

# EXHIBIT A

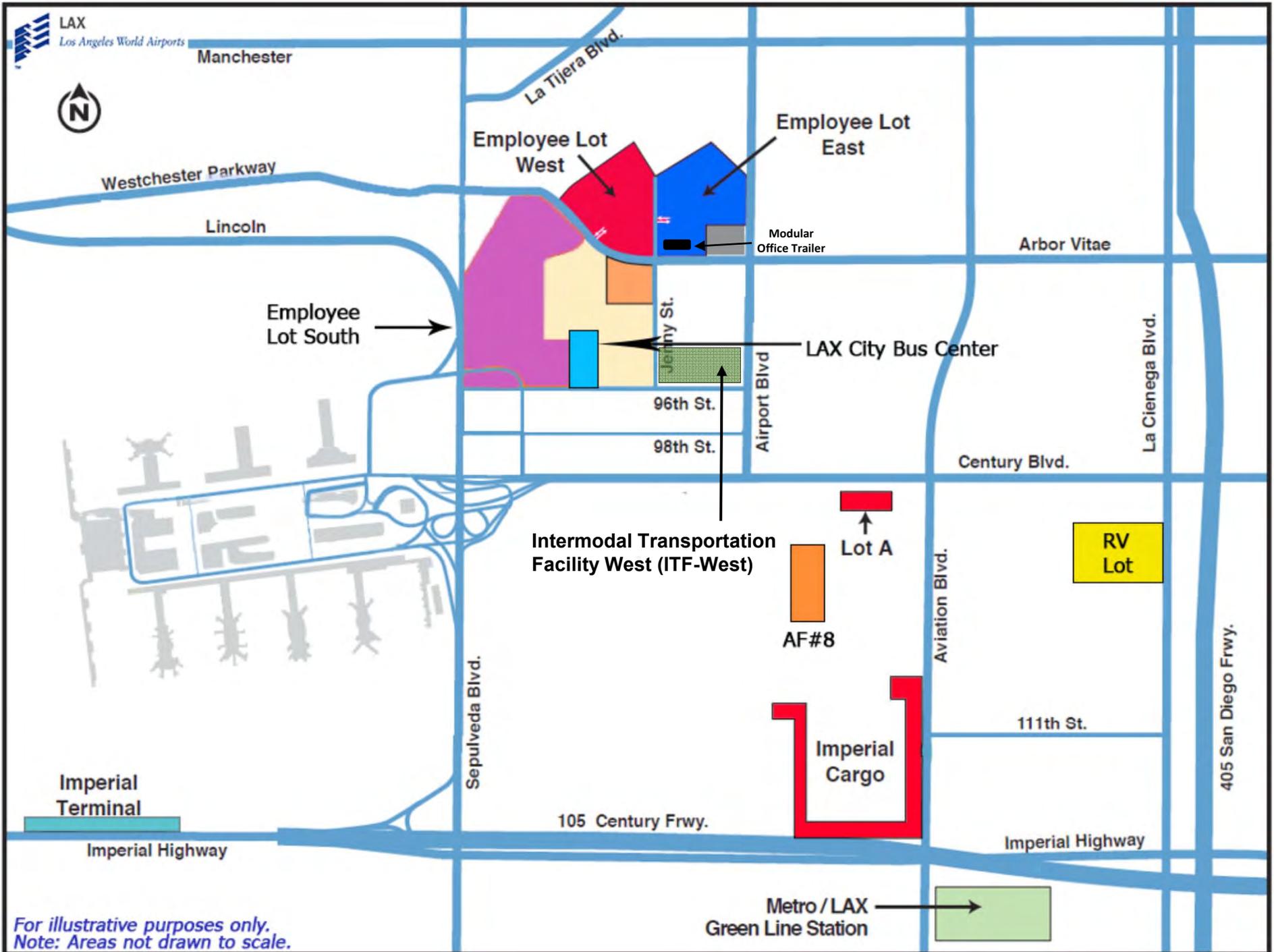
Commencement Date Memorandum

# EXHIBIT B

Business and Operations Plan

# EXHIBIT C

LAX Remote Employee Parking Facilities



*For illustrative purposes only.  
Note: Areas not drawn to scale.*

# EXHIBIT D

City Transportation Vehicles

2021

## Employee Fleet

3/31/2020 11/16/2020

Fleet #	VIN #	Year	Make/Model	AVI Date	Fuel Type	Length	Seating Cap.	License Plate	ODO Miles	ODO Miles
663	1N90350897A140063	2007	NABI 35.08.01	5.4.17	CNG	35 ft.	23	1098211	224,653	233,180
664	1N90350897A140064	2007	NABI 35.08.01	03.06.18	CNG	35 ft.	23	1098212	107,438	108,018
666/777	1N90350897A140066	2007	NABI 35.08.01	5.04.17	CNG	35 ft.	23	1252182	285,808	296,568
667	1N90350887A140067	2007	NABI 35.08.01	5.04.17	CNG	35 ft.	23	1252173	179,012	187,395
671	1N90350887A140071	2007	NABI 35.08.01	5.04.17	CNG	35 ft.	23	1252175	161,407	167,381
672	1N90350881A140072	2007	NABI 35.08.01	1.31.18	CNG	35 ft.	23	1098215	190,268	195,945
676	1N90350887A140076	2007	NABI 35.08.01	1.31.18	CNG	35 ft.	23	1252185	188,282	194,952
677	1N90350807A140077	2007	NABI 35.08.01	04.20.16	CNG	35 ft.	23	1252186	115,734	123,458
678	1N90350807A140078	2007	NABI 35.08.01	03.01.16	CNG	35 ft.	23	1252187	189,287	194,950
683	1N90350828A140499	2008	NABI 35.08.02	6.19.17	CNG	35 ft.	23	1252238	223,542	248,582
685	1N90350828A140501	2008	NABI 35.08.02	6.19.17	CNG	35 ft.	23	1252222	188,325	206,647
686	1N90350828A140502	2008	NABI 35.08.02	6.19.17	CNG	35 ft.	23	1098228	409,161	437,363
687	1N90350828A140503	2008	NABI 35.08.02	6.19.17	CNG	35 ft.	23	1098229	257,708	268,319
688	1N90350828A140504	2008	NABI 35.08.02	6.19.17	CNG	35 ft.	23	1252226	258,001	274,246
689	1N90350828A140505	2008	NABI 35.08.02	6.19.17	CNG	35 ft.	23	1252228	192,275	201,567
690	1N90350828A140506	2008	NABI 35.08.02	6.19.17	CNG	35 ft.	23	1252229	264,864	290,842
691	1N90350828A140507	2008	NABI 35.08.02	6.19.17	CNG	35 ft.	23	1252230	261,665	277,892
692	1N90350828A140508	2008	NABI 35.08.02	03.01.16	CNG	35 ft.	23	1252231	321,712	345,345
693	1N90350828A140509	2008	NABI 35.08.02	6.19.17	CNG	35 ft.	23	1252232	176,610	206,574
694	1N90350828A140510	2008	NABI 35.08.02	6.19.17	CNG	35 ft.	23	1252233	258,707	285,295
695	1N90350828A140511	2008	NABI 35.08.02	6.19.17	CNG	35 ft.	23	1252234	156,159	173,308
696	1N90350828A140512	2008	NABI 35.08.02	6.19.17	CNG	35 ft.	23	1098230	239,151	268,386
697	1N90350828A140513	2008	NABI 35.08.02	6.19.17	CNG	35 ft.	23	1098231	182,545	212,058
698	1N90350828A140514	2008	NABI 35.08.02	6.19.17	CNG	35 ft.	23	1098232	166,926	177,354
699	1N90350828A140515	2008	NABI 35.08.02	6.19.17	CNG	35 ft.	23	1252239	152,776	182,001
700	1N90350828A140516	2008	NABI 35.08.02	6.19.17	CNG	35 ft.	23	1252240	284,905	311,926
701	1N90350828A140517	2008	NABI 35.08.02	03.01.16	CNG	35 ft.	23	1252241	235,513	259,986
702	1N90350828A140518	2008	NABI 35.08.02	6.19.17	CNG	35 ft.	23	1252242	352,992	367,223

## Lot South/City Bus Center (effective 4/1/19)

3/31/2020 11/16/2020

Fleet #	VIN #	Year	Make/Model	AVI Date	Fuel Type	Length	Seating Cap.	License Plate	ODO Miles	ODO Miles
665	1N90350897A140065	2007	NABI 35.08.01	03.11.16	CNG	35 ft.	23	1252172	77,918	78,430
668	1N90350887A140068	2007	NABI 35.08.01	03.11.16	CNG	35 ft.	23	1098213	249,197	253,327
670	1N90350887A140070	2007	NABI 35.08.01	12.05.08	CNG	35 ft.	23	1252174	148,013	166,380
675	1N90350887A140075	2007	NABI 35.08.01	03.11.16	CNG	35 ft.	23	1252184	106,087	122,544
684	1N90350827A140500	2008	NABI 35.08.02	10.20.08	CNG	35 ft.	23	1252223	104,149	114,729

# EXHIBIT E

Insurance



**RISK MANAGEMENT DIVISION**  
**INSURANCE REQUIREMENTS**

NAME: ABM Aviation, Inc.  
 AGREEMENT: RFP/Parking Management and Operations Services of LAX remote Employee Lots  
 DIVISION: Landside Management and Airport Permit Services Division  
 WIZARD ID NO.: 9579

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 policies must be occurrence based with the minimum required per occurrence limits indicated below.

**LIMITS**

**Statutory**

**(X) Workers' Compensation**

- ( ) Voluntary Compensation Endorsement
- ( ) Waiver of Subrogation, specifically naming LAWA
- (Please see attached supplement)

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

**\$1,000,000 CSL**

**(X) Commercial General Liability**, including the following coverage:

**\$1,000,000**

- (X) Premises and Operations
- (X) Contractual (Blanket/Schedule)
- (X) Independent Contractors
- (X) Personal Injury
- (X) Damage to Premises Rented to You (minimum \$1 million each occurrence)
- ( ) Products /Completed Operations
- (X) Additional Insured Endorsement, specifically naming LAWA  
**(Please see attached supplement).**
- ( ) Hangarkeepers Legal Liab. (At least at a limit of liability of \$ 1 million)

**(X) Professional Liability**

Claims-made policy: continuous coverage for three years after contract completion, or Three-year extended reporting period beginning after contract completion.

**\$1,000,000**

**(X) Cyber Liability including Technology Errors and Omissions**

**\$1,000,000**

\*To be provided at the onset of the installation phase and maintained throughout the duration of the contract.

**PLEASE RETURN THIS PAGE WITH EVIDENCE OF YOUR INSURANCE**

EXHIBIT E

# INSURANCE REQUIREMENTS FOR LOS ANGELES WORLD AIRPORTS (SUPPLEMENT)

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

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

**Endorsements:**

- **General Liability Additional Insured Endorsement**
- **Ongoing and Products - Completed Operations Endorsement**  
**(ISO Standard Endorsements preferred)**
- **Workers Compensation Waiver of Subrogation Endorsement**  
**(WC 04 03 06 or similar)**

**Certificate Holder:**

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

**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.**

**A blanket/automatic endorsement is not acceptable unless you have a direct contract with LAWA.**

**Language written on a certificate of insurance is not acceptable as an endorsement.**

# EXHIBIT F

Equal Employment Practices

**Sec. 10.8.3. Equal Employment Practices Provisions.**

Every non-construction and construction Contract with, or on behalf of, the City of Los Angeles 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, color, religion, national origin, ancestry, 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, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.

**C.** At the request of the Awarding Authority or the DAA, 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, color, 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 DAA for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of City Contracts. Upon 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. The 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 DAA. 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 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, the failure to comply may be the basis for a determination by the Awarding Authority or the DAA that the said Contractor is a non-responsible bidder or proposer pursuant to the provisions of Section 10.40 of this Code. In the event of such a determination, the 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 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 DAA, 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.** By affixing its signature on a Contract that is subject to this article, 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 employment practices, including, but not limited to:

1. hiring practices;
2. apprenticeships where 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 similar 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. Subcontracts shall follow the same thresholds specified in Section 10.8.1.1. 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.

Amended by: Ord. No. 147,030, Eff. 4-28-75; Subsecs. A., B., C., Ord. No. 164,516, Eff. 4-13-89; Subsec. 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; In Entirety, Ord. No. 184,292, Eff. 6-27-16.

# EXHIBIT G

Affirmative Action Program

**Sec. 10.8.4. Affirmative Action Program Provisions.**

Every non-construction and construction Contract with, or on behalf of, the City of Los Angeles for which the consideration is \$25,000 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, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status or medical condition.

1. This section 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 shall, 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, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status or medical condition.

**C.** At the request of the Awarding Authority or the DAA, 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, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner 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 DAA for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of City Contracts and, upon 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 a City Contract. The 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 DAA. No 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, the breach may be the basis for a determination by the Awarding Authority or the Board of Public Works that the Contractor is a non-responsible bidder or proposer pursuant to the provisions of Section 10.40 of this Code. In the event of such determination, the 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 for each person for each calendar day on which the 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 DAA 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.** By affixing its signature to a Contract that is subject to this article, the Contractor shall agree to adhere to the provisions in this article for the duration 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 Program.

1. The Contractor certifies and agrees to immediately implement good faith effort measures to recruit and employ minority, women and other potential employees in a non-discriminatory manner including, but not limited to, the following actions as appropriate and available to the Contractor's field of work. The Contractor shall:

(a) Recruit and make efforts to obtain employees through:

(i) Advertising employment opportunities in minority and other community news media or other publications.

(ii) Notifying minority, women and other community organizations of employment opportunities.

- (iii) Maintaining contact with schools with diverse populations of students to notify them of employment opportunities.
  - (iv) Encouraging existing employees, including minorities and women, to refer their friends and relatives.
  - (v) Promoting after school and vacation employment opportunities for minority, women and other youth.
  - (vi) Validating all job specifications, selection requirements, tests, etc.
  - (vii) Maintaining a file of the names and addresses of each worker referred to the Contractor and what action was taken concerning the worker.
  - (viii) Notifying the appropriate Awarding Authority and the DAA in writing when a union, with whom the Contractor has a collective bargaining agreement, has failed to refer a minority, woman or other worker.
- (b) Continually evaluate personnel practices to assure that hiring, upgrading, promotions, transfers, demotions and layoffs are made in a non-discriminatory manner so as to achieve and maintain a diverse work force.
- (c) Utilize training programs and assist minority, women and other employees in locating, qualifying for and engaging in the training programs to enhance their skills and advancement.
- (d) Secure cooperation or compliance from the labor referral agency to the Contractor's contractual Affirmative Action Program obligations.
- (e) Establish a person at the management level of the Contractor to be the Equal Employment Practices officer. Such individual shall have the authority to disseminate and enforce the Contractor's Equal Employment and Affirmative Action Program policies.
- (f) Maintain records as are necessary to determine compliance with Equal Employment Practices and Affirmative Action Program obligations and make the records available to City, State and Federal authorities upon request.
- (g) Establish written company policies, rules and procedures which shall be encompassed in a company-wide Affirmative Action Program for all its operations and Contracts. The policies shall be provided to all employees, Subcontractors, vendors, unions and all others with whom the Contractor may become involved in fulfilling any of its Contracts.

(h) Document its good faith efforts to correct any deficiencies when problems are experienced by the Contractor in complying with its obligations pursuant to this article. The Contractor shall state:

- (i) What steps were taken, how and on what date.
- (ii) To whom those efforts were directed.
- (iii) The responses received, from whom and when.
- (iv) What other steps were taken or will be taken to comply and when.
- (v) Why the Contractor has been or will be unable to comply.

