

File No. 240236

Committee Item No. 8

Board Item No. 21

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee Date April 24, 2024

Board of Supervisors Meeting Date April 30, 2024

#### Cmte Board

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/>            | Motion                                       |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Digest                           |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Introduction Form                            |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/>            | MOU  |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Grant Information Form                       |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Award Letter                                 |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Public Correspondence                        |

#### OTHER (Use back side if additional space is needed)

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Bipartisan Infrastructure Law Formulation Allocations 1/18/2024</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>AIR Commission Resolution No. 24-0003 1/16/2024</u>                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | _____  |
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| <input type="checkbox"/>            | <input type="checkbox"/>            | _____  |

Completed by: Brent Jalipa Date April 19, 2024

Completed by: Brent Jalipa Date April 25, 2024

1 [Accept and Expend Grant - Federal Aviation Administration - Airport Infrastructure Grant -  
2 \$90,972,120]

3 **Resolution authorizing the Airport Commission to accept and expend a grant in an**  
4 **amount not to exceed \$90,972,120 and any additional amounts up to 15% of the original**  
5 **grant, that may be offered from the Federal Aviation Administration for the**  
6 **implementation of the Recycled Water System Project, for the period of October 1,**  
7 **2023, through September 30, 2028, contingent on receipt by the Airport Commission of**  
8 **a grant offer from the Federal Aviation Administration.**

9  
10 WHEREAS, The Bipartisan Infrastructure Law (“BIL”), enacted on November 15, 2021,  
11 provides approximately \$25 billion in federal funding for the National Aerospace System over  
12 a five-year period; and

13 WHEREAS, Approximately \$15 billion has been granted to provide grants to eligible  
14 U.S. airports for airport infrastructure projects that address the aging infrastructure of the  
15 nation’s airports; and

16 WHEREAS, The Recycled Water System Project (“Recycled Water System Project”) to  
17 be implemented at San Francisco International Airport (the “Airport”) is eligible for federal  
18 grant assistance under the BIL; and

19 WHEREAS, The Federal Aviation Administration (“FAA”) has established the Airport  
20 Infrastructure Grants Program (“AIG”) to administer this funding; and

21 WHEREAS, The San Francisco Airport Commission (the “Airport Commission”) has  
22 approved the Recycled Water System Project, which involves constructing a new Advanced  
23 Water Treatment Plant at the Airport’s Mel Leong Treatment Plant; and

24 WHEREAS, The AIG provides for reimbursement of up to 75% of the eligible airport  
25 infrastructure project costs; and

1           WHEREAS, The Airport Director has filed a grant application to seek federal grant  
2 assistance under the AIG during federal Fiscal Year 2023-2024 in an estimated amount of  
3 \$90,972,120 for the implementation of the Recycled Water System Project; and

4           WHEREAS, On January 16, 2024, pursuant to Resolution No. 24-0003, the Airport  
5 Commission approved the acceptance and expenditure of such grant funds; and

6           WHEREAS, Under San Francisco Administrative Code, Section 10.170-1, the  
7 acceptance and expenditure of federal, state, or other grant funds in the amount of \$100,000  
8 or more is subject to the approval by Resolution of the Board of Supervisors; and

9           WHEREAS, Acceptance and expenditure of this grant does not require an Annual  
10 Salary Ordinance amendment; and

11           WHEREAS, The Airport Commission proposes to maximize use of available grant  
12 funds on program expenditures by not including indirect costs in the grant budget; now,  
13 therefore, be it

14           RESOLVED, That the Airport Commission is hereby authorized to accept and expend  
15 an FAA AIG grant in an amount not to exceed \$90,972,120 and any additional amounts up to  
16 15% of the original grant amount, that may be offered by the FAA; and, be it

17           FURTHER RESOLVED, That the Board of Supervisors hereby waives inclusion of  
18 indirect costs in the grant budget; and, be it

19           FURTHER RESOLVED, That the Airport Commission is hereby authorized to accept  
20 and expend the grant funds pursuant to Administrative Code, Section 10.170-1; and, be it

21           FURTHER RESOLVED, That the Airport Director is authorized to enter into the AIG  
22 grant agreement with the FAA on behalf of the City; and, be it

23           FURTHER RESOLVED, That the authorizations contained in this Resolution are  
24 contingent on receipt by the Airport Commission of a grant offer from the FAA for an FAA AIG  
25 grant consistent with this Resolution.

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Recommended:

\_\_\_\_\_/s/\_\_\_\_\_  
\_\_\_\_\_

Department Head

Approved: \_\_\_\_\_/s/\_\_\_\_\_

Mayor

Approved: \_\_\_\_\_/s/\_\_\_\_\_

Controller

|                                      |                            |
|--------------------------------------|----------------------------|
| <b>Item 8</b><br><b>File 24-0236</b> | <b>Department:</b> Airport |
|--------------------------------------|----------------------------|

**EXECUTIVE SUMMARY**

**Legislative Objectives**

- The proposed resolution would authorize the Airport Commission to accept and expend a grant from the Airport Infrastructure Grants Program in an amount not to exceed \$90,972,120, plus additional amounts up to 15 percent of the original grant amount that may be offered for a period of October 1, 2023 through September 30, 2028. The Airport is required to provide matching funds of \$30,324,041 (25 percent of total grant-eligible project costs).

**Key Points**

- On November 15, 2021, President Biden signed into law the Infrastructure Investment and Jobs Act of 2021 (i.e., the Bipartisan Infrastructure Law), which included \$15 billion for the newly established Airport Infrastructure Grant (AIG) Program. Under the AIG Program, the Federal Aviation Administration (FAA) administers available funding to eligible airports for airport infrastructure projects. The San Francisco International Airport (Airport) applied for AIG Program grant funds for its Recycled Water System Project.
- The proposed grant would partially fund the Recycled Water System Project, which is a new water treatment system capable of removing hazardous chemicals from wastewater for non-potable uses at the Airport and to meet regulatory requirements for water discharge into San Francisco Bay.
- Design-build service commenced in January 2024 and the project is expected to be completed in July 2026.

**Fiscal Impact**

- The total cost of the Airport Recycled Water System Project is \$130 million, of which \$121,296,163 is eligible for grant funding. The Project is funded by the proposed \$90,972,120 grant from the FAA’s AIG Program (approximately 75 percent of the total grant-eligible project costs), and \$30,324,041 in required Airport matching funds (25 percent of the total grant-eligible project costs), paid for by Airport Revenue Bonds.

**Recommendation**

- Approve the proposed resolution.

**MANDATE STATEMENT**

City Administrative Code Section 10.170-1 states that accepting Federal, State, or third-party grant funds for \$100,000 or more, including any City matching funds required by the grant, is subject to Board of Supervisors approval.

**BACKGROUND**

On November 15, 2021, President Biden signed into law the Infrastructure Investment and Jobs Act of 2021 (i.e., the Bipartisan Infrastructure Law). The Bipartisan Infrastructure Law included \$15 billion for the newly established Airport Infrastructure Grant (AIG) Program. Under the AIG Program, the Federal Aviation Administration (FAA) administers available funding to eligible airports over five years for airport infrastructure projects. Available funding will be allocated through two programs: formula allocations and competitive grants for airport-owned airport traffic control contract tower projects. The AIG Program reimburses up to 75 percent of project costs.

The San Francisco International Airport (Airport) applied for AIG Program grant funds for the Recycled Water System Project. According to FAA AIG Program Formulation Allocations as of January 18, 2024, the San Francisco International Airport was allocated \$143,669,455 from federal FY 2021-22 to FY 2023-24. The Airport has received two AIG Program grants totaling \$14.4 million and plans to submit two AIG Program applications in 2024 and one more application in 2025 to access the remaining \$52,697,335 of FAA grant funds.

**Airport Commission Approval**

On January 16, 2024, the Airport Commission authorized the Airport Director to accept and expend an anticipated \$90,972,120 in AIG Program funding, subject to approval by resolution of the Board of Supervisors.

**DETAILS OF PROPOSED LEGISLATION**

The proposed resolution would authorize the Airport Commission to accept and expend a grant from the Airport Infrastructure Grants Program in an amount not exceeding \$90,972,120, plus additional amounts up to 15 percent of the original grant amount that may be offered from October 1, 2023, through September 30, 2028.<sup>1</sup> The Airport is required to provide matching funds of \$30,324,041 (25 percent of total grant-eligible project costs).

**Project Scope**

The Recycled Water System Project is a new water treatment system capable of removing PFAS<sup>2</sup> from wastewater for non-potable uses at the Airport and to meet regulatory requirements for water discharge into San Francisco Bay. By using recycled water, the Airport expects to reduce potable water use by 25 percent. The project includes (1) a new advanced water treatment

<sup>1</sup> According to Airport staff, this “15 percent” clause is standard language included in all Airport grant resolutions in case additional grant funding becomes available.

<sup>2</sup> Per- poly-fluoralkyl substances (PFAS) are “forever chemicals” that are hazardous to human health.

facility, (2) a 200,000 gallon water storage tank and pump station, and (3) three miles of underground recycled water distribution pipeline from the Airport's Wastewater Treatment Plant to Airport facilities and terminals that have non-potable plumbing for recycled water use.

