

NON-EXCLUSIVE LICENSE AGREEMENT BETWEEN
THE CITY OF LOS ANGELES AND

LAWA

COVERING CHARTER PARTY CARRIER TRANSPORTATION
SERVICES TO AND FROM LOS ANGELES INTERNATIONAL AIRPORT

THIS NON-EXCLUSIVE LICENSE AGREEMENT (the “**License**”), made and entered into this _____ day of _____, 20____, by and between the CITY OF LOS ANGELES, a municipal corporation (“**City**”), acting by order of and through its Board of Airport Commissioners (“**Board**”), and LAWA (“**Licensee**”),

RECITALS

WHEREAS, City owns and operates Los Angeles International Airport (“**Airport**”) in the City of Los Angeles, State of California;

WHEREAS, Licensee is 1) the holder of a charter party carrier permit issued by the Public Utilities Commission of the State of California (“**P.U.C.**”), authorizing Licensee to transport passengers to and from Airport on a pre-arranged charter basis with charges assessed on a vehicle mileage or time of use basis, or a combination of the two; or 2) the holder of authority granted by the United States Department of Transportation (“**USDOT**”) to conduct similar transportation activities; or 3) the holder of an auto-for-hire permit issued by the City of Los Angeles Department of Transportation (“**LADOT**”);

WHEREAS, Licensee desires to operate the previously described transportation service at Airport and to enter into this License with City in order to conduct such operations; and

WHEREAS, it is in the best interests of City and the traveling public to make such services available.

NOW, THEREFORE, in consideration of the use of the premises and of the covenants and conditions hereinafter contained to be kept and performed by the parties hereto, IT IS MUTUALLY AGREED AS FOLLOWS:

LICENSE

ARTICLE 1. SPECIFIC TERMS AND PROVISIONS

Section 1. Term of License. The term of this License shall be for five (5) years commencing _____, 20____ and terminate five (5) years from the date of commencement of this License (the “**Term**”), subject, however, to earlier termination, with or without cause, by either party upon thirty (30) days prior written notice to the other party and further subject to prior termination as provided herein.

Section 2. Fees.

2.1 Trip Fees. Except as hereinafter provided, Licensee shall pay to City the following trip fees (“**Trip Fees**”) for the license rights granted herein for services rendered at Airport:

2.1.1 Vehicles shall pay the following Trip Fees according to its category as follows:

2.1.1.1 Class 1 Vehicles: Vehicles that are Class 1 vehicles, those seating twenty-five (25) passengers or less, shall be subject to the current per Trip (defined below) Fee for Class 1 Vehicles as provided by resolution of the Board.

2.1.1.2 Class 2 Vehicles: Vehicles that are Class 2 vehicles, those seating more than twenty-five (25), shall be subject to the current per Trip Fee for Class 2 Vehicles as provided by resolution of the Board.

2.1.2 “Trip” Defined. “**Trip**” shall, subject to exceptions hereinafter stated, be defined as any scheduled or unscheduled departure from the lower or arrivals level of Airport's central terminal area (“CTA”) by a vehicle of Licensee, with or without passengers.

2.1.3 City reserves the right to adjust the Trip Fees up to two times per year. Crew transportation pickups for signatory air carriers are excluded from paying the Trip Fees.

2.2 Other Fees. In addition to the Trip Fees set forth above, Licensee shall pay the following fees:

2.2.1. Administrative Fee. Licensee shall pay the current annual administrative fee (“**Administrative Fee**”) as provided by resolution of the Board. This Administrative Fee is due whether or not there has been any business activity during the reported month.

2.2.2 Other Fees. Licensee shall also pay all other charges, penalties or fees occasioned by its operations or activities on or about Airport.

2.3 Payments. All Trip Fees and other fees payable hereunder shall be paid to the City of Los Angeles, Department of Airports, 1 World Way, P.O. Box 92216, Los Angeles, California 90009-2216, unless and until City designates some other party or place to receive Trip Fees and other fees. All payments shall be made in legal tender of the United States.

Section 3. License Rights.

3.1 City gives Licensee, during the Term and on a non-exclusive basis, the right to transport passengers and baggage by approved motor vehicles into and out of Airport in accordance with Licensee's rights and duties under its P.U.C. charter party carrier permit, similar federal authority or LADOT authority.

3.2 This License does not include the right or privilege to operate a package express service at Airport by either picking up or delivering packages at terminals, or to operate any vehicle at Airport with a driver or agent carrying a firearm on the person or within said vehicle.

3.3 Use of Airport. Licensee shall use Airport only in connection with its transport business of operating passenger bus, van, or limousine, or auto-for-hire services between Airport and such points as the P.U.C., USDOT or LADOT, whichever is applicable, shall duly and regularly designate through the issuance of Certificates of Convenience and Necessity or other approvals.

3.4 Right of Ingress and Egress. City hereby grants full and free right of ingress to and egress from Airport to Licensee, its employees, passengers, guests, invitees, suppliers of materials and furnishers of service, without charge, subject to the provisions herein and City's operating rules and regulations.

3.5 Licensee shall not use sound amplifying or public address equipment at Airport unless such use and equipment are approved in writing by the executive director of LAWA or his or her authorized representative (the “**Executive Director**”).

Section 4. Authorized Vehicle Requirements.

4.1 Licensee shall report to the Executive Director, on forms provided for that purpose, the manufacturer, model year, vehicle type, vehicle identification number (or “VIN”), license plate number, company identification number, passenger capacity and proof of commercial registration for each of Licensee's vehicles used in its operation at Airport.

4.2 Vehicle Requirements.

4.2.2 Luxury-type, sedan style limousines shall display TCP numbers no smaller than One and One-Half (1-1/2) inches tall on the front and rear bumpers.

4.2.3 All of Licensee's vehicles seating fifteen (15) or more passengers shall:

4.2.3.1 possess identical color schemes and markings, so as to be readily identifiable as belonging to Licensee;

4.2.3.2 display TCP numbers on each side of the vehicle;

4.2.3.3 display the name of Licensee, or its fictitious business name (or “D.B.A.”), on each side of the vehicle, in a type style and size so as to be readily identifiable; and

4.2.3.4 display Licensee's company fleet identification number on the rear and each side of the vehicle.

4.2.4 Licensee shall file with City a description (either photographic or otherwise) adequate to identify the color scheme and markings common to Licensee's vehicles and distinguish them visually from vehicles used by another operator.

4.3 Non-Duplication of Company Names, Logos and Color Schemes. It is prohibited for any Licensee to do business on Airport with a name which is identical or nearly identical to the name of an existing passenger stage corporation (or “PSC”) serving Airport. It is also prohibited for any Licensee to use the logo or color schemes of any other company in a manner which may confuse the public. The Executive Director reserves the right to deny the use of any use of any name, logo, or color scheme.

4.4 Decals and AVI Transponders. Upon receipt of the requisite information and performance of all other conditions precedent contained in this License, the Executive Director may issue identification stickers or decals (“**Permit**” or “**Permits**”) and automatic vehicle identification transponders (“**AVI Transponder**” or “**AVI Transponders**”) which shall be permanently affixed as instructed to each authorized vehicle. The Permit and AVI Transponder shall not be transferable or assignable, but both shall be returned to City if a vehicle is removed from service. Licensee shall pay for any lost, stolen or damaged AVI Transponders. It shall be illegal to operate and/or board passengers on the lower level of Airport without a valid and current Permit and a properly functioning AVI Transponder affixed to the authorized vehicle. The AVI Transponder requirement may be waived for a charter vehicle not based in Southern California.