2. Every contract of \$25,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall also comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.

**L.** The Affirmative Action Program required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Awarding Authority shall, without limitation as to 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.

**M.** Any adjustments which may be made in the Contractor's work force to achieve the requirements of the City's Affirmative Action 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.

**N.** 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 engaged in the performance of City Contracts.

**O.** All Contractors subject to the provisions of this article shall include a similar 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; Subsecs. A., B., C., Ord. No. 164,516, Eff. 4-13-89; Subsecs. 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; In Entirety, Ord. No. 184,292, Eff. 6-27-16.

# EXHIBIT H

Living Wage Ordinance

ORDINANCE NO. 185321

An ordinance amending Chapter 1, Article 11 of Division 10 of the Los Angeles Administrative Code to maintain the wages for airport workers in a manner aligned with the local minimum wage, to align the cost of health benefit for covered airport workers to the Consumer Price Index, to ensure that airport workers covered under a collective bargaining agreement that supersedes this ordinance are paid a living wage, to provide certain airport employees with release time to attend emergency response training, to include additional exemptions for employees with qualifying health plans and other technical changes.

**THE PEOPLE OF THE CITY OF LOS ANGELES  
DO ORDAIN AS FOLLOWS:**

Section 1. Chapter 1, Article 11 of Division 10 of the Los Angeles Administrative Code is amended in its entirety to read as follows:

**CHAPTER 1, ARTICLE 11**

**LIVING WAGE**

**Sec. 10.37. Legislative Findings.**

The City awards many contracts to private firms to provide services to the public and to City government. Many lessees or licensees of City property perform services that affect the proprietary interests of City government in that their performance impacts the success of City operations. The City also provides financial assistance and funding to other firms for the purpose of economic development or job growth. The City expends grant funds under programs created by the federal and state governments. These expenditures serve to promote the goals established for the grant programs and for similar goals of the City. The City intends that the policies underlying this article serve to guide the expenditure of such funds to the extent allowed by the laws under which such grant programs are established.

Experience indicates that procurement by contract of services all too often has resulted in the payment by service contractors to their employees of wages at or slightly above the minimum required by federal and state minimum wage laws. The minimal compensation tends to inhibit the quantity and quality of services rendered by those employees to the City and to the public. Underpaying employees in this way fosters high turnover, absenteeism and lackluster performance. Conversely, adequate compensation promotes amelioration of these undesirable conditions. Through this article, the City intends to require service contractors to provide a minimum level of compensation which will improve the level of services rendered to and for the City.

The inadequate compensation leaves service employees with insufficient resources to afford life in Los Angeles. Contracting decisions involving the expenditure of City funds should not foster conditions that place a burden on limited social services. The City, as a principal provider of social support services, has an interest in promoting an employment environment that protects such limited resources. In requiring the payment of a higher minimum level of compensation, this article benefits that interest.

In comparison with the wages paid at San Francisco International Airport, the wage for Los Angeles airport workers is often lower even though the airports are similar in the number of passengers they serve and have similar goals of providing a living wage to the airport workforce. Studies show that higher wages at the airport leads to increases in worker productivity and improves customer service. Higher wages for airport workers also results in a decline in worker turnover, yielding savings to the employers and alleviating potential security concerns. Therefore, the City finds that a higher wage for airport employees is needed to reduce turnover and retain a qualified and stable workforce.

Many airport workers who provide catering services to the airlines are paid below the living wage. Federal law allows employment contract agreements between airline caterers and its workers to remain in effect without an expiration date, effectively freezing wages for workers. Long-term employment contract agreements provide little incentive for employers to renegotiate the employment contract agreements with their workers. Airline catering workers often struggle to pay their bills, sometimes having to choose between paying medical bills and buying food for their families. The City finds that airline caterers should pay their workers, at a minimum, the living wage with benefits.

Airport workers are also the first to respond when an emergency occurs at the airport. In order to properly assist first responders during a crisis at the airport, the City finds that airport employees of Certified Service Provider License Agreement holders should be formally trained for an emergency response at the airport.

Nothing less than the living wage should be paid by employers that are the recipients of City financial assistance. Whether workers are engaged in manufacturing or some other line of business, the City does not wish to foster an economic climate where a lesser wage is all that is offered to the working poor.

The City holds a proprietary interest in the work performed by many employees of City lessees and licensees and by their service contractors, subcontractors, sublessees and sublicensees. The success or failure of City operations may turn on the success or failure of these enterprises, for the City has a genuine stake in how the public perceives the services rendered for them by such businesses. Inadequate compensation of these employees adversely impacts the performance by the City's lessee or licensee and thereby hinders the opportunity for success of City operations. A proprietary interest in providing a living wage is important for various reasons, including, but not limited to: 1) the public perception of the services or products rendered to them

by a business; 2) security concerns related to the location of the business or any product or service the business produces; or 3) an employer's industry-specific job classification which is in the City's interest to cover by the living wage. This article is meant to cover all such employees not expressly exempted.

Requiring payment of the living wage further serves a proprietary concern of the City. If an employer does not comply with this article, the City may: 1) declare a material breach of the contract; 2) declare the employer non-responsible and limit its ability to bid on future City contracts, leases or licenses; and 3) exercise any other remedies available.

### **Sec. 10.37.1. Definitions.**

The following definitions shall apply throughout this article:

(a) **"Airline Food Caterer"** means any Employer that, with respect to the Airport:

(1) prepares food or beverage to or for aircraft crew or passengers;

(2) delivers prepared food or beverage to or for aircraft crew or passengers;

(3) conducts security or inspection of aircraft food or beverage; or

(4) provides any other service related to or in connection with the preparation of food or beverage to or for aircraft crew or passengers.

(b) **"Airport"** means the Department of Airports and each of the airports which it operates.

(c) **"Awarding Authority"** means the governing body, board, officer or employee of the City or City Financial Assistance Recipient authorized to award a Contract and shall include a department which has control of its own funds.

(d) **"City"** means the City of Los Angeles and all awarding authorities thereof, including those City departments which exercise independent control over their expenditure of funds.

(e) **"City Financial Assistance Recipient"** means any person who receives from the City discrete financial assistance for economic development or job growth expressly articulated and identified by the City, as contrasted with generalized financial assistance such as through tax legislation, in accordance with the following monetary limitations. Assistance given in the amount of

\$1,000,000 or more in any 12-month period shall require compliance with this article for five years from the date such assistance reaches the \$1,000,000 threshold. For assistance in any 12-month period totaling less than \$1,000,000 but at least \$100,000, there shall be compliance for one year, with the period of compliance beginning when the accrual of continuing assistance reaches the \$100,000 threshold.

Categories of assistance include, but are not limited to, bond financing, planning assistance, tax increment financing exclusively by the City and tax credits, and shall not include assistance provided by the Community Development Bank. City staff assistance shall not be regarded as financial assistance for purposes of this article. A loan at market rate shall not be regarded as financial assistance. The forgiveness of a loan shall be regarded as financial assistance. A loan shall be regarded as financial assistance to the extent of any differential between the amount of the loan and the present value of the payments thereunder, discounted over the life of the loan by the applicable federal rate as used in 26 U.S.C. Sections 1274(d) and 7872(f). A recipient shall not be deemed to include lessees and sublessees.

A recipient shall be exempted from application of this article if:

(1) it is in its first year of existence, in which case the exemption shall last for one year;

(2) it employs fewer than five Employees for each working day in each of 20 or more calendar weeks in the current or preceding calendar year; or

(3) it obtains a waiver as a recipient who employs the long-term unemployed or provides trainee positions intended to prepare Employees for permanent positions. The recipient shall attest that compliance with this article would cause an economic hardship and shall apply in writing to the City department or office administering the assistance. The department or office shall forward the waiver application and the department or office's recommended action to the City Council. Waivers shall be effected by Council resolution.

(f) **"Contractor"** means any person that enters into:

(1) a Service Contract with the City;

(2) a contract with a Public Lessee or Licensee; or

(3) a contract with a City Financial Assistance Recipient to help the recipient in performing the work for which the assistance is being given.

(g) **“Designated Administrative Agency (DAA)”** means the Department of Public Works, Bureau of Contract Administration, which shall bear administrative responsibilities under this article.

(h) **“Employee”** means any person who is not a managerial, supervisory or confidential employee who expends any of his or her time working for an Employer in the United States.

(i) **“Employer”** means any person who is:

- (1) a City Financial Assistance Recipient;
- (2) Contractor;
- (3) Subcontractor;
- (4) Public Lessee or Licensee; and

(5) Contractor, Subcontractor, sublessee or sublicensee of a Public Lessee or Licensee.

(j) **“Person”** means any individual, proprietorship, partnership, joint venture, corporation, limited liability company, trust, association or other entity that may employ individuals or enter into contracts.

(k) **“Public Lease or License”** means, except as provided in Section 10.37.15, a lease, license, sublease or sublicense of City property, including, but not limited to, Non-Exclusive License Agreements, Air Carrier Operating Permits and Certified Service Provider License Agreements (CSPLA), for which services are furnished by Employees where any of the following apply:

(1) The services are rendered on premises at least a portion of which is visited by members of the public (including, but not limited to, airport passenger terminals, parking lots, golf courses, recreational facilities);

(2) Any of the services feasibly could be performed by City employees if the City had the requisite financial and staffing resources; or

(3) The DAA has determined in writing as approved by the Board of Public Works that coverage would further the proprietary interests of the City. Proprietary interest includes, but is not limited to:

(i) the public perception of the services or products rendered to them by a business;

(ii) security concerns related to the location of the business or any product or service the business produces; or

(iii) an Employer's industry-specific job classifications as defined in the regulations.

(l) **"Service Contract"** means a contract involving an expenditure in excess of \$25,000 and a contract term of at least three months awarded to a Contractor by the City to furnish services for the City where any of the following apply:

(1) at least some of the services are rendered by Employees whose work site is on property owned or controlled by the City;

(2) the services feasibly could be performed by City employees if the City had the requisite financial and staffing resources; or

(3) the DAA has determined in writing as approved by the Board of Public Works that coverage would further the proprietary interests of the City. Proprietary interest includes, but is not limited to:

(i) the public perception of the services or products rendered to them by a business;

(ii) security concerns related to the location of the business or any product or service the business produces; or

(iii) an Employer's industry-specific job classifications as defined in the regulations.

(m) **"Subcontractor"** means any person not an Employee who enters into a contract:

(1) to assist in performance of a Service Contract;

(2) with a Public Lessee or Licensee, sublessee, sublicensee or Contractor to perform or assist in performing services for the leased or licensed premises.

(n) **"Willful Violation"** means that the Employer knew of its obligations under this article and deliberately failed or refused to comply with its provisions.

### **Sec. 10.37.2. Payment of Minimum Compensation to Employees.**

(a) **Wages.** An Employer shall pay an Employee for all hours worked on a Service Contract or if a Public Lease or License or for a Contractor of a Public Lessee

or Licensee, for all hours worked furnishing a service relating to the City, a wage of no less than the hourly rates set under the authority of this article.

**(1) Non-Airport Employee Wages.**

(i) If an Employer provides an Employee with health benefits as provided in Section 10.37.3 of this article, the Employee shall be paid the following:

a. On July 1, 2017, the wage rate for an Employee shall be no less than \$11.48 per hour.

b. The hourly wage rate paid to an Employee shall be adjusted annually to correspond with adjustments, if any, to retirement benefits paid to members of the Los Angeles City Employees Retirement System (LACERS), and made by the LACERS Board of Administration under Section 4.1022. The City Administrative Officer shall advise the DAA of any adjustment by June 1 of each year. The DAA shall publish a bulletin announcing the adjusted rates, which shall take effect on July 1 of each year.

(ii) If an Employer does not provide an Employee with health benefits as provided in Section 10.37.3 of this article, the Employee shall be paid the applicable wage rate in Section 10.37.2(a)(1)(i) and an additional wage rate of \$1.25 per hour.

**(2) Airport Employee Wages.**

(i) If an Employer servicing the Airport provides an Employee with health benefits as provided in Section 10.37.3 of this article, the Employee shall be paid the following:

a. On July 1, 2017, the wage rate for an Employee shall be no less than \$12.08 per hour.

b. On July 1, 2018, the wage rate for an Employee shall be no less than \$13.75 per hour.

c. On July 1, 2019, the wage rate for an Employee shall be no less than \$15.25 per hour.

d. On July 1, 2020, the wage rate for an Employee shall be no less than \$16.50 per hour.

e. On July 1, 2021, the wage rate for an Employee shall be no less than \$17.00 per hour.

f. Beginning on July 1, 2022, the wage rate for an Employee shall increase annually, on July 1, to an amount \$2.00 above the minimum rate under the City's Minimum Wage Ordinance for that same period of time.

(ii) If an Employer servicing the Airport does not provide an Employee with health benefits as provided in Section 10.37.3 of this article, the Employee shall be paid the applicable wage rate in Section 10.37.2(a)(2)(i) and an additional wage rate as follows:

a. On July 1, 2017, an Employer servicing the Airport shall pay an Employee an additional wage rate of \$5.18 per hour.

b. Beginning on July 1, 2018, an Employer servicing the Airport shall pay an Employee an additional wage rate per hour equal to the health benefit payment in effect for an Employee pursuant to Section 10.37.3(a)(5).

(3) An Employer may not use tips or gratuities earned by an Employee to offset the wages required under this article.

(b) **Compensated Time Off.** An Employer shall provide an Employee compensated time off as follows:

(1) An Employee who works at least 40 hours per week or is classified as a full-time Employee by the Employer shall accrue no less than 96 hours of compensated time off per year.

(2) An Employee who works less than 40 hours per week and is not classified as a full-time Employee by the Employer shall accrue hours of compensated time off in increments proportional to that accrued by an Employee who works 40 hours per week.

(3) **General Rules for Compensated Time Off.**

(i) An Employee must be eligible to use accrued paid compensated time off after the first 90 days of employment or consistent with company policies, whichever is sooner. Compensated time off shall be paid at an Employee's regular wage rate at the time the compensated time off is used.

(ii) An Employee may use accrued compensated time off hours for sick leave, vacation or personal necessity.

(iii) An Employer may not unreasonably deny an Employee's request to use the accrued compensated time off. The DAA, through regulations, may provide guidance on what is considered unreasonable.

(iv) The DAA may allow an Employer's established compensated time off policy to remain in place even though it does not meet these requirements, if the DAA determines that the Employer's established policy is overall more generous.

(v) Unused accrued compensated time off shall carry over until time off reaches a maximum of 192 hours, unless the Employer's established policy is overall more generous.

(vi) After an Employee reaches the maximum accrued compensated time off, an Employer shall provide a cash payment once every 30 days for accrued compensated time off over the maximum. An Employer may provide an Employee with the option of cashing out any portion of, or all of, the Employee's accrued compensated time off, but, an Employer shall not require an Employee to cash out any accrued compensated time off. Compensated time off cashed out shall be paid to the Employee at the wage rate that the Employee is earning at the time of cash out.

(vii) An Employer may not implement any unreasonable employment policy to count accrued compensated time off taken under this article as an absence that may result in discipline, discharge, suspension or any other adverse action.

(4) Compensated Release Time – An Employer servicing the Airport who holds a Certified Service Provider License Agreement and is subject to this article shall comply with the following additional requirements:

(i) A CSPLA Employer shall provide an Employee at the Airport, 16 hours of additional compensated release time annually to attend and complete emergency response training courses approved by the Airport.

