

The Agenda for this Board of Airport Commissioners Meeting was posted for public reference on the outside bulletin board and at the front lobby of the Department of Airports, Clifton A. Moore Administration Building, #1 World Way, Los Angeles, California 90045 on Friday, June 19, 2009 at 1:52 pm, and on the websites of both the Department of Airports at <http://www.lawa.aero> and the City of Los Angeles at <http://lacity.org>. The Meeting was televised by Channel 35 for viewing after the meeting, and was also monitored by Council Phone.

## MINUTES

OF THE MEETING OF THE BOARD OF AIRPORT COMMISSIONERS OF THE CITY OF LOS ANGELES CONVENED IN SPECIAL SESSION IN THE SAMUEL GREENBERG BOARD ROOM NO. 107/116 IN THE CLIFTON A. MOORE ADMINISTRATION BUILDING AT LOS ANGELES INTERNATIONAL AIRPORT, #1 WORLD WAY, LOS ANGELES, CALIFORNIA 90045 ON MONDAY, JUNE 22, 2009 AT 1:30 P.M.

PRESENT: Commissioners Joseph Aredas, Michael Lawson, Valeria Velasco, Walter Zifkin and President Alan Rothenberg

Gina Marie Lindsey – Executive Director  
Steve Martin – Chief Operating Officer  
Debbie Bowers – Deputy Executive Director  
Wei Chi – Deputy Executive Director  
Roger Johnson – Deputy Executive Director  
Samson Mengistu – Deputy Executive Director  
Michael Molina – Senior Director  
Kelly Martin – General Counsel  
Grace Miguel – Assistant Secretary

ABSENT: Commissioner Fernando Torres-Gil

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In addition to the above-listed Executive Staff, also present were approximately 8 staff members.

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Discussion Items: [1](#), [2](#), [3](#), [4](#), [7](#), [9](#), [10](#), [18](#), [19](#), [20](#), [28](#), [29](#), and [30](#).

Discussion begins on [page 37](#).

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As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services, and activities.

ITEM 1. RESOLUTION NO. 23825 – **Administrative Action:** To ADOPT the ANNUAL BUDGET for FISCAL YEAR 2009-2010 for LOS ANGELES WORLD AIRPORTS

EXECUTIVE SUMMARY: The Annual Budget for Los Angeles World Airports (LAWA) is an appropriation that gives Staff the authority to spend funds for operating expenses, equipment and vehicles as well as the maintenance of a reserve fund. This spending enables LAWA's daily operations as well as its capacity to fulfill federal mandates for the safety and security of airport operations. This budget, however, does not appropriate funds for capital improvement projects.

While the City of Los Angeles faces its own municipal budgetary challenges, LAWA is influenced by a distinctly different business imperative. To fund the development that secures Los Angeles' competitive position as an international gateway, LAWA must continue to capture new revenue potential even as it reduces expenses. As an enterprise, this requires a balance between the management of cost recovery formulas with airlines at Los Angeles International Airport and LA/Ontario International Airport and the consequences of the current decline in air travel demand. At the heart of this balance is LAWA's ability to achieve the potential inherent in non-aviation revenue.

Identifying efficiencies and revenue potential among food, retail and parking concessions will help mitigate the impact of the decline in passenger traffic and, in so doing, free funds to underwrite development that would otherwise be budgeted for administrative and support services.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners approve the Annual Budget for Fiscal Year 2009-2010 for Los Angeles World Airports, and authorize the Executive Director, or designee, to make minor changes in the Budget as required to correct clerical or arithmetic errors. (Ryan Yakubik, 424-646-5251)

RECOMMENDATION APPROVED

Moved by: Commissioner Aredas  
Seconded by: Commissioner Zifkin

Ayes: Commissioners Aredas, Lawson, Velasco, Zifkin and President Rothenberg

Nays: None

Discussion: See [page 37](#)

ITEM 2. **BOARD ORDER NO. AO-5128 – Award of Lease:** To WESTCHESTER GOLF PARTNERS LLC for the RESTORATION, OPERATION and MAINTENANCE of the WESTCHESTER GOLF COURSE

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**EXECUTIVE SUMMARY:** The proposed action is to approve and Award a ten (10)-year Lease to Westchester Golf Partners LLC (“WGP”) for the restoration, operation and maintenance of the Westchester Golf Course. The restoration and development project will add three (3) additional holes and return the golf course back to its original eighteen (18) holes. The additional holes will be developed on approximately 23 acres of vacant land owned by Los Angeles World Airport (LAWA), immediately east of the southern half of the existing golf course. The Lease also includes a twenty (20)-year extension option, provided that WGP invests an additional \$2 million.

WGP will invest at least \$2.1 million for the restoration project and will be required to complete the restoration within 180 days from date of Commencement. Commencement Date is the date upon which LAWA provided WGP the required approvals from the City of Los Angeles and the Federal Aviation Administration. Both approvals entail environmental review and compliance from the California Environmental Quality Act and the National Environmental Policy Act to permit the restoration development project. American Golf Corporation will continue to operate and maintain the golf course under a Management Agreement with WGP.

Staff requests the Board of Airport Commissioners to approve the ten (10)-year Lease with WGP.

**RECOMMENDATION:** Adoption of the Report requesting that the Board of Airport Commissioners find that the work can be performed more economically or feasibly by an independent contractor than by City employees, approve the Lease between the City of Los Angeles and Westchester Golf Partners LLC, and authorize the Executive Director to execute the Lease with Westchester Golf Partners LLC upon approval as to form by the City Attorney and upon approval by the Los Angeles City Council. (Debbie Bowers, 424-646-7142)

**RECOMMENDATION APPROVED**

Moved by: Commissioner Velasco  
Seconded by: Commissioner Zifkin

Ayes: Commissioners Aredas, Lawson, Velasco, Zifkin and President Rothenberg

Nays: None

Discussion: See [page 38](#)

ITEM 3. **BOARD ORDER NO. AO-5129 – Agreement of Purchase and Sale for Real Property:** APPROVE the purchase of the commercial real property located at 6351 West Century Blvd. (a.k.a. 9851 South Sepulveda Blvd.) adjacent to LOS ANGELES INTERNATIONAL AIRPORT, from WEST CENTURY, LLC, a California limited liability company, AMB Park One at LAX, LLC, a Delaware limited liability company (AMB LLC), and AMB Property, LP, a Delaware limited partnership (AMB LP) (West Century, AMB LLC, and AMB LP collectively, Seller) for an amount not-to-exceed \$126,562,500, consisting of a purchase price of \$125,000,000 plus closing costs, subject to assumption of the existing lease and sublease encumbering the Property and approval of such assumption by the City Council; and AUTHORIZE the Executive Director to execute the Agreement of Purchase and Sale and Escrow Instructions (Agreement) and all necessary documents, each after approval as to form by the City Attorney

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**EXECUTIVE SUMMARY:** Staff requests that the Board of Airport Commissioners approve the purchase of the commercial real property located at 6351 West Century Blvd. (a.k.a. 9851 South Sepulveda Blvd.) (“Property”) for an amount not-to-exceed \$126,562,500 (which amount consists of \$125,000,000 purchase price plus 1.25% of purchase price to cover approved closing costs in accordance with the Agreement), subject to assumption of the Existing Leases and approval thereof by the City Council; and authorized the Executive Director to execute all necessary documents to consummate the purchase, each after approval as to form by the City Attorney. This action will allow Los Angeles World Airports (LAWA) to acquire a strategic site, currently being operated as the “Park One” parking lot and abutting Los Angeles International Airport (“LAX”) to the east of Terminal 1 consisting of approximately 19.77 acres, and receive revenue arising from the current uses by the existing tenants.

The current downturn in the market limits the number of potential buyers, thus limiting the auction-style negotiations prevalent in recent transactions. This has enhanced LAWA’s position relative to other potential purchasers and increased the attractiveness of LAWA as an all-cash buyer. This set of economic conditions may not present itself again, making this a unique opportunity to purchase the property under sound financial and non-financial deal points. It should be noted that the development of this property by some other purchaser would result in a higher future value should LAWA ever chose to purchase the land later.

This is a strategic purchase opportunity of a site directly adjacent to LAWA. This is the last piece of real property not separated from LAX by a major roadway that LAWA does not own. LAWA intends to continue to operate the site as a surface parking lot. In the future, should LAWA develop any plans for additional uses or development of the site, then, at that time, LAWA will comply with all California Environmental Quality Act requirements with respect to such plans.

