



San Francisco International Airport

MEMORANDUM

May 17, 2016

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Linda S. Crayton, Vice President
Hon. Eleanor Johns
Hon. Richard J. Guggenlime
Hon. Peter A. Stern

FROM: Airport Director

SUBJECT: Authorization to Accept and Expend Federal Aviation Administration Grant Funds in the Amounts of (1) \$3,750,000 for an Airfield Signage Project; (2) \$15,200,000 for a Voluntary Airport Low Emissions (VALE) Project; and (3) \$1,800,000 for the Continuation of the Noise Insulation Program and Any Additional Amounts up to 15% of the Original Grant Amount that may be Offered

DIRECTOR'S RECOMMENDATION: AUTHORIZE THE ACCEPTANCE AND EXPENDITURE OF FEDERAL AVIATION ADMINISTRATION GRANT FUNDS IN THE AMOUNTS OF (1) \$3,750,000 FOR AN AIRFIELD SIGNAGE PROJECT; (2) \$15,200,000 FOR A VOLUNTARY AIRPORT LOW EMISSIONS (VALE) PROJECT; AND (3) \$1,800,000 FOR THE CONTINUATION OF THE NOISE INSULATION PROGRAM AND ANY ADDITIONAL AMOUNTS UP TO 15% OF THE ORIGINAL GRANT OFFER(S).

Executive Summary

For Federal Fiscal Year ("FFY") 2016, the Airport is applying for Federal Aviation Administration ("FAA") Airport Improvement Program ("AIP") grant funds as follows: (1) \$3,750,000 for an airfield signage project; (2) \$15,200,000 for a Voluntary Airport Low Emissions ("VALE") project; and (3) \$1,800,000 for the continuation of the Noise Insulation Program ("NIP"). We are requesting authorization to accept and expend these grant amounts and any additional amounts up to 15% of the original grant amount(s) that may be offered by the FAA.

AIP grants are contingent upon funding availability and are offered on short notice. An advance Commission approval positions the Airport to accept the grant offer within the timeframe determined by the FAA.

Background

The AIP provides for the reimbursement of up to 75% of the cost for eligible Airport improvement projects, including VALE projects. Furthermore, the AIP provides for the reimbursement of up to

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO
EDWIN M. LEE MAYOR LARRY MAZZOLA PRESIDENT LINDA S. CRAYTON VICE PRESIDENT

THIS PRINT COVERS CALENDAR ITEM NO. 9

ELEANOR JOHNS RICHARD J. GUGGENHIME PETER A. STERN JOHN L. MARTIN AIRPORT DIRECTOR

80% of the cost for eligible projects for noise insulation program implementation. For FFY 2016, the Airport may receive three discretionary grants totaling approximately \$20,750,000 for the proposed projects described below.

Scope of Work

Airfield Signage Project

Under the Airfield Signage Upgrade, Phase A project, the Airport will implement necessary modifications to bring airfield signage in compliance with current FAA regulations and ensure Airport safety standards are maintained. Modifications include replacing inefficient signs that have exceeded the service life with energy efficient LED signs; updating outdated airfield signage infrastructure; and adding required electrical infrastructure for installing additional airfield signs as required in the future due to geometry changes, safety enhancements, or FAA regulation changes. In addition, the Airport will also relocate Runway 28L windcone to meet current FAA standards.

VALE Project

Under the VALE project, the Airport will purchase and install nine 400 Hz ground power converter units and nine preconditioned air units at nine locations at the Maintenance Operation Center and the SuperBay aircraft hangar parking aprons at the Airport. The completion of this project will result in very significant air quality emission reductions, greenhouse gas savings, and operational cost savings.

Noise Insulation Project

The State of California Noise Standard for Airports (Title 21 of the California Administrative Code) requires airports to eliminate incompatible land uses in the noise impact area unless the airport receives a variance. Starting in the 1980s, the Airport, through coordination with the surrounding communities and San Mateo County, implemented the NIP to eliminate incompatible land uses and meet Title 21 requirements. Since 2008, the Airport has been managing the program directly, addressing homes that were not treated in previous NIP phases because owners did not participate and that were subsequently sold to new owners who now want their properties insulated. The homes are considered if they are located within the 65-dB noise contour of the Noise Exposure Map ("NEM") or are part of contiguous neighborhoods partially within this contour.

The Airport plans to continue insulation of additional eligible dwellings located inside the current NEM (2019 NEM accepted by the FAA in February 2016). An initial group of approximately 39 properties in San Bruno, Daly City, and Millbrae has been identified for potential consideration in this phase of the program. The actual number of dwellings to receive noise insulation improvements will be defined after a detailed evaluation of the properties is completed in order to confirm their eligibility.

Following is a summary of the discretionary funds requested for the proposed projects:

	Project Name	Discretionary Funds Requested
1	Airfield Signage Upgrade, Phase A	\$ 3,750,000
2	Voluntary Airport Low Emissions Project	\$15,200,000
3	Noise Insulation Project	\$ 1,800,000

TOTAL \$20,750,000

Recommendation

I recommend that this Commission approve the attached Resolutions authorizing the acceptance and expenditure of Federal Aviation Administration Federal Fiscal Year 2016 Airport Improvement Program grant funds up to: (1) \$3,750,000 for an Airfield Signage Project; (2) \$15,200,000 for a Voluntary Airport Low Emissions Project; and (3) \$1,800,000 for the Continuation of the Noise Insulation Program and any additional amounts up to 15% of the original grant amount(s) that may be offered. Airport staff will return to the Commission if any of the resulting grant offer(s) exceed 15% of the original grant amount.



John L. Martin
Airport Director

Prepared by: Leo Fermin
Chief Business and Finance Officer

Attachment