Design-build service commenced in January 2024 and the project is expected to be complete in July 2026.

### **Contracted Services**

According to Airport staff, Walsh Construction is the prime design-build contractor for the project. Walsh Construction was selected through a Request for Qualification/Request for Proposal (RFQ/RFP) process. On May 30, 2023, the Airport issued an RFP/RFQ for design-build services and received four proposals on July 26, 2023. The Airport convened a four-member selection panel<sup>3</sup> that reviewed qualified proposals and scored proposers based on criteria stated in the RFQ/RFP such as experience and qualifications, organization and key personnel, project approach, design narrative, oral interviews, a price proposal, and schedule and phasing approach. Based upon the evaluations by the selection panel, Walsh Construction scored the highest<sup>4</sup> and was awarded the contract on October 17, 2023.

In addition, Consor-Avila is the project management support services (PMSS) contractor for the project. Consor-Avila was selected through a Request for Qualification/Request for Proposal (RFQ/RFP) process. On February 28, 2023, the Airport issued an RFP/RFQ for PMSS services and received two proposals on April 14, 2023. The Airport convened a four-member selection panel<sup>5</sup> that reviewed qualified proposals and scored proposers based on criteria stated in the RFQ/RFP such as experience and qualifications, organization and key personnel, program approach, and oral interviews. Based on the scoring of the proposals and interviews, Consor-Avila scored the highest<sup>6</sup> and was awarded the contract on June 20, 2023.

### **FISCAL IMPACT**

The total cost of the Airport Recycled Water System Project is \$130 million, as shown in Exhibit 1 below. The total grant-eligible project cost is \$121,296,163. The Project is funded by the anticipated \$90,972,120 grant from the FAA's AIG Program (approximately 75 percent of the total grant-eligible project costs), and \$30,324,041 in required Airport matching funds (25 percent of the total grant-eligible project costs). The remaining \$8,703,839 (approximately 6.7 of total project costs) will be paid for by Airport Revenue Bonds. No indirect costs are included in the budget to maximize use of grant funds.

The Airport anticipates receiving the FAA grant funds in June 2024.

<sup>3</sup> Panelists consisted of two Airport Commission employees and two members of the water treatment and distribution industry.

<sup>4</sup> Out of 2000 total possible points, Walsh Construction Company scored 1927, Kiewit Infrastructure West, Inc. scored 1794 and Flatiron West, Inc. scored 1710.

<sup>5</sup> Panelists consisted of two Airport Commission employees and two members of the water resources/environmental industry.

<sup>6</sup> Out of 550 total possible points, Consor-Avila scored 517.88 and MCK Americas, Inc./Environmental & Construction Solutions Inc., Joint Venture scored 458.76.

**Exhibit 1. Recycled Water System Project Grant Budget (Estimates as of December 2023)**

| <b>Cost Category</b>               | <b>Grant-Eligible Project Cost</b> | <b>FAA Share (75% of Grant-Eligible Project Costs)</b> | <b>Airport Share (25% of Grant-Eligible Project Costs)</b> | <b>Remaining Airport Share</b> | <b>Total Project Cost</b> |
|------------------------------------|------------------------------------|--|--|--------------------------------|---------------------------|
| Internal Cost <sup>7</sup>         | \$1,845,000                        | \$1,383,750  | \$461,250  | \$195,000                      | \$2,040,000               |
| Professional Services <sup>8</sup> | 6,000,000                          | 4,500,000  | 1,500,000  | 0                              | 6,000,000                 |
| Construction Services <sup>9</sup> | 113,451,163                        | 85,088,370   | 28,362,791   | 8,508,839                      | 121,960,000               |
| <b>Total</b>                       | <b>\$121,296,163</b>               | <b>\$90,972,120</b>                                    | <b>\$30,324,041</b>  | <b>\$8,703,839</b>             | <b>\$130,000,000</b>      |

Source: Airport

**RECOMMENDATION**

Approve the proposed resolution.

<sup>7</sup> This includes Airport staff labor costs.

<sup>8</sup> This includes project management support services costs.

<sup>9</sup> This includes design-build and direct construction costs including bond premium, programming fee, management fee, and builder’s fee.



File Number: 240236  
(Provided by Clerk of Board of Supervisors)

**Grant Resolution Information Form**  
(Effective July 2011)

Purpose: Accompanies proposed Board of Supervisors resolutions authorizing a Department to accept and expend grant funds.

The following describes the grant referred to in the accompanying resolution:

1. Grant Title: **Bipartisan Infrastructure Law Airport Infrastructure Grants (AIG)**

2. Department: **Airport**

3. Contact Person: **Tina Ko** Telephone: **(650) 821-2826**

4. Grant Approval Status (check one):

Approved by funding agency  Not yet approved

5. Amount of Grant Funding Approved or Applied for: **\$90,972,120**

6. a. Matching Funds Required: **\$30,324,041**

b. Source(s) of matching funds (if applicable): **General Airport Revenue Bonds**

7. a. Grant Source Agency: **Federal Aviation Administration**

b. Grant Pass-Through Agency (if applicable): **n/a**

8. Proposed Grant Project Summary: **The Recycled Water System Project will program, design, construct, activate, and commission a new advanced water treatment facility and the associated pumping, pipeline, and building connections needed for a recycled water distribution system at the Airport.**

9. Grant Project Schedule, as allowed in approval documents, or as proposed:

Start-Date: **10/31/2022**

End-Date: **07/08/2026**

10. a. Amount budgeted for contractual services: **\$127,960,000**

b. Will contractual services be put out to bid? **Yes.**

c. If so, will contract services help to further the goals of the Department's Local Business Enterprise (LBE) requirements? **N/A**

d. Is this likely to be a one-time or ongoing request for contracting out? **One-time.**

11. a. Does the budget include indirect costs?

Yes  No

1. If yes, how much? \$

2. How was the amount calculated?

1. If no, why are indirect costs not included?

Not allowed by granting agency  To maximize use of grant funds on direct services

Other (please explain):

2. If no indirect costs are included, what would have been the indirect costs? **N/A**

12. Any other significant grant requirements or comments:

A large, empty rectangular box with a black border, occupying most of the page below the question. It is intended for the user to provide their answer to question 12.

**\*\*Disability Access Checklist\*\*\*(Department must forward a copy of all completed Grant Information Forms to the Mayor's Office of Disability)**

13. This Grant is intended for activities at (check all that apply):

- |  |   |   |
|--|---|---|
| <input checked="" type="checkbox"/> Existing Site(s) | <input checked="" type="checkbox"/> Existing Structure(s) | <input checked="" type="checkbox"/> Existing Program(s) or Service(s) |
| <input type="checkbox"/> Rehabilitated Site(s)       | <input type="checkbox"/> Rehabilitated Structure(s)       | <input type="checkbox"/> New Program(s) or Service(s)                 |
| <input type="checkbox"/> New Site(s)                 | <input checked="" type="checkbox"/> New Structure(s)      |   |

14. The Departmental ADA Coordinator or the Mayor's Office on Disability have reviewed the proposal and concluded that the project as proposed will be in compliance with the Americans with Disabilities Act and all other Federal, State and local disability rights laws and regulations and will allow the full inclusion of persons with disabilities. These requirements include, but are not limited to:

1. Having staff trained in how to provide reasonable modifications in policies, practices and procedures;
2. Having auxiliary aids and services available in a timely manner in order to ensure communication access;
3. Ensuring that any service areas and related facilities open to the public are architecturally accessible and have been inspected and approved by the DPW Access Compliance Officer or the Mayor's Office on Disability Compliance Officers.

If such access would be technically infeasible, this is described in the comments section below:


Comments:

Departmental ADA Coordinator or Mayor's Office of Disability Reviewer:

Susan Kim  
(Name)

Diversity, Equity, and Inclusion Manager and Title VI/Sec 504 Coordinator  
(Title)

Date Reviewed: 1/23/2024

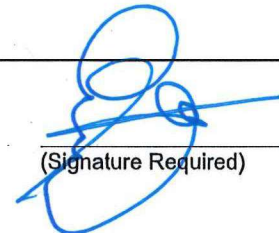
  
(Signature Required)

Department Head or Designee Approval of Grant Information Form:

Ivar C. Satero  
(Name)

Airport Director  
(Title)