**RECOMMENDATION:** Adoption of the Report requesting that the Board of Airport Commissioners determine that the Agreement of Purchase and Sale and Escrow Instructions is not subject to the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines § 15004(b)(2)(A) and the Lease Assignment and Assumption is exempt from CEQA pursuant to Article III Class 1 of the Los Angeles City CEQA Guidelines, as amended by the Los Angeles City Council on July 31, 2002 and State CEQA Guidelines § 15301; approve the purchase of the Property known as Assessor Parcel Number (APN) 4117-034-003 located adjacent to Los

ITEM 3. Continued

Angeles International Airport on an “as is with all faults” basis from Sellers; further approve the assumption of the existing lease and sublease on the Property (collectively, Existing Leases) upon close of escrow in accordance with the Agreement and the Lease Assignment, subject to approval thereof by the City Council; request the City Council to approve the Lease Assignment; authorize the Executive Director to execute the Agreement and the Lease Assignment, together with all necessary documents to consummate the purchase of the Property, in each case upon approval as to form by the City Attorney; and further authorize the Executive Director to tender the funds contemplated by the Agreement to the Sellers, including (i) \$100 non-refundable contract consideration, and (ii) the deposit into escrow via wire transfer to Chicago Title Company Escrow, of a fully refundable \$9,500,000 deposit, plus a deposit of \$500,000 for liquidated damages, which is not refundable if Los Angeles World Airports fails to close escrow and the transaction is approved by the City in accordance with the Agreement. (Debbie Bowers, 424-646-7142)

RECOMMENDATION APPROVED

Moved by: Commissioner Aredas  
Seconded by: Commissioner Lawson

Ayes: Commissioners Aredas, Lawson, Velasco, Zifkin and President Rothenberg

Nays: None

Discussion: See [page 38](#)

ITEM 4. RESOLUTION NO. 23826 – **Memorandum of Agreement:** With AMERICAN AIRLINES, INC., with respect to RIGHTS OF ENTRY, A GATE AND OPERATIONS AGREEMENT, and LEASE AGREEMENTS required in connection with the construction of the Crossfield Taxiway at LOS ANGELES INTERNATIONAL AIRPORT, and providing terms for the Relocation of Certain American Operations and the Substitution of Leased Premises

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EXECUTIVE SUMMARY: On March 4, 2009, the City Council affirmed the Board of Airport Commissioner’s (“Board”) certification of the Final Environmental Impact Report (EIR) for the Crossfield Taxiway Project (“Project”), took other related actions, and approved the Project.

On April 6, 2009, the Board approved a Right of Entry and Construction Commencement Agreement (“Right of Entry”) between Los Angeles World Airports (LAWA) and American Airlines, Inc. (“American”). The Right of Entry allowed LAWA access to American leasehold areas to commence work associated with the construction of the Project at Los Angeles International Airport (“LAX”). In its report to the Board on April 6, 2009, staff reported that a Memorandum of Agreement (MOA) was being negotiated with American, which would subsequently be submitted to the Board for approval. The MOA addresses all issues associated with LAWA gaining control of and access to those Project construction areas currently under lease to American, and the relocation of certain American functions to substitute premises.

Staff has completed negotiations on the MOA and the related documents, and requests the Board to approve the MOA and a related Right of Entry and Facility Improvement Agreement for American. In lieu of condemnation of such deleted premises and the resulting obligations to relocate American, the MOA provides for a payment of \$21 million by LAWA to American to compensate for the time and expense associated with the condemnation process. American will use this money to make necessary improvements within the substituted premises, and within a certain schedule, to facilitate the transition from the current premises to the substituted premises. American has agreed to use its reasonable efforts to construct the necessary improvements to its substituted premises in a manner that meets LAWA’s construction schedule for the Project.

The MOA also includes obligations on the part of LAWA to construct significant improvements to facilitate the American relocations, including: construction of a new American employee parking lot; design and abatement work that will enable American to relocate its ground service equipment maintenance operations; construction of modifications to the west entrance of American’s Superbay Hangar; construction of a 80,000 square foot aircraft-rated parking block to allow for parking of aircraft and equipment; and relocation of ground power units.

Contemporaneously with the Board Report, Staff is presenting to the Board for approval two (2) Lease Amendments that, subject to approval by the City Council, will effect the substitution of premises. Under the Lease Amendments, a total area of approximately 2,661,279 square feet will be deleted, and a total area of approximately 1,413,642 square feet in different areas at LAX will be substituted therefor. Also contemporaneously with the Board Report, Staff is presenting to the Board for approval a Gate and Operations Agreement (“GOA”), which is also subject to approval by the City Council. The GOA provides American with certain rights,

ITEM 4. Continued

including preferential use rights in the Tom Bradley International Terminal and in Terminals 5, 6, 7 and 8, as well as rights related to facilities and passenger bussing cost offsets.

Staff requests that the Board approve the MOA and the related Right of Entry and Facility Improvement Agreement, and authorize the Executive Director to execute both documents, upon approval as to form by the City Attorney.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners determine that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II Section 2(i) of the Los Angeles City Guidelines, as amended by the Los Angeles City Council on July 31, 2002 and find there have been no changes to the project or substantial changes in circumstances or new information since the approval of the Crossfield Taxiway Project Final Environmental Impact Report that would warrant subsequent or supplemental environmental analysis in accordance with CEQA; further find that Los Angeles World Airports' operations would be adversely impacted unless the Memorandum of Agreement and Right of Entry and Facility Improvement Agreement are exempted from the provisions of the Los Angeles World Airports Contractor Responsibility Program; approve and authorize the Executive Director to execute the Memorandum of Agreement between American Airlines, Inc. and Los Angeles World Airports, providing the terms under which Los Angeles World Airports will gain control of certain American Airlines, Inc. leasehold areas; further approve and authorize the Executive Director to execute the Right of Entry and Facility Improvement Agreement between American Airlines, Inc. and Los Angeles World Airports to provide American Airlines, Inc. access to New Premises to allow American Airlines, Inc. to begin construction of improvements in New Premises; and further authorize the Executive Director to allocate \$21,000,000 from the Los Angeles International Airport Revenue Fund to WBS Element 1.08.11-700 to compensate American Airlines, Inc. for certain impacts associated with the construction of the Crossfield Taxiway Project. (Debbie Bowers, 424-646-7142)

RECOMMENDATION APPROVED

Moved by: Commissioner Zifkin  
Seconded by: Commissioner Lawson

Ayes: Commissioners Aredas, Lawson, Velasco, Zifkin and President Rothenberg

Nays: None

Discussion: See [page 39](#)

ITEM 5. **BOARD ORDER NO. AO-5130 – Award of Replacement Lease:** To ALASKA AIRLINES, INC., located in Airfreight Building Number One at 5600 West Century Boulevard at LOS ANGELES INTERNATIONAL AIRPORT

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EXECUTIVE SUMMARY: Alaska Airlines, Inc. (“Alaska”) currently leases 1,525 square feet of office space and ten (10) parking spaces in Airfreight Building One, a multi-tenant facility, located at 5600 West Century Boulevard. Staff requests approval of a five (5)-year Replacement Lease with Alaska that will generate approximately \$39,536 in annual revenue to Los Angeles World Airports. The proposed Replacement Lease is subject to annual Consumer Price Index adjustments and fair market rental rate adjustments every five (5) years.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners approve a Replacement Lease between the City of Los Angeles and Alaska Airlines, Inc., and authorize the Executive Director to execute the Replacement Lease with Alaska Airlines, Inc. upon approval as to form by the City Attorney. (Debbie Bowers, 424-646-7142)

RECOMMENDATION APPROVED

Moved by:

Seconded by:

Ayes:

Nays:

Discussion:     See [page 37](#)

ITEM 6. **RESOLUTION NO. 23827 – Establish On-Call List:** Of firms to provide ON-CALL CONSULTING SERVICES for commercial and concessions development related activities at LOS ANGELES WORLD AIRPORTS

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**EXECUTIVE SUMMARY:** Staff requests the Board of Airport Commissioners approve the establishment of an On-Call Consultant list composed of nine (9) qualified firms, chosen through a Request for Qualifications process. These firms may be called upon to provide on-call consulting services for commercial and concessions development related activities at Los Angeles World Airports. The three (3) areas of business in which these firms may provide service are Financial and Business Services, Commercial Development and Concessions/Real Estate Planning Services, and Tenant Coordination.

**RECOMMENDATION:** Adoption of the Report requesting that the Board of Airport Commissioners approve the list of Qualified Firms based on the completed Request for Qualifications process, and authorize the Executive Director to solicit and negotiate contracts with the firms identified on the list of qualified firms to provide on-call consulting services for commercial and concessions development related activities at Los Angeles World Airports. (Debbie Bowers, 424-646-7142)

**RECOMMENDATION APPROVED**

Moved by:  
Seconded by:

Ayes:

Nays:

Discussion:     See [page 37](#)

ITEM 7. RESOLUTION NO. 23828 – **Administrative Action:** To remove the two-year sunset provision and continue collection for a \$10 per transaction CUSTOMER FACILITY CHARGE by ON-AIRPORT CAR RENTAL COMPANIES to continue the process of designing, financing, and constructing a Consolidated Rent-A-Car Facility at LOS ANGELES INTERNATIONAL AIRPORT

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EXECUTIVE SUMMARY: On-Airport Rental Car Companies (“RACs”) provide services to the traveling public at Los Angeles International Airport’s (“LAX”) Central Terminal Area (CTA). In 2008, these services generated nearly \$57 million in revenue for Los Angeles World Airports (LAWA). The RACs currently operate under Non-Exclusive Concession Agreements that will expire on January 31, 2010. The LAX Consolidated Rent-A-Car facility (“ConRAC”), the second project identified in the LAX Master Plan to be implemented, began with the preparation of the Project Definition Report dated November 30, 2006. Section 1936 of the California Civil Code allows LAWA to require car rental operators to collect on behalf of LAWA a Customer Facility Charge (CFC) of ten dollars (\$10.00) on each car rental transaction.

The collection of CFCs at LAX permit LAWA to plan, design, finance, and construct a ConRAC. This facility will enhance efforts to reduce traffic congestion while also providing an efficient, secure, safe, and reliable transportation system. In 2007, the Board of Airport Commissioners (BOAC) authorized the collection of the CFC, but only for a 24-month period of time. Collection of these monies began on July 1, 2007, and will terminate as of June 30, 2009 unless otherwise extended. ACMP+DWA has completed the Alternative Site Analysis Report and is currently working with LAWA and rental car companies on refining the concept at Manchester Square.

