DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

GRANT AGREEMENT

Part 1 - Offer

Date of Offer: May 14, 1984

Reid-Hillview Airport/Planning Area
of Santa Clara County
Project No. 3-06-0225-02
Contract No. DTFA08-84-C-30098

TO: County of Santa Clara, California
(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 April 8, 1984, for a grant of Federal funds for a project at the Reid-Hillview Airport of Santa Clara County, together with plans and specifications for such development project, or the planning work definition for such Planning Project, 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:

Expand aircraft tie down apron (approx. 43,000 sy)
including road relocation, drainage, lighting, fencing, tiedowns, 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, herein called the "Act," 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 eligible project costs.

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

Standard Conditions

1. The maximum obligation of the United States payable under this offer shall be $900,000.00 which is comprised of:
   - $ -0- for planning
   - $900,000.00 for development other than land
   - $ -0- for land acquisition

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 comply with the Airport and Airway Improvement Act of 1982 and 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 fully comply with the Part V Assurances which are incorporated by reference and made a part of this offer.

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 July 15, 1984 or such subsequent date as may be prescribed in writing by the FAA.
7. It is understood and agreed by and between the parties hereto that Federal participation in that portion of the development described on Page 1 hereof, relating to airport lighting, is predicated upon the Sponsor's operating plan concerning the use and operation of such airport lighting, dated February 28, 1984, which plan is incorporated herein by reference and made a part hereof.

8. 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 hereby covenant and agree that within 60 days from the date of acceptance of this Grant Offer the Sponsor shall furnish final plans and specifications to the FAA and that no construction work will be commenced hereunder nor will there be any advertisement for bids for accomplishment of such work until the said final plans and specifications have been approved by the FAA; and the parties do hereby further covenant and 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 so approved.

The following special assurances are added to Part V Assurances incorporated by reference in this offer.

"33. Cost Free Land. Pursuant to Paragraph 15 of Part V, Assurances, of the Application dated April 8, 1984, the sponsor hereby covenants and agrees to furnish the Federal Government without cost, a lease in and to the real property as described in those agreements listed in Exhibit "B" attached hereto and made a part hereof for existing FAA facilities, together with the right to connect to existing utilities and to utilize the utility services involved to the extent of available capacity at no more than prevailing rates. However, it is understood and agreed that the rights of the United States to cost free areas obtained under unexpired grant agreements with the sponsor are extended for twenty years from the date of this grant agreement. Furthermore, the responsibility for paying the cost of relocating any facilities located in such cost free areas shall be made in accordance with Advisory Circular 150/5300-7B, FAA Policy on Facility Relocations Occasioned by Airport Improvement or Changes."
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 said Offer and Acceptance shall comprise a Grant Agreement, as provided by the Airport and Airway Improvement Act of 1982, constituting the 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

By: ...........................................
Manager, San Francisco Airports District Office

Part II - Acceptance

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

Executed this day of , 19
County of Santa Clara, California

(SEAL) ...........................................
Attorney

DONALD M. RAINS
Title: Clerk of the Board of Supervisors

CERTIFICATE OF SPONSOR'S ATTORNEY

I, D. J. BAKER, acting as Attorney for the Sponsor do hereby certify:

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

Dated at San Jose, CA this day of , 19

Title: ...........................................
EXHIBIT B

Lease Agreements

Lease Agreements between the Federal Aviation Administration and the County of Santa Clara, California.

<table>
<thead>
<tr>
<th>Date of Execution</th>
<th>Contract No.</th>
<th>Facility</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 8, 1975</td>
<td>DOT-FA76WE-3394</td>
<td>Visual Approach Slope Indicator (VASI) for Runways 31R and 31L</td>
</tr>
<tr>
<td>March 7, 1977</td>
<td>DOT-FA77WE-4046</td>
<td>Runway End Identification Lights (REIL) for Runway 13L</td>
</tr>
<tr>
<td>March 7, 1977</td>
<td>DOT-FA77WE-4065</td>
<td>Runway End Identification Lights (REIL) for Runway 31R</td>
</tr>
<tr>
<td>July 22, 1980</td>
<td>DTFA08-80L-05959</td>
<td>Visual Approach Slope Indicator (VASI) for Runway 13L</td>
</tr>
</tbody>
</table>