4.5 Airport Rules and Regulations Governing Authorized Vehicles.

4.5.1 During the performance of this License, Licensee agrees to comply with the Rules and Regulations of the City of Los Angeles, Department of Airports Governing the Permit

Program for the Operation of Commercial Vehicles Transporting Passengers at Los Angeles International Airport, as may be amended from time to time (the “**Airport Rules and Regulations**”) which is incorporated herein by this reference. The Airport Rules and Regulations govern Licensee’s operations at Airport. Licensee ensures that Licensee’s officers, employees, agents, drivers and vehicles also comply with the Airport Rules and Regulations. To the extent the Airport Rules and Regulations conflict with Section 4.5.2 and 4.5.3, the Airport Rules and Regulations shall govern.

4.5.2 The Airport Rules and Regulations include, but are not limited, to the following rules and regulations:

4.5.2.1 All charter vehicles shall operate all authorized vehicles in accordance with P.U.C. rules and general orders.

4.5.2.2 Licensee shall not pick up passengers at Airport or enter the CTA for the purpose of picking up passengers between the hours of 7:00 am and 12:00 a.m. without first obtaining a valid trip ticket from the charter holding lot. Licensee shall properly display a valid trip ticket on either the dashboard or windshield of the vehicle as designated by the Executive Director while loading or meeting passengers between the hours of 7:00 a.m. and 12:00 a.m. in the CTA.

4.5.2.3 Licensee shall not stop authorized vehicles at any vehicle loading zone on the lower level of the CTA other than as designated in the Airport Rules and Regulations.

4.5.2.4 Licensees shall not park or stop any vehicle anywhere on the upper level roadway or curbs of the CTA unless actively engaged in dropping off passengers, unless at a curb specifically designated for parking by the Executive Director.

4.5.3 Violations. Violations by Licensee, its officers, employees, agents, drivers or vehicles of Airport Rules and Regulations are subject to the imposition by City of any or all of the following: oral or written warnings, suspensions of Licensee’s right to operate on Airport property, and/or termination of this License and all of Licensee’s rights to operate to and from Airport. Procedural matters with respect to any such violation is outlined in the Airport Rules and Regulations.

Section 5. Records.

5.1 Monthly Reports. City reserves the right to require Licensee, on forms designated or approved by City, to account to City’s Landside Operations Bureau on or before the tenth (10th) day of each month of the Term for all Trips operated and passengers carried both into and out of Airport during the prior calendar month. Licensee understands that said report forms may from time to time be modified by City and hereby agrees to use the latest report forms made available for reporting its Trips and passengers.

5.2 Income Statement. Upon request of the Executive Director, Licensee shall furnish City with a detailed income statement prepared at the close of Licensee’s fiscal or calendar year reflecting all business transacted by Licensee from the transportation of passengers and/or baggage to or from Airport. If requested, said income statement shall be certified by Licensee’s independent certified public accountant.

5.3 Records Retention, Right to Inspect.

5.3.1 Licensee shall at all times during the Term maintain and keep permanent books, ledgers, journals and other records wherein are kept entries accurately reflecting all gross revenue derived from the charter party carrier business transacted to or from Airport. In addition, Licensee shall keep and

maintain a daily record of all trips and the passenger counts and fares collected from each trip both to and from Airport with supporting verifiable documents showing the driver's name, actual arrival and departure trip times, registration number of vehicle, and reservation numbers.

5.3.2 City, or its duly authorized representatives, shall, at all reasonable times, have the right of access to and the right to examine and audit all records of Licensee pertaining to the operations of its business under this License (the “**Audit**”). Licensee hereby authorizes its officers, agents, and employees to disclose to City any and all information pertaining to its operations under the license rights herein granted, including all books, ledgers, journals and other records and things done or performed by Licensee in connection therewith during the Term. Such books and records must be maintained and kept in a location within Los Angeles, Orange, Ventura or San Bernardino County by Licensee. Licensee may elect to maintain the required records at a location outside said counties; however, in doing so, Licensee accepts responsibility for reimbursing City for all travel and incidental expenses incurred in connection with each Audit.

5.3.3 It is agreed that examinations of the books, ledgers, journals and accounts of Licensee will be conducted in accordance with generally accepted auditing standards applicable in such circumstances and that such, said examinations do not require a detailed audit of all transactions. Testing and sampling methods may be used by City to verify reports submitted by Licensee. Deficiencies ascertained by the use of such testing and sampling methods, by applying the percentage of error obtained from such testing and sampling to the entire period of reporting under examination will be binding upon Licensee and to that end shall be admissible in court to prove any amounts due City from Licensee. In the event there is any net deficiency in the amount of two percent (2%) or greater of the compensation payable to City hereunder, Licensee agrees to pay City for the cost of the Audit as well as any other deficiencies, payments and liquidated damages due under this or any other provision of this License.

ARTICLE 2. STANDARD TERMS AND PROVISIONS

Section 1. Limitations on Use of Airport.

1.1. Licensee shall not use the Airport, nor any portion thereof, for any purpose other than that hereinabove set forth above, without first having had and obtained the written consent of the Executive Director, which consent may be withheld in the Executive Director's sole discretion, and which written consent is approved as to form by the City Attorney.

1.2. There is hereby reserved to City, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Airport. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through said airspace or landing at, taking off from, or operating on Airport. Licensee agrees not to make any claim or institute legal action against City under any theory of recovery for any interference with Licensee's use and enjoyment of the Airport which may result from noise emanating from the operation of aircraft to, from, or upon Airport.

1.3. Licensee, by accepting this License, agrees for itself and its successors and assigns that it will not make use of the Airport in any manner which might interfere with the landing and taking off of aircraft from Airport or otherwise constitute a hazard to such operations. In the event the aforesaid covenant is breached, City reserves the right to take all action it deems necessary to cause the abatement of such interference at the expense of Licensee.

1.4. Licensee shall conduct its operations on Airport in such manner as to reduce as much as is reasonably practicable, considering the nature and extent of said operations, any and all activities which

interfere unreasonably with the use of other premises at Airport, including, but not limited to, the emanation from the Airport of noise, vibration, movements of air, fumes, and odors.

1.5. Licensee is prohibited from installing or using any wireless workstations, access control equipment, wireless internet servers, application or system software such as transceivers, modems, or other interface units that access frequencies from 2.0 Gigahertz to 6.0 Gigahertz, inclusive, without first obtaining approval from the Executive Director.

1.6. Licensee has no rights under this License to install or use any antennae or telecommunications equipment on the roof or exterior of any building or structure on Airport. Licensee may not license or sublicense to others the right to install or use antennae or other telecommunications equipment on Airport.

Section 2. Liquidated Damages for Delinquent Payment.

2.1 The failure of Licensee to pay the fees and charges on time is a breach of this License for which City may terminate or take such other legal action as it deems necessary. Licensee agrees to pay on time.

2.2 Without waiving any rights available under this License or by law, in the event of late or delinquent payments, Licensee recognizes that City will incur certain expenses, the amount of which is difficult to ascertain. Therefore, in addition to the fees and charges owing, Licensee agrees to pay the liquidated damages set forth below to compensate City for all expenses and/or damages and loss resulting from said late or delinquent payments by Licensee.

2.3 The liquidated damages for late or delinquent payments including the administrative fee commencing with the effective date of this License shall be ten percent (10%) per annum, or that percent per annum equal to the prevailing rate on the twenty-fifth day of the month preceding the execution of this License as established by the Federal Reserve Bank of San Francisco on advances to member banks under Sections 13 and 13a of the Federal Reserve Act, plus four and one-half percent (4-1/2%) per annum, whichever is greater, on the balance of the unpaid monthly amount calculated from the date of the delinquency until the close of the business day upon which the delinquency payment is received by City.