Staff recommends that the BOAC remove the two (2) year sunset provision and continue collection of the CFCs, commencing July 1, 2009.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners adopt the findings of Alternative Site Analysis Report dated April 14, 2009 to further evaluate the alternative implementation of the Consolidated Rent-A-Car Facility at Manchester Square, approve the continuation of a Customer Facility Charge from the customers of on-airport car rental concessionaires at Los Angeles International Airport pursuant to their Concession Agreements, authorized under Section 1936 of the California Civil Code, or as amended in the future to provide alternative means of calculating and imposing a Customer Facility Charge, and authorize the Executive Director to implement a Customer Facility Charge, pursuant to Section 1936 of the California Civil Code. (Debbie Bowers, 424-646-7142)

RECOMMENDATION APPROVED

Moved by: Commissioner Zifkin  
Seconded by: Commissioner Aredas

Ayes: Commissioners Aredas, Lawson, Velasco, Zifkin and President Rothenberg

Nays: None

Discussion: See [page 39](#)

ITEM 8. **RESOLUTION NO. 23829 – Request for Proposals:** And Authorization to Negotiate an Agreement with the Successful Proposer for PROPERTY MANAGEMENT SERVICES at the former PALMDALE REGIONAL AIRPORT

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**EXECUTIVE SUMMARY:** Staff requests authority from the Board of Airport Commissioners (BOAC) to release a Request for Proposals (RFP) and negotiate an agreement with the selected Proposer for Property Management Services at the former Palmdale Regional Airport (former “PMD”).

The goal of the RFP is to obtain proposals from top quality Property Management companies to maintain and secure Los Angeles World Airports’ (LAWA) assets at the former PMD at a cost lower than LAWA’s current expenditures. In addition, the subsequent award of a contract will allow LAWA to re-allocate labor resources currently assigned to the former PMD to its active airports and maintain its focus on providing world class air transportation services and facilities at Los Angeles International Airport, LA/Ontario International Airport, and Van Nuys Airport.

The selected proposer shall provide complete site maintenance, security, administration, and emergency response for approximately 17,750 acres of land and various City-owned buildings. The term of the proposed contract is three (3) years with one (1) two-year renewal option.

**RECOMMENDATION:** Adoption of the Report requesting that the Board of Airport Commissioners find that this work can be performed more economically or feasibly by an independent contractor than by City employees, approve the Request for Proposals scope of work for Property Management Services at the former Palmdale Regional Airport, authorize the Executive Director to release the Request for Proposals for Property Management Services at the former Palmdale Regional Airport, and further authorize the Executive Director to negotiate with the successful proposer for further action by the Board of Airport Commissioners as to the award of contract. (Debbie Bowers, 424-646-7142)

RECOMMENDATION APPROVED

Moved by:  
Seconded by:

Ayes:

Nays:

Discussion:     See [page 37](#)

ITEM 9. RESOLUTION NO. 23830 – **Administrative Action:** APPROVAL of Staff Report, RESCISSION of Board Resolution No. 11101 and AUTHORITY to REIMBURSE the ASSOCIATION OF AIRPORT EMPLOYEES for Expenses not-to-exceed \$150,000 per year

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EXECUTIVE SUMMARY: The Association of Airport Employees (AAE) has provided voluntary services for Los Angeles World Airports' employees for over 40 years. For funding, they have historically relied on the profits generated from vending machines located within various non-public employee lunchrooms and break areas on City property. This action, in addition to the vending machine Request for Bids submitted concurrently to the Board of Airport Commissioners, will bring the concession arrangement into full compliance with City Charter and Federal regulations and provide alternative funding for the AAE.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners adopt the Staff Report, reaffirm the existence of the Association of Airport Employees as the official Los Angeles World Airports employee benefit organization and support its mission of providing activities and services designed to improve general employee morale, rescind Resolution No. 11101, and further adopt a resolution authorizing funding of annual expenses up to \$150,000 for approved Association of Airport Employees activities to promote employee morale, subject to the Board of Airport Commissioners approval of the Budget. (Barbara Yamamoto, 424-646-5438)

RECOMMENDATION APPROVED

Moved by: Commissioner Aredas  
Seconded by: Commissioner Lawson

Ayes: Commissioners Aredas, Lawson, Velasco, Zifkin and President Rothenberg

Nays: None

Discussion: See [page 39](#)

ITEM 10. RESOLUTION NO. 23831 – **Request for Bids:** For FOOD AND BEVERAGE VENDING MACHINE OPERATIONS on Los Angeles World Airports' property at LOS ANGELES INTERNATIONAL AIRPORT, LA/ONTARIO INTERNATIONAL AIRPORT, and VAN NUYS AIRPORT

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EXECUTIVE SUMMARY: Staff recommends approval to release a Request for Bids for vending machines to provide hot/cold food, hot/cold beverages, snacks, and ice cream. The vending machines will be located on Los Angeles World Airports (LAWA) property, excluding areas under a valid agreement with LAWA (e.g. lease or tariff), Central Terminal Area parking lots and parking structures at Los Angeles International Airport, LA/Ontario International Airport and LA/Van Nuys FlyAway.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners approve the Vending Machines Operations Request for Bids specifications, and authorize the Executive Director to advertise, solicit, and receive competitive bids for Food and Beverage Vending Machine Operations at Los Angeles International Airport, LA/Ontario International Airport, and Van Nuys Airport upon approval as to form by the City Attorney. (Debbie Bowers, 424-646-7142)

RECOMMENDATION APPROVED

Moved by: Commissioner Zifkin  
Seconded by: Commissioner Lawson

Ayes: Commissioners Aredas, Lawson, Velasco, Zifkin and President Rothenberg

Nays: None

Discussion: See [page 40](#)

ITEM 11. RESOLUTION NO. 23832 – **Blanket Resolution:** Establishing MONTHLY RENTAL RATES for AIRCRAFT PARKING and AUTHORIZING the Executive Director to execute NON-EXCLUSIVE REVOCABLE MONTHLY AIRCRAFT PARKING PERMITS for the use of aircraft parking spaces at LOS ANGELES INTERNATIONAL AIRPORT

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EXECUTIVE SUMMARY: Los Angeles World Airports (LAWA) has a shortage of public aircraft parking positions at Los Angeles International Airport (“LAX”). There are several airline leaseholds with significant acreage at LAX. LAWA does not have control over the use of the aircraft parking positions on these leaseholds. Staff is in the process of negotiating lease amendments that may result in a reduction of leasehold areas for capital improvements projects and a recapture of ramp areas. In order to facilitate negotiations LAWA will need to provide aircraft parking positions.

Establishing a Non-Exclusive Revocable Aircraft Parking Permit and monthly fee will facilitate recapture of ramp areas on leaseholds, create additional public aircraft parking spaces at LAX, and provide better control of ramp space for future construction or other projects.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners approve a Monthly Rental Rate for the use of public aircraft parking positions pursuant to a Non-Exclusive Revocable Aircraft Parking Permit, and authorize the Executive Director, or designee, to execute Non-Exclusive Revocable Aircraft Parking Permits for aircraft parking positions at Los Angeles International Airport upon approval as to form by the City Attorney. (Debbie Bowers, 424-646-7142)

RECOMMENDATION APPROVED

Moved by:  
Seconded by:

Ayes:

Nays:

Discussion:     See [page 37](#)

- ITEM 12. RESOLUTION NO. 23833 – **Authorities for Expenditure:** Payable to the CITY OF ONTARIO for WATER SERVICE for an overall amount not-to-exceed \$2,250,000 and for REFUSE/RECYCLING COLLECTION for an overall amount not-to-exceed \$900,000 at LA/ONTARIO INTERNATIONAL AIRPORT
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EXECUTIVE SUMMARY: This item requests the Los Angeles World Airports Board of Airport Commissioners to authorize the Executive Director to establish two (2), three-year Authorities for Expenditures (AFE), payable to the City of Ontario, for utility services provided at LA/Ontario International Airport (“LA/Ontario”) during the period of July 1, 2009 – June 30, 2012. One (1) AFE will be for water utility service for an amount not-to-exceed \$750,000 annually or \$2,250,000 over the three-year term. The other AFE will be for refuse/recycling collection for an amount not-to-exceed \$300,000 annually or \$900,000 over the three-year term. The City of Ontario is the sole provider for water utility service and for refuse/recycling collection at LA/Ontario.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners approve the establishment of two (2), three-year Authorities for Expenditure with the City of Ontario for water service for an overall amount not-to-exceed \$2,250,000 and for refuse/recycling collection for an overall amount not-to-exceed \$900,000 at LA/Ontario International Airport, and authorize the Executive Director to establish the Authority for Expenditure. (Dave Shuter, 424-646-5111)

RECOMMENDATION APPROVED

Moved by:  
Seconded by:

Ayes:

Nays:

Discussion:     See [page 37](#)

- ITEM 13. RESOLUTION NO. 23834 – **Authority for Expenditure:** Payable to SOUTHERN CALIFORNIA EDISON for ELECTRIC UTILITY SERVICE at LA/ONTARIO INTERNATIONAL AIRPORT for an amount not-to-exceed 13,200,000 over the three (3)-year term
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EXECUTIVE SUMMARY: This item requests the Los Angeles World Airports Board of Airport Commissioners to authorize the Executive Director to establish a three-year, Authority for Expenditure (AFE), payable to Southern California Edison (SCE), for electric utility service at LA/Ontario International Airport (“LA/Ontario”), for an amount not-to-exceed \$4,400,000 annually or \$13,200,000 over the three-year term. Electricity is essential to the daily operation of LA/Ontario. This item will enable staff to establish a successor AFE with SCE to ensure the continued and efficient provision of electric utility service at LA/Ontario for the period of July 1, 2009 through June 30, 2012.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners approve the establishment of a three-year Authority For Expenditure payable to Southern California Edison for electric utility service at LA/Ontario International Airport for an amount not-to-exceed \$13,200,000 over the three-year term, and authorize the Executive Director to establish the Authority for Expenditure. (Dave Shuter, 424-646-5111)