(ii) By December 31, 2018, and continuing thereafter on an annual basis, an Employee of a CSPLA Employer shall successfully complete the 16 hours of emergency response training.

(iii) An Employee of a CSPLA Employer hired after December 31, 2018, shall complete the 16-hours of emergency response training within 120 days of the first date of hire.

(iv) The 16 hours of compensated release time shall only be used to attend Airport approved annual emergency response training courses. The 16 hours of compensated release time does not accumulate or carry over to the following year. The 16 hours of compensated release time shall not be included as part of the 96 hours of compensated time off required under this article.

(c) **Uncompensated Time Off.** An Employer shall provide an Employee uncompensated time off as follows:

(1) An Employee who works at least 40 hours a week or is classified as a full-time Employee by an Employer shall accrue no less than 80 hours of uncompensated time off per year.

(2) An Employee who works less than 40 hours per week and is not classified as a full-time Employee by the Employer shall accrue hours of uncompensated time off in increments proportional to that accrued by an Employee who works 40 hours per week.

(3) **General Rules for Uncompensated Time Off.**

(i) An Employee must be eligible to use accrued uncompensated time off after the first 90 days of employment or consistent with company policies, whichever is sooner.

(ii) Uncompensated time off may only be used for sick leave for the illness of an Employee or a member of his or her immediate family and where an Employee has exhausted his or her compensated time off for that year.

(iii) An Employer may not unreasonably deny an Employee's request to use the accrued uncompensated time off. The DAA, through regulations, may provide guidance on what is considered unreasonable

(iv) Unused accrued uncompensated time off shall carry over until the time off reaches a maximum of 80 hours, unless the Employer's established policy is overall more generous.

(v) An Employer may not implement any unreasonable employment policy to count accrued uncompensated time off taken under this article as an absence that may result in discipline, discharge, suspension or any other adverse action.

**Sec. 10.37.3. Health Benefits.**

(a) **Health Benefits.** The health benefits required by this article shall consist of the payment by an Employer of at least \$1.25 per hour to Employees towards the provision of health care benefits for an Employee and his or her dependents. On July 1, 2017, the health benefit rate for an Employee working for an Employer servicing the Airport shall be at least \$5.18 per hour. On July 1, 2018, the annual increase for Employees working for an Employer servicing the Airport shall continue as provided in Section 10.37.3(a)(5).

(1) Proof of the provision of such benefits must be submitted to the Awarding Authority to qualify for the wage rate in Section 10.37.2(a) for Employees with health benefits.

(2) Health benefits include health coverage, dental, vision, mental health and disability income. For purposes of this article, retirement benefits, accidental death and dismemberment insurance, life insurance and other benefits that do not provide medical or health related coverage will not be credited toward the cost of providing Employees with health benefits.

(3) If the Employer's hourly health benefit payment is less than that required under this article, the difference shall be paid to the Employee's hourly wage.

(4) Health benefits are not required to be paid on overtime hours.

(5) On July 1, 2018, and annually thereafter each July 1, the amount of payment for health benefits provided to an Employee working for an Employer servicing the Airport shall be adjusted by a percentage equal to the percentage increase, if any, in the United States Bureau of Labor Statistics Consumer Price Index for All Urban Consumers: Medical Care Services, as measured from January to December of the preceding year. The DAA shall announce the adjusted rates on February 1<sup>st</sup> and publish a bulletin announcing the adjusted rates, which shall take effect on July 1<sup>st</sup> of each year.

(b) **Periodic Review.** At least once every three years, the City Administrative Officer shall review the health benefit payment by Employers servicing the Airport set forth in Section 10.37.3(a) to determine whether the payment accurately reflects the cost of health care and to assess the impacts of the health benefit payment on Airport Employers and Airport Employees and shall transmit a report with its findings to the Council.

**Sec. 10.37.4. Employer Reporting and Notification Requirements.**

(a) An Employer shall post in a prominent place in an area frequented by Employees a copy of the Living Wage Poster and the Notice Regarding Retaliation, both available from the DAA.

(b) An Employer shall inform an Employee of his or her possible right to the federal Earned Income Credit (EIC) under Section 32 of the Internal Revenue Code of 1954, 26 U.S.C. Section 32, and shall make available to an Employee forms informing them about the EIC and forms required to secure advance EIC payments from the Employer.

(c) An Employer is required to retain payroll records pertaining to its Employees for a period of at least four years, unless more than four years of retention is specified elsewhere in the contract or required by law.

(d) A Contractor, Public Lessee, Licensee, and City Financial Assistant Recipient is responsible for notifying all Contractors, Subcontractors, sublessees, and sublicensees of their obligation under this article and requiring compliance with this article. Failure to comply shall be a material breach of the contract.

**Sec. 10.37.5. Retaliation Prohibited.**

An Employer shall not discharge, reduce in compensation, or otherwise discriminate against any Employee for complaining to the City with regard to the Employer's compliance or anticipated compliance with this article, for opposing any practice proscribed by this article, for participating in proceedings related to this article, for seeking to enforce his or her rights under this article by any lawful means, or for otherwise asserting rights under this article.

**Sec. 10.37.6. Enforcement.**

(a) An Employee claiming violation of this article may bring an action in the Superior Court of the State of California against an Employer and may be awarded:

(1) For failure to pay wages required by this article, back pay shall be paid for each day during which the violation occurred.

(2) For failure to comply with health benefits requirements pursuant to this article, the Employee shall be paid the differential between the wage required by this article without health benefits and such wage with health benefits, less amounts paid, if any, toward health benefits.

(3) For retaliation the Employee shall receive reinstatement, back pay or other equitable relief the court may deem appropriate.

(4) For Willful Violations, the amount of monies to be paid under Subdivisions (1) - (3), above, shall be trebled.

(b) The court shall award reasonable attorney's fees and costs to an Employee who prevails in any such enforcement action and to an Employer who prevails and obtains a court determination that the Employee's lawsuit was frivolous.

(c) Compliance with this article shall be required in all City contracts to which it applies. Contracts shall provide that violation of this article shall constitute a material breach thereof and entitle the Awarding Authority to terminate the contract and otherwise pursue legal remedies that may be available. Contracts shall also include an agreement that the Employer shall comply with federal law proscribing retaliation for union organizing.

(d) The DAA may audit an Employer at any time to verify compliance. Failure by the Employer to cooperate with the DAA's administrative and enforcement actions, including, but not limited to, requests for information or documentation to verify compliance with this article, may result in a determination by the DAA that the Employer has violated this article.

(e) An Employee claiming violation of this article may report the claimed violation to the DAA, which shall determine whether this article applies to the claimed violation.

(1) If any of the Employee's allegations merit further review, the DAA shall perform an audit; the scope of which will not exceed four years from the date the complaint was received.

(2) If the claimed violation is filed after a contract has expired, and information needed for the review is no longer readily available, the DAA may determine this article no longer applies.

(3) In the event of a claimed violation of the requirements relating to compensated time off, uncompensated time off or wages, the DAA may require the Employer to calculate the amount the Employee should have earned and compensate the Employee. Nothing shall limit the DAA's authority to evaluate the calculation.

(i) If the DAA determines that an Employer is in violation of Section 10.37.2(b), the time owed must be made available immediately. At the Employer's option, retroactive compensated time off in excess of 192 hours may be paid to the Employee at the current hourly wage rate.

(ii) If the DAA determines that an Employer is in violation of Section 10.37.2(c), the Employer shall calculate the amount of uncompensated time off that the Employee should have accrued. This

time will be added to the uncompensated time off currently available to the Employee and must be available immediately.

(f) Where the DAA has determined that an Employer has violated this article, the DAA shall issue a written notice to the Employer that the violation is to be corrected within ten days or other time period determined appropriate by the DAA.

(g) In the event the Employer has not demonstrated to the DAA within such period that it has cured the violation, the DAA may then:

(1) Request the Awarding Authority to declare a material breach of the Service Contract, Public Lease or License, or financial assistance agreement and exercise its contractual remedies thereunder, which may include, but not be limited to: (i) termination of the Service Contract, Public Lease or License, or financial assistance agreement; (ii) the return of monies paid by the City for services not yet rendered; and (iii) the return to the City of money held in retention (or other money payable on account of work performed by the Employer) when the DAA has documented the Employer's liability for unpaid wages, health benefits or compensated time off.

(2) Request the Awarding Authority to declare the Employer non-responsible from future City contracts, leases and licenses in accordance with the Contractor Responsibility Ordinance (LAAC Section 10.40, *et seq.*) and institute proceedings in a manner that is consistent with law.

(3) Impose a fine payable to the City in the amount of up to \$100 for each violation for each day the violation remains uncured.

(4) Exercise any other remedies available at law or in equity.

(h) Notwithstanding any provision of this Code or any other law to the contrary, no criminal penalties shall attach for violation of this article.

#### **Sec. 10.37.7. Administration.**

The DAA shall administer the requirement of this article and monitor compliance, including the investigation of claimed violations. The DAA shall promulgate rules and regulations consistent with this article for the implementation of the provision of this article. The DAA shall also issue determinations that persons are City Financial Assistance Recipients, that particular contracts shall be regarded as "Service Contracts" for purposes of Section 10.37.1(l), and that particular leases and licenses shall be regarded as "Public Leases" or "Public Licenses" for purposes of Section 10.37.1(k), when it receives an application for a determination of non-coverage or exemption as provided for in Section 10.37.14 and 10.37.15.

The DAA may require an Awarding Authority to inform the DAA about all contracts in the manner described by regulation. The DAA shall also establish Employer reporting requirements on Employee compensation and on notification about and usage of the federal Earned Income Credit referred to in Section 10.37.4. The DAA shall report on compliance to the City Council no less frequently than annually.

Every three years after July 1, 2018, the Chief Legislative Analyst (CLA) with the assistance of the City Administrative Officer (CAO) shall commission a study to review the state of the Airport's regional economy; minimum wage impacts for Employees servicing the Airport; Airport service industry impacts; temporary workers, guards and janitors impacts; restaurants, hotels and bars impacts; transitional jobs programs impacts; service charges, commissions and guaranteed gratuities impacts; and wage theft enforcement. On an annual basis, the CLA and CAO shall collect economic data, including jobs, earnings and sales tax. The Study shall also address how extensively affected Employers are complying with this article, how the article is affecting the workforce composition of affected Employers, and how the additional costs of the article have been distributed among Employees, Employers and the City.

**Sec. 10.37.8. City Is a Third Party Beneficiary of Contracts between an Employer and Subcontractor for Purposes of Enforcement.**

Any contract an Employer executes with a Contractor or Subcontractor, as defined in Section 10.37.1(f) and (m), shall contain a provision wherein the Contractor or Subcontractor agree to comply with this article and designate the City as an intended third party beneficiary for purposes of enforcement directly against the Contractor or Subcontractor, as provided for in Section 10.37.6, of this article.

**Sec. 10.37.9. Coexistence with Other Available Relief for Specific Deprivations of Protected Rights.**

This article shall not be construed to limit an Employee's right to bring legal action for violation of other minimum compensation laws.

**Sec. 10.37.10. Expenditures Covered.**

This article shall apply to the expenditure - whether through aid to City Financial Assistance Recipients, Service Contracts let by the City or Service Contracts let by its Financial Assistance Recipients - of funds entirely within the City's control and to other funds, such as federal or state grant funds, where the application of this article is consonant with the laws authorizing the City to expend such other funds.

**Sec. 10.37.11. Timing of Application.**

The provisions of this article shall become operative 60 days following the effective date of the ordinance and are not retroactive.

**Sec. 10.37.12. Express Supersession by Collective Bargaining Agreement.**

The requirements of this article may be superseded by a collective bargaining agreement if expressly stated in the agreement. This provision applies to any collective bargaining agreement that expires or is open for negotiation of compensation terms after the effective date of this ordinance. Any collective bargaining agreement that purports to supersede any requirement of this article shall be submitted by the Employer to the DAA.

(a) A collective bargaining agreement may expressly supersede the requirements of this article with respect to Employees of Employers servicing the Airport only when an Employee is paid a wage not less than the applicable wage rate in Section 10.37.2(a)(2)(i).

(b) A collective bargaining agreement may expressly supersede the requirements of this article with respect to Employees of Airline Food Caterers only when an Employee of the Airline Food Caterer is paid a total economic package no less than the applicable wage rate in Section 10.37.2(a)(2)(ii).

**Sec. 10.37.13. Liberal Interpretation of Coverage; Rebuttable Presumption of Coverage.**

The definitions of "City Financial Assistance Recipient" in Section 10.37.1(f), of "Public Lease or License" in Section 10.37.1(l), and of "Service Contract" in Section 10.37.1(m) shall be liberally interpreted so as to further the policy objectives of this article. All City Financial Assistance Recipients meeting the monetary thresholds of Section 10.37.1(f), all Public Leases and Licenses (including subleases and sublicenses) where the City is the lessor or licensor, and all City contracts providing for services shall be presumed to meet the corresponding definition mentioned above, subject, however, to a determination by the DAA of non-coverage or exemption on any basis allowed by this article, including, but not limited to, non-coverage for failure to satisfy such definition. The DAA shall by regulation establish procedures for informing persons engaging in such transactions with the City of their opportunity to apply for a determination of non-coverage or exemption and procedures for making determinations on such applications.

**Sec. 10.37.14. Contracts, Employers and Employees Not Subject to This Article.**

The following contracts are not subject to the Living Wage Ordinance. An Awarding Authority, after consulting with the DAA, may determine whether contracts and/or Employers are not subject to the Living Wage Ordinance due to the following:

(a) a contract where an employee is covered under the prevailing wage requirements of Division 2, Part 7, of the California Labor Code unless the total of the basic hourly rate and hourly health and welfare payments specified in the

Director of Industrial Relations' General Prevailing Wage Determinations are less than the minimum hourly rate as required by Section 10.37.2(a) of this article.

(b) a contract with a governmental entity, including a public educational institution or a public hospital.

(c) a contract for work done directly by a utility company pursuant to an order of the Public Utilities Commission.

### **Sec. 10.37.15. Exemptions.**

Upon the request of an Employer, the DAA may exempt compliance with this article. An Employer seeking an exemption must submit the required documentation to the DAA for approval before the exemption takes effect.

(a) A Public Lessee or Licensee, that employs no more than seven people total on and off City property shall be exempted. A lessee or licensee shall be deemed to employ no more than seven people if the company's entire workforce worked an average of no more than 1,214 hours per month for at least three-fourths of the previous calendar year. If a Public Lease or License has a term of more than two years, the exemption granted pursuant to this section shall expire after two years, but shall be renewable in two-year increments.

(b) Non-Profit Organizations- Corporations organized under Section 501(c)(3) of the United States Internal Revenue Code of 1954, 26 U.S.C. §501(c)(3), whose chief executive officer earns a salary which, when calculated on an hourly basis, is less than eight times the lowest wage paid by the corporation, shall be exempted as to all Employees other than child care workers.

(c) Students- High school and college students employed in a work study or employment program lasting less than three months shall be exempt. Other students participating in a work-study program shall be exempt if the Employer can verify to the DAA that:

(1) The program involves work/training for class or college credit and student participation in the work-study program is for a limited duration, with definite start and end dates; or

(2) The student mutually agrees with the Employer to accept a wage below this article's requirements based on a training component desired by the student.

(d) Nothing in this article shall limit the right of the Council to waive the provisions herein.