Date Reviewed: 2/1/24

  
(Signature Required)

| <b>Application for Federal Assistance SF-424</b>  |   |
|---|---|
| *1. Type of Submission:<br><input checked="" type="checkbox"/> Preapplication<br><input type="checkbox"/> Application<br><input type="checkbox"/> Changed/Corrected Application | *2. Type of Application * If Revision, select appropriate letter(s):<br><input checked="" type="checkbox"/> New<br><input type="checkbox"/> Continuation * Other (Specify)<br><input type="checkbox"/> Revision |
| *3. Date Received:  | 4. Applicant Identifier:<br>SFO   |
| 5a. Federal Entity Identifier:  | *5b. Federal Award Identifier:  |
| <b>State Use Only:</b>  |   |
| 6. Date Received by State:  | 7. State Application Identifier:  |
| <b>8. APPLICANT INFORMATION:</b>  |   |
| *a. Legal Name: City and County of San Francisco  |   |
| *b. Employer/Taxpayer Identification Number (EIN/TIN):<br>94-6000417  | *c. UEI:<br>LYCMERUN3Z73  |
| <b>d. Address:</b>  |   |
| *Street 1:  | P. O. Box 8097  |
| Street 2:   |   |
| *City:  | San Francisco   |
| County/Parish:  |   |
| *State:   | CA  |
| *Province:  |   |
| *Country:   | USA: United States  |
| *Zip / Postal Code  | 94128-8097  |
| <b>e. Organizational Unit:</b>  |   |
| Department Name:<br>San Francisco International Airport   | Division Name:<br>Finance   |
| <b>f. Name and contact information of person to be contacted on matters involving this application:</b>   |   |
| Prefix: Ms.   | *First Name: Tina   |
| Middle Name:  |   |
| *Last Name:   | Ko  |
| Suffix:   |   |
| Title: Grant Development Program Manager  |   |
| Organizational Affiliation:   |   |
| *Telephone Number: (650) 821-2826   | Fax Number: (650) 821-2925  |
| *Email: tina.ko@flysfo.com  |   |

| <b>Application for Federal Assistance SF-424</b>  |                            |
|---|----------------------------|
| <b>16. Congressional Districts Of:</b>  |                            |
| *a. Applicant: CA-11  | *b. Program/Project: CA-15 |
| Attach an additional list of Program/Project Congressional Districts if needed.   |                            |
| <b>17. Proposed Project:</b>  |                            |
| *a. Start Date: 10/31/2022  | *b. End Date: 07/08/2026   |
| <b>18. Estimated Funding (\$):</b>  |                            |
| *a. Federal   | \$ 90,972,120              |
| *b. Applicant   | \$ 39,027,880              |
| *c. State   | \$ 0                       |
| *d. Local   | \$ 0                       |
| *e. Other   | \$ 0                       |
| *f. Program Income  | \$ 0                       |
| *g. TOTAL   | \$ 130,000,000             |
| <b>*19. Is Application Subject to Review By State Under Executive Order 12372 Process?</b>  |                            |
| <input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on _____  |                            |
| <input checked="" type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review.  |                            |
| <input type="checkbox"/> c. Program is not covered by E.O. 12372.   |                            |
| <b>*20. Is the Applicant Delinquent On Any Federal Debt?</b>  |                            |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |                            |
| If "Yes", explain:  |                            |
| <p>21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001)</p> <input checked="" type="checkbox"/> ** I AGREE |                            |
| ** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.   |                            |
| <b>Authorized Representative:</b>   |                            |
| Prefix: _____   | *First Name: Kevin _____   |
| Middle Name: _____  |                            |
| *Last Name: Kone _____  |                            |
| Suffix: _____   |                            |
| *Title: Assistant Chief Financial Officer   |                            |
| *Telephone Number: (650) 821-2888   | Fax Number: (650) 821-2925 |
| * Email: kevin.kone@flysfo.com  |                            |
| *Signature of Authorized Representative: <i>Kevin Kone</i>  | *Date Signed: 12/28/2023   |

DocuSigned by:

Kevin Kone

4E3AE5F0334647B...

**Item 3** – Indicate whether the Sponsor can complete the project without unreasonable delays. If applicable, provide listing of foreseeable events (winter shutdown, land acquisition issues, non-aeronautical events, etc.) that have potential to delay completion of the project. (49 USC § 47106(a))

**Item 4** – Indicate whether the environmental review (i.e. environmental assessment, mitigated FONSI, etc.) identified impacts or effects on the environment that require mitigating measures that lessen the impact or effect on the environment. If yes, provide a summary listing of mitigating measures. (49 U.S.C. § 47106(c))

**Item 5** – Indicate whether the project covered by this request is also covered by an approved Passenger Facility Charge (PFC) application or other Federal assistance program by selecting all applicable check boxes (49 U.S.C. § 40117(d) and 2 CFR § 200.403). If the approved PFC application only addresses the Sponsor's AIP matching share, select the appropriate check box.

If the project, or portions thereof, is covered by another Federal assistance program, identify the Federal assistance program by name and the Catalog of Federal Domestic Assistance (CFDA) number.

**Item 6** – Indicate whether the Sponsor intends to seek reimbursement of Sponsor indirect costs as defined by 2 CFR §200.414 and 2 CFR Appendix VII to Part 200. This information request **does not** include the indirect costs claimed by a for-profit entity (e.g. consultant).

- The de minimis rate may only be used if the Sponsor has not previously received a negotiated Indirect Cost Rate (ICR) and does not exceed the limitations prescribed in Appendix VII to Part 200.
- A Sponsor with an existing approved negotiated ICR must identify the ICR value, the name of the cognizant agency that approved the ICR and the date of approval.

## **SECTION B. CERTIFICATION REGARDING LOBBYING**

This section addresses the Sponsor's declaration regarding lobbying activities. The declaration made in the section are under signature of the authorized representative as identified in box 21 of form SF-424, to which this form is attached.

Title 31 U.S.C. § 1352 establishes that no appropriated funds may be expended by a recipient of a Federal grant to pay any person for influencing or attempting to influence an officer or employee of any agency, Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this covered Federal assistance action. Pursuant to 40 CFR part 20, this certification attests that the Sponsor has not made, and will not make, any payment prohibited payment by 31 U.S.C. § 1352.

## **PART III – Budget Information**

### **SECTION A. GENERAL**

**1. Assistance Listing Number** - Show the Assistance Listing Number from which the assistance is requested.

**2. Functional or Other Breakout:** Indicate "Airport Improvement Program". Prepare a separate set of Part III forms for other Federal program categories.

### **SECTION B. CALCULATION OF FEDERAL GRANT**

When applying for a new grant, use the Total Amount Column only. Use all columns when requesting revisions of previously awarded amounts.

**Line 1** - Enter amounts needed for administration expenses, which may include such items as: legal fees, mailing/shipping expenses, audit fees and documented Sponsor employee time that is necessary to administer the grant.

**Line 2** - Enter amounts pertaining to allowable preliminary expenses. These include such expenses as independent fee estimate preparation, advertising expenses and permits.

**Line 3** - Enter amounts directly associated with the acquisition of land, existing structures, and related right-of-way.

**Line 4** - Enter fees for architectural engineering basic services.

**Line 5** - Enter amounts for architectural engineering special services (e.g. surveys, tests and borings).

**Line 6** - Enter fees for inspection, testing and monitoring of construction and related programs.

**Line 7** - Enter amounts associated with the development of land where the primary purpose of the grant is land improvement. Site work normally associated with major construction should be excluded from this category and shown on line 11.

**Line 8** - Enter the dollar amounts needed to provide relocation advisory assistance, and the net amounts for replacement (last resort) housing. Do not include relocation administration expenses on this Line; include them on Line 1.

**Line 9** - Enter the estimated amount of relocation payments to be made to displaced persons, business concerns, and non-profit organizations for moving expenses and replacement housing.

**Line 10** - Enter the cost of demolition or removal of improvements on developed land. Reduce the costs on this line by the amount of expected proceeds from the sale of salvage, if so instructed by the Federal grantor agency. Otherwise, show the proceeds on Line 15.

**Line 11** - Enter amounts for the actual construction of, addition to or restoration of a facility. Include in this category the amounts of project improvements such as grading, drainage, paving, marking, lighting, buildings, seeding/sodding, etc.

**Line 12** - Enter amounts for equipment. Examples include ARFF vehicles, SRE equipment, AWOS equipment, interactive training, NAVAID equipment, etc.)

**Line 13** - Enter miscellaneous amounts for items not specifically covered by previous categories.

## **PART IV – Program Narrative**

Prepare the program narrative statement in accordance with the following instructions for all new grant programs. Requests for supplemental assistance should be responsive to Item 5b only. Requests for continuation or refunding or other changes of an approved project should be responsive to Item 5c only.

### **1. OBJECTIVES AND NEED FOR THIS ASSISTANCE**

Provide a short and concise description of the proposed improvement. Include a narrative on why this improvement is needed.

### **2. RESULTS OR BENEFITS EXPECTED**

Identify results and benefits to be derived. For example, include a description of who will occupy the facility and show how the facility will be used. For land acquisition or development projects, explain how the project will benefit the public.

### **3. APPROACH**

- a. Outline a plan of action pertaining to the scope and detail of how the Sponsor proposes to accomplish the work.
- b. Cite factors, which might accelerate or decelerate the work, and your reason for taking this approach as opposed to others. Describe any unusual features of the project such as construction approach, reductions in cost or time or extraordinary social and community involvements.
- c. Provide projections of project milestone dates. As a minimum, identify target dates for defining project costs (i.e. bid opening or completion of negotiations), anticipated issuance of notice-to-proceed and anticipated project completion date.
- d. Identify monitoring and oversight mechanisms the Sponsor proposes to implement.
- e. List key individuals and entities such as consultant, Sponsor personnel and contractor who will work on the project. Provide a short description of the nature of their effort or contribution.