RECOMMENDATION APPROVED

Moved by:  
Seconded by:

Ayes:

Nays:

Discussion: See [page 37](#)

- ITEM 14. RESOLUTION NO. 23835 – **Award of Contract:** To CLEAN ENERGY for the PURCHASE OF LIQUEFIED NATURAL GAS for an amount not-to-exceed \$1,200,000 annually and an overall contract amount not-to-exceed \$3,600,000 at LOS ANGELES INTERNATIONAL AIRPORT
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EXECUTIVE SUMMARY: In support of the Los Angeles World Airports' (LAWA) Alternative Fuels Vehicle Program developed to reduce the emission of air pollutants, staff requests the Board of Airport Commissioners authorize the Executive Director to Award a successor three-year Contract to Clean Energy for the purchase of Liquefied Natural Gas (LNG) for LAWA vehicles at Los Angeles International Airport for an amount not-to-exceed \$1,200,000 annually and an overall Contract amount not-to-exceed \$3,600,000.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners approve a three (3)-year Contract to Clean Energy for the purchase Liquefied Natural Gas for an amount not-to-exceed \$1,200,000 annually and an overall Contract amount not-to-exceed \$3,600,000 at Los Angeles International Airport, and authorize the Executive Director to execute the Contract with Clean Energy upon approval as to form by the City Attorney. (Dave Shuter, 424-646-5111)

RECOMMENDATION APPROVED

Moved by:  
Seconded by:

Ayes:

Nays:

Discussion:     See [page 37](#)

- ITEM 15. RESOLUTION NO. 23836 – **Memorandum of Agreement:** With the MAYOR'S OFFICE OF HOMELAND SECURITY AND PUBLIC SAFETY for distribution of Fiscal Year 2007 URBAN AREA SECURITY INITIATIVE grant funding for an equipment project at LOS ANGELES INTERNATIONAL AIRPORT
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EXECUTIVE SUMMARY: Staff requests Board of Airport Commissioners approval to authorize the Executive Director's execution of a Memorandum of Agreement (MOA) between Los Angeles World Airports (LAWA) and the Mayor's Office of Homeland Security and Public Safety. This MOA is issued to distribute \$582,800 in Fiscal Year 2007 Urban Area Security Initiative ("UASI 07") grant funding to LAWA, as reimbursement for the purchase of radiological identification and detection equipment for primary use at Los Angeles International Airport. The referenced equipment project is included in the Department of Homeland Security UASI 07 grant award of \$58,064,000 to the Los Angeles-Long Beach Urban Area, which was accepted by the Los Angeles City Council on November 21, 2008, under Council File 07-0609.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners authorize the Executive Director's execution of a Memorandum of Agreement with the Mayor's Office of Homeland Security and Public Safety for distribution of Fiscal Year 2007 Urban Area Security Initiative grant funding for an equipment project at Los Angeles International Airport. (Ryan Yakubik, 424-646-5251)

RECOMMENDATION APPROVED

Moved by:  
Seconded by:

Ayes:

Nays:

Discussion:     See [page 37](#)

- ITEM 16. RESOLUTION NO. 23837 – **Administrative Action:** APPROVAL of Fiscal Year 2009-10 Landing Fees, Terminal Rental Rates, Terminal Use Fees, Ramp Fees, Public Aircraft Parking Charges, and Various Other Fees at LA/ONTARIO INTERNATIONAL AIRPORT and RESCISSION of Resolution Nos. 23611 and 23714
- 

EXECUTIVE SUMMARY: Los Angeles World Airports (LAWA) owns and operates the LA/Ontario International Airport (“LA/Ontario”) and sets the LA/Ontario landing fees, terminal rental rates and other fees for each fiscal year based on rates and charges methodology established in the LA/Ontario Use and Terminal Lease Agreement between the airlines and LAWA. Adoption of this Board Report will set the fees at LA/Ontario for Fiscal Year 2010 for the time period of July 1, 2009 – June 30, 2010.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners rescind Resolution Nos. 23611 and 23714, and approve the schedule of Fiscal Year 2009-2010 rates and charges at LA/Ontario International Airport effective July 1, 2009. (Ryan Yakubik, 424-646-5251)

RECOMMENDATION APPROVED

Moved by:  
Seconded by:

Ayes:

Nays:

Discussion:     See [page 37](#)

ITEM 17. **RESOLUTION NO. 23838 – Request for Proposals: For FINANCIAL CONSULTING SERVICES for LOS ANGELES WORLD AIRPORTS**

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**EXECUTIVE SUMMARY:** Los Angeles World Airports' (LAWA) current 3-year financial consulting services contracts are expiring in January 2010. Staff is requesting approval to release a Request for Proposals (RFP) to select up to two (2) consultants to provide essential airport financial consulting services at all three (3) airports of LAWA and to replace the contracts that are due to expire. The scope of the contracts is expected to include services in the following areas:

- Airline Rates and Charges Analysis
- Utilities Rate-Setting
- Passenger Facility Charge Application Preparation
- Capital Improvement Program Analysis
- Airport Improvement Program and Other Grant Applications
- Benefit-Cost Analysis
- General Financial Services

**RECOMMENDATION:** Adoption of the Report requesting that the Board of Airport Commissioners find that this work can be performed more economically or feasibly by an independent contractor than by City employees, and authorize the Executive Director or her duly authorized representative to release, distribute and advertise a Request for Proposals for airport Financial Consulting Services upon approval as to form by the City Attorney. (Ryan Yakubik, 424-646-5251)

**RECOMMENDATION APPROVED**

Moved by:

Seconded by:

Ayes:

Nays:

Discussion:     See [page 37](#)

- ITEM 18. **RESOLUTION NO. 23839 – Join City Contract:** With VPSI, INC. for VANPOOL LEASING AND SERVICES at LOS ANGELES WORLD AIRPORTS for a period of six (6) months and an amount not-to-exceed \$303,000
- 

**EXECUTIVE SUMMARY:** This report requests Board of Airport Commissioners approval to join the City of Los Angeles Contract No. 57327 with VPSI, Inc. for vanpool leasing and services for a period of six (6) months and an amount not-to-exceed \$303,000. This Contract has been extended for continuation of existing services and payment purposes only while the City of Los Angeles completes the bid process. No new vehicles may be ordered.

**RECOMMENDATION:** Adoption of the Report requesting that the Board of Airport Commissioners find that the work can be performed more economically or feasibly by an independent contractor than by City employees, approve the request to join City of Los Angeles Contract No. 57327 with VPSI, Inc. for vanpool leasing and services for a period of six (6) months and an amount not-to-exceed \$303,000, and authorize the Executive Director to execute the Contract with VPSI, Inc. upon approval as to form by the City Attorney. (Devon Deming, 310-646-7775)

**RECOMMENDATION APPROVED**

Moved by: Commissioner Aredas  
Seconded by: Commissioner Lawson

Ayes: Commissioners Aredas, Lawson, Velasco, Zifkin and President Rothenberg

Nays: None

Discussion: See [page 40](#)

ITEM 19. RESOLUTION NO. 23840 – **Placement of Insurance Policy:** For GENERAL, ALL-RISK PROPERTY INSURANCE for a total coverage limit of \$1.5 billion; BOILER AND MACHINERY for a coverage limit of \$250 million; and EARTHQUAKE, FLOOD, WIND for a coverage limit of \$25 million with primary underwriter LEXINGTON INSURANCE COMPANY and excess coverage provided by various domestic and international underwriters, for LOS ANGELES WORLD AIRPORTS

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EXECUTIVE SUMMARY: Los Angeles World Airports' (LAWA) Property Insurance program, managed by the Risk Management Division, insures against losses arising out of Property exposures at all LAWA airports. The General All-Risk Property coverage includes Terrorism Risk Insurance Act (TRIA) insurance that covers losses resulting from acts of international and domestic terrorism. Additionally, LAWA's property coverage incorporates Boiler & Machinery coverage endorsements as well as Business Interruption coverage. Finally, the insurance policy is rounded off by a primary layer of Earthquake, Wind and Flood coverage. Each year Risk Management Division and its Broker of Record, (Kaercher Campbell & Associates, Insurance Services), market LAWA's insurance needs to the worldwide underwriting community.

This item requests the Board of Airport Commissioners approve the purchase of \$1.5 billion limits for General All-Risk Property Insurance; \$250 million in Boiler and Machinery coverage and \$25 million in Earthquake, Wind, Flood coverage for the policy period July 1, 2009 to June 30, 2010 from primary underwriter Lexington Insurance Co. (lead) and various excess underwriters for a total premium cost of \$4,684,244 (includes any known additional State or Federal surplus lines and non-admitted taxes and service fees).