(e) Nothing in this article shall limit the right of the DAA to waive the provisions herein with respect to and at the request of an individual Employee who is eligible for benefits under Medicare, a health plan through the U.S. Department of Veteran Affairs or a health plan in which the Employee's spouse, domestic partner or parent is a participant or subscriber to another health plan. An Employee who receives this waiver shall only be entitled to the hourly wage pursuant to Section 10.37.2(a)(2)(i).

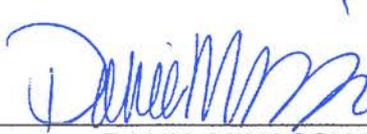
**Sec. 10.37.16. Severability.**

If any subsection, sentence, clause or phrase of this article is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have adopted this section, and each and every subsection, sentence, clause and phrase thereof not declared invalid or unconstitutional, without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

Sec. 2. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By   
DANIA MINASSIAN  
Deputy City Attorney

Date 11/1/17

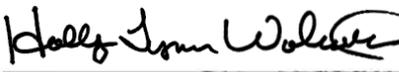
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I hereby certify that the foregoing ordinance was passed by the Council of the City of Los Angeles.

CITY CLERK

MAYOR





Ordinance Passed 12/05/2017

Approved 12/07/2017

Ordinance Effective Date: 01/20/2018  
Council File No.: 15-0817-S1

**DECLARATION OF POSTING ORDINANCE**

I, **Juan Luis (Luigi) Verano** state as follows: I am, and was at all times hereinafter mentioned, a resident of the State of California, over the age of eighteen years, and a Deputy City Clerk of the City of Los Angeles, California.

**Ordinance No.** **185321** - a copy of which is hereto attached, was finally adopted by the Los Angeles City Council on **12/05/2017**, and under the direction of said City Council and the City Clerk, pursuant to Section 251 of the Charter of the City of Los Angeles and Ordinance No. 172959, I conspicuously posted a true copy of said ordinance at each of the three public places located in the City of Los Angeles, California, as follows: 1) one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; 2) one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; 3) one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records beginning on **12/11/2017** and will be continuously posted for ten or more days.

I declare under penalty of perjury that the foregoing is true and correct.

  
\_\_\_\_\_  
Deputy Clerk

Date: 12/08/2017

Ordinance Effective Date: 01/20/2018

Council File No.: 15-0817-S1

# EXHIBIT I

Service Contract Worker Retention Ordinance

## ARTICLE 10

### WORKER RETENTION

(Title amended, Ord. No. 185,356, Eff. 1-26-18.)

#### Section

10.36 Findings and Statement of Policy.

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#### **Sec. 10.36. Findings and Statement of Policy.**

The City awards many contracts to private firms to provide services to the public and to City government. The City also leases its property or grants licenses to enter onto its property and these lessees and licensees often perform services that affect the proprietary interests of City government in that their performance impacts the success of City operations. The City also provides financial assistance and funding to other firms for the purpose of economic development or job growth. At the conclusion of the term of a service contract, lease or license with the City or with those receiving financial assistance from the City, a different firm often receives the successor contract to perform the same City services or to lease or license the same City property.

The City obtains benefits achieved through the competitive process of entering into new contracts. It is the experience of the City that reasons for change do not necessarily include a need to replace workers presently performing services who already have useful knowledge about the workplace where the services are performed.

The City has a proprietary interest in the work performed by employees of City contractors, lessees and licensees and by the employees of firms receiving City financial assistance. The success or failure of City operations may turn on the success or failure of these firms, and the City has a genuine stake in how the public perceives the services rendered by these firms. Replacement of existing employees can adversely impact the performance by these firms and thereby hinders the opportunity for success of City operations.

Incumbent workers have invaluable existing knowledge and experience with the work schedules, practices and clients. Replacing these workers with workers without these experiences decreases efficiency and results in a disservice to the City and City financed or assisted projects.

Retaining existing workers when a change in firm occurs reduces the likelihood of labor disputes and disruptions. The reduction of the likelihood of labor disputes and disruptions results in the assured continuity of services to City constituents and visitors who receive services provided by the City, the City's lessees or licensees, or by City financed or assisted projects.

Contracting decisions involving the expenditure of City funds should avoid a potential effect of creating unemployment and the consequential need for social services. The City, as a principal provider of social support services, has an interest in the stability of employment under contracts, leases and licenses with the City and by those receiving financial assistance from the City. The retention of existing workers benefits that interest.

#### SECTION HISTORY

Article and Section Added by Ord. No. 170,784, Eff. 1-13-96.

Amended by: Article and Section, Ord. No. 171,004, Eff. 5-18-96; In Entirety, Ord. No. 184, 293, Eff. 6-27-16; In Entirety, Ord. No. 185,356, Eff. 1-26-18.

#### **Sec. 10.36.1. Definitions.**

The following definitions shall apply throughout this article:

(a) "**Awarding Authority**" means the governing body, board, officer or employee of the City or City Financial Assistance Recipient authorized to award a Contract and shall include a department which has control of its own funds if the department adopts policies consonant with the provisions of this article.

(b) "**City**" means the City of Los Angeles and all Awarding Authorities thereof.

(c) "**City Financial Assistance Recipient**" means any person who receives from the City in any 12-month period discrete financial assistance for economic development or job growth expressly articulated and identified by the City totaling at least \$100,000; provided, however, that corporations organized under Section 501(c)(3) of the United States Internal Revenue Code of 1954, 26 U.S.C. § 501(c)(3), with annual operating budgets of less than \$5,000,000, or that regularly employ homeless persons, persons who are chronically unemployed, or persons receiving public assistance, shall be exempt.

Categories of such assistance include, but are not limited to, bond financing, planning assistance, tax increment financing exclusively by the City, and tax credits, and shall not include assistance provided by the Community Development Bank. City staff assistance shall not be regarded as financial assistance for purposes of this article. A loan at market rate shall not be regarded as financial assistance. The forgiveness of a loan shall be regarded as financial assistance. A loan shall be regarded as financial assistance to the extent of any differential between the amount of the loan and the present value of the payments thereunder, discounted over the life of the loan by the applicable federal rate as used in 26 U.S.C. §§ 1274 (d) and 7872(f). A recipient shall not be deemed to include lessees and sublessees. Contracts

for economic development or job growth shall be deemed providing such assistance once the \$100,000 threshold is reached.

(d) "**Contract**" means:

(1) a contract let to a Contractor by the City or a City Financial Assistance Recipient primarily for the furnishing of services to or for the City or City Financial Assistance Recipient (as opposed to the purchase of goods or other property) and that involves an expenditure or receipt in excess of \$25,000 and a contract term of at least three months; or

(2) a Public Lease or License as those terms are defined in Los Angeles Administrative Code Section 10.37.1(k) but only if the lessee or licensee is subject to the Living Wage Ordinance and not otherwise exempt from its provisions.

(e) "**Contractor**" means any person that enters into a Contract with the City or a City Financial Assistance Recipient. Governmental entities, including public educational institutions and public hospitals, are not Contractors and are not subject to this article.

(f) "**Designated Administrative Agency (DAA)**" means the Department of Public Works, Bureau of Contract Administration, which shall bear administrative responsibilities under this article.

(g) "**Employee**" means any person employed as an employee of a Contractor or Subcontractor earning no more than twice the hourly wage without health benefits available under the Living Wage Ordinance, Los Angeles Administrative Code Section 10.37 et seq., whose primary place of employment is in the City on or under the authority of a Contract. Examples of Employee includes: hotel Employees; restaurant, food service or banquet Employees; janitorial Employees; security guards; parking attendants; nonprofessional health care Employees; gardeners; waste management Employees; and clerical Employees. Employee does not include a person who is a managerial, supervisory or confidential Employee. An Employee must have been employed by a terminated Contractor for the preceding 12 months or longer.

(h) "**Person**" means any individual, proprietorship, partnership, joint venture, corporation, limited liability company, trust, association or other entity that may employ individuals or enter into contracts.

(i) "**Subcontractor**" means any person not an Employee who enters into a contract with a Contractor to assist the Contractor in performing a Contract and who employs Employees for such purpose. A Subcontractor includes a sublessee or sublicensee.

(j) "**Successor Contract**" means a Contract where the service to be performed is substantially similar to the Contract recently terminated. The meaning also includes a Contract that is a Public Lease or License substantially similar to a Public Lease or License recently terminated. Termination includes, but is not limited to: (1) the completion of the Contract; (2) early termination of the Contract in whole or in part; or (3) an amendment that reduces services provided under the Contract, in whole or in part.

**Sec. 10.36.2. Transition Employment Period.**

(a) Within ten days of learning that a Contract is to be terminated, the Contractor shall provide to the Successor Contractor, the Awarding Authority and the DAA, the name, address, date of hire, and employment occupation classification of each Employee of the terminated Contractor and Subcontractor working pursuant to the Contract. If the terminated Contractor has not learned the identity of the Successor Contractor, the Contractor shall request the identity from the Awarding Authority. If a Successor Contract has not been awarded by the end of the ten-day period, the Contractor shall provide the employment information referred to earlier in this subsection to the Awarding Authority and the DAA. Where only a subcontract of a Contract has been terminated, the terminated Subcontractor shall for purposes of this Article be deemed a terminated Contractor.

(1) If multiple Contracts providing similar services are terminated, the Awarding Authority shall consult with the DAA to determine whether to pool the Employees, ordered by seniority within job classification and provide a pool list to the Successor Contractor. The Successor Contractor shall provide written notice to the Awarding Authority and the DAA that the Awarding Authority's pool list will be used. The notice must include the following:

(A) the total number of Employees required under the Successor Contract;

(B) a breakdown of the number of Employees required within each job classification and seniority within each class; and

(C) an indication as to which Employees within each job classification shall be offered employment under this article.

The written notice must be provided no later than ten days after the Successor Contractor receives the listing of the terminated Contractor's Employees.

(2) Where the use of Subcontractors has occurred under the terminated Contract or where the use of Subcontractors is to be permitted under the Successor Contract, or where both circumstances arise, the Awarding Authority shall pool, when applicable, the Employees, ordered by seniority within job classification, under such prior Contracts or subcontracts where required by, and in accordance with, rules promulgated by the DAA. The Successor Contractor or Subcontractor shall provide written notice to the Awarding Authority and the DAA that the Awarding Authority's pool list will be used.

(b) If work-related requirements for a particular job classification under the Successor Contract differ from the terminated Contract, the Successor Contractor (or Subcontractor, where applicable) shall give notice to the Awarding Authority and the DAA and provide an explanation including:

- (1) the different work-related requirements needed; and
- (2) the reason why the different work-related requirements are necessary for the Successor Contract.

(c) Within ten days of receipt of the list of Employees from the terminated Contractor, the Successor Contractor shall make written offers for a 90-day transition employment period to the eligible Employees by letters sent certified mail. The letters shall ask an Employee to return the offers to the Successor Contractor with the Employee's signature indicating acceptance or rejection of the offer of employment. The letters shall state that if an Employee fails to return a written acceptance of the offer within ten days of the date of mailing of the Successor Contractor's certified letter, then the Employee will be presumed to have declined the offer.

The Successor Contractor shall provide copies of the letters offering employment to the Awarding Authority and proof of mailing.

(d) A Successor Contractor shall retain Employees for a 90-day transition employment period. Where pooling of Employees has occurred, the Successor Contractor shall draw from the pools in accordance with rules promulgated by the DAA. During such 90-day period, Employees so hired shall be employed under the terms and conditions established by the Successor Contractor (or Subcontractor) or as required by law.

(e) If at any time the Successor Contractor determines that fewer Employees are required to perform the new Contract than were required by the terminated Contractor (and Subcontractors, if any), the Successor Contractor shall retain Employees by seniority within job classification. The Successor Contractor shall give notice to the Awarding Authority and the DAA and provide an explanation including:

- (1) the reason that fewer Employees will be needed;
- (2) the total number of Employees required under the Successor Contract;
- (3) a breakdown of the number of Employees required within each job classification;
- (4) a listing of the terminated Contractor's Employees by job classification and seniority within each class; and
- (5) an indication as to which Employees within each job classification will be offered employment under this article.

The notice must be provided no later than ten days after the Successor Contractor receives the list of the terminated Contractor's Employees pursuant to Section 10.36.2(a).

Letters offering employment shall be made by seniority within each job classification. If an Employee in a job classification declines an offer of employment or fails to respond within ten days pursuant to Section 10.36.2(a), the Successor Contractor shall issue a letter offering employment to the next Employee in that job classification. The Successor Contractor shall continue to offer

employment in this manner until all required positions are filled for the Successor Contract or until all Employees have been offered employment.

(f) During the 90-day transition employment period, the Successor Contractor (or Subcontractor, where applicable) shall maintain a preferential hiring list of eligible covered Employees not retained by the Successor Contractor (or Subcontractor) from which the successor Contractor (or Subcontractor) shall hire additional Employees, if needed.

(g) During the 90-day transition employment period, the Successor Contractor (or Subcontractor, where applicable) shall not discharge without cause an Employee retained pursuant to this article. "Cause" for this purpose shall mean fair and honest reasons, regulated by good faith on the part of the Contractor or Subcontractor, that are not trivial, arbitrary or capricious, unrelated to business needs or goals, or pretextual.

(h) At the end of the 90-day transition employment period, the Successor Contractor (or Subcontractor, where applicable) shall perform a written performance evaluation for each Employee retained pursuant to this article. If the Employee's performance during the 90-day period is satisfactory, the Successor Contractor (or Subcontractor) shall offer the Employee continued employment under terms and conditions established by the Successor Contractor (or Subcontractor) or as required by law.

(i) If the City or a City Financial Assistance Recipient enters into a Contract for the performance of work that prior to the Contract was performed by the City's or the City Financial Assistance Recipient's own Employees, the City or the City Financial Assistance Recipient shall be deemed to be a terminated Contractor within the meaning of this article and the Contractor shall be deemed to be a Contractor with a Successor Contract within the meaning of this article.

#### SECTION HISTORY

Added by Ord. No. 170,784, Eff. 1-13-96.

Amended by: Ord. No. 171,004, Eff. 5-18-96; Subsec. (g) Added, Ord. No. 172,349, Eff. 1-29-99; In Entirety, Ord. No. 184,293, Eff. 6-27-16; In Entirety, Ord. No. 185,356, Eff. 1-26-18.

#### **Sec. 10.36.3. Enforcement.**

(a) An Employee who has been discharged in violation of this article by a Successor Contractor or its Subcontractor may bring an action in the Superior Court of the State of California against the Successor Contractor and, where applicable, its Subcontractor, and may be awarded:

(1) Back pay for each day during which the violation continues, which shall be calculated at a rate of compensation not less than the higher of:

(A) The average regular rate of pay received by the Employee from the terminated Contractor during the last three years of the Employee's employment in the same occupation classification; or

(B) The final regular rate paid by the terminated Contractor to the Employee.

(2) Costs of benefits the Successor Contractor would have incurred for the Employee under the successor Contractor's (or Subcontractor's, where applicable) benefit plan.

(b) If the Employee is the prevailing party in any such legal action, the court shall award reasonable attorney's fees and costs as part of the costs recoverable.

(c) Compliance with this article shall be required in all Contracts and shall provide that violation of this article shall entitle the City to terminate the Contract and pursue all legal remedies.

(d) If the DAA determines that a Contractor or Subcontractor violated this article, the DAA may recommend that the Awarding Authority take any or all of the following actions:

(1) Document the determination in the Awarding Authority's Contractor Evaluation required under Los Angeles Administrative Code Section 10.39, et seq.;

(2) Require that the Contractor or Subcontractor document the determination in each of the Contractor's or Subcontractor's subsequent Contractor Responsibility Questionnaires submitted under Los Angeles Administrative Section 10.40, et seq.;

(3) Terminate the Contract;

(4) Recommend to the Awarding Authority to withhold payments due to the Contractor or Subcontractor.