Section 3. Signs. Licensee shall not, at any time, under any circumstances, install, place, or maintain any type of advertising, on the Airport.

Section 4. Insurance.

4.1. Licensee shall procure at its expense, and keep in effect at all times during the term of this License, the types and amounts of insurance specified on Insurance, Exhibit A, attached hereto and incorporated by reference herein. The specified insurance shall also, either by provisions in the policies, by endorsement form attached to such policies, include and insure City, Los Angeles World Airports (“LAWA”), its Board and all of City's officers, employees, and agents, their successors and assigns, as additional insureds, against the areas of risk described on Insurance, Exhibit A, hereof with respect to Licensee's acts or omissions in its operations, use, and occupancy of the Airport or other related functions performed by or on behalf of Licensee in, on or about Airport.

4.2. Each specified insurance policy (other than workers' compensation and employers' liability and fire and extended coverages) shall contain a severability of interest (cross liability) clause which states, "It is agreed that the insurance afforded by this policy shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability,"

and a contractual endorsement which shall state, "Such insurance as is afforded by this policy shall also apply to liability assumed by the insured under this License with the City of Los Angeles."

4.3. All such insurance shall be primary and noncontributing with any other insurance held by LAWA where liability arises out of or results from the acts or omissions of Licensee, its agents, employees, officers, assigns, or any person or entity acting for or on behalf of Licensee. Such policies may provide for reasonable deductibles and/or retentions acceptable to the Executive Director based upon the nature of Licensee's operations and the type of insurance involved.

4.4. City shall have no liability for any premiums charged for such coverage(s). The inclusion of City, LAWA, Board and all of City's officers, employees, and agents, their successors and assigns, as insureds is not intended to, and shall not, make them, or any of them, a partner or joint venturer with Licensee in Licensee's operations at Airport. In the event Licensee fails to furnish City evidence of insurance and maintain the insurance as required, City, upon ten (10) days prior written notice to comply, may (but shall not be required to) procure such insurance at the cost and expense of Licensee, and Licensee agrees to promptly reimburse City for the cost thereof plus fifteen percent (15%) for administrative overhead. Payment shall be made within thirty (30) days of invoice date.

4.5. At least ten (10) days prior to the expiration date of the above policies, documentation showing that the insurance coverage has been renewed or extended shall be filed with City. If such coverage is canceled or reduced, Licensee shall, within fifteen (15) days of such cancellation of coverage, file with City evidence that the required insurance has been reinstated or provided through another insurance company or companies.

4.6. Licensee shall provide proof of all specified insurance and related requirements to City by production of the actual insurance policy(ies), by use of endorsement form(s), by broker's letter acceptable to the Executive Director in both form and content in the case of foreign insurance syndicates, or by other written evidence of insurance acceptable to the Executive Director. The documents evidencing all specified coverages shall be filed with City in duplicate and shall be procured and approved in strict accordance with the provisions in Sections 11.47 through 11.56 of Los Angeles Administrative Code (the "Code") prior to Licensee's use of Airport. The documents shall contain the applicable policy number, the inclusive dates of policy coverages, and the insurance carrier's name, shall bear an original signature of an authorized representative of said carrier, and shall provide that such insurance shall not be subject to cancellation, reduction in coverage, or nonrenewal except after written notice by certified mail, return receipt requested, to the City Attorney of the City of Los Angeles at least thirty (30) days prior to the effective date thereof. City reserves the right to have submitted to it, upon request, all pertinent information about the agent and carrier providing such insurance.

4.7. City and Licensee agree that the insurance policy limits specified herein shall be reviewed for adequacy annually throughout the Term by the Executive Director who may, thereafter, require Licensee, on thirty (30) days prior, written notice, to adjust the amounts of insurance coverage to whatever reasonable amount said Executive Director deems to be adequate.

4.8. Submission of insurance from a non-California admitted carrier is subject to the provisions of California Insurance Code Sections 1760 through 1780, and any other regulations and/or directives from the State Department of Insurance or other regulatory board or agency. Licensee agrees, except where exempted, to provide City proof of said insurance by and through a surplus lines broker licensed by the State of California.

Section 5. City Held Harmless.

5.1 In addition to the requirements of Section 4, Insurance herein, Licensee shall, to the fullest extent permitted by law, defend, indemnify and hold harmless City and any and all of its boards, commissioners, officers, directors, agents, employees, assigns and successors in interest (collectively "City Defendants") from and against any and all allegations, suits, claims, causes of action, liability, losses, damages, demands or expenses (including, but not limited to, attorney's fees and costs of litigation) (collectively "Claims"), prosecuted by anyone (including Licensee and/or Licensee's agents, former and current employees, or competitors) by reason of, arising out of, related to, connected with or pertaining to (1) injury to, or death of, any person(s) (including Licensee and/or Licensee's agents or employees), or (2) damage to, or destruction of, any property (including property of Licensee and/or Licensee's agents or employees), or (3) Licensee's (and/or its employees' or agents') and/or Sublicensee's (and/or its employees' or agents') performance of the Contract, or (4) City's selection of Licensee over its competitors as the awardee of this License; whether or not contributed to by any act or omission of City, or of any of City's Boards, officers, agents or employees. If applicable, (a) where such Claims arise from or relate to Licensee's performance of a "Construction Contract" as defined by California Civil Code Section 2783, this paragraph shall not be construed to require Licensee to indemnify or hold City harmless to the extent such Claims are caused by the City's sole negligence, willful misconduct or active negligence; and/or (b) where such Claims arise from Licensee's design professional services as defined by California Civil Code Section 2782.8, Licensee's indemnity obligations shall be limited to Claims arising out of, pertaining to, or relating to the Licensee's negligence, recklessness or willful misconduct in the performance of the Contract.

5.2 In Licensee's defense of the City, including but not limited to the negotiation, compromise, and settlement of any action, the City shall retain discretion in and control of the litigation, negotiation, compromise, settlement, and appeals there from, as required by the Los Angeles City Charter, particularly Article II, Sections 271, 272 and 273 thereof.

5.3 Survival of Indemnities. The provisions under this Section 5 shall survive the termination of this License. Rights and remedies available to the City hereinabove shall survive the termination of this License. Further, the rights and remedies are cumulative of those provided for elsewhere in this License and those allowed under the laws of the United States, the State of California, and the City of Los Angeles.

Section 6. Attorney's Fees. If City is made a party to any litigation commenced by or against Licensee arising out of Licensee's use or occupancy of Airport, then Licensee shall pay all costs, expenses, and reasonable attorney's fees incurred by or imposed upon City in connection with such litigation. Each party shall give prompt notice to the other of any claim or suit instituted against it that may affect the other party.

Section 7. Restrictions and Regulations

7.1 Licensee agrees to abide by any and all: (i) applicable rules, regulations, orders and restrictions which are now in force or which may be hereafter adopted by City with respect to the operations of Airport; (ii) orders, directives or conditions issued, given or imposed by Executive Director with respect to the use of roadways, driveways, curbs, sidewalks and parking areas in and about said Airport; (iii) applicable laws, ordinances, statutes, rules, regulations or orders of any governmental authority, federal, state or municipal, lawfully exercising jurisdiction over the Airport or Licensee's occupation or use of Airport; and (iv) applicable rules and regulations of City related to commercial passenger vehicles operating at Airport.

7.2 Nothing herein contained shall be deemed to impair Licensee's right to contest any such rules, regulations, orders, restrictions, directives or conditions or the reasonableness thereof. City shall not be liable to Licensee for any damage to, or for any diminution or deprivation of, Licensee's rights hereunder on account of the exercise of any such authority, or as may arise from Airport development or operation during the term of this License, unless the exercise thereof shall so interfere with Licensee's operations herein created as to constitute a termination, in whole or in part, of this License Agreement by operation of law.