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners approve the purchase of \$1.5 billion limits for General All-Risk Property Insurance; \$250 million in Boiler and Machinery coverage and \$25 million in Earthquake, Wind, Flood coverage for the policy period July 1, 2009 to June 30, 2010 from primary underwriter Lexington Insurance Co. (lead) and various excess underwriters for a total premium cost of \$4,684,244 (includes any known additional State or Federal surplus lines and non-admitted taxes and service fees), authorize the Executive Director through the Deputy Executive Director and Comptroller to submit the above premiums to the Los Angeles World Airports Insurance Broker of Record, Kaercher, Campbell and Associates, Insurance Brokerage, which by contract with Los Angeles World Airports has the responsibility to receive and pay the premiums to the various insurance companies on behalf of Los Angeles World Airport. (Wei Chi, 424-646-9118)

RECOMMENDATION APPROVED

Moved by: Commissioner Zifkin  
Seconded by: Commissioner Lawson

Ayes: Commissioners Aredas, Lawson, Velasco, Zifkin and President Rothenberg

Nays: None

Discussion: See [page 40](#)

- ITEM 20. RESOLUTION NO. 23841 – **Placement of Insurance Policy:** For GENERAL AVIATION LIABILITY with primary/lead underwriter GLOBAL AEROSPACE and excess coverage through various Lloyds of London and U. S. markets for a total coverage limit of \$1.30 billion, and for WAR AND ALLIED PERILS INSURANCE with primary/lead underwriter GLOBAL AEROSPACE INSURANCE and various London and U. S. markets for a total coverage limit of \$1.0 billion, for LOS ANGELES WORLD AIRPORTS
- 

EXECUTIVE SUMMARY: The General Aviation Liability Insurance program, managed by Los Angeles World Airports (LAWA) Risk Management Division, insures against losses arising out of liability exposures at all three (3) LAWA airports and the LAWA owned property in and around Palmdale, California. The insurance policy also includes “War and Allied Perils” (Terrorism) coverage, Employee Personal Liability Injury (EPLI), civil law Errors and Omissions liability. Each year Risk Management Division and LAWA’s Broker of Record evaluates the worldwide insurance market for available domestic as well as worldwide capacities, coverages and pricing. This analysis is used to market and procure the best available insurance coverage for LAWA at the most optimal pricing.

This item requests the Board of Airport Commissioners to approve the purchase of \$1.30 billion limits for General Aviation Liability Insurance for the upcoming policy period July 1, 2009 to June 30, 2010 from lead underwriter Global Aerospace and various London and U.S. markets for the upcoming policy period, July 1, 2009 to June 30, 2010. The total insurance cost for both of these lines of coverage for the upcoming policy period will be approximately \$3,853,133 (plus any additional State or Federal surplus lines and non-admitted taxes and service fees). Additionally, this item authorizes a not-to-exceed amount for Self Insured Retention or deductible payments of up to a maximum \$600,000 payable directly to the primary underwriter by LAWA.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners approve the purchase of \$1.30 billion limits for General Aviation Liability Insurance for the upcoming policy period July 1, 2009 to June 30, 2010 from lead underwriter Global Aerospace Insurance and various London and U.S. markets. Approve the purchase of \$1.0 billion limits of War & Allied Perils (Terrorism) Insurance from lead underwriter Global Aerospace and various London and U.S. markets for the upcoming policy period, July 1, 2009 to June 30, 2010. The total insurance cost for both of these lines of coverage for the upcoming policy period will be a not-to-exceed amount of \$3,853,133 (plus any mandated additional State or Federal surplus lines and non-admitted taxes and service fees). Additionally authorize a not-to-exceed amount for Self-Insured Retention (SIR) or deductible payments of up to \$600,000 payable directly to the primary underwriter (Global Aerospace) by Los Angeles World Airports; and authorize the Executive Director through the Deputy Executive Director and Comptroller to submit the above premiums to Los Angeles World Airports’ Insurance Broker of Record, AON Risk Services, which by contract with Los Angeles World Airports has the responsibility to pay the premiums to the various insurance companies on behalf of Los Angeles World Airports. (Wei Chi, 424-646-9118)

ITEM 20. Continued

RECOMMENDATION APPROVED

Moved by: Commissioner Aredas  
Seconded by: Commissioner Lawson

Ayes: Commissioners Aredas, Lawson, Velasco, Zifkin and President  
Rothenberg

Nays: None

Discussion: See [page 40](#)

ITEM 21. RESOLUTION NO. 23842 – **Award of Contract:** To PBC, INC. for SOUNDPROOFING MODIFICATION WORK on the project entitled "RESIDENTIAL SOUNDPROOFING PROGRAM, PHASE 13 GROUP 06" at LOS ANGELES INTERNATIONAL AIRPORT in the amount of \$646,400

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EXECUTIVE SUMMARY: The Los Angeles International Airport's ("LAX") Residential Soundproofing Program endeavors to relieve neighboring residential properties of airport noise impacts by retrofitting major openings in the structures with new sound-rated products. Typical improvements include, but are not limited to, replacement of windows, doors, fireplace doors and dampers, installation of attic baffles, insulation and ventilation/HVAC systems. All work is done under permits issued by City of Los Angeles, Department of Building & Safety.

This LAX Phase 13, Group 06 project entails soundproofing modification work on fifty (50) dwelling units (43 condominium units, 3 single family dwellings and one (1) 4-unit apartment), all within the LAX noise-impacted area in the City of Los Angeles, Council District 11.

California Code of Regulations, Title 21, Subchapter 6 (California Airport Noise Standards) provides the regulatory framework within which airports must work to reduce, prevent and eliminate incompatible land uses in adjacent off-airport noise-impacted boundaries. All residential properties as well as schools, hospitals, convalescent homes, and places of worship that are subjected to an exterior Community Noise Level of 65 decibels or more are considered to be incompatible land uses. In order to bring these incompatible land uses into compliance, the airport may soundproof or acquire the affected properties. Until these land uses are brought into compliance, LAX operates under a variance from the Noise Regulations for California Airports. At LAX, there are approximately 9,400 noise impacted dwelling units eligible for LAWA's Residential Soundproofing program and approval of this Contract will bring completion to 69%.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners find that this work can be performed more economically or feasibly by an independent contractor than by City employees, approve the Award of a Construction Contract to PBC, Inc., the lowest responsive and responsible bidder, for the project entitled "Residential Soundproofing Program, Phase 13, Group 06" at Los Angeles International Airport in the amount of \$646,400, for a total authority not-to-exceed \$711,040, and authorized the Executive Director to execute the Contract with PBC, Inc. upon approval as to form by the City Attorney. (Intissar Durham, 310-646-3254)

RECOMMENDATION APPROVED

Moved by:  
Seconded by:

Ayes:

Nays:

Discussion: See [page 37](#)

- ITEM 22. BOARD ORDER NO. AO-5131 – **Blanket Order:** Covering AMENDMENTS to the NON-EXCLUSIVE AIR CARRIER OPERATING PERMITS for LOS ANGELES INTERNATIONAL AIRPORT and continuation of current practices until June 30, 2010
- 

EXECUTIVE SUMMARY: The Non-Exclusive Air Carrier Operating Permit (ACOP) is the primary legal instrument used to set standard operating terms and conditions and to impose the collection of fees covering the use of landing facilities for commercial air carrier aircraft operations at Los Angeles International Airport (“LAX”). Landing facilities are defined as the common use areas of the airfield, including runways, taxiways, service roads, and common use ramps.

To allow for adequate notification and further discussion with the airlines regarding staff’s proposed changes to the language in the successor ACOP, staff recommends an extension to the current ACOP term to allow for the resolution of these activities. Approval is also requested to continue current practices and allow the Executive Director or designee to continue to execute new ACOPs at LAX pursuant to Board Order AO-4814 with an expiration date no later than June 30, 2010.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners approve the Blanket Order covering the Amendments to the Non-Exclusive Air Carrier Operating Permits for Los Angeles International Airport and continuation of current practices until June 30, 2010; authorize the Executive Director or designee to execute Amendments to the Non-Exclusive Air Carrier Operating Permits for Los Angeles International Airport to extend the term until June 30, 2010; further authorize the Executive Director to require that air carriers that fail to submit an executed amendment to their Non-Exclusive Air Carrier Operating Permit by September 1, 2009, must pay landing fees at the rate of non-permitted carriers until such time as signed documents are received and compliance obtained; and further authorize the Executive Director or designee to continue to execute the Non-Exclusive Air Carrier Operating Permits pursuant to Board Order AO-4814 until June 30, 2010. (Raymond Jack, 310-417-0470)

RECOMMENDATION APPROVED

Moved by:  
Seconded by:

Ayes:

Nays:

Discussion:     See [page 37](#)

ITEM 23. BOARD ORDER NO. AO-5132 – **Contract Amendments:** APPROVAL of FIRST AMENDMENT to 1) NON-EXCLUSIVE CONCESSION AGREEMENT NO. LAA-8212, between THE CITY OF LOS ANGELES and BLUE VAN JOINT VENTURE dba SUPERSHUTTLE (SuperShuttle), 2) NON-EXCLUSIVE CONCESSION AGREEMENT NO. LAA-8213 between THE CITY OF LOS ANGELES and RIDESHARE PORT MANAGEMENT LLC dba PRIME TIME SHUTTLE (PrimeTime), and 3) NON-EXCLUSIVE CONCESSION AGREEMENT NO. LAA-8214 between THE CITY OF LOS ANGELES and AIRPORT CONNECTION INC. dba ROADRUNNER SHUTTLE (Roadrunner) to EXTEND the contract terms for a period no longer than twelve (12) months for the operation of SHARED-RIDE VAN SERVICES to and from LOS ANGELES INTERNATIONAL AIRPORT