(e) Notwithstanding any provision of this Code or any other law to the contrary, no criminal penalties shall attach for any violation of this article.

#### SECTION HISTORY

Added by Ord. No. 170,784, Eff. 1-13-96.

Amended by: Ord. No. 171,004, Eff. 5-18-96; In Entirety, Ord. No. 184,293, Eff. 6-27-16; In Entirety, Ord. No. 185,356, Eff. 1-26-18.

#### **Sec. 10.36.4. Exemption for Contractor or Contractor's Prior Employees.**

(a) An Awarding Authority may allow a Successor Contractor or Subcontractor to fill a position under a Contractor with a person who has been employed by the Contractor or Subcontractor continuously for at least 12 months prior to the commencement of the Successor Contract working in a position similar to the position to be filled in the Successor Contract. The Successor Contractor or Subcontractor shall first obtain written approval of the Awarding Authority by demonstrating that: (a) the person would otherwise be laid off work; and (b) his or her retention would be helpful to the Contractor or Subcontractor in performing the Successor Contract.

(b) Nothing in this article shall limit the right of the DAA to waive the provisions herein with respect to a Contractor if it finds it is not in the best interest of the City.

SECTION HISTORY

Added by Ord. No. 170,784, Eff. 1-13-96.  
Amended by: Ord. No. 171,004, Eff. 5-18-96; In Entirety, Ord. No. 184,293, Eff. 6-27-16; In Entirety,  
Ord. No. 185,356, Eff. 1-26-18.

**Sec. 10.36.5. Coexistence with Other Available Relief for Specific Deprivations of Protected Rights.**

This article shall not be construed to limit an Employee's right to bring legal action for wrongful termination.

SECTION HISTORY

Added by Ord. No. 170,784, Eff. 1-13-96.  
Amended by: Ord. No. 171,004, Eff. 5-18-96; In Entirety, Ord. No. 184,293, Eff. 6-27-16; In Entirety,  
Ord. No. 185,356, Eff. 1-26-18.

**Sec. 10.36.6. Expenditures Covered by this Article.**

This article shall apply to the expenditure, whether through Contracts let by the City or by City Financial Assistance Recipients, of funds entirely within the City's control and to other funds, such as federal or state grant funds, where the application of this article is consonant with the laws authorizing the City to expend such other funds. City Financial Assistance Recipients shall apply this article to the expenditure of non-City funds for Contracts to be performed in the City by complying with Section 10.36.2(i) and by contractually requiring their Contractors with Contracts to comply with this article. Such requirement shall be imposed by the recipient until the City financial assistance has been fully expended.

SECTION HISTORY

Added by Ord. No. 171,004, Eff. 5-18-96.  
Amended by: Ord. No. 172,337, Eff. 1-14-99; Ord. No. 172,843, Eff. 11-4-99; In Entirety, Ord. No. 184,293, Eff. 6-27-16; In Entirety, Ord. No. 185,356, Eff. 1-26-18.

**Sec. 10.36.7. Promulgation of Implementing Rules.**

The DAA shall promulgate rules for implementation of this article and otherwise coordinate administration of the requirements of this article.

SECTION HISTORY

Added by Ord. No. 171,004, Eff. 5-18-96.

Amended by: Ord. No. 176,155, Eff. 9-22-04; Ord. No. 176,283, Eff. 12-25-04, Oper. 9-22-04; In Entirety, Ord. No. 184,293, Eff. 6-27-16; In Entirety, Ord. No. 185,356, Eff. 1-26-18.

**Sec. 10.36.8. Severability.**

If any subsection, sentence, clause or phrase of this article is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have adopted this section, and each and every subsection, sentence, clause and phrase thereof not declared invalid or unconstitutional, without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

**SECTION HISTORY**

Added by Ord. No. 171,004, Eff. 5-18-96.

Amended by: In Entirety, Ord. No. 184,293, Eff. 6-27-16; In Entirety, Ord. No. 185,356, Eff. 1-26-18.

# EXHIBIT J

First Source Hiring Program

## FIRST SOURCE HIRING PROGRAM FOR AIRPORT EMPLOYEES

- I. Purpose. The purpose of this First Source Hiring Program is to facilitate the employment of Targeted Applicants by Airport Employers. It is a goal of this First Source Hiring Program that this Program benefit Airport Employers by providing a pool of qualified job applicants through a non-exclusive referral system.
- II. Definitions. As used in this Program, the following capitalized terms shall have the following meanings. All definitions include both the singular and plural form.

“Airport” shall mean Los Angeles International Airport.

"Airport Employer" shall mean a party that, through a contract, lease, licensing arrangement, or other arrangement, agrees to comply with this First Source Hiring Program with regard to Airport Jobs. Operators of transportation charter party limousines, non-tenant shuttles, and taxis shall not be considered Airport Employers.

"Airport Job" shall mean a job that either (i) is performed On-Site, or (ii) is directly related to a contract, lease, licensing arrangement, or other arrangement under which the employer is an Airport Employer. Positions for which City's Worker Retention Policy requires hiring of particular individuals shall not constitute Airport Jobs for purposes of this Program.

"City" shall mean the City of Los Angeles.

“Coalition” shall mean the LAX Coalition for Economic, Environmental, and Educational Justice, an unincorporated association comprised exclusively of the following organizations: AGENDA; AME Minister’s Alliance; Clergy and Laity United for Economic Justice; Coalition for Clean Air; Communities for a Better Environment; Community Coalition; Community Coalition for Change; Environmental Defense; Inglewood Coalition for Drug and Violence Prevention; Inglewood Democratic Club; Lennox Coordinating Council; Los Angeles Alliance for a New Economy; Los Angeles Council of Churches; Nation of Islam; Natural Resources Defense Council; Physicians for Social Responsibility Los Angeles; Service Employees International Union Local 347; and Teamsters Local 911.

“Coalition Representative” shall mean the following: The Coalition shall designate one individual as the “Coalition Representative” authorized to speak or act on behalf of the Coalition for all purposes under the Cooperation Agreement. The Coalition Representative may designate one or more assistants to assist the Coalition Representative in speaking or acting on behalf of the Coalition with respect to any

specific program or activity or any other matter. The Coalition shall provide LAWA with contact information for the Coalition Representative upon request.

“Cooperation Agreement” shall mean the Cooperation Agreement between LAWA and the LAX Coalition for Economic, Environmental and Educational Justice.

"LAWA" shall mean Los Angeles World Airports.

"Low-Income Individual" shall mean an individual whose household income is no greater than 80% of the median income, adjusted for household size, for the Primary Metropolitan Statistical Area.

“On-Site” shall mean physically located on property owned or leased by LAWA and pertaining to Airport.

"Program" shall mean this First Source Hiring Program.

"Project Impact Area" shall have the meaning set forth in the "Final Environmental Impact Report" for the LAX Master Plan Program, dated April 2004, as supplemented by one or more EIR Addenda prior to certification of the EIR by the City Council.

"Referral System" shall mean the referral system established to provide applicant referrals for the Program.

"Special Needs Individuals" shall mean: (i) individuals who receive or have received public assistance through the [Temporary Assistance for Needy Families Program], within the past 24 months; (ii) individuals who are homeless; (iii) ex-offenders, (iv) chronically unemployed, and (v) dislocated airport workers.

"Targeted Applicants" shall have the meaning set forth in Section IV below.

- III. Coverage. This Program shall apply to hiring by Airport Employers for all Airport Jobs, except for jobs for which the hiring procedures are governed by a collective bargaining contract that conflicts with this Program.
- IV. Targeted Applicants. Referrals under the Program shall, to the extent permissible by law, be made in the order of priority set forth below.
- First Priority: Low-Income Individuals living in the Project Impact Area for at least one year and Special Needs Individuals; and
  - Second Priority: Low-Income Individuals residing in City.
- V. Initial Airport Employer Roles.
- A. Liaison. Each Airport Employer shall designate a liaison for issues related to the Program. The liaison shall work with LAWA, the Coalition Representative, the

Referral System provider, and relevant public officials to facilitate effective implementation of this Program.

- B. Long-Range Planning. Any entity that becomes an Airport Employer at least two (2) months prior to commencing operations related to Airport shall, at least two months prior to commencing operations related to Airport, provide to the Referral System the approximate number and type of Airport Jobs that it will fill and the basic qualifications necessary.

VI. Airport Employer Hiring Process.

- A. Notification of Job Opportunities. Prior to hiring for any Airport Job, an Airport Employer shall notify the Referral System, by e-mail or fax, of available job openings and provide a description of job responsibilities and qualifications, including expectations, salary, work schedule, duration of employment, required standard of appearance, and any special requirements (e.g., language skills, driver's license, etc.). Job qualifications shall be limited to skills directly related to performance of job duties.
- B. Referrals. After receiving a notification under Section VI.A above, the Referral System shall within five days, or longer time frame agreed to by the Referral System and Airport Employer, refer to the Airport Employer one or more Targeted Applicants who meet the Airport Employer's qualifications.
- C. Hiring.
1. New Employer Targeted Hiring Period. When making initial hires for the commencement of an Airport Employer's operations related to Airport, the Airport Employer shall consider and hire only Targeted Applicants for a two week period following provision of the notification described in Section VI.A. After this period, the Airport Employer shall make good-faith efforts to hire Targeted Applicants, but may consider and hire applicants referred or recruited through any source.
  2. Established Employer Targeted Hiring Period. When making hires after the commencement of operations related to Airport, an Airport Employer shall consider and hire only Targeted Applicants for a five-day period following provision of the notification described in Section VI.A. After this period, the Airport Employer shall make good-faith efforts to hire Targeted Applicants, but may consider and hire applicants referred or recruited through any source.
  3. Hiring Procedure During Targeted Hiring Periods. During the periods described in Sections VI.C.1 and VI.C.2 above, Airport Employers may hire Targeted Applicants recruited or referred through any source. During

such periods Airport Employers shall use normal hiring practices, including interviews, to consider all applicants referred by the Referral System.

4. No Referral Fees. No Airport Employer or referred job candidate shall be required to pay any fee, cost or expense of the Referral System or this Program in connection with referrals.

VIII. Reporting and Recordkeeping.

- A. Reports. During the time that this Program is applicable to any Airport Employer, that Airport Employer shall, on a quarterly basis, notify the Referral System of the number, by job classification, of Targeted Applicants hired by the Airport Employer during that quarter, and the total number of employees hired by the Airport Employer for Airport Jobs during that quarter. Any Airport Employer who has not had hiring activity for the quarter, shall also notify the Referral System of such inactivity.
- B. Recordkeeping. During the time that this Program is applicable to any Airport Employer, that Airport Employer shall retain records sufficient for monitoring of compliance with this Program with regard to each Airport Job, including records of notifications sent to the Referral System, referrals from the Referral System, job applications received from any source, number of Targeted Applicants hired, and total number of employees hired for Airport Jobs. To the extent allowed by law, and upon reasonable notice, these records shall be made available to LAWA and to the Referral System for inspection upon request. The Coalition Representative may request that LAWA provide such records at anytime. Records may be redacted so that individuals are not identified by name and so that information required by law to remain confidential is excluded.
- C. Complaints. If LAWA, the Coalition, or the Referral System believes that an Airport Employer is not complying with this Program, then the designated LAWA office shall be notified to ensure compliance with this program.
- D. Liquidated Damages. Each Airport Employer agrees to pay to LAWA liquidated damages in the amount of One Thousand Dollars (\$1,000) where LAWA finds that the Airport Employer has violated this Program with regard to hiring for a particular Airport Job. LAWA shall establish procedures providing to Airport Employers notice and an opportunity to present all relevant evidence prior to LAWA's final determination regarding an alleged violation. This liquidated damages provision does not preclude LAWA from obtaining any other form of available relief to ensure compliance with this Program, including injunctive relief.

IX. Miscellaneous.

- A. Compliance with State and Federal Law. This Program shall be implemented only to the extent that it is consistent with the laws of the State of California and the United States. If any provision of this Program is held by a court of law to be in conflict with state or federal law, the applicable law shall prevail over the terms of this Program, and the conflicting provisions of this Program shall not be enforceable.
- B. Severability Clause. If any term, provision, covenant or condition of this Program is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall continue in full force and effect.
- C. Binding on Successors. This Program shall be binding upon and inure to the benefit of the successors in interest, transferees, assigns, present and future partners, subsidiary corporations, affiliates, agents, representatives, heirs, and administrators of any party that has committed to comply with it. Any reference in this Program to a party shall be deemed to apply to any successor in interest, transferee, assign, present or future partner, subsidiary corporation, affiliate, agent, representative, heir or administrator of such party; provided, however, that any assignment, transfer or encumbrance of a lease agreement, permit or contract in which this Program is incorporated shall only be made in strict compliance with the terms of such lease agreement, permit or contract and the foregoing shall not constitute consent to any such assignment, transfer or encumbrance.
- D. Lease Agreements and Contracts. Airport Employers shall not execute any sublease agreement or other contract under which Airport Jobs may occur directly or indirectly, unless the entirety of this Program is included as a material term thereof, binding on all parties.
- E. Assurance Regarding Preexisting Contracts. Each Airport Employer warrants and represents that as of the date of execution of this Program, it has executed no sublease agreement or other contract that would violate any provision of this Program had it been executed after the date of incorporation of this Program into a binding contract.
- F. Intended Beneficiaries. LAWA, the Coalition, and the Referral System are intended third-party beneficiaries of contracts and other agreements that incorporate this Program with regard to the terms and provisions of this Program. However, the parties recognize that only LAWA has the sole responsibility to enforce the provisions of this Program.
- G. Material Terms. All provisions of this Program shall be material terms of any lease agreement or contract in which it is incorporated.
- H. Effective Date. Section VI of this Program shall become effective on the effective date of the contract or agreement into which it is incorporated.

- I. Construction. Any party incorporating this Program into a binding contract has had the opportunity to be advised by counsel with regard to this Program. Accordingly, this Program shall not be strictly construed against any party, and the rule of construction that any ambiguities be resolved against the drafting party shall not apply to this Program.
  
- J. Entire Contract. This Program contains the entire agreement between the parties on the subjects described herein, and supersedes any prior agreements, whether written or oral. This Program may not be altered, amended or modified except by an instrument in writing signed in writing by all parties to the contract in which it is incorporated.

# EXHIBIT K

Contractor Responsibility Program and Pledge of Compliance Form

# LOS ANGELES WORLD AIRPORTS



## CONTRACTOR RESPONSIBILITY PROGRAM

### RULES AND REGULATIONS

**Effective date: August 23, 2011**

Procurement Services Division  
7301 World Way West, 4<sup>th</sup> Floor  
Los Angeles, CA 90045  
(424) 646-5380  
(424) 646-9262 (Fax)

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These Rules and Regulations are promulgated pursuant to Board Resolution #21601, the Los Angeles World Airports Contractor Responsibility Program (CRP). Each Requesting LAWA Division shall cooperate to the fullest extent with the Executive Director in the administration of the CRP. The Executive Director may amend these Rules and Regulations from time to time as required for the implementation of the CRP.

