FEDERAL AVIATION AGENCY

GRANT AGREEMENT

Part 1-Offer

Date of Offer October 26, 1964
Reid-Hillview Airport of Santa Clara County
Project No. 9-04-128-D503
Contract No. FA65WE-0121

TO: The County of Santa Clara, California
(herein referred to as the “Sponsor”)

FROM: The United States of America (acting through the Federal Aviation Agency, herein referred to as the “FAA”)

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated March 9, 1964, for a grant of Federal funds for a project for development of the Reid-Hillview Airport of Santa Clara County Airport (herein called the “Airport”), together with plans and specifications for such 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 development of the Airport (herein called the “Project”) consisting of the following-described airport development:

Land acquisition (Parcel 03-1 and 03-2); clear and drain site, including relocation of 3 hangars (Buildings 1, 2 and 3); construct, mark and light runway (3100' x 75'), including taxiway guidance signs, beacon and tower, lighted wind cone and vault; construct parallel and connecting taxiways (3550' x 40'), holding apron (250' x 80'), hangar access taxiway (675' x 20'), parking apron (approximately 708,645 S.F.), including tie-downs; install security and perimeter fencing (approximately 13,664 L.F.), water line (approximately 3335 L.F.), including 3 hydrants.

all as more particularly described in the property map and plans and specifications incorporated in the said Project Application;
NOW THEREFORE, pursuant to and for the purpose of carrying out the provisions of the Federal Airport Act, as amended (49 U.S.C. 1101), 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 the operation and maintenance of the Airport as herein provided, THE FEDERAL AVIATION AGENCY, 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, 53.96 per centum of said allowable project costs.

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

1. The maximum obligation of the United States payable under this Offer shall be $346,570.

2. The Sponsor shall:
   a. begin accomplishment of the Project within sixty days after acceptance of this Offer or such longer time as may be prescribed by the FAA, with failure to do so constituting just cause for termination of the obligations of the United States hereunder by the FAA;
   b. carry out and complete the Project without undue delay and in accordance with the terms hereof, the Federal Airport Act, and Sections 151.45-151.55 of the Regulations of the Federal Aviation Agency (14 CFR 151) in effect as of the date of acceptance of this Offer; which Regulations are hereinafter referred to as the "Regulations";
   c. carry out and complete the Project in accordance with the plans and specifications and property map, incorporated herein, as they may be revised or modified with the approval of the FAA.

3. The allowable costs of the project shall not include any costs determined by the FAA to be ineligible for consideration as to allowability under Section 151.41 (b) of the Regulations.

4. Payment of the United States share of the allowable project costs will be made pursuant to and in accordance with the provisions of Sections 151.57-151.63 of the Regulations. Final determination as to the allowability of the costs of the project will be made at the time of the final grant payment pursuant to Section 151.63 of the Regulations: Provided, that, in the event a semi-final grant payment is made pursuant to Section 151.63 of the Regulations, final determination as to the allowability of those costs to which such semi-final payment relates will be made at the time of such semi-final payment.
5. The Sponsor shall operate and maintain the Airport as Provided in the Project Application incorporated herein and specifically covenants and agrees, in accordance with its Assurance 4 in Part III of said Project Application, that in its operation and the operation of all facilities thereof, neither it nor any person or organization occupying space or facilities thereon will discriminate against any person or class of persons by reason of race, color, creed or national origin in the use of any of the facilities provided for the public on the airport.

6. The FAA reserves the right to amend or withdraw this Offer at any time prior to its acceptance by the Sponsor.

7. 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 December 26, 1964 or such subsequent date as may be prescribed in writing by the FAA.

8. The areas of land or water, or estate therein or rights in buildings required by the Federal Government for the activities set forth in Paragraph 9 of Part III of the Project Application shall be as set forth in Schedule "A" attached to the Grant Agreement for Project No. 9-04-128-N201, which said schedule is incorporated herein and made a part hereof by reference.

9. It is understood and agreed by and between the parties hereto that the United States will not make nor be obligated to make any payments involving Parcels 03-1 and 03-2 as shown on the property map attached hereto and identified as Exhibit "A" until the Sponsor has submitted evidence that it has acquired a fee title or such lesser property interest as may be found satisfactory to the FAA in and to said Parcels 03-1 and 03-2 (or any portion thereof for which grant payment is sought) subject to no liens, encumbrances, reservations or exceptions which in the opinion of the FAA might create an undue risk of interference with the use and operation of the airport.

10. It is understood and agreed by and between the parties hereto that the United States will not participate nor be obligated to participate in the cost of acquiring that portion of Parcel 03-2 (approximately 5 acres) which will be utilized for automobile parking.

11. Notwithstanding the inclusion of the following items of construction in the plans and specifications for this project, it is hereby understood and agreed by and between the parties hereto that the United States will not participate nor be obligated to participate in the cost thereof:

1. Access road.
2. Wash rack.
3. Service lines from the main.
4. Sanitary sewer line.
5. Apron paving within 25 feet of the west side and south end of Hangar No. 1.

6. The paving between Hangars 1 and 2, except for the 675' x 20' access taxiway.

7. Apron tie-down marking.

8. Relocation of any buildings except those numbered 1, 2 and 3 on the approved project plans.

12. It is understood and agreed by and between the parties hereto that participation by the United States in the cost of installing the perimeter fence shall be based on the cost of installing a 6 foot fence.

13. By its acceptance of this Grant Offer, the Sponsor covenants and agrees that so far as is within its power and to the extent reasonable, it will take such action as may be necessary to restrict the use of land, adjacent to or in the immediate vicinity of the airport, to activities and purposes compatible with normal airport operations including landing and take-off of aircraft.

14. The Sponsor covenants and agrees that such financial records of the project established, maintained, and made available to personnel of the FAA, in conformity with Section 351.55 of the Regulations of the Federal Aviation Agency (14 CFR 151), will also be made available to representatives of the Comptroller General of the United States.
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 Federal Airport Act, constituting the obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and the operation and maintenance of the Airport. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer and shall remain in full force and effect throughout the useful life of the facilities developed under the Project but in any event not to exceed twenty years from the date of said acceptance.

UNITED STATES OF AMERICA
FEDERAL AVIATION AGENCY

[By] ........................................
(TITLE)
Chief, Airports Division

Part II-Acceptance

The 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.

THE COUNTY OF SANTA CLARA, CALIFORNIA
(Name of Sponsor)

By ........................................
Title ........................................

(SEAL)

Attest:

Title ........................................

CERTIFICATE OF SPONSOR'S ATTORNEY

I, ........................................, acting as Attorney for ........................................ (herein referred to as 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 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 this day of , 19.

Title ........................................