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EXECUTIVE SUMMARY: In anticipation of a September release of a shared ride van service Request for Proposals (RFP), staff seeks twelve (12) month extensions of the current concession contracts that expire at the end of July. The new RFP will include changes to customer service and fee structures currently under examination. In the meantime, to avoid disruption in service, this action extends the existing contracts for a period not-to-exceed twelve (12) months, and includes a right to terminate by either party with thirty (30) days prior notice.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners find that this work can be performed more economically or feasibly by an independent contractor than by City employees, approve the First Amendment to Concession Agreement Nos. LAA-8212, LAA-8213, and LAA-8214 with SuperShuttle, PrimeTime, and Roadrunner to extend the Contract term of each agreement for a period not-to-exceed twelve (12)-months, and authorize the Executive Director to execute the First Amendments to Concession Agreements Nos. LAA-8212, LAA-8213, and LAA-8214 with SuperShuttle, PrimeTime, and Roadrunner upon approval as to form by the City Attorney. (Jeff Fitch, 424-646-5060)

RECOMMENDATION APPROVED

Moved by:  
Seconded by:

Ayes:

Nays:

Discussion: See [page 37](#)

ITEM 24. RESOLUTION NO. 23843 – **Contract Amendment:** Approve the FIRST AMENDMENT to Contract No. DA-4266 with DEMETRIOU, DEL GUERCIO, SPRINGER & FRANCIS, LLP for LEGAL SERVICES to assist LAWA and the City Attorney with real estate and related matters. The First Amendment will provide additional funding in the amount of \$250,000, for a total contract amount of \$400,000

EXECUTIVE SUMMARY: The law firm of Demetriou, Del Guercio, Springer & Francis, LLP (“Firm”) is presently retained by Los Angeles World Airports (LAWA) under a three (3) year contract (“Contract”), beginning on April 23, 2008, for real estate and related legal services. The Contract was initially approved for \$150,000.

Given LAWA’s continued need for legal services for ongoing sophisticated real property and related matters (including concessions-related advice), and the need for additional money to fund those services, LAWA Management requests that the Board of Airport Commissioners (BOAC) authorize this First Amendment to Contract No. DA-4266. The additional amount is requested for legal services anticipated through April 22, 2011, the end of the Contract term. With this First Amendment adding \$250,000 to the Contract amount, the total maximum compensation payable under the Contract will not exceed \$400,000. However, in the event litigation ensues in any of the real property matters handled by the Firm, or should significant unanticipated real property and related matters arise, the City Attorney’s Office will return to the BOAC seeking additional funding as appropriate and necessary.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners approve the First Amendment to Contract No. DA-4266 with the law firm of Demetriou, Del Guercio, Springer & Francis, LLP to provide additional compensation in an amount not-to-exceed \$250,000, for a total Contract amount of \$400,000, and authorize the Executive Director to execute the First Amendment to Contract No. DA-4266 with Demetriou, Del Guercio, Springer & Francis, LLP upon approval as to form by the City Attorney. (Kelly Martin, 424-646-5010)

RECOMMENDATION APPROVED

Moved by:  
Seconded by:

Ayes:

Nays:

Discussion:     See [page 37](#)

- ITEM 25. RESOLUTION NO. 23844 – **Travel Expense Statement:** For LOS ANGELES WORLD AIRPORTS EXECUTIVE DIRECTOR GINA MARIE LINDSEY covering travel to Washington D.C., to speak at the International Aviation Club, from November 18 through 20, 2008
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RECOMMENDATION: Adoption of the Travel Expense Statement for Los Angeles World Airports Executive Director Gina Marie Lindsey covering travel to Washington D.C., to speak at the International Aviation Club, from November 18 through 20, 2008 with airfare expenses in the amount of \$1,264.00 and expenses of \$117.50. (Samson Mengistu, 424-646-6251)

RECOMMENDATION APPROVED

Moved by:  
Seconded by:

Ayes:

Nays:

Discussion:     See [page 37](#)

- ITEM 26. RESOLUTION NO. 23845 – **Authority for Expenditure:** Payable to SOUTHERN CALIFORNIA GAS COMPANY, for the purchase of natural gas and related services, for an amount not-to-exceed \$900,000 at LOS ANGELES INTERNATIONAL AIRPORT
- 

EXECUTIVE SUMMARY: This item request the Los Angeles World Airports (LAWA) Board of Airport Commissioners authorize the Executive Director to establish a one (1)-year, Authority For Expenditure (AFE), payable to Southern California Gas Company (SCG), for the purchase of natural gas and related services at Los Angeles International Airport (“LAX”), for an amount not-to-exceed \$900,000. SCG owns the pipelines and has established itself as the primary supplier to local users. During the term of the requested AFE, LAWA’s Construction and Maintenance Services will release a Request for Bids (RFB) soliciting bids from Energy Service Providers, Marketers, and/or Agents for the provision of reliable natural gas utility service for the lowest possible cost. This item will enable staff to establish an AFE with SCG to ensure the continued and efficient provision of gas utility service at LAX during the period of July 1, 2009 through June 30, 2010 while staff completes RFB process.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners approve the establishment of a one (1)-year, Authority For Expenditure, payable to Southern California Gas Company, for the purchase of natural gas and related services, for an amount not-to-exceed \$900,000 at Los Angeles International Airport; and authorize the Executive Director to execute the Authority For Expenditure, payable to Southern California Gas Company upon approval as to form by the City Attorney. (Dave Shuter, 424-646-5111)

RECOMMENDATION APPROVED

Moved by:  
Seconded by:

Ayes:

Nays:

Discussion:     See [page 37](#)

ITEM 27. RESOLUTION NO. 23846 – **Authority for Expenditure:** Payable to SOUTHERN CALIFORNIA GAS COMPANY, for the purchase of natural gas and related services, for an amount not-to-exceed \$375,000 at LA/ONTARIO INTERNATIONAL AIRPORT

EXECUTIVE SUMMARY: This item request the Los Angeles World Airports (LAWA) Board of Airport Commissioners authorize the Executive Director to establish a one (1)-year, Authority For Expenditure (AFE), payable to Southern California Gas Company (SCG), for the purchase of natural gas and related services, for an amount not-to-exceed \$375,000 at LA/Ontario International Airport (“LA/Ontario”). SCG owns the pipelines and has established itself as the primary supplier to local users. During the term of the requested AFE, LAWA’s Construction and Maintenance Services will conduct research to determine if competitive pricing is available and in the best interest of LAWA. This item will enable staff to establish an AFE with SCG to ensure the continued and efficient provision of gas utility service at LA/Ontario during the period of July 1, 2009 through June 30, 2010 while staff completes its research.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners approve the establishment of a one (1)-year, Authority For Expenditure, payable to Southern California Gas Company, for the purchase of natural gas and related services, for an amount not-to-exceed \$375,000 at LA/Ontario International Airport; and authorize the Executive Director to execute the Authority For Expenditure, payable to Southern California Gas Company upon approval as to form by the City Attorney. (Dave Shuter, 424-646-5111)

RECOMMENDATION APPROVED

Moved by:

Seconded by:

Ayes:

Nays:

Discussion: See [page 37](#)

ITEM 28. RESOLUTION NO. 23847 – **Gate and Operations Agreement:** With AMERICAN AIRLINES, INC. providing for certain rights for American Airlines, Inc. regarding GATE UTILIZATION, FACILITIES and CREDITS FOR BUSING COSTS at LOS ANGELES INTERNATIONAL AIRPORT

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EXECUTIVE SUMMARY: On March 4, 2009, the City Council affirmed the Board of Airport Commissioners' ("Board") certification of the Final Environmental Impact Report for the Crossfield Taxiway Project ("Project"), took other related actions and approved the Project.

On April 6, 2009, the Board approved a Right of Entry and Construction Commencement Agreement between Los Angeles World Airports (LAWA) and American to allow LAWA early access to Project construction areas, many of which are currently under lease to American. American and LAWA staff have negotiated a Memorandum of Agreement (MOA) to address all issues associated with LAWA gaining control of and access to American areas needed for the Project.

During the MOA negotiations, American made its agreement on the MOA contingent on obtaining certain preferential gate use rights. Accordingly, LAWA Staff and American negotiated a Gate and Operations Agreement ("GOA"). The GOA provides American with certain rights, including preferential use rights in the Tom Bradley International Terminal and in Terminals 5, 6, 7 and 8, as well as rights related to facilities and passenger busing cost offsets.

Staff recommends approval of the Gate and Operations Agreement.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners approve, and authorize the Executive Director to execute, a Gate and Operations Agreement between Los Angeles World Airports and American Airlines, Inc., following the approval of the City Council and upon approval as to form by the City Attorney. (Debbie Bowers, 424-646-7142)

RECOMMENDATION APPROVED

Moved by: Commissioner Aredas  
Seconded by: Commissioner Lawson

Ayes: Commissioners Aredas, Lawson, Velasco, Zifkin and President Rothenberg

Nays: None

Discussion: See [page 41](#)

ITEM 29. **BOARD ORDER NO. 5133 – First Amendment: To AIRCRAFT MAINTENANCE LEASE NO. LAA-1563 with AMERICAN AIRLINES, INC., providing for the DELETION AND ADDITION OF PREMISES**

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EXECUTIVE SUMMARY: On June 1, 1984, Los Angeles World Airports (LAWA) and American Airlines, Inc. (“American”) entered into Lease No. LAA-1563 for certain premises at Los Angeles International Airport (“LAX”). The leasehold is generally located south of World Way West and just west of Taxiway ‘S’. The Lease was for a twenty-six (26)-year term, and is scheduled to expire on May 31, 2010. The leasehold currently consists of 68.07 acres and 782,232 square feet of building improvements.