7.3 Subject to this section, Licensee, its employees, agents and representatives shall not in any manner pay, extend or give any type of consideration, compensation, gratuity or reward to any Airport skycap, porter, starter, ticket or information booth person at Airport, or other curbside or terminal personnel at Airport, unless the latter be a uniformed employee of Licensee for which workers' compensation benefits are paid by Licensee and whose presence and activities on Airport property are approved by the Executive Director.

7.4 City reserves the right to require Licensee's vehicles to stop at designated locations or use designated entry or departure routes so that City may inspect or count said vehicles and determine passenger loads.

7.5 The Executive Director is authorized to establish and construct a staging area for commercial vehicles providing ground transportation services. The Executive Director is authorized to require that all vehicles not actively loading or unloading passengers park in a City staging area. The Executive Director reserves the right to charge a fee for use of such staging area. Use of the staging area shall be limited to such times as the Executive Director may allow.

7.6 Nothing in this License shall be construed as authorizing Licensee to place starters, skycaps, porters, booth personnel, agents, or other personnel on the curbs or sidewalks or in the terminals at Airport without first having obtained the written consent of Executive Director.

7.7 Licensee agrees to operate its vehicles at Airport only when a current and valid Airport decal or sticker has been permanently affixed to the vehicle in the appropriate location. Failure to have a current and valid decal affixed on a vehicle while operating on Airport premises shall mean that Licensee does not have City approval to operate said vehicle on Airport. Licensee understands that under said circumstances the driver of the vehicle is subject to citation, the vehicle is subject to impound, and Licensee may receive a suspension or termination of operating rights on Airport. City reserves the right to determine the frequency of and occasions when new or replacement decals or stickers may be issued.

7.8 Licensee shall be solely responsible for any and all civil and/or criminal penalties assessed as a result of its failure to comply with any of these rules, regulations, restrictions, ordinances, statutes, laws, orders, directives and/or conditions.

Section 8. Assignments and Encumbrances.

8.1 Licensee shall not, in any manner, directly or indirectly, by operation of law or otherwise, assign, transfer or encumber this License, or any portion thereof or any interest therein, nor shall Licensee license or otherwise authorize the use of, in whole or in part, the rights granted by this License, without the prior written consent of the Board. Any attempts to assign, transfer or encumber this License, or any licensing or authorizing the use of, in whole or in part, the rights granted by this License, shall be void and shall confer no right, title or interest in or to this License, upon any such assignee, transferee, or encumbrancer. Consent to one assignment, transfer, or encumbrance shall not be deemed to be a consent to any subsequent assignment, transfer or encumbrance. This License shall not, nor shall any interest

therein, be assignable as to the interest of Licensee by operation of law without the prior written consent of Board.

8.2 When proper consent has been given by the Board, the provisions of this License shall be binding upon, and shall inure to the benefit of, the heir(s), successor(s), executor(s), administrator(s) and assign(s) of the parties hereto.

Section 9. Nondiscrimination and Equal Employment Practices/Affirmative Action Program.

9.1. Federal Non-Discrimination Provisions.

9.1.1. The Licensee for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that in the event facilities are constructed, maintained, or otherwise operated on said property described in this License, for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the Licensee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

9.1.2. The Licensee does hereby covenant that: (1) no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Licensee shall use the Airport in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

9.1.3. The Licensee assures that it will comply with pertinent statutes, Executive Orders, and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision obligates the Licensee or its transferee for the period during which Federal assistance is extended to the airport program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases, the provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or (b) the period during which the airport sponsor or any transferee retains ownership or possession of the property.

9.1.4. Licensee shall furnish its services on a reasonable and not unjustly discriminatory basis to all users, and charge reasonable and not unjustly discriminatory prices for each unit or service, provided that Licensee may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

9.1.5. Licensee agrees that it shall insert the provisions found in subsections 9.1.3 and 9.1.4 above in any assignment, license, transfer or sublicense by which said Licensee grants a

right or privilege to any person, firm, or corporation to render accommodations and/or services to the public on the Airport.

9.2. **Municipal Non-Discrimination Provisions.**

9.2.1. **Non-Discrimination In Use Of Airport.** There shall be no discrimination against or segregation of any person, or group of persons, on account of race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status, domestic partner status, or medical condition in the License, transfer, use, occupancy, tenure, or enjoyment of the Airport or any operations or activities conducted on the Airport. Nor shall Licensee or any person claiming under or through Licensee establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, subtenants, or vendees of the Airport. Any assignment or transfer which may be permitted under this License shall also be subject to all non-discrimination clauses contained in Article 2, Section 9.2.

9.2.2. **Non-Discrimination In Employment.** During the Term, Licensee agrees and obligates itself in the performance of this License not to discriminate against any employee or applicant for employment because of the employee's or applicant's race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status, domestic partner status, or medical condition. Licensee shall take affirmative action to insure that applicants for employment are treated, during the term of this License, without regard to the aforementioned factors and shall comply with the affirmative action requirements of the Code, Sections 10.8, et seq., or any successor ordinances or law concerned with discrimination.

9.2.3. **Equal Employment Practices.** If the total payments made to City under this lease are One Thousand Dollars (\$1,000) or more, this provision shall apply. During the performance of this License, Licensee agrees to comply with Section 10.8.3 of the Los Angeles Administrative Code ("Equal Employment Practices"), which is incorporated herein by this reference. A copy of Section 10.8.3 has been attached to this License for the convenience of the parties as Exhibit B. By way of specification but not limitation, pursuant to Sections 10.8.3.E and 10.8.3.F of the Los Angeles Administrative Code, the failure of Licensee to comply with the Equal Employment Practices provisions of this License may be deemed to be a material breach of this License. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to Licensee. Upon a finding duly made that Licensee has failed to comply with the Equal Employment Practices provisions of this License, this License may be forthwith terminated, cancelled, or suspended.

9.2.4. **Affirmative Action Program.** If the total payments made under this License are One Hundred Thousand Dollars (\$100,000) or more, this provision shall apply. During the performance of this License, Licensee agrees to comply with Section 10.8.4 of the Los Angeles Administrative Code ("**Affirmative Action Program**"), which is incorporated herein by this reference. A copy of Section 10.8.4 has been attached to this License for the convenience of the parties as Exhibit C. By way of specification but not limitation, pursuant to Sections 10.8.4.E and 10.8.4.F of the Code, the failure of Licensee to comply with the Affirmative Action Program provisions of this License may be deemed to be a material breach of this License. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to Licensee. Upon a finding duly made that Licensee has failed to comply with the Affirmative Action Program provisions of this License, this License may be forthwith terminated, cancelled or suspended.

Section 10. Taxes, Fees and Licenses.

10.1 Licensee shall pay all taxes of whatever character that may be levied or charged upon Licensee's operations at the Airport, or upon Licensee's improvements, fixtures, equipment, or other property on the Airport, or upon Licensee's use thereof.

10.2 Licensee shall also pay for, and cause to be maintained in full force and effect during the term of this License, all licenses or permits necessary or required by law or regulation for the conduct and operation of Licensee's business authorized herein, or for use of Airport. Such licenses and permits shall cover not only Licensee, but also all of Licensee's employees and agents required to be licensed to transact Licensee's business at the Airport.

10.3 If a claim is made against City for any of the above charges, City shall notify Licensee in writing and Licensee shall promptly pay said charges; provided, however, that failure by City to give such notice shall not constitute a waiver of Licensee's obligation to pay such taxes, license and/or permit fees.