### **4. GEOGRAPHIC LOCATION**

Identify location of the project. This will typically be the name of the airport.

### **5. IF APPLICABLE, PROVIDE THE FOLLOWING INFORMATION:**

- a. Describe the relationship between this project and other work planned, anticipated or underway under the Federal Assistance listed under Part II, Section A, Item 5.
- b. Explain the reason for all requests for supplemental assistance and justify the need for additional funding.
- c. If there have been significant changes in the project objectives, location, approach or time delays, explain and justify. For other requests for changes or amendments, explain the reason for the change(s). If the scope, budget, or objectives have changed or an extension of time is necessary, explain the circumstances and justify.

### **6. SPONSOR'S REPRESENTATIVE**

Identify contact information of Sponsor's representative.



**PART II - SECTION B**

**Certification Regarding Lobbying**

The declarations made on this page are under the signature of the authorized representative as identified in box 21 of form SF-424, to which this form is attached. The term "Sponsor" refers to the applicant name provided in box 8 of the associated SF-424 form.

The Authorized Representative certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Sponsor, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Authorized Representative shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The Authorized Representative shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

**PART II – SECTION C (Continued)**

**9. Exclusive Rights** – There is no grant of an exclusive right for the conduct of any aeronautical activity at any airport owned or controlled by the Sponsor except as follows:

N/A

**10. Land** – (a) The sponsor holds the following property interest in the following areas of land, which are to be developed or used as part of or in connection with the Airport subject to the following exceptions, encumbrances, and adverse interests, all of which areas are identified on the aforementioned property map designated as Exhibit "A". [1]

There have not been any changes in the existing airport property map since submittal of the Airport Layout Plan set, including the Airport Property Map, approved by the FAA in September 2016.

The Sponsor further certifies that the above is based on a title examination by a qualified attorney or title company and that such attorney or title company has determined that the Sponsor holds the above property interests.

(b) The Sponsor will acquire within a reasonable time, but in any event prior to the start of any construction work under the Project, the following property interest in the following areas of land on which such construction work is to be performed, all of which areas are identified on the aforementioned property map designated as Exhibit "A". [1]

N/A

(c) The Sponsor will acquire within a reasonable time, and if feasible prior to the completion of all construction work under the Project, the following property interest in the following areas of land which are to be developed or used as part of or in connection with the Airport as it will be upon completion of the Project, all of which areas are identified on the aforementioned property map designated as Exhibit "A". [1]

N/A

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<sup>1</sup> State the character of property interest in each area and list and identify for each all exceptions, encumbrances, and adverse interests of every kind and nature, including liens, easements, leases, etc. The separate areas of land need only be identified here by the area numbers shown on the property map.

| <b>SECTION C – EXCLUSIONS</b>                              |                                     |
|--|-------------------------------------|
| 23. Classification (Description of non-participating work) | Amount Ineligible for Participation |
| a. Contingency   | \$ 8,508,837                        |
| b. SFPD (Airport Police Services)                          | 110,000                             |
| c. ITT Equipment   | 85,000                              |
| d.   |                                     |
| e.   |                                     |
| f.   |                                     |
| g. Total   | \$ 8,703,837                        |

| <b>SECTION D – PROPOSED METHOD OF FINANCING NON-FEDERAL SHARE</b> |                      |
|---|----------------------|
| 24. Grantee Share – Fund Categories                               | Amount               |
| a. Securities   |                      |
| b. Mortgages  |                      |
| c. Appropriations (by Applicant)                                  |                      |
| d. Bonds  | 39,027,880           |
| e. Tax Levies   |                      |
| f. Non-Cash   |                      |
| g. Other (Explain):   |                      |
| h. TOTAL - Grantee share  | \$ 39,027,880        |
| 25. Other Shares  | Amount               |
| a. State  |                      |
| b. Other  |                      |
| c. TOTAL - Other Shares   |                      |
| <b>26. TOTAL NON-FEDERAL FINANCING</b>                            | <b>\$ 39,027,880</b> |

| <b>SECTION E – REMARKS</b><br>(Attach sheets if additional space is required) |
|---|
|   |

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San Francisco International Airport  
 Airport Improvement Program FFY 2024 Grant Application  
 Bipartisan Infrastructure Law Airport Infrastructure Grants (BIL AIG)  
 Recycled Water System Project A (Airport Project No. 11431)  
 Project Cost Estimate  
 December 2023

| Cost Classification<br>(FAA From 5100-100)               | Cost Classification<br>(Airport)    | Total Project<br>Cost<br>(A) | Exclusions<br>(B) | FAA<br>Allocable<br>(C) = (A) - (B) | FAA Share<br>at 75%<br>(D) = (C)*75% | Airport<br>Share<br>(E) = (A) - (D) |
|--|-------------------------------------|------------------------------|-------------------|-------------------------------------|--------------------------------------|-------------------------------------|
| 4. Architectural engineering basic fees                  | Walsh Construction (Carollo)        | \$ 7,712,746.54              | \$ -              | \$ 7,712,746.54                     | \$ 5,784,559.00                      | \$ 1,928,187.54                     |
| 4. Architectural engineering basic fees                  | Architecture                        | \$ 64,000.00                 | \$ -              | \$ 64,000.00                        | \$ 48,000.00                         | \$ 16,000.00                        |
| 4. Architectural engineering basic fees                  | Engineering                         | \$ 64,000.00                 | \$ -              | \$ 64,000.00                        | \$ 48,000.00                         | \$ 16,000.00                        |
| <i>Subtotal 4. Architectural engineering basic fees</i>  |                                     | \$ 7,840,746.54              | \$ -              | \$ 7,840,746.54                     | \$ 5,880,559.00                      | \$ 1,960,187.54                     |
| 6. Project Inspection                                    | Construction Services               | \$ 107,000.00                | \$ -              | \$ 107,000.00                       | \$ 80,250.00                         | \$ 26,750.00                        |
| <i>Subtotal 6. Project Inspection</i>                    |                                     | \$ 107,000.00                | \$ -              | \$ 107,000.00                       | \$ 80,250.00                         | \$ 26,750.00                        |
| 11. Construction and Project Improvement                 | Direct Cost of Construction         | \$ 85,697,183.79             | \$ -              | \$ 85,697,183.79                    | \$ 64,272,887.00                     | \$ 21,424,296.79                    |
| 11. Construction and Project Improvement                 | Bond Premiun                        | \$ 810,000.00                | \$ -              | \$ 810,000.00                       | \$ 607,500.00                        | \$ 202,500.00                       |
| 11. Construction and Project Improvement                 | Programming Fee                     | \$ 1,100,000.00              | \$ -              | \$ 1,100,000.00                     | \$ 825,000.00                        | \$ 275,000.00                       |
| 11. Construction and Project Improvement                 | Management Fee                      | \$ 9,990,000.00              | \$ -              | \$ 9,990,000.00                     | \$ 7,492,500.00                      | \$ 2,497,500.00                     |
| 11. Construction and Project Improvement                 | Builder's Fee                       | \$ 8,141,232.46              | \$ -              | \$ 8,141,232.46                     | \$ 6,105,924.00                      | \$ 2,035,308.46                     |
| 11. Construction and Project Improvement                 | Contingency                         | \$ 8,508,837.21              | \$ 8,508,837.21   | \$ -                                | \$ -                                 | \$ 8,508,837.21                     |
| <i>Subtotal 11. Construction and Project Improvement</i> |                                     | \$ 114,247,253.46            | \$ 8,508,837.21   | \$ 105,738,416.25                   | \$ 79,303,811.00                     | \$ 34,943,442.46                    |
| 13. Miscellaneous  | Airfield Operations                 | \$ 220,000.00                | \$ -              | \$ 220,000.00                       | \$ 165,000.00                        | \$ 55,000.00                        |
| 13. Miscellaneous  | Crafts                              | \$ 90,000.00                 | \$ -              | \$ 90,000.00                        | \$ 67,500.00                         | \$ 22,500.00                        |
| 13. Miscellaneous  | SFPD (Airport Police Services)      | \$ 110,000.00                | \$ 110,000.00     | \$ -                                | \$ -                                 | \$ 110,000.00                       |
| 13. Miscellaneous  | Project Management                  | \$ 1,300,000.00              | \$ -              | \$ 1,300,000.00                     | \$ 975,000.00                        | \$ 325,000.00                       |
| 13. Miscellaneous  | Project Management Support Services | \$ 6,000,000.00              | \$ -              | \$ 6,000,000.00                     | \$ 4,500,000.00                      | \$ 1,500,000.00                     |
| 13. Miscellaneous  | ITT Equipment                       | \$ 85,000.00                 | \$ 85,000.00      | \$ -                                | \$ -                                 | \$ 85,000.00                        |
| <i>Subtotal 13. Miscellaneous</i>                        |                                     | \$ 7,805,000.00              | \$ 195,000.00     | \$ 7,610,000.00                     | \$ 5,707,500.00                      | \$ 2,097,500.00                     |
| <b>Total Cost</b>  |                                     | \$ 130,000,000.00            | \$ 8,703,837.21   | \$ 121,296,162.79                   | \$ 90,972,120.00                     | \$ 39,027,880.00                    |

*AIP Grant Pre-Application (FFY2024)  
Recycled Water System Project (Airport Project No. 11431)*

**FAA From 5100-100, Part IV – Program Narrative**  
**Additional Information**

**PROJECT:** Recycled Water System Project (Airport Project No. 11431)

**AIRPORT:** San Francisco International Airport

**1. Objective**

The Recycled Water System Project will program, design, construct, activate, and commission a new advanced water treatment facility, capable of removing per- and polyfluoroalkyl substances (PFAS), 200,000-gallon water storage tank and pump station, and three miles of underground recycled water distribution pipe from the Mel Leong Treatment Plant (MLTP) to Airport facilities equipped with non-potable plumbing, i.e., ‘purple pipe’ ready for recycled water utilization. This includes landside/roadway construction, civil engineering, utility infrastructure, foundations, superstructure, special systems, mechanical, plumbing, and telecommunication systems. The attached map shows the location of the project.