## A. DEFINITIONS

1. **Adoption of CRP definitions:** For purposes of these Rules and Regulations, the definitions set forth in the Board Resolution are incorporated herein by reference, and include the following:

- a. **Board**
- b. **Executive Director**
- c. **Los Angeles World Airports (LAWA)**
- d. **"Contract"** means any agreement for the performance of any work or service, the provision of any goods, equipment, materials or supplies, or the rendition of any service to LAWA or to the public or the grant of a public lease, which is awarded or entered into by or on behalf of LAWA. These Rules and Regulations shall apply to the following contracts:
  - (1) Contracts for services that require Board approval.
  - (2) Contracts for purchasing goods and products that require Board approval.
  - (3) Construction contracts that require Board approval.
  - (4) Licenses, agreements and/or permits for the Certified Service Provider Program (CSPP) per Board Resolution #24860
- e. **Contractor**
- f. **Subcontractor**
- g. **Bidder**
- h. **Bid**
- i. **Invitation for Bid ("IFB")**
- j. **Public Lease**

2. **New Definitions:**

- a. **"Awarding Authority"** means either the Executive Director or the Board of Airport Commissioners ("Board") or the Board's designee.
- b. **"CRP Questionnaire"** means the set of questions developed by Procurement Services Division (PSD) that will assist LAWA in determining a bidder or contractor's responsibility. Information solicited from the CRP Questionnaire may include but is not limited to: ownership and name changes, financial resources and responsibility, satisfactory performance of other contracts, satisfactory record of compliance with

relevant laws and regulations, and satisfactory record of business integrity. PSD may amend the CRP Questionnaire from time to time.

- c. **“CRP Pledge of Compliance”** means the CRP Pledge developed by PSD. The CRP Rules and Regulations may be updated from time to time by PSD. The CRP Pledge shall require contractors to sign under penalty of perjury that the contractor will:
- (1) Comply with all applicable Federal, State, and local laws and regulations during the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.
  - (2) Notify LAWA within 30 calendar days after receiving notification that any government agency has initiated an investigation that may result in a finding that the contractor did not comply with subparagraph 2(c)(1) above in the performance of the contract.
  - (3) Notify LAWA within 30 calendar days of all findings by a government agency or court of competent jurisdiction that the contractor has violated subparagraph 2(c)(1) above in the performance of the contract.
  - (4) Provide LAWA within thirty (30) calendar days updated responses to the CRP Questionnaire if any change occurs which would change any response contained within the completed CRP Questionnaire. Note: This provision does not apply to amendments of contracts not subject to the CRP and to subcontractors not required to submit a Questionnaire.
  - (5) Ensure that subcontractors working on the LAWA contract shall complete, sign and submit a CRP Pledge of Compliance attesting under penalty of perjury to compliance with paragraphs 2(c)(1) through (4).
  - (6) Notify LAWA within thirty (30) days of becoming aware of an investigation, violation or finding of any applicable Federal, State, or local law involving the subcontractors in the performance of a LAWA contract.
  - (7) Cooperate fully with LAWA during an investigation and to respond to request(s) for information within ten (10) working days from the date of the Notice to Respond.
- d. **“Requesting Division”** means the LAWA division(s) which issued the Request For Bids (“RFB”), Request For Proposal (“RFP”) or Request for Qualifications (“RFQ”).
- e. **“Responsibility”** means possessing the necessary “trustworthiness” and “quality, fitness and capacity” to perform the work set forth in the contract.

## B. SUBMISSION OF CRP QUESTIONNAIRES

1. **Issuance of Invitation for Bids (IFB):** These include Request for Bids (RFB), Request for Proposals (RFP), and Request for Qualifications (RFQ). Unless otherwise exempt from the CRP, if a proposed contract meets the definition of a contract subject to the CRP as defined in the Resolution and these Rules and Regulations, LAWA shall include in the IFB:
  - a. Language informing potential bidders of the CRP;
  - b. The CRP Questionnaire that bidders submit with their bid; and
  - c. The CRP Pledge of Compliance that bidders submit with their bid.
2. **Submission of CRP Questionnaires with Bids:**
  - a. All bid and proposal submissions are required to contain a completed and signed CRP Questionnaire and a signed CRP Pledge of Compliance.
  - b. Failure to submit a CRP Questionnaire and a CRP Pledge of Compliance in accordance with the IFB procedures may make the bidder non-responsive and disqualified from the bidding process.
  - c. Submitted CRP Questionnaires and CRP Pledge of Compliance become public records, and information contained therein will be available for public review, except to the extent that such information is exempt from disclosure pursuant to applicable law.
3. **Use of a non-competitive process to procure the proposed contract:** If a non-competitive process is used by LAWA Divisions to procure the proposed contract, the proposed contractor is required to submit the completed CRP Questionnaire and a signed CRP Pledge of Compliance to LAWA for determination of contractor responsibility prior to execution of the contract.
4. **Subcontractors:** The list of subcontractors shall be submitted with the bid and will be made available for public review along with the bidder's Questionnaire. For construction contracts, bidders must list a subcontractor proposed to be used on the City contract if the subcontractor will be performing work on the construction contract in an amount in excess of \$10,000 or in excess of one-half of one percent of the total bid amount, whichever is greater. For service contracts, bidders must list subcontractors as required by the IFB.

### C. LAWA REVIEW OF SUBMITTED CRP QUESTIONNAIRES

1. **Departmental Review of submitted bids:** As part of the determination of a bidder's responsiveness, PSD will review the bid submissions to determine whether a completed CRP Questionnaire, signed under penalty of perjury, has been included with the bid. If a completed Questionnaire has not been included with the bid as required by the IFB procedures, the bidder may be deemed to be non-responsive and may be disqualified from the bidding process.
2. **Posting of CRP Questionnaires and Subcontractor List:** Requesting Divisions will forward to PSD the completed CRP Questionnaires and subcontractor list(s), if any, submitted by the responsive bidders to make available for public review as follows:
  - a. If a contract is to be awarded pursuant to a competitive bid process, the CRP Questionnaires for the three lowest responsive bidders and their list of proposed subcontractors, if any, will be forwarded to PSD to make them available for public review for a minimum period of 14 calendar days.
  - b. If a contract is to be awarded pursuant to a proposal (RFP) or qualifications (RFQ) and award is not based on the lowest submitted bid price, the CRP Questionnaires for the short-listed proposers and their list of proposed subcontractors, if any, will be forwarded to PSD to make them available for public review for a minimum period of 14 calendar days. If no short-listing procedure is used, the CRP Questionnaire for the prospective contractor shall be made available for public review for a minimum period of 14 calendar days.
  - c. If a contract is to be awarded to a Sole Source, the CRP Questionnaire for the proposed contractor and their list of proposed subcontractors, if any, will be forwarded to PSD to make it available for public review for a period of 14 calendar days.
  - d. No contract shall be awarded to any bidder until at least 14 calendar days after the CRP Questionnaire has been made available for public review. If administrative or technical errors prevent or delay the posting of the CRP Questionnaire, the posting period will be extended by the amount of time that the CRP Questionnaire was not available for public review.
  - e. The CRP Questionnaire of the bidder/proposer awarded the contract will be retained by the Requesting Division as part of the contract file. The CRP Questionnaires for the bidders/proposers not awarded the contract will be retained in the customary manner by the Requesting Division.
3. **Claims Resulting from Public Review:**
  - a. Claims regarding a bidder or contractor's responsibility should be submitted to PSD in writing. However, PSD may investigate a claim regarding a bidder's or a contractor's responsibility, whether or not it is submitted in writing, if PSD in its discretion

determines that the claim calls into question the bidder's, the proposer's or the contractor's responsibility.

- b. If PSD receives information which calls into question a bidder's responsibility, and the information was received **before** the contract has been executed, PSD shall:
  - (1) Notify the Requesting Division in writing that no contract shall be awarded until PSD has completed investigation into the matter.
  - (2) Investigate the matter as required in Section G, "LAWA INVESTIGATION" to determine its validity.
  - (3) Upon completion of the investigation, PSD shall notify the Requesting Division and the Awarding Authority in writing of the result of the investigation.
  - (4) No contract may be awarded to any bidder until after the investigation has been completed and the Requesting Division and the Awarding Authority have received written notification that the investigation has been completed.
  - (5) Findings from the PSD investigation received by the Awarding Authority will be considered by the Awarding Authority as part of the determination of the bidder's responsibility.
  
- c. If PSD receives written information that calls into question a contractor's responsibility, and the information was received **after** the contract has been executed, PSD shall investigate the matter as required in Section G, LAWA INVESTIGATION.

## **D. AWARD AND EXECUTION OF CONTRACTS**

### **1. Departmental Determination of Responsibility and Award of Contract:**

- a. Requesting Division and the Awarding Authority shall determine whether a bidder/contractor is a responsible bidder, proposer or contractor with the necessary trustworthiness, quality, fitness and capacity to perform the work set forth in the proposed contract by considering the following:
  - (1) Information contained in the CRP Questionnaire;
  - (2) Information and documentation from PSD's investigation;
  - (3) Information regarding the bidder's, proposer's or contractor's past performance that may be contained in the City of Los Angeles' Contractor Evaluation Database.
  - (4) Information that may be available from any compliance or regulatory governmental agency, and
  - (5) Any other reliable information that may be available, including but not limited to information from any individual or any other governmental agency.

- b. The Board may award and the Executive Director may execute a contract with a bidder or proposer only if:
  - (1) The bidder's or proposer's CRP Questionnaire has been made available for public review for at least 14 calendar days unless otherwise exempted from the posting requirement by the CRP;
  - (2) The bidder or proposer is not being investigated by PSD pursuant to the CRP;
  - (3) The bidder or proposer has not been found to be a non-responsible bidder/proposer pursuant to the CRP;
  - (4) The bidder or proposer does not appear on any City list of debarred bidders or contractors; and
  - (5) The bidder or proposer has met all other applicable City requirements.

## **2. Submission of Pledge of Compliance:**

- a. Unless otherwise exempt from the CRP, all bid/proposal submissions (RFBs, RFPs and RFQs) are required to contain a Pledge of Compliance with the CRP signed under penalty of perjury. Failure to submit a CRP Pledge of Compliance with the bid/proposal may make the bidder non-responsive and disqualified from the bidding process.
- b. Within 10 calendar days of execution of a contract with LAWA, the contractor shall submit to LAWA a signed CRP Pledge of Compliance from each subcontractor listed as performing work on the contract.

## **3. Subcontractor Responsibility:**

- a. Contractors shall ensure that their subcontractors meet the criteria for responsibility set forth in the CRP and these Rules and Regulations unless the subcontract is not subject to the CRP.
- b. Contractors shall ensure that subcontractors working on the LAWA agreement shall complete and submit a signed CRP Pledge of Compliance.
- c. Contractors shall not use in any capacity any subcontractor that has been determined or found to be a non-responsible contractor by LAWA or the City.
- d. Subject to approval by the Requesting Division, contractors may substitute a non-responsible subcontractor with another, responsible subcontractor with no changes in bid amounts.

**4. Execution of Contracts:**

- a. Unless exempt from the CRP, all contracts shall contain language obligating the contractor to comply with the CRP.
- b. No contract may be executed unless:
  - (1) The proposed contractor has submitted a signed Pledge of Compliance with the CRP.
  - (2) The proposed contractor's CRP Questionnaire, unless otherwise exempt, has been made available for public review for at least 14 calendar days in accordance with these Rules and Regulations.

**E. CONTRACT AMENDMENTS**

1. Compliance with the CRP, except for the requirement to submit a CRP Questionnaire, is required in contract amendments if the initial contract was not subject to the CRP, but the total term and amount of the contract, inclusive of all amendments, would make the contract subject to the CRP.
  - a. A contractor subject to the CRP because of an amendment shall submit a CRP Pledge of Compliance to the Requesting Division before the contract amendment can be executed.
  - b. Unless exempt from the CRP, all contract amendments shall contain contract language obligating the contractor to comply with the CRP.

**F. CONTRACTOR NOTIFICATION OF INVESTIGATIONS AND UPDATE OF INFORMATION**

1. **Notification of Investigations:** Contractors shall:
  - a. Notify the Requesting Division and PSD within 30 calendar days of receiving notice of any findings by a government agency or court of competent jurisdiction that the contractor violated any applicable Federal, State, or local law in the performance of a LAWA, City of Los Angeles, County of Los Angeles, State of California, Federal Government or other government contract, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.
  - b. Notify the Requesting Division and PSD within 30 calendar days of becoming aware of a violation or finding of violation of any applicable federal, state, or local law involving its subcontractors or sub-sub-contractors at any level in the performance of a LAWA contract.
2. **Update of CRP Questionnaire Information:**

- a. Updates of information contained in the contractor's responses to the CRP Questionnaire shall be submitted to the Requesting Division and PSD within 30 days of any changes to the responses if the change would affect the contractor's responsibility or ability to continue performing the contract.
  - b. PSD or the Requesting Division shall determine whether a contractor in a specific situation should have provided information or updated information.
    - (1) If PSD or the Requesting Division becomes aware of new information concerning a contractor and determines that the contractor should have provided information or updated LAWA with such information, but the contractor has not done so, PSD shall issue a written notice to the contractor requiring the contractor to submit the required information within 10 calendar days.
    - (2) If PSD or the Requesting Division becomes aware of new information concerning a subcontractor and determines that the subcontractor should have provided information or updated LAWA of such information, but the subcontractor has not done so, PSD shall issue a written notice to the contractor requiring the subcontractor to submit the required information within 10 calendar days.
  - c. Contractor's failure to provide information or updated information when required by LAWA, the CRP or these Rules and Regulations may be considered a material breach of the contract, and, additionally, may result in the initiation of a non-responsibility hearing pursuant to Section I of these Rules and Regulations.
- 3. Contractors shall ensure that subcontractors provide information and updates.** Contractors shall ensure that subcontractors performing work on their LAWA contract abide by these same updating requirements, including the requirement to:
- a. Notify the Requesting Division and PSD within 30 calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that the subcontractor did not comply with any applicable Federal, State, or local law in the performance of the LAWA or City contract, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees
  - b. Notify the Requesting Division and PSD within 30 calendar days of all findings by a government agency or court of competent jurisdiction that the subcontractor violated any applicable Federal, State, or local law in the performance of a LAWA or City of Los Angeles contract, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.
- 4. Submission of CRP Questionnaires and Updates of CRP Questionnaire Is Not Applicable to Subcontractors:** The requirement that contractors submit to LAWA CRP Questionnaires and updates to the CRP Questionnaire responses does not apply to subcontractors.

## G. LAWA INVESTIGATION

1. **Reporting of Alleged Violations:** Allegations of violations of the CRP or these Rules and Regulations shall be reported to PSD. Complaints regarding a bidder's, proposer's or contractor's responsibility should be submitted to PSD in writing. However, PSD may investigate any claim or complaint regarding a bidder's, proposer's or a contractor's responsibility, whether or not it is submitted in writing. Whether based on a written complaint or otherwise, PSD shall be responsible for investigating such alleged violations.
2. **Process:**
  - a. Upon receipt of a complaint or upon initiation of an investigation, PSD shall notify the Requesting Division, the Awarding Authority and the bidder, proposer or contractor in writing that an investigation has been initiated.
  - b. The bidder, proposer or contractor shall cooperate fully with PSD in providing information. If the bidder/proposer or contractor fails to cooperate with PSD's investigation or fails to timely respond to PSD's requests for information, LAWA may initiate a non-responsibility hearing as set forth in Section I of these Rules and Regulations. A contractor's failure to cooperate may be deemed a material breach of the contract, and the City may pursue all available remedies.
  - c. To the extent permissible, PSD shall maintain the identity of the complainant, if any, confidential.
  - d. Upon completion of the investigation, PSD shall prepare a written report of the findings and notify the Requesting Division, the Awarding Authority and the bidder, proposer or contractor of the results.
3. **Results of Investigation:**
  - a. When an investigation is completed before the contract is awarded, PSD shall notify the Requesting Division and the Awarding Authority of the results, and Requesting Division and the Awarding Authority will consider the information as part of the determination of a bidder's responsibility during the bid/proposal review process.