10.4 The obligations of Licensee under this section, however, shall not prevent Licensee from contesting the validity and/or applicability of any of the above charges and, during the period of any such lawful contest, Licensee may refrain from making, or direct the withholding of, any such payment without being in breach of the above provisions. Upon a final determination in which Licensee is held responsible for such taxes and/or fees, Licensee shall promptly pay the required amount, plus all legally imposed interest, penalties and surcharges. If all or any part of such taxes and/or fees, penalties, or surcharges are refunded to City, City shall remit to Licensee such sums to which Licensee is legally entitled.

Section 11. Disabled Access.

11.1 Licensee shall be solely responsible for fully complying with any and all applicable present and/future rules, regulations, restrictions, ordinances, statutes, laws, and/or orders of any federal, state, and/or local governmental entity and/or court regarding disabled access, including any services, programs, improvements or activities provided by Licensee. Licensee shall be solely responsible for any and all damages caused by, and/or penalties levied as the result of, Licensee's noncompliance. Further, Licensee agrees to cooperate fully with City in its efforts to comply with the Americans with Disabilities Act of 1990 and any amendments thereto, or successor statutes.

11.2 Should Licensee fail to comply with Subsection 11.1, then City shall have the right, but not the obligation, to perform, or have performed, whatever work is necessary to achieve equal access compliance. Licensee will then be required to reimburse City for the actual cost of achieving compliance, plus a fifteen percent (15%) administrative charge.

Section 12. Child Support Orders.

This License is subject to Section 10.10, Article I, Chapter 1, Division 10 of the Los Angeles Administrative Code related to Child Support Assignment Orders, which is incorporated herein by this reference. A copy of Section 10.10 has been attached hereto for the convenience of the parties on Exhibit D. Pursuant to this Section, Licensee (and any subcontractor of Licensee providing services at City under this License) shall (1) fully comply with all State and Federal employment reporting requirements for Licensee's or Licensee's subcontractor's employees applicable to Child Support Assignments Orders; (2) fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with California Family Code Section 5230, et seq.; and (3) maintain such compliance throughout the term of this License. Pursuant to Section 10.10(b) of the Los Angeles Administrative Code, failure of Licensee or an applicable subcontractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders and Notices of Assignment or the failure of any principal owner(s) of Licensee or applicable subcontractors to comply

with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally shall constitute a default of this License subjecting this License to termination where such failure shall continue for more than ninety (90) days after notice of such failure to Licensee by City (in lieu of any time for cure provided elsewhere in this License).

Section 13. Alternative Fuel Vehicle Requirement Program. Licensee shall comply with the provisions of the alternative fuel vehicle requirement program (the “**Alternative Fuel Vehicle Requirement Program**”), if applicable. The rules, regulations and requirements of the Alternative Fuel Vehicle Requirement Program are attached as Exhibit E and made a material term of this License.

Section 14. Waiver. The waiver by either party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of any other term, covenant, or condition, or of any subsequent breach of the same term, covenant, or condition. The subsequent acceptance of compensation hereunder by City shall not be deemed to be a waiver of any preceding breach by Licensee of any term, covenant, or condition of this License other than the failure of Licensee to pay the particular compensation so accepted, regardless of City's knowledge of such preceding breach at the time of acceptance of such compensation.

Section 15. City's Right to Contract With Others Regarding License Rights. The rights granted hereunder by this License are not exclusive in nature, and City specifically reserves the right to enter into similar additional license agreements at Airport, at any time.

Section 16. Business Tax Registration. Licensee represents that it has registered its business with the Office of Finance of the City of Los Angeles and has obtained and presently holds from that office a Business Tax Registration Certificate, or a Business Tax Exemption Number, required by City's Business Tax Ordinance (Article 1, Chapter 2, Sections 21.00 and following, of City's Municipal Code). Licensee shall maintain, or obtain as necessary, all such certificates required of it under said ordinance and shall not allow any such certificate to be revoked or suspended during the term hereof.

Section 17. Default and Right of Termination.

17.1 In the event Licensee fails to abide by the terms, covenants and conditions of this License, including any default in the payment by Licensee of the fees provided for herein, City may give Licensee written notice to correct the defect or default and if the same is not corrected, or substantial steps are not taken toward accomplishing such correction, within ten (10) days after City's mailing such notification, City may terminate this License forthwith. City's election to terminate shall not be construed as a waiver of any claim city may have against the Licensee, consistent with such termination.

17.2 In case of the bankruptcy of Licensee, or the appointment of a receiver for Licensee, or if a receiver is appointed to take possession of Licensee's business operations as a result of any act or omission of Licensee, or if Licensee makes an assignment of this License for the benefit of creditors, City, at its election, may, without notice, terminate this License.

17.3 A material default or breach of the terms of any other lease, license, permit, or contract held by Licensee with City shall constitute a material breach of the terms of this License and shall give City the right to terminate this License for cause in accordance with the procedures set forth herein.

Section 18. Miscellaneous Provisions.

18.1. **Fair Meaning.** The language of this License shall be construed according to its fair meaning, and not strictly for or against either City or Licensee.

18.2. **Section Headings**. The section headings appearing herein are for the convenience of City and Licensee, and shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions of this License.

18.3. **Void Provisions**. If any provision of this License is determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision of this License, and all such other provisions shall remain in full force and effect.

18.4. **Two Constructions**. It is the intention of the parties hereto that if any provision of this License is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

18.5. **Laws of California**. This License shall be construed and enforced in accordance with the laws of the State of California and venue shall lie at Airport.

18.6. **Gender**. The use of any gender herein shall include all genders, and the use of any number shall be construed as the singular or the plural, all as the context may require.

18.7. **Exclusivity**. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of 49 U.S.C. 40103(e).

18.8. **Rights of United States Government**. This License shall be subordinate to the provisions and requirements of any existing or future agreement between City and the United States relative to the development, operation, or maintenance of Airport.

18.9. **War or National Emergency**. This License and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire affecting the control, operation, regulation, and taking over of Airport or the exclusive or nonexclusive use of Airport by the United States during the time of war or national emergency.

18.10. **Time**. Time shall be of the essence in complying with the terms, conditions, and provisions of this License.

18.11. **Integration Clause**. It is understood that no alteration or variation of the terms of this License shall be valid unless made in writing and signed by the parties hereto, and that no oral understanding or agreement, not incorporated herein in writing, shall be binding on any of the parties hereto.

18.12. **Approvals**. Any approvals required by City under this License shall be approvals of LAWA acting as Licensor and shall not relate to, constitute a waiver of, supersede or otherwise limit or affect the governmental approvals or rights of City as a governmental agency, including the approval of any permits required for construction or maintenance on Airport and the passage of any laws including those relating to zoning, land use, building and safety.

18.13. **Conflicts in this License**. If there are any direct conflicts between the provisions of Article 1 and Article 2 of the License, the provisions of Article 1 shall be controlling.

18.14. **Ordinance and Code Language Governs**. Ordinances issued by the City of Los Angeles (“**Ordinance**”) and Code Exhibits are provided as a convenience to the parties only. In the event of a discrepancy between the Exhibits and the applicable ordinance and/or code language, or amendments thereto, the language of the ordinance and/or code shall govern.

18.15 **Amendments to Ordinances and Codes.** The obligation to comply with any Ordinances and Codes which have been incorporated into this License by reference, shall extend to any amendments which may be made to those Ordinances and Codes during the term of this License.

18.16. **Days.** Unless otherwise specified, “days” shall mean calendar days.

18.17. **Deprivation of Licensee’s Rights.** City shall not be liable to Licensee for any diminution or deprivation of Licensee’s rights under this License which may result from Licensee’s obligation to comply with any and all applicable laws, rules, regulations, restrictions, ordinances, statutes, and/or orders of any federal, state and/or local government authority and/or court hereunder on account of the exercise of any such authority as is provided in this Subsection, nor shall Licensee be entitled to terminate the whole or any portion of the License by reason thereof.

