



NOW THEREFORE, pursuant to and for the purpose of carrying out the provisions of the Federal Airport Act, as amended (49 U.S.C. 1101), and in consideration of (a) the Sponsor's adoption and ratification of the representations and assurances contained in said Project Application, and its acceptance of this Offer as hereinafter provided, and (b) the benefits to accrue to the United States and the public from the accomplishment of the Project and the operation and maintenance of the Airport as herein provided, THE FEDERAL AVIATION AGENCY, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay, as the United States share of the allowable costs incurred in accomplishing the Project, 53.63 per centum of said allowable project costs.

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

1. The maximum obligation of the United States payable under this Offer shall be \$ 37,215.00.
2. The Sponsor shall:
  - (a) begin accomplishment of the Project within sixty days after acceptance of this Offer or such longer time as may be prescribed by the FAA, with failure to do so constituting just cause for termination of the obligations of the United States hereunder by the FAA;
  - (b) carry out and complete the Project without undue delay and in accordance with the terms hereof, the Federal Airport Act, and Sections 151.45-151.55 of the Regulations of the Federal Aviation Agency (14 CFR 151) in effect as of the date of acceptance of this Offer; which Regulations are hereinafter referred to as the "Regulations";
  - (c) carry out and complete the Project in accordance with the plans and specifications and property map, incorporated herein, as they may be revised or modified with the approval of the FAA.
3. The allowable costs of the project shall not include any costs determined by the FAA to be ineligible for consideration as to allowability under Section 151.41 (b) of the Regulations.
4. Payment of the United States share of the allowable project costs will be made pursuant to and in accordance with the provisions of Sections 151.57-151.63 of the Regulations. Final determination as to the allowability of the costs of the project will be made at the time of the final grant payment pursuant to Section 151.63 of the Regulations: Provided, that, in the event a semi-final grant payment is made pursuant to Section 151.63 of the Regulations, final determination as to the allowability of those costs to which such semi-final payment relates will be made at the time of such semi-final payment.

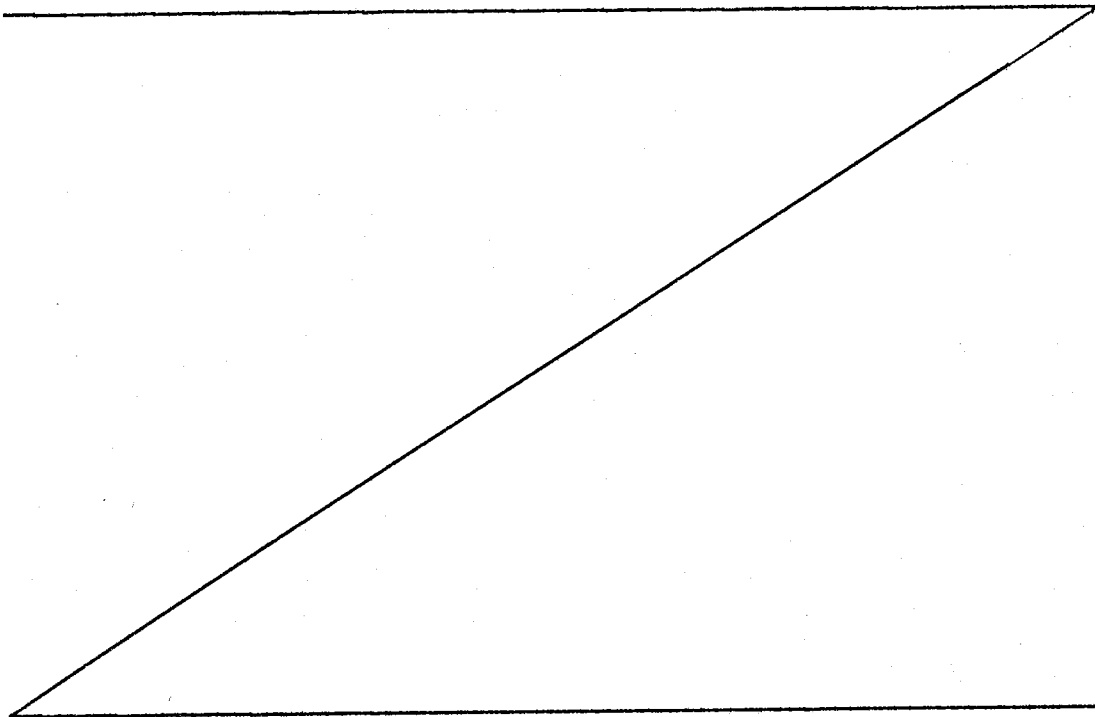
5. The Sponsor shall operate and maintain the Airport as Provided in the Project Application incorporated herein and specifically covenants and agrees, in accordance with its Assurance 4 in Part III of said Project Application, that in its operation and the operation of all facilities thereof, neither it nor any person or organization occupying space or facilities thereon will discriminate against any person or class of persons by reason of race, color, creed or national origin in the use of any of the facilities provided for the public on the airport.
6. The FAA reserves the right to amend or withdraw this Offer at any time prior to its acceptance by the Sponsor.
7. This Offer shall expire and the United States shall not be obligated to pay any part of the costs of the Project unless this Offer has been accepted by the Sponsor on or before October 31, 1967, or such subsequent date as may be prescribed in writing by the FAA.
8. In addition the Sponsor shall:
  - (a) Incorporate or cause to be incorporated in each contract for construction work under the project, or any modification thereof, the equal opportunity clause as set forth in Section 202 of Executive Order No. 11246 of September 24, 1965, or such modification thereof as may be approved by the Secretary of Labor.
  - (b) Incorporate or cause to be incorporated in each bid or proposal form submitted by prospective contractors for construction work under the project the provisions prescribed by Section 151.54(d)(1), Part 151, Federal Aviation Regulations.
  - (c) Be bound by said equal opportunity clause in any construction work under the project which it performs itself other than through its own permanent work force directly employed or through the permanent work force directly employed by another agency of government.
  - (d) Cooperate actively with the FAA and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor.
  - (e) Furnish the FAA and the Secretary of Labor such information as they may require for the supervision of such compliance and will otherwise assist the FAA in the discharge of its primary responsibility for securing compliance.
  - (f) Refrain from entering into any contract or contract modification subject to Executive Order No. 11246 with a contractor debarred from, or who has not demonstrated eligibility for, government contracts and Federally assisted construction contracts pursuant to Part II, Subpart D of Executive Order No. 11246.
  - (g) Carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the FAA and the Secretary of Labor pursuant to Part II, Subpart D of Executive Order No. 11246; and in the event that the Sponsor fails