On March 4, 2009, the City Council affirmed the Board of Airport Commissioner’s (“Board”) certification of the Final Environmental Impact Report (EIR) for the Crossfield Taxiway Project (“Project”), took other related actions, and approved the Project.

On April 6, 2009, the Board approved a Right of Entry and Construction Commencement Agreement (“Right of Entry”) between LAWA and American. The Right of Entry allowed LAWA access to American leasehold areas to commence work associated with the construction of the Project at LAX. In its report to the Board on April 6, 2009, Staff reported that a Memorandum of Agreement (MOA) was being negotiated with American, which would subsequently be submitted to the Board for approval. The MOA was to address all issues associated with LAWA gaining control of and access to those Project construction areas currently under lease to American, and the relocation of certain American functions to substitute premises. Staff also reported that the deletion and addition of substitute premises would be the subject of a future Board Report, wherein Staff would recommend approval of a Lease Amendment to American’s Lease No. LAA-1563.

Staff has completed negotiations with American on a First Amendment to Lease No. LAA-1563. Under the terms of the First Amendment, approximately 1,293,000 square feet of land and 3,247 square feet of building space will be deleted, and a total area of approximately 1,451,732 square feet of land and 88,157 square feet of building space will be substituted; therefore, these changes will occur in phases. Rents will be adjusted to reflect changes in land and building square footages. The current Lease expiration date remains unchanged.

Staff recommends approval of the First Amendment to Lease No. LAA-1563.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners determine that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II Section 2(i) of the Los Angeles City Guidelines, as amended by the Los Angeles City Council on July 31, 2002 and find there have been no changes to the project or substantial changes in circumstances or new information since the approval of the Crossfield Taxiway Project Final Environmental Impact Report that would warrant subsequent or supplemental environmental analysis in accordance with CEQA; approve and authorize the Executive Director to execute the First Amendment to Aircraft Maintenance Lease No. LAA-1563 with American Airlines, Inc., following the approval of the City Council and approval as to form by the City Attorney; and further find that Los Angeles World Airports’ operations would be adversely impacted unless

ITEM 29. Continued

the First Amendment to Aircraft Maintenance Lease No. LAA-1563 is exempt from the provisions of the Los Angeles World Airports Contractor Responsibility Program. (Debbie Bowers, 424-646-7142)

RECOMMENDATION APPROVED  
AS AMENDED

Moved by: Commissioner Lawson  
Seconded by: Commissioner Aredas

Ayes: Commissioners Aredas, Lawson, Velasco, Zifkin and President Rothenberg

Nays: None

Discussion: See [page 41](#)

ITEM 30. BOARD ORDER NO. AO-5134 – **Fourth Amendment:** To AIRCRAFT MAINTENANCE LEASE NO. LAA-1455 with AMERICAN AIRLINES, INC., providing for the DELETION AND ADDITION OF PREMISES

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EXECUTIVE SUMMARY: On April 1, 1970, the Board of Airport Commissioners (“Board”) approved Ground Lease No. LAA-1455 with TransWorld Airlines (“TWA”) for an aircraft maintenance facility. The Lease term is set to expire on May 31, 2010. On December 1, 2001, American Airlines, Inc. (“American”) acquired all TWA assets at Los Angeles International Airport (“LAX”), after TWA declared bankruptcy.

On March 4, 2009, the City Council affirmed the Board’s certification of the Final Environmental Impact Report (EIR) for the Crossfield Taxiway Project (“Project”), took other related actions, and approved the Project.

On April 6, 2009, the Board approved a Right of Entry and Construction Commencement Agreement (“Right of Entry”) between LAWA and American. The Right of Entry allowed LAWA access to American leasehold areas to commence work associated with the construction of the Project at LAX. In its report to the Board on April 6, 2009, staff reported that a Memorandum of Agreement (MOA) was being negotiated with American, which would subsequently be submitted to the Board for approval. The MOA was to address all issues associated with LAWA gaining control of and access to those Project construction areas currently under lease to American, and the relocation of certain American functions to substitute premises. Staff also reported that the deletion and addition of substitute premises would be the subject of a future Board Report, wherein staff would recommend approval of a Lease Amendment to American’s Lease No. LAA-1455.

Staff has completed negotiations with American on a Fourth Amendment to Lease No. LAA-1455. Under the terms of the Amendment, approximately 1,368,279 square feet of land and 62,541 square feet of building space will be deleted, and a total area of approximately 80,000 square feet of land will be substituted therefore, for a period of eight months; these changes will occur in phases. Rents will be adjusted to reflect changes in land and building square footages. To compensate American for costs associated with relocation impacts, American will be provided with a credit against rent of \$12,000 per month for up to eight (8) months. The Amendment also provides that American may terminate the Lease upon 90-days prior notice to LAWA. The current Lease expiration date remains unchanged.

Staff recommends approval of the Fourth Amendment to Lease No. LAA-1455.

RECOMMENDATION: Adoption of the Report requesting that the Board of Airport Commissioners determine that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II Section 2(i) of the Los Angeles City Guidelines, as amended by the Los Angeles City Council on July 31, 2002 and find there have been no changes to the project or substantial changes in circumstances or new information since the approval of the Crossfield Taxiway Project Final Environmental Impact Report that would warrant subsequent or supplemental environmental analysis in accordance with CEQA; approve the Fourth Amendment to Aircraft Maintenance Lease No. LAA-1455 with American Airlines, Inc. for the deletion and addition of premises; further find that Los Angeles World Airports’ operations would be adversely impacted unless the Fourth Amendment to

ITEM 30. Continued

Lease No. LAA-1455 is exempt from the provisions of the Los Angeles World Airports Contractor Responsibility Program; and authorize the Executive Director to execute the Fourth Amendment to Aircraft Maintenance Lease No. LAA-1455 with American Airlines, Inc., upon approval as to form by the City Attorney and approval by the Los Angeles City Council. (Debbie Bowers, 424-646-7142)

RECOMMENDATION APPROVED

Moved by: Commissioner Lawson

Seconded by: Commissioner Aredas

Ayes: Commissioners Aredas, Lawson, Velasco, Zifkin and President Rothenberg

Nays: None

Discussion: See [page 41](#)

CONSENT CALENDAR

President Rothenberg requested a Motion for Approval of the following items that did not need amendment or further discussion: 5, 6, 8, 11, 12, 13, 14, 15, 16, 17, 21, 22, 23, 24, 25, 26 and 27.

Motion for Approval of the Consent Calendar was made by Commissioner Lawson, seconded by Commissioner Aredas, and was unanimously adopted.

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Commissioner Michael Lawson and Executive Director Gina Marie Lindsey presented individual Moral Compass Awards to David Bischoff and Aura Moore (Information Technology), Sandy Calderon (LA/Ontario International Airport), and Andre Tcharssov (LAX Development Group) were individually presented Moral Compass Awards by A Team Award was presented to the LAX Swing Shift Street Cleaning Crew (Construction & Maintenance).

Presentation to Richard Wells of Certificate of Recognition presented by Executive Director Lindsey, and Outstanding Civilian Employee Service Award (presented by City Council) handed by Deputy Executive Director Roger Johnson.

Gail Gaddi of Community Relations Division was acknowledged by Commissioner Valeria Velasco for being honored by the LAX Coastal Area Chamber of Commerce.

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DISCUSSION ITEMS

ITEM 1. **Administrative Action:** To ADOPT the ANNUAL BUDGET for FISCAL YEAR 2009-2010 for LOS ANGELES WORLD AIRPORTS

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*Director of Finance Ryan Yakubik presented the focal points of the Fiscal Year 2010 Budget. Upon inquiry by Commissioner Walter Zifkin, Mr. Yakubik stated that the airlines were indeed consulted with the proposed budget, and discussed the drivers for said increased airline costs. Commissioner Zifkin also inquired about, and assured by Mr. Yakubik of, the sufficiency of the Unallocated Balance Reserve of \$20 million even with all the volatility that might occur during the coming fiscal year. Mr. Yakubik stressed that Los Angeles World Airports has to achieve the operation and expenditure goals on the presented budget, and that this will require persistence from Management to continue to demand new areas of expense reduction and to create revenue sources. He also reiterated Executive Director Gina Marie Lindsey's lead-in statement that the Board will be given quarterly reports on how the Department is performing with the presented budget.*

*Mr. Pat McOsker of United Firefighters spoke in favor of the proposal.*

ITEM 2. **Award of Lease:** To WESTCHESTER GOLF PARTNERS LLC for the RESTORATION, OPERATION and MAINTENANCE of the WESTCHESTER GOLF COURSE

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*Deputy Executive Director Debbie Bowers acknowledged staff who worked on the project.*

*Mr. Michael Strouse of Commercial Development Group provided background information on the original golf course, release of Requests for Proposals and Environmental Assessment, and project timeline. He also discussed the agreement between Los Angeles World Airports (LAWA) and Westchester Golf Partners LLC ("WGP") to use sod and the two (2)-year total rent credit of \$400,000 due to WGP. Commissioner Walter Zifkin requested staff to report back to the Board on how LAWA would be able to recoup this \$400,000 expense caused by the delay in the Federal Aviation Administration findings of Non-Significance on Environmental Assessment.*

*Commissioner Valeria Velasco presented Executive Director Gina Marie Lindsey, Ms. Bowers and Mr. Strouse with Westchester Golf Course scorecards, since 1993 with the 3 holes off, for bringing the project to fruition.*