Section 19. Notices.

19.1 Any notice or other communication required or permitted to be given, rendered or made by either party to the other, by any provision of this License or by any applicable law or requirement of public authority, shall (unless otherwise expressly set forth herein) be in writing and shall be deemed to have been properly given, rendered or made, if given by registered or certified mail, postage prepaid, and addressed as follows:

If to City:

Executive Director of the Department of Airports
c/o LAX Airport Permit Services
1 World Way
Post Office Box 92216
Los Angeles, California 90009-2216

with a copy to:

Department of Airports
Attn: City Attorney
1 World Way
Post Office Box 92216
Los Angeles, California 90009-2216

If to Licensee:

LAWA
Attn:

or to such other address as one party may designate by written notice to the other party.

19.2 The execution of a notice by the Executive Director shall be as effective as to Licensee as if it were executed by Board or by Resolution or Order of said Board, and Licensee shall not question the authority of the Executive Director to execute any such notice.

19.3 All notices shall be effective upon receipt.

IN WITNESS WHEREOF, City has caused this License to be executed by the Executive Director and Licensee has caused the same to be executed by its duly authorized officers and its corporate seal to be hereunto affixed,¹ all as of the day and year first hereinabove written.

ATTEST:
Date: _____
By: _____
Secretary (Signature)

(Print Name)
[SEAL]

LAWA
Date: _____
By: _____
(Signature)

(Print Name)

(Print Title)

APPROVED AS TO FORM:
Michael N. Feuer, City Attorney
Date: _____
By: _____
Deputy/Assistant City Attorney

CITY OF LOS ANGELES
Date: _____
By: _____
Executive Director
Department of Airports

¹If Licensee is a partnership, a general partner should sign. If Licensee is a sole proprietorship or non-corporate business, an owner should sign.

INSURANCE REQUIREMENTS FOR LOS ANGELES WORLD AIRPORTS

NAME:

AGREEMENT / ACTIVITY: **Charter Party Carrier (TCP) and Passenger Stage Corporation (PSC)
Commercial Ground Transportation Non-Exclusive License Agreement**

TERM:

LAWA DIVISION:

The insured must maintain insurance coverage at limits normally required of its type operation; however, the following coverage noted with an "X" is the minimum required and must be at least the level of the limits indicated. All limits are per occurrence unless otherwise specified.

LIMITS

(X) Workers' Compensation (Statutory)/Employer's Liability

(X) Voluntary Compensation Endorsement

(X) Waiver of Subrogation, specifically naming LAWA

(Please see attached supplement – Required for Bus Operators only)

Statutory

(X) Commercial Automobile Liability - covering owned, non-owned & hired auto

Any vehicle with 7 passengers or less

Any vehicle with 8 through 15 passengers

Any vehicle with 16 passengers or more

\$750,000 CSL

\$1,500,000 CSL

\$5,000,000CSL

CONTRACTOR SHALL BE HELD RESPONSIBLE FOR OWN OR HIRED EQUIPMENT AND SHALL HOLD AIRPORT HARMLESS FROM LOSS, DAMAGE OR DESTRUCTION TO SUCH EQUIPMENT.

INSURANCE COMPANIES WHICH DO NOT HAVE AN AMBEST RATING OF A- OR BETTER, AND HAVE A MINIMUM FINANCIAL SIZE OF AT LEAST 4, MUST BE REVIEWED FOR ACCEPTABILITY BY RISK MANAGEMENT.

PLEASE RETURN THIS FORM WITH EVIDENCE OF INSURANCE

**EXHIBIT A
INSURANCE**

INSURANCE REQUIREMENTS FOR LOS ANGELES WORLD AIRPORTS (SUPPLEMENT)

The **only** evidence of insurance accepted will be either a Certificate of Insurance and/or a True and Certified copy of the policy. The following items must accompany the form of evidence provided:

- **Endorsements:**

1. Workers Compensation Waiver of Subrogation Endorsement
 - WC 04 03 06 or similar

****All endorsements must specifically name in the schedule:

The City of Los Angeles, Los Angeles World Airports, its Board, and all of its officers, employees and agents.

A BLANKET/AUTOMATIC ENDORSEMENT AND/OR LANGUAGE ON A CERTIFICATE OF INSURANCE IS NOT ACCEPTABLE.

- A typed legible name of the Authorized Representative must accompany the signature on the Certificate of Insurance and/or the True and Certified copy of the policy.

- Certificate Holder:

Los Angeles World Airports
PO Box 92216
Los Angeles, CA 90009

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Ch. 1, Art. 1

EQUAL EMPLOYMENT

Sec. 10.8.3. Equal Employment Practices Provisions.

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$1,000 or more, and every construction contract for which the consideration is \$1,000 or more, shall contain the following provisions, which shall be designated as the **EQUAL EMPLOYMENT PRACTICES** provision of such contract:

A. During the performance of this contract, the contractor agrees and represents that it will provide equal employment practices and the contractor and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
3. The contractor agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.

B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

C. As part of the City's supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, the contractor shall certify in the specified format that he or she has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race,

religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.

D. The contractor shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of City contracts. On their or either of their request the contractor shall provide evidence that he or she has or will comply therewith.

E. The failure of any contractor to comply with the Equal Employment Practices provisions of this contract may be deemed to be a material breach of City contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.

F. Upon a finding duly made that the contractor has failed to comply with the Equal Employment Practices provisions of a City contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, such contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until the contractor shall establish and carry out a program in conformance with the provisions hereof.

G. Notwithstanding any other provision of this contract, the City of Los Angeles shall have any

EXHIBIT B EQUAL EMPLOYMENT

and all other remedies at law or in equity for any breach hereof.

H. The Board of Public Works shall promulgate rules and regulations through the Office of Contract Compliance, and provide necessary forms and required language to the awarding authorities to be included in City Request for Bids or Request for Proposal packages or in supplier registration requirements for the implementation of the Equal Employment Practices provisions of this contract, and such rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish the contract compliance program.

I. Nothing contained in this contract shall be construed in any manner so as to require or permit any act which is prohibited by law.

J. At the time a supplier registers to do business with the City, or when an individual bid or proposal is submitted, the contractor shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of City Contracts.

K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:

1. Hiring practices;
2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
3. Training and promotional opportunities; and
4. Reasonable accommodations for persons with disabilities.

L. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

SECTION HISTORY

Amended by: Ord. No.147,030, Eff. 4-28-75; Paragraphs A., B., C., Ord. No. 164,516, Eff. 4-13-89; Paragraphs C., Ord. No.168,244, Eff. 10-18-92; Ord. No. 173,186, Eff. 5-22-00; Subsec. F., Ord. No.173,285, Eff. 6-26-00, Oper. 7-1-00.

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Ch. 1, Art. 1

AFFIRMATIVE ACTION

Sec. 10.8.4. Affirmative Action Program Provisions.

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$100,000 or more and every construction contract with or on behalf of the City of Los Angeles for which the consideration is \$5,000 or more shall contain the following provisions which shall be designated as the **AFFIRMATIVE ACTION PROGRAM** provisions of such contract:

A. During the performance of a City contract, the contractor certifies and represents that the contractor and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

1. This provision applies to work or services performed or materials manufactured or assembled in the United States.

2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.

3. The contractor shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.

B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

C. As part of the City's supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, the contractor shall certify on an electronic or hard copy form to be supplied, that the contractor has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

D. The contractor shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of City contracts, and on their or either of their request to provide evidence that it has or will comply therewith.

