIFICATE OF SPONSOR'S ATTORNEY

I, _____, 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 _____ this _____ day of _____, 20 .

SIGNATURE OF SPONSOR'S ATTORNEY



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

**San Francisco Airports District Office
831 Mitten Road, Room 210
Burlingame, California 94010-1303**

September 24, 2001

FEDERAL EXPRESS

Mr. Mark Larsen
Airport Manager
San Mateo County
620 Airport Drive
San Carlos, California 94070

Dear Mr. Larsen:

Airport: **Half Moon Bay, CA**; AIP Project No. 3-06-0097-06; Contract No.
DTFA08-01-C-31186; Grant Offer

Enclosed are the original and three copies of the approved Grant Offer for the above project.

Acceptance of the Grant Offer will obligate the Sponsor to accomplish the described development. The United States commits itself to participate in the allowable cost of the project not to exceed the amount shown on Page 2 of the Grant Offer. **The Offer must be accepted on or before September 30, 2001, as specified in Condition 6, Page 2 of the Grant Offer.**

Basic considerations are that members of the Sponsor's governing body know the full content of the Grant Offer and that the method of acceptance conforms to local law.

The official of the Sponsor authorized to accept the enclosed Grant Offer shall accept same by signing said offer and inserting the date in the space provided under Part II - Acceptance. The Sponsor's attorney shall certify that the acceptance complies with all applicable laws and constitutes a legal and binding obligation of the Sponsor by executing the "CERTIFICATE OF SPONSOR'S ATTORNEY". **The date of said certificate shall be the same as, or later than the date of execution.**

When the document is fully executed, certified, attested and appropriate seals are impressed, **please return the stamped ORIGINAL and two copies of the executed Grant Agreement to this office.**

Sincerely,

John L. Pfeifer
Manager, Airports District Office

Enclosures