- b. When an investigation is completed after the execution of a contract:
  - (1) If violations of the CRP are found, PSD shall notify the Requesting Division and contractor of the violation and require the contractor to make corrections or take reasonable measures within 10 calendar days.
  - (2) If the contractor fails to make corrections as required, PSD shall notify the Requesting Division and the Awarding Authority and may recommend that the Awarding Authority:
    - (i) Terminate the contract.
    - (ii) Initiate a hearing to declare the contractor a non-responsible contractor.

#### **H. VIOLATIONS OF THE CRP OR THESE RULES AND REGULATIONS**

1. Violations of the CRP or of these Rules and Regulations may be considered a material breach of the contract and may entitle LAWA or the City to terminate the contract.
2. Alleged violations of the CRP or of these Rules and Regulations shall be reported to the PSD which will investigate all such complaints.
3. When a violation of the CRP or of these Rules and Regulations is found, PSD shall notify the contractor and the Awarding Authority of the violation. PSD shall require the contractor to correct the violation within 10 calendar days. Failure to correct violations or take reasonable measures to correct violations within 10 calendar days may result in PSD:
  - a. Recommending that the Awarding Authority declare a material breach of the contract and that the Awarding Authority exercise all contractual and legal remedies available, including but not limited to termination of the contract, and/or
  - b. Recommending that the Awarding Authority declare the contractor a non-responsible contractor by initiating, within 30 calendar days or as soon as practicable, a non-responsibility hearing in accordance with Section I of these Rules and Regulations.

#### **I. NON-RESPONSIBILITY HEARING**

1. The process of declaring a bidder or contractor a non-responsible bidder or contractor shall be initiated by the Awarding Authority after consultation with the City Attorney's Office.
2. Before a bidder, proposer or contractor may be declared non-responsible, the bidder, proposer or contractor shall be notified of the proposed determination of non-responsibility and provided with an opportunity for a hearing.

3. The Awarding Authority or the Executive Director's designee shall preside over the non-responsibility hearing and shall provide the bidder, proposer or contractor with the following:
  - a. The bidder, proposer or contractor shall be provided with written Notice of intent to declare the bidder, proposer or contractor non-responsible ("Notice") which shall state that the Awarding Authority intends to declare the bidder, proposer or contractor a non-responsible bidder or contractor.
  - b. The Notice shall provide the bidder, proposer or contractor with the following information:
    - (1) That the Awarding Authority intends to declare the bidder or contractor a non-responsible bidder, proposer or contractor.
    - (2) A summary of the information upon which the Awarding Authority is relying.
    - (3) That the bidder, proposer or contractor has a right to respond to the information by requesting a hearing to rebut adverse information and to present evidence of its necessary trustworthiness, quality, fitness and capacity to perform the work required under the contract.
    - (4) That the bidder, proposer or contractor must exercise the right to a hearing by submitting to the Awarding Authority a **written request** for a hearing **within 10 working days** of the date of the Notice.
    - (5) That failure to submit a written request for hearing within 10 working days of the date of the Notice shall be considered a waiver of the right to a hearing that allows the Awarding Authority to proceed with the determination of non-responsibility.
  - c. If the bidder or contractor submits a written request for a hearing, the hearing may be held by the Awarding Authority for recommendation to the Board, which shall make the final decision.
  - d. The hearing must allow the bidder, proposer or contractor an opportunity to address the issues contained in the Notice of Intent to declare the bidder, proposer or contractor non-responsible.
  - e. The Awarding Authority may determine that the bidder, proposer or contractor:
    - (1) Does not possess the necessary trustworthiness, quality, fitness, or capacity to perform the work set forth in the proposed contract, should be declared a non-responsible bidder, proposer or contractor, and recommend to the Board invocation of the remedies set forth in Section J of these Rules and Regulations.
    - (2) Should not be declared a non-responsible bidder or contractor.
  - f. The Board's determination shall be final and constitute exhaustion of administrative remedies.
  - g. The Board's final decision shall be in writing and shall be provided to the bidder,

proposer or contractor, the Requesting Division and to PSD. If the bidder, proposer or contractor is declared to be non-responsible, a copy of the final decision shall also be provided to the CAO.

## J. NON-RESPONSIBILITY SANCTIONS

1. A **bidder/proposer** found non-responsible by LAWA shall be disqualified from:
  - a. award of the proposed contract or,
  - b. participating, in any way, in the proposed contract.

Such non-responsible bidder or proposer shall not perform any work in the proposed contract, whether as a prime contractor, a subcontractor, a partner in a partnership, a participant in a joint venture, a member of a consortium or in any other capacity.

2. An existing **contractor** found non-responsible by LAWA may be declared to have a material breach of contract, and LAWA may exercise its contractual and legal remedies thereunder, which are to include, but are not limited to termination of the contract.
3. Upon final determination of a bidder, proposer or contractor as non-responsible, PSD shall provide the Requesting Division and the bidder, proposer or contractor with a written notice summarizing the Awarding Authority's findings and sanctions.
4. PSD shall maintain a listing of bidders/proposers and contractors who have been found non-responsible by LAWA pursuant to the CRP.

## K. EXEMPTIONS

1. **Categorical Exemption:** The following types of contracts are categorically exempt from the CRP and these Rules and Regulations:
  - a. Contracts with a governmental entity such as the United States of America, the State of California, a county, city or public agency of such entities, or a public or quasi-public corporation located therein and declared by law to have such status.
  - b. Contracts for the investment of trust moneys or agreements relating to the management of trust assets.
  - c. Banking contracts entered into by the Treasurer pursuant to California Government Code Section 53630 et seq.

**Board approval required for CRP Exemptions:** The following types of contracts are exempt from the requirement to submit a Questionnaire but remain subject to the requirement that the contractor submit a Pledge of Compliance and notify the Awarding Authority within 30 days of any information regarding investigations or the results of investigations by any governmental agency into the contractor's compliance with applicable laws.

- a. Contracts awarded on the basis of exigent circumstances when the Awarding Authority finds the City would suffer a financial loss or that City operations would be adversely impacted.
  - (1) This exemption is subject to approval by PSD.
  - (2) The Awarding Authority shall submit a request to PSD for waiver along with written certification that the required conditions exist.
  - (3) No contract may be exempted under this provision unless PSD has granted written approval of the waiver.
  
- b. Contracts where the goods or services are proprietary or available from only one source.
  - (1) This exemption is subject to approval by PSD.
  - (2) The Awarding Authority shall submit a request to PSD for waiver along with written certification that the required conditions exist.
  - (3) No contract may be exempted under this provision unless PSD has granted written approval of the waiver.
  
- c. Contracts awarded in accordance with Charter Section 371(e)(5). The Awarding Authority must certify in writing that award is based on urgent necessity in accordance with Charter Section 371(e)(5).
  
- d. Contracts entered into based on, Charter Section 371(e)(6), (7) or (8). The Awarding Authority must certify in writing that the contract is entered into in accordance with Charter Section 371(e)(6), (7) or (8).

**L. EFFECTIVE DATE OF RULES AND REGULATIONS**

1. These Rules and Regulations apply to IFB's issued after the Executive Director has approved these Rules and Regulations.
2. These Rules and Regulations apply to contracts entered into by LAWA after the Executive Director has approved these Rules and Regulations.
3. Contracts amended after these Rules and Regulations are approved by the Executive Director will become subject to CRP and these Rules and Regulations if they meet definitions contained in the CRP and these Rules and Regulations.

**M. CONSISTENCY WITH FEDERAL AND STATE LAW**

The CRP and these Rules and Regulations do not apply in instances where application would be prohibited by Federal and State law or where the application would violate or be inconsistent with the terms and conditions of a grant or contract with the Federal or State agency.

**N. SEVERABILITY**

If any provision of the CRP or these Rules and Regulations are declared legally invalid by any court of competent jurisdiction, the remaining provisions remain in full force and effect.

**LOS ANGELES WORLD AIRPORTS  
CONTRACTOR RESPONSIBILITY PROGRAM  
PLEDGE OF COMPLIANCE**

The Los Angeles World Airports (LAWA) Contractor Responsibility Program (Board Resolution #21601) provides that, unless specifically exempted, LAWA contractors working under contracts for services, for purchases, for construction, LAWA licensees with licenses, agreements or permits issued under the Certified Service Provider Program, and LAWA tenants with leases, that require the Board of Airport Commissioners' approval shall comply with all applicable provisions of the LAWA Contractor Responsibility Program. Bidders and proposers are required to complete and submit this Pledge of Compliance with the bid or proposal or with an amendment of a contract subject to the CRP. In addition, within 10 days of execution of any subcontract, the contractor shall submit to LAWA this Pledge of Compliance from each subcontractor who has been listed as performing work on the contract.

The contractor agrees to comply with the Contractor Responsibility Program and the following provisions:

- (a) To comply with all applicable Federal, state, and local laws in the performance of the contract, including but not limited to, laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees.
- (b) To notify LAWA within thirty (30) calendar days after receiving notification that any government agency has initiated an investigation that may result in a finding that the contractor is not in compliance with paragraph (a).
- (c) To notify LAWA within thirty (30) calendar days of all findings by a government agency or court of competent jurisdiction that the contractor has violated paragraph (a).
- (d) To provide LAWA within thirty (30) calendar days updated responses to the CRP Questionnaire if any change occurs which would change any response contained within the completed CRP Questionnaire. Note: This provision does not apply to amendments of contracts not subject to the CRP and to subcontractors not required to submit a CRP Questionnaire.
- (e) To ensure that subcontractors working on the LAWA contract shall complete and sign a Pledge of Compliance attesting under penalty of perjury to compliance with paragraphs (a) through (c) herein. To submit to LAWA the completed Pledges.
- (f) To notify LAWA within thirty (30) days of becoming aware of an investigation, violation or finding of any applicable federal, state, or local law involving the subcontractors in the performance of a LAWA contract.
- (g) To cooperate fully with LAWA during an investigation and to respond to request(s) for information within ten (10) working days from the date of the Notice to Respond.

Failure to sign and submit this form to LAWA with the bid/proposal may make the bid/proposal non-responsive.

ABM Aviation, Inc.      4151 Ashford Dunwoody Rd. Ste. 600, Atlanta GA 30319      801.419.1812  
 Company Name, Address and Phone Number

*D Scott Hutchison*

02/10/2021

Signature of Officer or Authorized Representative

Date

D. Scott Hutchison, Senior Vice President, Operations

Print Name and Title of Officer or Authorized Representative

Operation and Management of Remote Employee Parking Lots and Employee Transportation at Los Angeles International Airport (LAX)

Project Title

# EXHIBIT L

LAX Alternative Fuel Program

**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.

**LAX ALTERNATIVE FUEL VEHICLE REQUIREMENT**  
**Frequently Asked Questions (FAQs)**

**1. Does the LAX Alternative Fuel Vehicle Requirement (Requirement) apply to me?**

**Answer:** The LAX Alternative Fuel vehicle Requirement (“Requirement”) applies to all operators of on-road (street-licensed) medium and heavy-duty vehicles at LAX, including all airport contractors, lessees, permittees, and licensees. Medium and heavy-duty vehicles have a Gross Vehicle Weight Rating (GVWR) greater than or equal to 8,500 pounds. Light duty vehicles with a GVWR less than 8,500 pounds are exempt from this Requirement, as are certain vehicle classes listed in Section II.B, “Exemptions”.

**2. What is the deadline for existing vehicles to be compliant with the Requirement?**

**Answer:** April 30, 2019.

**3. What does Gross Vehicle Weight Rating (GVWR) mean, and how do I know if my vehicle has a GVWR greater than or equal to 8,500 pounds?**

**Answer:** The GVWR is the maximum allowable weight of a vehicle when fully loaded. This is a fixed weight that is specified by the vehicle manufacturer. The easiest and most accurate way to confirm the GVWR of your vehicle is to check the manufacturer’s Vehicle Identification (ID) Plate. The Vehicle ID Plate is usually located on the interior of the B-pillar (inside driver door near door latch) in accordance with USDOT Federal Motor Vehicle Safety Standards. Note that the California Department of Motor Vehicles (DMV) registration documentation does not provide the necessary GVWR information for all classes of vehicles subject to the LAX Alternative Fuel Vehicle Requirement Program. The Vehicle ID Plate should be used to determine a vehicle’s GVWR.

**4. I am an existing Operator. If I replace a vehicle, does it have to be compliant with the updated (October 2017) Requirement?**

**Answer:** Yes. Any new vehicles added to your fleet must be compliant with the updated Requirement.

**5. If I operate vehicles that were previously granted Comparable Emissions or Least Polluting Vehicle status by LAWA, do I have to replace these vehicles in order to comply with the new requirement?**

**Answer:** No. Vehicles that have been previously approved by LAWA as Comparable Emissions or Least Polluting Vehicle Available were approved for the life of the vehicle and are exempt

from the maximum allowable vehicle age and mileage requirements. These vehicles are, however, subject to the annual reporting requirement.

**6. Are “zero-emission” vehicles, such as battery-electric and hydrogen fuel cell vehicles, exempt from the Requirement?**

**Answer:** Yes, vehicles that are 100% zero-emission are compliant and exempt from the 13-year maximum age and 500,000-mile maximum mileage requirement, but are still subject to the annual reporting requirement.

**7. Are all Alternative Fuels acceptable under the Requirement?**

**Answer:** Not necessarily. Section 1 of the Requirement lists acceptable alternative fuels under the “Alternative Fuel Vehicle” definition. Note that biodiesel and biodiesel fuel blends do not qualify as “alternative fuels” under the Requirement.

**8. Are “hybrid”, “Flex Fuel,” and “Bi-Fuel” vehicles exempt from the Requirement?**

**Answer:** No, hybrid, flex fuel, and bi-fuel vehicles must still meet the LEV II, LEV III, or Optional Low NOx emission compliance requirements of the Requirement.

**9. Are all LEV II vehicles compliant with the Requirement?**

**Answer:** Not necessarily. Medium-duty vehicles certified by the California Air Resources Board (CARB) as meeting LEV II emission standards can be purchased through December 31, 2019; however vehicles must meet the least polluting standard in the LEV II category that was available at the time of purchase or lease, and cannot exceed the maximum of thirteen (13) model years or 500,000, whichever comes first. Compliant LEV II vehicles purchased prior to January 1, 2020 but not previously approved by LAWA as Comparable Emissions or Least Polluting Vehicles may continue to operate at LAX until the end of the vehicle’s useful life, not to exceed a maximum of thirteen (13) model years or 500,000 miles, whichever comes first.

**10. When is the last day I can purchase Least Polluting LEV II vehicles?**

**Answer:** December 31, 2019. As of January 1, 2020, vehicle operators may only acquire LEV III vehicles or Optional Low NOx engine-equipped vehicles when augmenting their fleets.

**11. Are all LEV III vehicles compliant with the Requirement?**

**Answer:** Yes, medium-duty vehicles certified by the California Air Resources Board (CARB) as meeting LEV III emission standards can be purchased and operated at LAX until the end of the

vehicle's useful life, not to exceed a maximum of thirteen (13) model years or 500,000 miles, whichever comes first.