E. The failure of any contractor to comply with the Affirmative Action Program provisions of City contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.

F. Upon a finding duly made that the contractor has breached the Affirmative Action Program provisions of a City contract, the contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or

EXHIBIT C AFFIRMATIVE ACTION

proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.

G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that the contractor has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a City contract, there may be deducted from the amount payable to the contractor by the City of Los Angeles under the contract, a penalty of TEN DOLLARS (\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a City contract.

H. Notwithstanding any other provisions of a City contract the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.

I. The Public Works Board of Commissioners shall promulgate rules and regulations through the Office of Contract Compliance and provide to the awarding authorities electronic and hard copy forms for the implementation of the Affirmative Action Program provisions of City contracts, and rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish this contract compliance program.

J. Nothing contained in City contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.

K. The contractor shall submit an Affirmative Action Plan which shall meet the requirements of this chapter at the time it submits its bid or proposal or at the time it registers to do business with the City. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding

authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, the contractor may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, the contractor must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.

(1) Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.

(2) A contractor may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.

L. The Office of Contract Compliance shall annually supply the awarding authorities of the City with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and the contractor.

M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to

EXHIBIT C

AFFIRMATIVE ACTION

the subject or nature of employment activity, be concerned with such employment practices as:

1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
2. Classroom preparation for the job when not apprenticeable;
3. Pre-apprenticeship education and preparation;
4. Upgrading training and opportunities;
5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
6. The entry of qualified women, minority and all other journeymen into the industry; and
7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.

N. Any adjustments which may be made in the contractor's or supplier's work force to achieve the requirements of the City's Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the work force or replacement of those employees who leave the work force by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.

O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the City and may be used at the discretion of the City in its Contract Compliance Affirmative Action Program.

P. This ordinance shall not confer upon the City of Los Angeles or any Agency, Board or Commission thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by contractors or suppliers engaged in the performance of City contracts.

Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

SECTION HISTORY

Amended by Ord. No. 147,030, Eff. 4-28-75; Paragraphs A., B., C., Ord. No. 164,516, Eff. 4-13-89; Paragraphs B. and C., Ord. No. 168,244, Eff. 10-18-92; Title and Section, Ord. No. 173,186, Eff. 5-22-00; Subsec. F, Ord. No. 173,285, Eff. 6-26-00, Oper. 7-1-00.

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Ch. 1, Art. 1

CHILD SUPPORT

Sec. 10.10. Child Support Assignment Orders.

a. Definitions.

1. **Awarding Authority** means a subordinate or component entity or person of the City (such as a City department or Board of Commissioners) that has the authority to enter into a contract or agreement for the provision of goods or services on behalf of the City of Los Angeles.

2. **Contract** means any agreement, franchise, lease or concession including an agreement for any occasional professional or technical personal services, the performance of any work or service, the provision of any materials or supplies, or the rendering of any service to the City of Los Angeles or to the public which is let, awarded or entered into with, or on behalf of, the City of Los Angeles or any awarding authority thereof.

3. **Contractor** means any person, firm, corporation, partnership or any combination thereof which submits a bid or proposal or enters into a contract with any awarding authority of the City of Los Angeles.

4. **Subcontractor** means any person, firm, corporation, partnership or any combination thereof who enters into a contract with a contractor to perform or provide a portion of any contract with the City.

5. **Principal Owner** means any person who owns an interest of 10 percent or more in a contractor or subcontractor as defined herein.

b. Mandatory Contract Provisions.

Every contract that is let, awarded or entered into with or on behalf of the City of Los Angeles shall contain a provision obligating the contractor or subcontractor to fully comply with all applicable State and Federal employment reporting requirements for the contractor or subcontractor's employees. The contractor or subcontractor will also be required to certify that the principal owner(s) thereof are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them

personally, that the contractor or subcontractor will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with California Family Code §§ 5230 *et seq.* and that the contractor or subcontractor will maintain such compliance throughout the term of the contract.

Failure of a contractor or subcontractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignments or Notices of Assignment or failure of the principal owner(s) to comply with any Wage and Earnings Assignments or Notices of Assignment applicable to them personally shall constitute a default under the contract. Failure of the contractor or subcontractor or principal owner thereof to cure the default within 90 days of notice of such default by the City shall subject the contract to termination.

c. Notice to Bidders.

Each awarding authority shall be responsible for giving notice of the provisions of this ordinance to those who bid on, or submit proposals for, prospective contracts with the City.

d. Current Contractor Compliance.

Within 30 days of the operative date of this ordinance, the City, through its operating departments, shall serve upon existing contractors a written request that they and their subcontractors (if any) comply with all applicable State and Federal employment reporting requirements for the contractor and subcontractor's employees, that they certify that the principal owner(s) of the contractor and any subcontractor are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally, that the contractor and subcontractor will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with California Family Code § 5230 *et seq.* and that the contractor and subcontractor will maintain such compliance throughout the term of the contract.

e. City's Compliance with California Family Code.

The City shall maintain its compliance with the provisions of California Family Code §§ 5230 *et seq.* and all other applicable law regarding its obligations as an employer to implement lawfully served Wage and Earnings Assignments and Notices of Assignment.

f. Report of Employees' Names to District Attorney.

1. The City shall maintain its current practice of assisting the District Attorney's support enforcement activities by annually reporting to the Los Angeles County District Attorney the names of all of its employees and retirees so that the District Attorney may identify those employees and retirees subject to Wage and Earnings Assignment Orders and Notices of Assignment and may establish court orders for support, where appropriate. Should the District Attorney so request it, the City will provide such information on a more frequent basis.

2. All applicants for employment with the City of Los Angeles will be asked to acknowledge their responsibility to comply with any court ordered support obligations and will be advised of the City's practice of assisting the District Attorney as described in the provisions of Subsection f.1., above.

SECTION HISTORY

Added by Ord. No. 172,401, Eff. 2-13-99.

**ALTERNATIVE FUEL VEHICLE REQUIREMENT PROGRAM
(LAX ONLY)**

I. Definitions.

The following capitalized terms shall have the following meanings. All definitions include both the singular and plural form.

“Airport Contract” shall mean a contract awarded by LAWA and pertaining to LAX, and subcontracts of any level under such a contract.

“Airport Contractor” shall mean (i) any entity awarded an Airport Contract, and subcontractors of any level working under an Airport Contract; (ii) any contractors that have entered into a contract with an Airport Lessee to perform work on property owned by LAWA and pertaining to LAX, and any subcontractors working in furtherance of such a contract; and (iii) any contractor that have entered into a contract with an Airport Licensee to perform work pertaining to LAX, and any subcontractors working under such a contract.

“Airport Lessee” shall mean any entity that leases or subleases any property owned by LAWA and pertaining to LAX.

“Airport Licensee” shall mean any entity issued a license or permit by LAWA for operations that pertain to LAX.

“Alternative-Fuel Vehicle” shall mean a vehicle that is not powered by petroleum-derived gasoline or diesel fuel. Alternative-Fuel Vehicles include, but are not limited to, vehicles powered by compressed or liquefied natural gas, liquefied petroleum gas, methanol, ethanol, electricity, fuel cells, or other advanced technologies.

“CARB” shall mean the California Air Resources Board.

“Covered Vehicle” is defined in Section II below.

“Compliance Plan” is defined in subsection VII.C. below.

“EPA” shall mean the United States Environmental Protection Agency.

“Independent Third Party Monitor” shall mean a person or entity empowered by LAWA to monitor compliance with and/or implementation of particular requirements in this Requirement.

“LAWA” shall mean Los Angeles World Airports.

“LAX” shall mean Los Angeles International Airport.