The Project will demolish an existing, unused, tank at the MLTP to provide the footprint shown in Figure 1 for a new Advanced Water Treatment Process (AWTP) Facility. All electrical infrastructure needed for the AWTP will be designed and built by the project. The project will connect the effluent streams from the existing industrial waste treatment plant, and sanitary sewer treatment plant, to the influent stream of the new AWTP. The project will design, procure, and install all specialized systems needed for the AWTP for treatment, monitoring, testing and conveyance of highly treated water. The effluent from the AWTP will be collected and stored for pumping at an equalization tank.

The pipeline will consist of approximately three miles of pipeline and connections to existing buildings piped for non-potable water use, as well as connection points for future buildings. The distribution line will cross the airfield from the north side of the Airport and continue from the West Field Cargo area to the Terminals as shown in figure 2.

**2. Benefits Anticipated**

The project will result in reduced potable water consumption at the Airport by as much as 25%. This reduction is through the use of existing dual-piped buildings that use non-potable water in toilets, heating and cooling facilities, and landscaping.

The removal of PFAS from the treated recycled water provides a safe, healthy product for use in non-potable systems. It also meets regulatory requirements. In addition, the removal of PFAS from all effluent discharged from the Airport improves the health and environment of the San Francisco Bay and meet regulatory requirements.

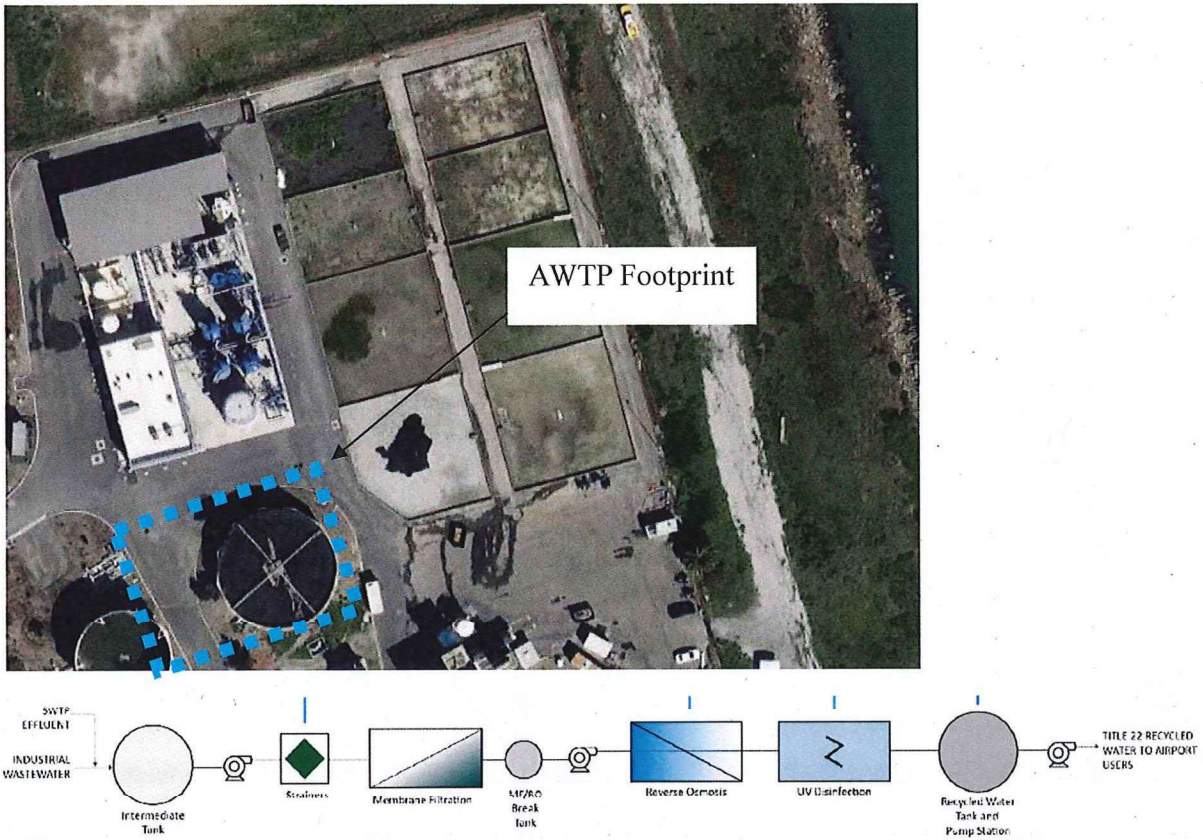


Figure 1 – Preliminary Advanced Water Treatment Process (AWTP)

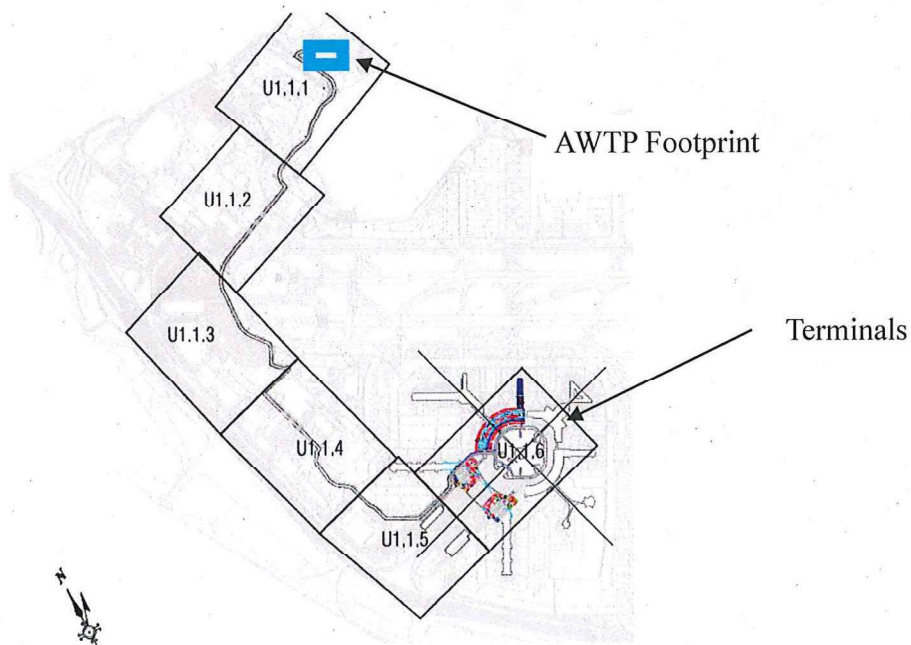


Figure 2 – Preliminary Recycled Water Distribution Pipeline

## COMPATIBLE LAND USE STATEMENT SAN FRANCISCO INTERNATIONAL AIRPORT

### AIP FFY2024 Grant Application

The City and County of San Francisco (CCSF), through the Airport Commission, is in regular communication with the cities in the vicinity of San Francisco International Airport (SFO) and San Mateo County. Airport staff also participates in the City/County Association of Governments (C/CAG) of San Mateo County's (C/CAG's) Airport Land Use Committee (ALUC) process, in which new proposed land uses and projects in the areas around the Airport are subject to ALUC review to ensure proposals are compatible with Airport operations. The ALUC has also developed the *Comprehensive Airport Land Use Compatibility Plan for the Environs of San Francisco International Airport* (ALUCP) which describes limitations on new development and land use in areas around the Airport to ensure compatibility with airspace, noise, and safety related to Airport operations. Local cities are required by California State law to bring their general plans into conformity with the ALUCP ensuring future land use planning is compatible with Airport operations.

