1 [Accept and Expend Grant - Federal Aviation Administration - Airport Terminal Program - Not
To Exceed $31,000,000]

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3 **Resolution authorizing the Airport Commission to accept and expend a grant in an**

4 **amount not to exceed $31,000,000 and any additional amounts up to 15% of the original**

5 **grant for a period of October 1, 2023, through September 30, 2028, that may be offered**

6 **from the Federal Aviation Administration for the implementation of the heating,**

7 **ventilation, and air conditioning (HVAC) Improvements at International Terminal**

8 **Project, contingent on receipt by the Airport Commission of a grant offer from the**

9 **Federal Aviation Administration.**

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11 WHEREAS, The Bipartisan Infrastructure Law ("BIL"), enacted on November 15, 2021,

12 provides approximately $25 billion in federal funding for the National Aerospace System over

13 a five-year period; and

14 WHEREAS, Approximately $5 billion has been granted to provide competitive grants to

15 eligible U.S. airports for airport terminal development projects that address the aging

16 infrastructure of the nation's airports; and

17 WHEREAS, The HVAC Improvements at International Terminal Project ("HVAC

18 Improvements Project") to be implemented at San Francisco International Airport (the

19 "Airport") is eligible for federal grant assistance under the BIL; and

20 WHEREAS, The Federal Aviation Administration ("FAA") has established the Airport

21 Terminal Program ("ATP") to administer this funding; and

22 WHEREAS, The San Francisco Airport Commission (the "Airport Commission") has

23 approved the HVAC Improvements Project, which involves replacing critical mechanical and

24 electrical components of the HVAC system at the Airport's International Terminal; and

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1   WHEREAS, The ATP provides for reimbursement of up to 80% of the allowable

2 terminal development project costs; and

3   WHEREAS, The Airport Director has filed a grant application to seek federal grant

4 assistance under the ATP during federal fiscal year 2023/24 in an estimated amount of

5 $31,000,000 for the implementation of the HVAC Improvements Project; and

6   WHEREAS, On March 19, 2024, pursuant to Resolution No. 24-0039, the Airport

7 Commission approved the acceptance and expenditure of such grant funds; and

8   WHEREAS, Under San Francisco Administrative Code, Section 10.170-1, the

9 acceptance and expenditure of federal, state, or other grant funds in the amount of $100,000

10 or more is subject to the approval by resolution of the Board of Supervisors; and

11   WHEREAS, Acceptance and expenditure of this grant does not require an Annual

12 Salary Ordinance amendment; and

13   WHEREAS, The Airport Commission proposes to maximize use of available grant

14 funds on program expenditures by not including indirect costs in the grant budget; now,

15 therefore, be it

16   RESOLVED, That the Airport Commission is hereby authorized to accept and expend

17 an FAA ATP grant in an amount not to exceed $31,000,000 and any additional amounts up to

18 15% of the original grant amount, that may be offered by the FAA; and, be it

19   FURTHER RESOLVED, That the Board of Supervisors hereby waives inclusion of

20 indirect costs in the grant budget; and, be it

21   FURTHER RESOLVED, That the Airport Commission is hereby authorized to accept

22 and expend the grant funds pursuant to Administrative Code, Section 10.170-1; and, be it

23   FURTHER RESOLVED, That the Airport Director is authorized to enter into the ATP

24 grant agreement with the FAA on behalf of the City; and, be it

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1   FURTHER RESOLVED, That the authorizations contained in this Resolution are

2 contingent on receipt by the Airport Commission of a grant offer from the FAA for an FAA ATP

3 grant consistent with this Resolution.

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1   Recommended: Approved: _____/s/_____

2   Mayor

3   _____/s/_____

4   Ivar C. Satero, Airport Director   Approved: _____/s/_____

5   Controller

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