“Least-Polluting Available Vehicle” shall mean a vehicle that (a) is determined by an Independent Third Party Monitor to be (i) commercially available, (ii) suitable for performance

of a particular task, and (iii) certified by CARB to meet the applicable engines emission standard in effect at the time of purchase. Where more than one vehicle meets these requirements for a particular task, LAWA, working with the Independent Third Party Monitor, will designate as the Least-Polluting Available Vehicle the vehicle that emits the least amount of criteria air pollutants.

“LEV” shall mean a vehicle that meets CARB’s Low-Emission Vehicle standards for criteria pollutant exhaust and evaporative emissions for medium-duty vehicles at the time of vehicle manufacture.

“LEV II” shall mean a vehicle certified by CARB to the “LEV II” Regulation Amendments that were fully implemented as of 2010. A qualifying “LEV II” vehicle shall meet the least polluting standard in the LEV II category that is available at the time of purchase.

“LEV III” shall mean a vehicle certified by CARB to the increasingly stringent “LEV III” Regulatory Amendments to the California greenhouse gas and criteria pollutant exhaust and evaporative emission standards, test procedures, and on-board diagnostic system requirements for medium-duty vehicles.

“Low-Use Vehicle” shall mean a Covered Vehicle that makes less than five (5) trips per month to LAX.

“Operator” shall mean any Airport Contractor, Airport Lessee, or Airport Licensee.

“Optional Low NOx” shall mean any vehicle powered by an engine that meets CARB’s optional low oxides of nitrogen (NOx) emission standards for on-road heavy-duty engines applicable at the time of purchase.

II. Covered Vehicles.

A. **Covered Vehicles.** These Requirements shall apply to all on-road vehicles, including trucks, shuttles, passenger vans, and buses that are 8,500 lbs gross vehicle weight rating or more and are used in operations related to LAX (“Covered Vehicles”).

B. **Exemptions.** The following vehicles are exempt from this Requirement:

- i) Public safety vehicles.
- ii) Previously approved vehicles. Vehicles previously approved under the 2007 LAX Alternative Fuel Vehicle Requirement Program are exempt from the Maximum Allowable Vehicle Age Requirement, Section III, but are subject to the Annual Reporting Requirement, Section VI.
- iii) Low-Use Vehicles. Low-use vehicles are exempt from the Compliance Schedule, Section IV, the Maximum Allowable Vehicle Age Requirement, Section III, but are subject to the Annual Reporting Requirement, Section VI.

III. Maximum Allowable Vehicle Age Requirement. In accordance with the Compliance Schedule dates outlined in Section IV, no Covered Vehicle equipped with an engine older than

thirteen (13) model years or that has 500,000 or more miles, whichever comes first, shall operate at LAX.

IV. Compliance Schedule.

A. By April 30, 2019, one hundred percent (100%) of the Covered Vehicles operated by a Covered Vehicle Operator shall be (a) Alternative-Fuel Vehicles, (b) Optional Low NOx vehicles or (c) LEV II standard vehicles through 2019 or LEV III standard vehicles thereafter.

B. A new Covered Vehicle Operator who plans to begin operations at LAX prior to April 30, 2019, must comply with the requirement set forth in Section III and subsection IV.A. prior to commencing operations at LAX.

V. Least-Polluting Available Vehicles. In cases where an Operator cannot comply with the requirements established pursuant to Sections III and IV above because neither Alternative-Fuel Vehicles, Optional Low NOx standard vehicles, or LEV II standard vehicles through 2019 and LEV III standard vehicles thereafter, are commercially available for performance of particular tasks, LAWA will instead require Operators to use the Least-Polluting Available Vehicles for such tasks. An Independent Third Party Monitor will determine whether Alternative-Fuel Vehicles, Optional Low NOx standard vehicles, or LEV II standard vehicles through 2019 and LEV III standard vehicles thereafter are commercially available to perform particular tasks, and, in cases where neither Alternative-Fuel Vehicles, Optional Low NOx standard vehicles, nor LEV II standard vehicles through 2019 and LEV III standard vehicles thereafter are commercially available for performance of a particular task, will identify the Least-Polluting Available Vehicle for performance of that task.

VI. Annual Reporting Requirement.

A. By January 31st of each calendar year, Covered Vehicle Operators must submit to LAWA the vehicle information required on the reporting form accessible online at <https://online.lawa.org/altfuel/> for the prior calendar year.

B. Low-Use Vehicles shall be included in the annual reporting. Where monthly trip data is used to establish low-use, the operator must provide proof such as transponder data records or an attestation acceptable to LAWA.

C. A Covered Vehicle Operator who plans to begin operations at LAX must comply with this reporting requirement prior to commencing operations, and thereafter comply with the annual reporting deadline of January 31st of each calendar year.

VII. Enforcement.

A. **Non-Compliance.** The following circumstances shall constitute non-compliance for purposes of this Section VII:

- i) Failure to submit an annual report pursuant to Section VI above.
- ii) Failure to use an Alternative Fuel Vehicle, an Optional Low NOx vehicle, a vehicle meeting LEV II standards prior to December 31, 2019, or LEV III standards

thereafter, an approved Least-Polluting Available Vehicle, or a vehicle approved under LAWA's former Alternative Fuel Vehicle Requirement, including approved comparable emissions vehicles.

- iii) Failure to submit a Compliance Plan as defined in subsection VII.C. below within 30 days of notice of non-compliance from LAWA.
- iv) Failure to adhere to an approved Compliance Plan as defined in subsection VII.C. below.

B. Notice of Non-Compliance. Covered Vehicle Operators found not to be in compliance with the Alternative Fuel Vehicle Requirement as set forth in subsection VII.A. above will be given a notice of non-compliance. Covered Vehicle Operators will have 30 days to correct the deficiencies documented in the notice of non-compliance by completing the annual report as defined in Section VI or submitting a Compliance Plan as defined in subsection VII.C. below, as applicable to the reason cited for non-compliance.

C. Compliance Plan.

- i) Operators shall transition to compliant vehicles as soon as practicable.
- ii) Non-compliant Covered Vehicle Operators will be required to submit a Compliance Plan indicating the disposition (salvage, replace, remove from service, etc.) date for each non-compliant vehicle ("Compliance Plan") within 30 days of receiving a notice of non-compliance for a vehicle in the Operator's fleet. The Compliance Plan shall provide dates by which the non-compliant vehicle or vehicles in the Operator's fleet will meet the requirements of the LAX Alternative Fuel Vehicle Requirement and a justification for the new date. The Compliance Plan shall be signed under attestation.
- iii) LAWA's Chief Executive Officer or his/her designee shall review the Operator's Compliance Plan and justification to determine its acceptability and authorize approval or disapproval.
- iv) Covered Vehicle Operators shall have 30 days to seek review of LAWA's rejection of a Compliance Plan or any parts thereof by LAWA's Chief Executive Officer or his/her designee.

D. Default. Three or more instances of non-compliance with the LAX Alternative Fuel Vehicle Requirement as defined in subsection VII.A above within two years shall be considered a default of the applicable LAX permit, license, contract, lease, Non-Exclusive License Agreement (NELA), concessionaire agreement, and/or Certified Service Provider (CSP) Program. LAWA's Chief Executive Officer or his/her designee may, pursuant to the applicable terms provided therein, suspend or cancel a permit, license, contract, lease, NELA, concessionaire agreement or certified provider certification of non-compliant Covered Vehicle Operators who are not in compliance with this Alternative Fuel Vehicle Requirement. In addition, LAWA's Chief Executive Officer or his/her designee may seek to recoup LAWA's administrative costs from non-compliant operators.

IX. Periodic Review. This Requirement will be reviewed and updated periodically as deemed necessary by LAWA.