The Airport also plays an important role in the SFO Airport/Community Roundtable (Roundtable), which is an advisory group formulated to record, discuss, and evaluate problems and potential solutions to aircraft noise impacts. The Roundtable, made up of representatives from airlines, the FAA, SFO, the CCSF Mayor's Office, CCSF Board of Supervisors, and elected officials from C/CAG municipalities and San Mateo County, evaluates data from SFO's Aircraft Noise Monitoring System, examines community input, and makes recommendations designed to reduce the impact of noise on neighboring cities. The SFO Aircraft Noise Office provides technical reporting, noise abatement instruction and data analysis support to the Roundtable, tracks the Fly Quiet Program, and interfaces with stakeholders to further the goals of the Airport to reduce aircraft noise. Regularly scheduled public meetings provide the public an opportunity to voice any concerns and discuss potential measures to minimize aircraft noise.

The following are key noise abatement procedures in use at San Francisco International Airport:

- 1) Nighttime Preferential Runway Use (voluntary): At SFO, almost three quarters of annual departures use Runways 1L and 1R, while over 95 percent of annual arrivals use Runways 28L and 28R. This operating configuration keeps the majority of departures and arrivals over water and minimizes aircraft noise impacts to populated areas. When conditions allow, aircraft operators are asked to maximize flight paths over water and minimize flights over land from 11:00 p.m. to 7:00 a.m. by departing on Runways 10L and 10R.
- 2) "Shoreline Departure": This route provides for a northeastern turn to the right after takeoff from Runways 28L and 28R, thereby averting flights over populated areas of San Bruno and South San Francisco. This departure steers aircraft to the northeast shortly after takeoff in an attempt to keep aircraft noise away from residential communities located to the northwest of SFO. This departure procedure is known as the TRUKN TWO (RNAV) procedure during the daytime hours and NIITE THREE (RNAV) during the nighttime hours.
- 3) Quiet Bridge Approach: This approach applies to Runways 28L and 28R arrivals from the south and has the effect of maximizing aircraft over-flights above water through offsetting the approach.
- 4) NIITE Departure: This departure route for takeoff from Runways 1L and 1R provides for the use of an over-water climb pattern over the Bay. During the hours of 1:00 a.m. to 5:00 a.m. flights that typically turn over the peninsula on the SSTITK Departure are assigned the NIITE over the San Francisco Bay and out the Golden Gate Bridge to the GOBBS waypoint. When these flights turn back over the peninsula, they are 6,000 to 8,000 feet higher than if the SSTITK procedure were used.
- 5) Engine Run-Up Restrictions: Aircraft engine run-up activity for maintenance or test purposes is restricted from 10:00 p.m. to 7:00 a.m. Limited checks are allowed, provided specific conditions are met. Compliance is enforced through the Ground Run-Up Monitoring System.



**FAA  
Airports**

## **ASSURANCES AIRPORT SPONSORS**

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### **A. General.**

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this Grant Agreement.

### **B. Duration and Applicability.**

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

The terms, conditions and assurances of this Grant Agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

The preceding paragraph (1) also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. **Airport Planning Undertaken by a Sponsor.**

Unless otherwise specified in this Grant Agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 23, 25, 30, 32, 33, 34, and 37 in Section C apply to planning projects. The terms, conditions, and



- v. National Environmental Policy Act of 1969 – 42 U.S.C. § 4321, et seq.<sup>1</sup>
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended – 16 U.S.C. § 1271, et seq.
- x. Single Audit Act of 1984 – 31 U.S.C. § 7501, et seq.<sup>2</sup>
- y. Drug-Free Workplace Act of 1988 – 41 U.S.C. §§ 8101 through 8105.
- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (P.L. 109-282, as amended by section 6202 of P.L. 110-252).
- aa. Civil Rights Restoration Act of 1987, P.L. 100-259.
- bb. Build America, Buy America Act, P.L. 117-58, Title IX.

#### **EXECUTIVE ORDERS**

- a. Executive Order 11246 – Equal Employment Opportunity<sup>1</sup>
- b. Executive Order 11990 – Protection of Wetlands
- c. Executive Order 11998 – Flood Plain Management
- d. Executive Order 12372 – Intergovernmental Review of Federal Programs
- e. Executive Order 12699 – Seismic Safety of Federal and Federally Assisted New Building Construction<sup>1</sup>
- f. Executive Order 12898 – Environmental Justice
- g. Executive Order 13166 – Improving Access to Services for Persons with Limited English Proficiency
- h. Executive Order 13985 – Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government
- i. Executive Order 13988 – Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation
- j. Executive Order 14005 – Ensuring the Future is Made in all of America by All of America’s Workers
- k. Executive Order 14008 – Tackling the Climate Crisis at Home and Abroad

#### **FEDERAL REGULATIONS**

- a. 2 CFR Part 180 – OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
- b. 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. <sup>4,5</sup>
- c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment.
- d. 14 CFR Part 13 – Investigative and Enforcement Procedures.
- e. 14 CFR Part 16 – Rules of Practice for Federally-Assisted Airport Enforcement Proceedings.
- f. 14 CFR Part 150 – Airport Noise Compatibility Planning.

apply where applicable to private sponsors receiving Federal assistance under Title 49, United States Code.

- <sup>4</sup> Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.
- <sup>5</sup> Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

## **SPECIFIC ASSURANCES**

---

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this Grant Agreement.

### **2. Responsibility and Authority of the Sponsor.**

#### **a. Public Agency Sponsor:**

It has legal authority to apply for this Grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

#### **b. Private Sponsor:**

It has legal authority to apply for this Grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this Grant Agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

### **3. Sponsor Fund Availability.**

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this Grant Agreement which it will own or control.

### **4. Good Title.**

- a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.
- b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

### **5. Preserving Rights and Powers.**

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Grant Agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere

**7. Consideration of Local Interest.**

It has given fair consideration to the interest of communities in or near where the project may be located.

**8. Consultation with Users.**

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

**9. Public Hearings.**

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

**10. Metropolitan Planning Organization.**

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

**11. Pavement Preventive Maintenance-Management.**

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

**12. Terminal Development Prerequisites.**

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under 49 U.S.C. § 44706, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

**13. Accounting System, Audit, and Record Keeping Requirements.**

- a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this Grant, the total cost of the project in connection with which this Grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The

## 18. Planning Projects.

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

## 19. Operation and Maintenance.

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state, and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for:
  1. Operating the airport's aeronautical facilities whenever required;
  2. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
  3. Promptly notifying pilots of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or

classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.

- f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees (including, but not limited to maintenance, repair, and fueling) that it may choose to perform.
- g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.
- h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
- i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

### **23. Exclusive Rights.**

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

### **24. Fee and Rental Structure.**

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for

public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;

- b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this Grant Agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and
- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
  1. all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
  2. all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

**27. Use by Government Aircraft.**

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that:

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

**28. Land for Federal Facilities.**

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

- a. Using the definitions of activity, facility, and program as found and defined in 49 CFR §§ 21.23(b) and 21.23(e), the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by or pursuant to these assurances.
- b. Applicability
  1. Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
  2. Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter, or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.
  3. Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

1. So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
  2. So long as the sponsor retains ownership or possession of the property.
- d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this Grant Agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

"The (**[Selection Criteria: Sponsor Name]**), in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, [select businesses, or disadvantaged business enterprises or airport concession disadvantaged business enterprises] will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in consideration for an award."

e. Required Contract Provisions.

1. It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the Department of Transportation (DOT), and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.

project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:
  1. Reinvestment in an approved noise compatibility project;
  2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
  3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117;
  4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or
  5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.
- c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.
- d. Disposition of such land under (a), (b), or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

### **32. Engineering and Design Services.**

If any phase of such project has received Federal funds under Chapter 471 subchapter 1 of Title 49 U.S.C., it will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 U.S.C., or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

### **33. Foreign Market Restrictions.**

It will not allow funds provided under this Grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by



**39. Competitive Access.**

- a. If the airport owner or operator of a medium or large hub airport (as defined in 49 U.S.C. § 47102) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that:
  1. Describes the requests;
  2. Provides an explanation as to why the requests could not be accommodated; and
  3. Provides a time frame within which, if any, the airport will be able to accommodate the requests.
- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.

Exclusion Summary

Active Exclusions Records?

No

SAM Search Authorization

I authorize my entity's non-sensitive information to be displayed in SAM public search results:

No

Entity Types

Business Types

| Entity Structure       | Entity Type         | Organization Factors |
|------------------------|---------------------|----------------------|
| U.S. Government Entity | US Local Government | (blank)              |
| Profit Structure       |                     |                      |
| (blank)                |                     |                      |

Socio-Economic Types

Check the registrant's Reqs & Certs, if present, under FAR 52.212-3 or FAR 52.219-1 to determine if the entity is an SBA-certified HUBZone small business concern. Additional small business information may be found in the SBA's Dynamic Small Business Search if the entity completed the SBA supplemental pages during registration.