*Mr. Denny Schneider of ARSAC spoke in favor of the proposal.*

ITEM 3. **Agreement of Purchase and Sale for Real Property:** APPROVE the purchase of the commercial real property located at 6351 West Century Blvd. (a.k.a. 9851 South Sepulveda Blvd.) adjacent to LOS ANGELES INTERNATIONAL AIRPORT, from WEST CENTURY, LLC, a California limited liability company, AMB Park One at LAX, LLC, a Delaware limited liability company (AMB LLC), and AMB Property, LP, a Delaware limited partnership (AMB LP) (West Century, AMB LLC, and AMB LP collectively, Seller) for an amount not-to-exceed \$126,562,500, consisting of a purchase price of \$125,000,000 plus closing costs, subject to assumption of the existing lease and sublease encumbering the Property and approval of such assumption by the City Council; and AUTHORIZE the Executive Director to execute the Agreement of Purchase and Sale and Escrow Instructions (Agreement) and all necessary documents, each after approval as to form by the City Attorney

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*Deputy Executive Director Debbie Bowers provided background information on the property, owners and tenants, and purchase negotiations. She also provided an overview of the environmental issues on the property, as well as the project timeline.*

*Chief Operating Officer Steve Martin discussed the payment provisions and gave an overview of the effects of the purchase on Los Angeles World Airports's debt, equity and income structures.*

*Mr. Denny Schneider of ARSAC spoke in favor of the proposal.*

*Commission President Alan Rothenberg commended the staff for efforts on the project.*

- ITEM 4. **Memorandum of Agreement:** With AMERICAN AIRLINES, INC., with respect to RIGHTS OF ENTRY, A GATE AND OPERATIONS AGREEMENT, and LEASE AGREEMENTS required in connection with the construction of the Crossfield Taxiway at LOS ANGELES INTERNATIONAL AIRPORT, and providing terms for the Relocation of Certain American Operations and the Substitution of Leased Premises
- 

*This item was heard and acted upon by the Board in conjunction with Items 28, 29, and 30.*

*Chief Operating Officer Steve Martin provided an overview of the four (4) item proposals. He explained, upon inquiry by Commissioner Walter Zifkin, the proposed preferential gate use rights of American Airlines, Inc.*

*General Counsel Kelly Martin stated the fact that with respect to Terminals 5, 6, 7 and 8, the preference is only for narrow-bodied domestic gates, not for wide-bodied international gates.*

- ITEM 7. **Administrative Action:** To remove the two-year sunset provision and continue collection for a \$10 per transaction CUSTOMER FACILITY CHARGE by ON-AIRPORT CAR RENTAL COMPANIES to continue the process of designing, financing, and constructing a Consolidated Rent-A-Car Facility at LOS ANGELES INTERNATIONAL AIRPORT
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*Chief Operating Officer Steve Martin provided background information on the Customer Facility Charge (CFC) collection, and an overview of the proposal. Upon inquiry by Commissioner Valeria Velasco, Mr. Martin explained that legislative chain at state level will have to be sought to seek clarification on allowable alternate uses of CFC funds in case the Consolidated Rent-a-Car facility will not push through.*

*Mr. Bill Bettison of Enterprise Rent-A-Car spoke in favor of the proposal.*

- ITEM 9. **Administrative Action:** APPROVAL of Staff Report, RESCISSION of Board Resolution No. 11101 and AUTHORITY to REIMBURSE the ASSOCIATION OF AIRPORT EMPLOYEES for Expenses not-to-exceed \$150,000 per year
- 

*This item was heard and acted upon by the Board in conjunction with Item 10.*

*Executive Director Gina Marie Lindsey gave a summary of the two (2) items, which were originally presented at the previous Board meeting (June 10).*

*Commissioner Joseph Aredas, in reference to Resolution No. 11101, inquired about a way to maintain the identity and existence of the Association of Airport Employees ("AAE"), in response to which Ms. Lindsey assured him that a replacement resolution will be presented at the next Board meeting.*

*Commissioner Aredas also asked for assurance that the AAE will not be held liable for any monies or any liability due under its agreement with First Class Vending Machine.*

*Mr. Jimmy Sparks of AAE spoke in favor of the proposal.*

- ITEM 10. **Request for Bids:** For FOOD AND BEVERAGE VENDING MACHINE OPERATIONS on Los Angeles World Airports' property at LOS ANGELES INTERNATIONAL AIRPORT, LA/ONTARIO INTERNATIONAL AIRPORT, and VAN NUYS AIRPORT
- 

*This item was heard and acted upon by the Board in conjunction with [Item 9](#).*

*See discussion under Item 9 on page 39.*

- ITEM 18. **Join City Contract:** With VPSI, INC. for VANPOOL LEASING AND SERVICES at LOS ANGELES WORLD AIRPORTS for a period of six (6) months and an amount not-to-exceed \$303,000
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*Deputy Executive Director Samson Mengistu provided an update on Los Angeles World Airports (LAWA) Rideshare Program. Upon inquiry by Commissioner Valeria Velasco, Mr. Mengistu identified incentives that LAWA tenant employers have.*

*Commissioner Velasco stressed her support on any action that will increase LAWA ridership and at the same time get reimbursed for the program, but was concerned about LAWA not yet reaching the goal of reducing the number of employee trips by one-third, which was recommended by the Air Quality Management District. Rideshare Program Manager Devon Demming stated goals on different aspects of the program that LAWA already met.*

- ITEM 19. **Placement of Insurance Policy:** For GENERAL, ALL-RISK PROPERTY INSURANCE for a total coverage limit of \$1.5 billion; BOILER AND MACHINERY for a coverage limit of \$250 million; and EARTHQUAKE, FLOOD, WIND for a coverage limit of \$25 million with primary underwriter LEXINGTON INSURANCE COMPANY and excess coverage provided by various domestic and international underwriters, for LOS ANGELES WORLD AIRPORTS
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*This item was heard and acted upon by the Board in conjunction with [Item 20](#).*

*Commissioner Walter Zifkin commended staff on being able to reduce the overall cost of insurance premiums, since 2003, by over 50% while vastly increasing the amounts of coverage.*

*Risk Manager Bruce Brown, upon request by Commissioner Zifkin, discussed the reasons for, and any possibility of improving, the Earthquake Insurance coverage limit of \$25 million and Liability Insurance deductibles (\$10,000 and \$25,000), which Mr. Brown stated to be the best deal under a cost-benefit analysis.*

- ITEM 20. **Placement of Insurance Policy:** For GENERAL AVIATION LIABILITY with primary/lead underwriter GLOBAL AEROSPACE and excess coverage through various Lloyds of London and U. S. markets for a total coverage limit of \$1.30 billion, and for WAR AND ALLIED PERILS INSURANCE with primary/lead underwriter GLOBAL AEROSPACE INSURANCE and various London and U. S. markets for a total coverage limit of \$1.0 billion, for LOS ANGELES WORLD AIRPORTS
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*This item was heard and acted upon by the Board in conjunction with [Item 19](#).*

*See discussion under Item 19 above.*

- ITEM 28. **Gate and Operations Agreement:** With AMERICAN AIRLINES, INC. providing for certain rights for American Airlines, Inc. regarding GATE UTILIZATION, FACILITIES and CREDITS FOR BUSING COSTS at LOS ANGELES INTERNATIONAL AIRPORT
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*This item was heard and acted upon by the Board in conjunction with Items 4, 29 and 30.*

*See discussion under Item 4 on page 39.*

- ITEM 29. **First Amendment:** To AIRCRAFT MAINTENANCE LEASE NO. LAA-1563 with AMERICAN AIRLINES, INC., providing for the DELETION AND ADDITION OF PREMISES
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*This item was heard and acted upon by the Board in conjunction with Items 4, 28 and 30.*

*Executive Director Gina Marie Lindsey requested an Amendment of the Board Report to change the Charter Section from 245 to 606 (page 7 - Standard Provision No. 10). Motion to Amend the Board Report was unanimously adopted, as moved by Commissioner Walter Zifkin and seconded by Commissioner Valeria Velasco.*

*See more discussion under Item 4 on page 39.*

- ITEM 30. **Fourth Amendment:** To AIRCRAFT MAINTENANCE LEASE NO. LAA-1455 with AMERICAN AIRLINES, INC., providing for the DELETION AND ADDITION OF PREMISES
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*This item was heard and acted upon by the Board in conjunction with Items 4, 28 and 29.*

*See discussion under Item 4 on page 39.*

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COMMISSION REQUESTS FOR CALENDARING OF FUTURE AGENDA ITEMS:

- Replacement to Resolution No. 11101 in order to maintain the identity and existence of the Association of Airport Employees – requested by Commissioner Aredas
- Management update on LAWA Contracting Policy relative to use of sub-contractors – requested by Commissioner Aredas

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COMMENTS FROM THE PUBLIC

The Board received comments from the following: Pat McOsker – United Firefighters; Denny Schneider – ARSAC; Bill Bettison – Enterprise Rent-A-Car; Jimmy Sparks – AAE; Debbie Asbacher – VPSI, Inc.; and Stephen Holzberg.

There being no further business, President Rothenberg, with the unanimous consent of the Board, ordered the Meeting adjourned at 3:16 p.m.

ATTEST:

\_\_\_\_\_  
PRESIDENT

\_\_\_\_\_  
ASSISTANT SECRETARY

NOTE: A complete tape/video recording of this Meeting, exclusive of closed session, has been made and is on file as a public record in the office of the Secretary of the Board of Airport Commissioners. This tape is a public record in accordance with the California Public Records Act (Sections 6250-6260 of the Government Code).