

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 18-0184

**AUTHORIZATION TO ENTER INTO A CONTRIBUTION AGREEMENT WITH, AND TO ACCEPT A \$6,250,000 CONTRIBUTION FROM, UNITED AIRLINES, INC., FOR THE 400 HERTZ GROUND POWER CONVERTER UNITS AND PRECONDITIONED AIR UNITS SYSTEM INSTALLATION PROJECT AT PLOTS 40 AND 41**

- WHEREAS, the San Francisco International Airport ("Airport") intends to implement a project consisting of the design, acquisition, construction, and installation of ten 400 Hertz ground power converter units ("Ground Power Units") and ten preconditioned air units ("PCA Units"), together with related infrastructure at Plots 40 and 41; and
- WHEREAS, the 400 Hertz Ground Power Converter Units and Preconditioned Air Units System Installation Project ("Project") for ten locations includes four locations at the SuperBay Hangar at Plot 40, leased to United Airlines, Inc. ("United"), pursuant to Lease L04-0058, dated June 1, 2004, and six locations at Plot 41; and
- WHEREAS, the Project is partially funded by a Voluntary Airport Low Emission ("VALE") Program grant of \$10,577,500 under the Federal Aviation Administration Airport Improvement Program; and
- WHEREAS, United has agreed to contribute \$6,250,000 towards the Project cost, which is estimated to be \$25,000,000; and
- WHEREAS, the Airport expects to fund all Project costs exceeding the funds contributed by United and the VALE grant; and
- WHEREAS, the Airport wishes to enter into a Contribution Agreement ("Agreement") with United to specify the parties' obligations for the Project and to ensure VALE Program grant terms and conditions are met and to accept a \$6,250,000 contribution from United; and
- WHEREAS, the term of the Agreement will expire on the earlier of: (a) the end date of the twenty-year useful life of the Ground Power Units and PCA Units, (b) the termination of United's current or any successor lease at the SuperBay Hangar, or (c) cancellation of the Project by the Airport; and
- WHEREAS, the completion of this Project will result in significant air quality emission reductions, greenhouse gas savings, and operational cost savings; and
- WHEREAS, as required by the VALE Program grant, the Airport will retain ownership of all Ground Power Units, PCA Units, and related infrastructure; now, therefore, be it

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RESOLVED, that this Commission authorizes the Airport Director to execute a Contribution Agreement with, and to accept a contribution of \$6,250,000 from, United Airlines, Inc., for the 400 Hertz Ground Power Converter Units and Preconditioned Air Units System Installation Project at Plots 40 and 41; and, be it further

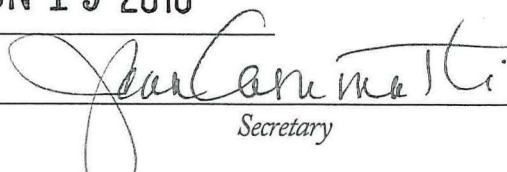
RESOLVED, that the Commission Secretary is hereby directed to request approval of the Contribution Agreement by Resolution of the Board of Supervisors in accordance with Section 9.118 of the Charter of the City and County of San Francisco.

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

*at its meeting of* \_\_\_\_\_

**JUN 19 2018**

  
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Secretary