Government Types

U.S. Local Government  
County  
City

Financial Information

|                              |                        |
|------------------------------|------------------------|
| Accepts Credit Card Payments | Debt Subject To Offset |
| No                           | No                     |

|               |           |
|---------------|-----------|
| EFT Indicator | CAGE Code |
| 0000          | 34FP4     |

Electronic Funds Transfer

|                         |                |                 |
|-------------------------|----------------|-----------------|
| Account Type            | Routing Number | Lock Box Number |
| Checking                | ****0024       | (blank)         |
| Financial Institution   | Account Number |                 |
| JPMORGAN CHASE BANK, NA | ****043472200  |                 |

Automated Clearing House

|              |         |                  |
|--------------|---------|------------------|
| Phone (U.S.) | Email   | Phone (non-U.S.) |
| 6022211806   | (blank) | (blank)          |
| Fax          |         |                  |
| (blank)      |         |                  |

Remittance Address

SFO AIRPORT COMMISSION  
P.O. Box 59753  
Los Angeles, California 90074  
United States

Taxpayer Information

|   |  |                                |
|---|--|--------------------------------|
| EIN   | Type of Tax                                | Taxpayer Name                  |
| ****0417  | Applicable Federal Tax                     | SAN FRANCISCO CITY & COUNTY OF |
| Tax Year (Most Recent Tax Year)                               | Name/Title of Individual Executing Consent | TIN Consent Date               |
| 2021  | Grant Development Program Manager          | Feb 28, 2023                   |
| Address   | Signature                                  |                                |
| 1 DR Carlton B Goodlett PL<br>San Francisco, California 94102 | TINA KO                                    |                                |

Points of Contact

**Federal Aviation Administration**  
**Airport Improvement Program FFY 2024 Grant Application**  
**Bipartisan Infrastructure Law Airport Infrastructure Grants (BIL AIG)**  
**Recycled Water System Project (Airport Project No. 11431)**  
Grant Budget Summary (Estimates as of December 2023)

| <b>Cost Category</b>  | <b>Total Project Cost</b> | <b>FAA Share at 75%</b> | <b>Required Matching Airport Share</b> | <b>Remaining Airport Share</b> |
|-----------------------|---------------------------|-------------------------|--|--------------------------------|
| Internal Cost         | \$ 2,040,000              | \$ 1,383,750            | \$ 461,250                             | \$ 195,000                     |
| Professional Services | \$ 6,000,000              | \$ 4,500,000            | \$ 1,500,000                           | \$ -                           |
| Construction Services | \$ 121,960,000            | \$ 85,088,370           | \$ 28,362,791                          | \$ 8,508,839                   |
| <b>Total Cost</b>     | <b>\$ 130,000,000</b>     | <b>\$ 90,972,120</b>    | <b>\$ 30,324,041</b>                   | <b>\$ 8,703,839</b>            |

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 24-0003

**AUTHORIZATION TO ACCEPT AND EXPEND FEDERAL AVIATION ADMINISTRATION AIRPORT INFRASTRUCTURE GRANT FUNDS IN THE AMOUNT OF UP TO \$90,972,120 FOR THE RECYCLED WATER SYSTEM PROJECT, PLUS ADDITIONAL AMOUNTS UP TO 15% OF THE ORIGINAL GRANT AMOUNT THAT MAY BE OFFERED**

WHEREAS, the Bipartisan Infrastructure Law, enacted on November 15, 2021, provides approximately \$25 billion in federal funding for the National Aerospace System over a five-year period; and

WHEREAS, approximately \$15 billion has been provided for grants for airport infrastructure projects; and

WHEREAS, the Federal Aviation Administration (FAA) has established the Airport Infrastructure Grants (AIG) program to administer this funding; and

WHEREAS, an airport improvement project to be implemented at San Francisco International Airport (Airport) is eligible for federal assistance under the FAA AIG; and

WHEREAS, the proposed project is the Recycled Water System Project; and

WHEREAS, the AIG reimburses up to 75% of the eligible airport infrastructure project costs; and

WHEREAS, the Airport Director filed a grant application to seek federal assistance, in an amount up to \$90,972,120, under the AIG for the proposed project; now, therefore, be it

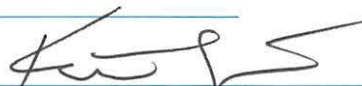
RESOLVED, that upon receipt by the Airport of an AIG Grant Offer from the FAA for the Recycled Water System Project, the Airport Commission authorizes the Airport Director to accept and expend the grant funds in an amount of up to \$90,972,120 during Federal Fiscal Year 2024 or such later Federal Fiscal Year, plus additional amounts up to 15% of the original grant amount that may be offered, as determined by the Airport Director based on the project implementation schedule, and to execute the related grant agreement; and, be it further

RESOLVED, that the Commission Secretary, for and on behalf of and in the name of the Airport Commission, is authorized and directed to seek approval from the San Francisco Board of Supervisors to accept and expend the grant funds under Section 10.170-1 of the San Francisco Administrative Code.

*I hereby certify that the foregoing resolution was adopted by the Airport Commission*

*at its meeting of*

**JAN 16 2024**

  
Secretary



**MEMORANDUM**

January 16, 2024

TO: AIRPORT COMMISSION  
Hon. Malcolm Yeung, President  
Hon. Everett A. Hewlett, Jr., Vice President  
Hon. Jane Natoli  
Hon. Jose F. Almanza  
Hon. Mark Buell

24-0003  
JAN 16 2024

FROM: Airport Director

SUBJECT: Authorization to Accept and Expend Federal Aviation Administration Airport Infrastructure Grant Funding in an Amount up to \$90,972,120 for the Recycled Water System Project

DIRECTOR'S RECOMMENDATION: AUTHORIZE THE ACCEPTANCE AND EXPENDITURE OF FEDERAL AVIATION ADMINISTRATION AIRPORT INFRASTRUCTURE GRANT FUNDS IN THE AMOUNT OF UP TO \$90,972,120 FOR THE RECYCLED WATER SYSTEM PROJECT, PLUS ADDITIONAL AMOUNTS UP TO 15% OF THE ORIGINAL AMOUNT THAT MAY BE OFFERED.

**Executive Summary**

In Federal Fiscal Year (FFY) 2024, the San Francisco International Airport (Airport) applied for Federal Aviation Administration (FAA) Bipartisan Infrastructure Law (BIL) Airport Infrastructure Grant (AIG) funds for the Recycled Water System Project (Project). The proposed resolution authorizes the acceptance and expenditure of AIG grant funds of up to \$90,972,120 for the Project, plus additional amounts up to 15% of the original grant amount that may be offered.

**Background**

The BIL, enacted on November 15, 2021, provides approximately \$25 billion in federal funding for the National Aerospace System, of which approximately \$15 billion has been provided for grants for airport infrastructure projects, including runways, taxiways, safety, sustainability, terminals, airport-transit connections, and roadway projects. The FAA has established the AIG to administer this funding over a five-year period with approximately \$3 billion in AIG funds available annually to eligible U.S. airports. The BIL allocates the available funding into two programs: formula allocations (AIG Allocated) and competitive grants for sponsor-owned contract towers (FAA Contract Tower Competitive).

The AIG reimburses up to 75% of eligible airport infrastructure project costs.

THIS PRINT COVERS CALENDAR ITEM NO. 3

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

LONDON N. BREED MALCOLM YEUNG EVERETT A. HEWLETT, JR. JANE NATOLI JOSE F. ALMANZA MARK BUELL IVAR C. SATERO  
MAYOR PRESIDENT VICE PRESIDENT AIRPORT DIRECTOR

**Scope of Work**

The Project would construct a new Advanced Water Treatment Plant (AWTP) at the Airport's Mel Leong Treatment Plant capable of treating effluent from both the existing industrial waste treatment plant and the sanitary waste treatment plant to standards required for non-potable water reuse. These uses include landscape irrigation, toilets, car washes, and industrial applications. The AWTP capacity will be scalable to meet current and future demands for recycled water. In addition, the Project will provide advanced treatment to remove polyfluoroalkyl substances (PFAS).

The Project would also construct a distribution system consisting of a 200,000-gallon storage tank at the AWTP to collect the recycled water, a pump station, approximately three miles of underground pipeline, and valved connections to buildings piped with dedicated non-potable water pipe, i.e. purple pipe. The Project would also make connections to industrial and landscaping facilities equipped with purple pipe. For future expansion of the Airport campus, the Project would provide connection points to the recycled water system.

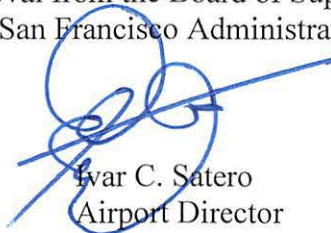
**Additional Authorization**

Approval of the San Francisco Board of Supervisors (Board) is required to accept and expend grants of this type in an amount of \$100,000 or more.

The Airport has not yet received Board approval to accept and expend the AIG funding. If approved by the Commission, the Airport will seek the approval of the Board to accept and expend federal grant funds in the amount of up to \$90,972,120 for the Project.

**Recommendation**

I recommend the Commission adopt the attached resolution authorizing the acceptance and expenditure of FAA Airport Infrastructure Grants funds in the amount of up to \$90,972,120 for the Recycled Water System Project, plus additional amounts up to 15% of the original grant amount that may be offered. Staff will return to the Commission if the final grant offer exceeds 15% of the original grant amount. I further recommend that the Commission authorize the Commission Secretary to seek approval from the Board of Supervisors to accept and expend the grant under Section 10.170-1 of the San Francisco Administrative Code.