or refuses to comply with its undertakings, the FAA may cancel terminate or suspend in whole or in part any contractual arrangements it may have with the Sponsor, may refrain from extending any further assistance under any of its programs subject to Executive Order 11246 until satisfactory assurances of future compliance has been received from such applicant, or may refer the case to the Department of Justice for appropriate legal proceedings.

9. The Federal Government does not now plan or contemplate the construction of any structures pursuant to Paragraph 9 of Part III-Sponsor's Assurances of the Project Application dated July 24, 1967, and, therefore, it is understood and agreed that the Sponsor is under no obligation to furnish any areas or rights without cost to the Federal Government under this Grant Agreement. However, nothing contained herein shall be construed as altering or changing the rights of the United States and/or the obligations of the Sponsor under prior Grant Agreements to furnish rent-free space for the activities specified in such Agreements.
10. It is understood and agreed by and between the parties hereto that Paragraph 7 of Part III of the Project Application, attached hereto and made a part hereof, is hereby amended by deleting therefrom the reference to Section A of FAA Technical Standard Order N18 and Advisory Circular (AC) No. 150/5300-1 and substituting in lieu thereof, Section 77.23 as applied to Section 77.27, Part 77 of the Federal Aviation Regulations.
11. It is understood and agreed that the terms "Administrator of the Federal Aviation Agency," "Administrator" or "Federal Aviation Agency" wherever they appear in this Agreement, in the Project Application, plans and specifications or other documents constituting a part of this Agreement shall be deemed to mean the Federal Aviation Administrator or the Federal Aviation Administration, as the case may be.
12. Notwithstanding the provision in Paragraph 3, Part III of the Project Application, the Sponsor covenants and agrees that it will not grant any exclusive right for the conduct of any aeronautical activity at Reid-Hillview Airport, or at any public airport now owned or controlled by the County of Santa Clara, or at any airport it may subsequently acquire or control, and that with respect to any existing exclusive rights granted at any such airport which were valid or permissive at inception, the Sponsor further agrees that it will terminate any such exclusive right (including any exclusive right to engage in the sale of gasoline or oil or both) at the earliest renewal, cancellation, or expiration date applicable to the agreement that established the exclusive right. The Sponsor certifies that there is no prohibited exclusive right at any such airport.

13. It is further understood and agreed that the United States will not participate or be obligated to participate in costs associated with the following construction items included in the approved plans and specifications for apron expansion and floodlighting:

- a. All work connected with Area 2.
- b. Bid item 6 - asphalt emulsion for fog seal coat.
- c. The strip of pavement 39 feet wide which is outside the fence and on the westerly end of Area 1.
- d. The empty electrical conduit to the west of the "Aircraft Tie Down Area" which is intended for future use.
- e. The 2 inch spare stub at the most westerly electrolier.
- f. Bid item 10 - 1-1/2 inch communications duct.
- g. Bid item 12 - communications pull boxes.
- h. Bid item 16 - hangar-shelter electrical improvements.
- i. Bid item 17 - the entrance gate.



The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as herein-after provided, and said Offer and Acceptance shall comprise a Grant Agreement, as provided by the Federal Airport Act, constituting the obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and the operation and maintenance of the Airport. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer and shall remain in full force and effect throughout the useful life of the facilities developed under the Project but in any event not to exceed twenty years from the date of said acceptance.

UNITED STATES OF AMERICA  
FEDERAL AVIATION AGENCY

By *Donald E. Larson*  
ACTING AREA MANAGER (TITLE)

Part II-Acceptance

The \_\_\_\_\_ does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer and does hereby accept said Offer and by such acceptance agrees to all of the terms and conditions thereof.

Executed this \_\_\_\_\_ day of \_\_\_\_\_ OCT 23 1967 \_\_\_\_\_, 19 \_\_\_\_\_

COUNTY OF SANTA CLARA, CALIFORNIA

(Name of Sponsor)

By *John M. Maguire*

(SEAL)

Title \_\_\_\_\_

Attest: \_\_\_\_\_  
Clerk of the Board of Supervisors

*Donald M. Rains*  
Donald M. Rains  
Assistant Clerk  
Board of Supervisors

CERTIFICATE OF SPONSOR'S ATTORNEY

I, *John R. Kennedy*, acting as Attorney for SANTA CLARA COUNTY,  
(herein referred to as the "Sponsor") do hereby certify:

That I have examined the foregoing Grant Agreement and the proceedings taken by said Sponsor relating thereto, and find that the Acceptance thereof by said Sponsor has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the State of \_\_\_\_\_, and further that, in my opinion, said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at \_\_\_\_\_ OCT 23 1967 \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_

*John R. Kennedy*  
Title \_\_\_\_\_