Evar C. Satero  
Airport Director

Prepared by: Kevin Bumen  
Chief Financial and Commercial Officer

Attachment

**San Francisco International Airport  
Bipartisan Infrastructure Law  
Airport Infrastructure Grants Program  
Formulation Allocations**

*Summary as of 1/18/2024*

| <b>Fiscal Year</b> | <b>Allocated to SFO</b> |
|--------------------|-------------------------|
| 2022               | \$49,350,599            |
| 2023               | \$49,120,855            |
| 2024               | \$45,198,001            |
| <b>Total</b>       | <b>\$143,669,455</b>    |

|                                       |                      |
|---------------------------------------|----------------------|
| <b>Current Obligated<br/>to SFO</b>   | \$14,373,791         |
| <b>Remaining<br/>Allocated to SFO</b> | <b>\$129,295,664</b> |

**Bipartisan Infrastructure Law (BIL)  
FY23 Airport Infrastructure Grant (AIG) Program Formulation Allocations**

| State | City               | Airport                                       | Locid | Amount       |
|-------|--------------------|---|-------|--------------|
| CA    | San Carlos         | San Carlos                                    | SQL   | \$292,000    |
| CA    | San Diego          | Montgomery-Gibbs Exec                         | MYF   | \$844,000    |
| CA    | San Diego          | San Diego International                       | SAN   | \$24,048,066 |
| CA    | San Diego          | Brown Field Municipal                         | SDM   | \$292,000    |
| CA    | San Diego/El Cajon | Gillespie Field                               | SEE   | \$844,000    |
| CA    | San Francisco      | San Francisco International                   | SFO   | \$49,120,855 |
| CA    | San Jose           | Reid-Hillview of Santa Clara County           | RHV   | \$292,000    |
| CA    | San Jose           | Norman Y Mineta San Jose International        | SJC   | \$15,717,023 |
| CA    | San Luis Obispo    | San Luis County Regional                      | SBP   | \$2,344,857  |
| CA    | San Martin         | San Martin                                    | E16   | \$145,000    |
| CA    | Santa Ana          | John Wayne/Orange County                      | SNA   | \$11,579,732 |
| CA    | Santa Barbara      | Santa Barbara Municipal                       | SBA   | \$3,720,018  |
| CA    | Santa Maria        | Santa Maria Public/Capt G Allan Hancock Field | SMX   | \$1,015,547  |
| CA    | Santa Monica       | Santa Monica Municipal                        | SMO   | \$145,000    |
| CA    | Santa Rosa         | Charles M Schulz - Sonoma County              | STS   | \$2,180,939  |
| CA    | Santa Ynez         | Santa Ynez                                    | IZA   | \$145,000    |
| CA    | Shafter            | Shafter-Minter Field                          | MIT   | \$145,000    |
| CA    | South Lake Tahoe   | Lake Tahoe                                    | TVL   | \$145,000    |
| CA    | Stockton           | Stockton Metro                                | SCK   | \$1,491,754  |
| CA    | Susanville         | Susanville Municipal                          | SVE   | \$145,000    |
| CA    | Taft               | Taft-Kern County                              | L17   | \$113,000    |
| CA    | Tehachapi          | Tehachapi Municipal                           | TSP   | \$145,000    |
| CA    | Torrance           | Zamperini Field                               | TOA   | \$292,000    |
| CA    | Tracy              | Tracy Municipal                               | TCY   | \$292,000    |
| CA    | Trinity Center     | Trinity Center                                | O86   | \$113,000    |
| CA    | Truckee            | Truckee-Tahoe                                 | TRK   | \$292,000    |
| CA    | Tulare             | Mefford Field                                 | TLR   | \$145,000    |
| CA    | Tulelake           | Tulelake Municipal                            | O81   | \$113,000    |
| CA    | Turlock            | Turlock Municipal                             | O15   | \$145,000    |
| CA    | Twentynine Palms   | Twentynine Palms                              | TNP   | \$113,000    |
| CA    | Ukiah              | Ukiah Municipal                               | UKI   | \$145,000    |



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1 for each fiscal year through 2026, as part of the annual  
2 budget submission of the President under section 1105(a)  
3 of title 31, United States Code, the Secretary of Transpor-  
4 tation shall submit a detailed spend plan for funding that  
5 will be made available under this heading in the upcoming  
6 fiscal year, including a list of projects for replacing facili-  
7 ties that are owned by the Federal Aviation Administra-  
8 tion, including air traffic control towers that are staffed  
9 through the contract tower program: *Provided further*,  
10 That such amount is designated by the Congress as being  
11 for an emergency requirement pursuant to section 4112(a)  
12 of H. Con. Res. 71 (115th Congress), the concurrent reso-  
13 lution on the budget for fiscal year 2018, and to section  
14 251(b) of the Balanced Budget and Emergency Deficit  
15 Control Act of 1985.

16 AIRPORT INFRASTRUCTURE GRANTS  
17 (INCLUDING TRANSFER OF FUNDS)

18 For an additional amount for “Airport Infrastructure  
19 Grants”, \$15,000,000,000, to remain available until Sep-  
20 tember 30, 2030: *Provided*, That \$3,000,000,000, to re-  
21 main available until September 30, 2026, shall be made  
22 available for fiscal year 2022, \$3,000,000,000, to remain  
23 available until September 30, 2027, shall be made avail-  
24 able for fiscal year 2023, \$3,000,000,000, to remain avail-  
25 able until September 30, 2028, shall be made available

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1 47114(c)(2)(E), 47114(c)(1)(J) of title 49, United  
2 States Code: *Provided further*, That there shall be no  
3 maximum apportionment limit: *Provided further*,  
4 That any remaining funds after such apportionment  
5 shall be distributed to all sponsors of primary air-  
6 ports (as defined in section 47102(16) of title 49,  
7 United States Code) based on each such airport's  
8 passenger enplanements compared to total passenger  
9 enplanements of all airports defined in section  
10 47102(16) of title 49, United States Code, for cal-  
11 endar year 2019 in fiscal years 2022 and 2023 and  
12 thereafter for the most recent calendar year  
13 enplanements upon which the Secretary has appor-  
14 tioned funds pursuant to section 47114(c) of title  
15 49, United States Code;

16 (2) Not more than \$500,000,000 shall be for  
17 general aviation and commercial service airports that  
18 are not primary airports as defined in paragraphs  
19 (7), (8), and (16) of section 47102 of title 49,  
20 United States Code: *Provided*, That the Secretary of  
21 Transportation shall apportion the remaining funds  
22 to each non-primary airport based on the categories  
23 published in the most current National Plan of Inte-  
24 grated Airport Systems, reflecting the percentage of  
25 the aggregate published eligible development costs

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1 the costs for which a grant is made under this para-  
2 graph shall be 100 percent:

3 *Provided further*, That any funds made available in a given  
4 fiscal year that remain unobligated at the end of the  
5 fourth fiscal year after which they were first made avail-  
6 able for obligation shall be made available in the fifth fis-  
7 cal year after which they were first made available for obli-  
8 gation to the Secretary for competitive grants: *Provided*  
9 *further*, That of the amounts made available to the Sec-  
10 retary for competitive grants under the preceding proviso,  
11 the Secretary shall first provide up to \$100,000,000, as  
12 described in paragraph (3) of the fourth proviso, and any  
13 remaining unobligated balances in excess of that amount  
14 shall be available to the Secretary for competitive grants  
15 otherwise eligible under the third proviso that reduce air-  
16 port emissions, reduce noise impact to the surrounding  
17 community, reduce dependence on the electrical grid, or  
18 provide general benefits to the surrounding community:  
19 *Provided further*, That none of the amounts made available  
20 under this heading in this Act may be used to pay for  
21 airport debt service: *Provided further*, That a grant made  
22 from funds made available under this heading in this Act  
23 shall be treated as having been made pursuant to the Sec-  
24 retary's authority under section 47104(a) of title 49,  
25 United States Code: *Provided further*, That up to 3 per-

**TO:** Angela Calvillo, Clerk of the Board of Supervisors  
**FROM:** Kantrice Ogletree, Airport Commission Secretary  
**DATE:** January 26, 2024  
**SUBJECT:** Accept and Expend Resolution for Subject Grant

**GRANT TITLE:** Federal Aviation Administration Airport Infrastructure Grants for the Airport's Recycled Water System Project

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Attached please find the original\* and 1 copy of each of the following:

- Proposed grant resolution; original\* signed by Department, Mayor, Controller
- Grant information form, including disability checklist
- Grant budget
- Grant application
- Grant award letter from funding agency
- Ethics Form 126 (if applicable)
- Contracts, Leases/Agreements (if applicable)
- Other (Explain):

**Special Timeline Requirements:**

Anticipate receiving grant offer in June 2024.

**Departmental representative to receive a copy of the adopted resolution:**

Name: Cathy Widener, Government Affairs Director Phone: (650) 821-5023

Interoffice Mail Address: Airport

Certified copy required Yes

No

(Note: certified copies have the seal of the City/County affixed and are occasionally required by funding agencies. In most cases ordinary copies without the seal are sufficient).

Updated August 7, 2014