Vehicle manufacturers are currently phasing in medium-duty vehicles certified to the CARB LEV III emission standards. This will continue through model year 2019 at which time all new medium-duty vehicles will meet LEV III emission standards.

**12. How do I know if a vehicle is certified to CARB's least polluting LEV II Standard, LEV III, or Optional Low NOx Standards?**

**Answer:** Operators who have questions as to whether a particular vehicle, engine, or technology would comply with the Requirement should contact Amylou Canonizado whose contact information is listed at the end of these FAQs.

**13. Where do I find the most current reporting form?**

**Answer:** Reporting is conducted online. Please click on this link to access the most current reporting form: <https://online.lawa.org/altfuel/>. Operators must include a signed (electronic signature) Attestation Form with the annual report.

**14. How often do we have to complete the Reporting Form?**

**Answer:** Complete and submit the reporting form annually, by January 31<sup>st</sup> of each year.

**15. If the vehicle is 8,500 pounds GVWR or greater and only driven on LAX premises do I have to complete the Reporting Form?**

**Answer:** LAWA has two different vehicle emissions reductions programs that require annual reporting in January of each year, the LAX Alternative Fuel Vehicle Requirement and the LAX Ground Support Equipment (GSE) Emissions Reduction Program. If the vehicle is 8,500 pounds GVWR or greater and licensed for driving on public streets, then the vehicle must be reported on the LAX Alternative Fuel Vehicle Reporting Form. If the vehicle or equipment is not registered for street driving and is only driven on the airfield, then the vehicle **should not** be reported on the Alternative Fuel Vehicle Reporting Form, and must be reported on the LAX Ground Support Equipment (GSE) annual reporting form. Information on the LAX GSE Emissions Reduction Program and annual reporting requirement is posted at <http://www.lawa.org/gse/>.

**16. If I have vehicles that are street-licensed, but less than 8,500 lbs. GVWR, do I need to fill out and submit the reporting form?**

**Answer:** Yes, the report is still required. Simply list/update your contact information on the online form, check the box indicating that your company does not have any on-road vehicles 8,500 lbs. GVWR or greater, click save, and submit.

**17. Are LAX Operators expected to change from an approved alternative fuel vehicle to another if a newer alternative fuel or technology comes on the market?**

**Answer:** No. LAWA tracks LAX Operator's vehicles based on the Vehicle Identification Number (VIN) provided in the Operator's annual reports. If LAWA has approved an operator's vehicle as an acceptable Alternative Fuel, Comparable Emissions, or Least Polluting Available Vehicle under the old Requirement, the approval remains with the vehicle's VIN for the life of the vehicle at LAX. In addition, zero emission vehicles are exempt from the age and mileage requirements. All other vehicles cannot exceed a maximum of thirteen (13) model years or 500,000 miles, whichever comes first.

**18. What if I need help determining the best available vehicle on the marketplace?**

**Answer:** Operators may request technical information regarding vehicles from LAWA's Environmental Programs Group and our Independent Third Party Monitor who specializes in the assessment of vehicle emissions. Operators are, however, solely responsible for conducting their own due diligence and complying with the LAX Alternative Fuel Requirement. Please contact Amylou Canonizado if you'd like to request the assistance of our Third Party Monitor.

**19. The Requirement states that new Operators at LAX, must comply with the Requirement prior to commencing operations at LAX. How do I know if my vehicles are compliant?**

**Answer:** All new LAX Operators that were awarded an LAX contract after October 5, 2017, must comply with the requirement set forth in Section III and subsection IV.A. prior to commencing operations at LAX. New and prospective operators should request LAWA to perform an assessment of their vehicle fleet. Please contact Amylou Canonizado if you'd like to request the assistance of our Third Party Monitor.

**20. What happens if I don't submit an annual report or are non-compliant with the Requirement?**

Details on enforcement and failure to comply can be found in Section VII. of the Requirement.

**LAX Alternative Fuel Vehicle Requirement Contact**  
**Environmental Programs Group**  
**Sustainability and Commitment Management Section**  
Amylou Canonizado, email: [altfuel@lawa.org](mailto:altfuel@lawa.org), Phone: (424) 646-6483

# EXHIBIT M

Child Support Orders

## 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.

## SECTON HISTORY

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

# EXHIBIT N

Guaranty

## GUARANTY

This **GUARANTY** (“**Guaranty**”) is entered into as of \_\_\_\_\_, 20\_\_\_\_, in Los Angeles, California, by **ABM Industries, Inc.**, (herein after referred to as “**Guarantor**”), for the benefit of the **CITY OF LOS ANGELES** (herein after referred to as “**City**”), a municipal corporation acting by order of and through its Board of Airport Commissioners (hereinafter referred to as “**Board**”) of the Department of Airports also known as Los Angeles World Airports (herein after referred to as “**LAWA**”).

Guarantor hereby agrees with LAWA as follows:

1. Guarantor unconditionally guaranties to LAWA to be bound by the terms of The Remote Employee Parking and Shuttles Services Agreement No. \_\_\_\_\_ between **ABM Aviation, Inc.** (also referred to herein as “Contractor”) and LAWA (herein after referred to as “Agreement”), and bound by the requirements and full and faithful performance and observance of all of the Covenants (including, without limitation, the indemnities contained in the Agreement); and Guarantor unconditionally covenants to LAWA that if (a) default or breach shall at any time be made by Contractor in the Covenants to pay fees and additional fees or any other charges payable under the Agreement or in the performance of any of the other Covenants and (b) notice of any such default or breach shall have been given by LAWA to Contractor and Contractor shall not have cured such default or breach after the expiration of applicable notice and grace periods, if any, provided for in the Agreement (except that the foregoing clause (b) shall be inapplicable if Contractor shall be bankrupt or insolvent), then Guarantor shall well and truly perform (or cause to be performed) the Covenants, and pay (or cause to be paid) said fees, additional fees or other charges or arrears thereof that may remain due thereon to LAWA, and also all damages that may arise in consequence of the non-performance of the Covenants, or any of them. Guarantor shall pay to LAWA, within five (5) business days after written notice, all expenses (including, without limitation, reasonable attorneys' fees and disbursements) of, or incidental to, or relating to the enforcement or protection of LAWA's rights hereunder or under the Agreement.

2. The liability of Guarantor hereunder shall not be impaired, abated, deferred, diminished, modified, released, terminated or discharged, in whole or in part, or otherwise affected, by any event, condition, occurrence, circumstance, proceeding, action or failure to act, with or without notice to, or the knowledge or consent of, Guarantor, including, without limitation:

(a) any amendment, modification or extension of the Agreement or any Covenant;

(b) any extension of time for performance, whether in whole or in part, of any Covenant given prior to or after default under the Agreement;

(c) any exchange, surrender or release, in whole or in part, of any security which may be held by LAWA at any time for or under the Agreement;

(d) any other guaranty heretofore, now or hereafter executed by Guarantor or anyone else;

(e) any waiver of or assertion or enforcement or failure or refusal to assert or enforce, in whole or in part, any Covenant, claim, cause of action, right or remedy which LAWA may, at any time, have under the Agreement or with respect to any guaranty or any security which may be held by LAWA at any time for or under the Agreement or with respect to Contractor;

(f) any act or thing or omission or delay to do any act or thing which (i) may in any manner or to any extent vary the risk of Guarantor or (ii) would otherwise operate as a discharge of Guarantor as a matter of law;

(g) the release agreement of any other guarantor from liability for the performance or observance of any Covenant, whether by operation of law or otherwise;

(h) LAWA's consent to any assignment or successive assignments of the Agreement by;

(i) the failure to give Guarantor any notice whatsoever, other than any notice that LAWA is required to give pursuant to this Guaranty;

(j) any right, power or privilege that LAWA may now or hereafter have against any party or collateral;

(k) any assignment, conveyance, mortgage, merger or other transfer, voluntary or involuntary (whether by operation of law or otherwise), of all or any part of Contractor's interest in the Agreement;

(l) any assignment, conveyance, mortgage, merger or other transfer, voluntary or involuntary (whether by operation of law or otherwise) of all or part of the interest or rights of LAWA under the Agreement; or

(m) the bankruptcy or insolvency of Contractor.

3. To charge Guarantor under this Guaranty no demand shall be required, Guarantor hereby expressly waiving any such demand. LAWA shall have the right to enforce this Guaranty without pursuing any right or remedy of LAWA against Contractor or any other party, or any security LAWA may hold. LAWA may commence any action or proceeding based upon this Guaranty directly against Guarantor without making Contractor or anyone else a party defendant in such action or proceeding. Any one or more successive and/or concurrent actions may be brought hereon against Guarantor either in the same action, if any, brought against Contractor and/or any other party or in separate actions, as often as LAWA, in its sole discretion, may deem advisable.

4. This Guaranty shall be binding upon Guarantor and its heirs, successors and assigns, and shall inure to the benefit of and may be enforced by the successors and assigns of LAWA or by any party to whom LAWA's interest in the Agreement or any part thereof, including the fees, may be assigned. Wherever in this Guaranty reference is made to either LAWA or Contractor, the same shall be deemed to refer also to the then successor or assign of LAWA or Contractor.

5. Guarantor hereby expressly waives and releases (a) notice of the acceptance of this Guaranty and notice of any change in Contractor's financial condition; (b) the right to interpose any substantive or procedural defense of the law of guaranty, indemnification or suretyship, except the defenses of prior payment or prior performance (whether before or during any applicable notice and grace periods) by Contractor (of the obligations which Guarantor is called upon to pay or perform under this Guaranty); (c) all rights and remedies accorded by applicable law to guarantors or sureties, including, without limitation, any extension of time conferred by any law now or hereafter in effect; (d) the right to trial by jury, in any action or proceeding of any kind arising on, under, out of, or by reason of or relating, in any way, to this Guaranty or the interpretation, breach or enforcement thereof; (e) the right to interpose any defense (except as allowed under (b) above), set off or counterclaim of any nature or description in any action or proceeding; and (f) any right or claim of right to cause a marshalling of Contractor's assets or to cause LAWA to proceed against Contractor and/or any collateral held by LAWA at any time or in any particular order. Guarantor hereby agrees that this Guaranty constitutes a written consent to waiver of trial by jury pursuant to the provisions of California Code of Civil Procedure Section 631, and Guarantor does hereby constitute and appoint LAWA its true and lawful attorney-in-fact, which appointment is coupled with an interest, and Guarantor does hereby authorize and empower LAWA, in the name, place and stead of Guarantor, to file this Guaranty with the clerk or judge of any court of competent jurisdiction as a statutory written consent to waiver of trial by jury at LAWA's sole discretion.

6. Without limiting Guarantor's obligations elsewhere under this Guaranty, if Contractor, or Contractor's trustee, receiver or other officer with similar powers with respect to Contractor, rejects, disaffirms or otherwise terminates the Agreement pursuant to any bankruptcy, insolvency, reorganization, moratorium or any other law affecting creditors' rights generally, Guarantor shall automatically be deemed to have assumed, from and after the date such rejection, disaffirmance or other termination of the Agreement is deemed effective, all obligations and liabilities of Contractor under the Agreement to the same extent as if Guarantor had been originally named instead of Contractor as a party to the Agreement and the Agreement had never been so rejected, disaffirmed or otherwise terminated and shall be entitled to all benefits of Contractor under the Agreement. Guarantor, upon such assumption, shall be obligated to perform and observe all of the Covenants whether theretofore accrued or thereafter accruing, and Guarantor shall be subject to any rights or remedies of LAWA which may have theretofore accrued or which may thereafter accrue against Contractor on account of any default under the Agreement, notwithstanding that such defaults existed prior to the date Guarantor was deemed to have automatically assumed the Agreement or that such rights or remedies are unenforceable against Contractor by reason of such rejection, disaffirmance or other termination, provided that Guarantor shall have a reasonable time after such assumption to cure non-monetary defaults existing as of the date of such assumption. Guarantor shall confirm such assumption at

the request of LAWA upon or after such rejection, disaffirmance or other termination, but the failure to do so shall not affect such assumption. Guarantor, upon the assumption of the Agreement, shall have all of the rights of Permittee under the Agreement (to the extent permitted by law). Neither Guarantor's obligation to make payment in accordance with this Guaranty nor any remedy for the enforcement thereof shall be impaired, modified, changed, stayed, released or limited in any manner by any impairment, modification, change, release, limitation or stay of the liability of Contractor or its estate in bankruptcy or any remedy for the enforcement thereof, resulting from the operation of any present or future provision of the Bankruptcy Code of the United States or other statute or from the decision of any court in the world interpreting any of the same, and Guarantor shall be obligated under this Guaranty as if no such impairment, stay, modification, change, release or limitation had occurred.

7. This Guaranty and all rights, obligations and liabilities arising hereunder shall be construed according to the substantive laws of California without reference to choice of law principles. Any legal action, suit or proceeding against Guarantor with respect to this Guaranty shall be brought in Los Angeles, California.

8. Guarantor hereby waives any and all rights of subrogation (if any) which it may have against Contractor as a result of actions taken or amounts paid in connection with or relating to this Guaranty or to the Agreement.

9. Guarantor represents and warrants to LAWA that as of the date hereof:

(a) This Guaranty constitutes the legal, valid and binding obligation of Guarantor, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, and other laws affecting creditors' rights generally, to moratorium laws from time to time in effect and to general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law).

(b) No action, suit or proceeding is pending or, to the best of Guarantor's knowledge, threatened against Guarantor that would materially affect Guarantor's ability to fully perform its obligations under this Guaranty.

10. If LAWA shall be obligated by reason of any bankruptcy, insolvency or other legal proceeding to pay or repay to Contractor or to Guarantor or to any trustee, receiver or other representative of either of them, any amounts previously paid by Contractor or Guarantor pursuant to the Agreement or this Guaranty, Guarantor shall reimburse LAWA for any such payment or repayment and this Guaranty shall extend to the extent of such payment or repayment made by LAWA, except to the extent, if any, that such payment or repayment is prohibited by law or that such payment or repayment constitutes merely a reimbursement of any overpayment. LAWA shall not be required to litigate or otherwise dispute its obligation or make such payment or repayment if in good faith and on written advice of counsel reasonably acceptable to Guarantor, LAWA believes that such obligation exists.

11. LAWA and Guarantor shall each, not more than once per calendar year and within ten (10) business days following request by the other, execute, acknowledge and deliver

to the other a statement certifying that this Guaranty is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating such modifications) and that to the best of the certifying party's knowledge, Guarantor is not in default hereunder (or if there is such a default, describing such default in reasonable detail).

12. All remedies afforded to LAWA by reason of this Guaranty, the Original Guaranty, or the Agreement, or otherwise available at law or in equity, are separate and cumulative remedies, and it is stipulated that no one remedy, whether or not exercised by LAWA, shall be deemed to be in exclusion of any other remedy available to LAWA and shall not limit or prejudice any other legal or equitable remedy which LAWA may have.

13. If any term, covenant, condition or provision of this Guaranty or the application thereof to any circumstance or to Guarantor shall be invalid or unenforceable to any extent, the remaining terms, covenants, conditions and provisions of this Guaranty or the application thereof to any circumstances, or to Guarantor other than those as to which any term, covenant, condition or provision is held invalid or unenforceable, shall not be affected thereby and each remaining term, covenant, condition and provision of this Guaranty shall be valid and shall be enforceable to the fullest extent permitted by law.

14. Written notices to City hereunder shall be sent to the Chief Executive Officer of LAWA with a copy sent to the City Attorney of the City of Los Angeles and addressed to said parties at:

Chief Executive Officer  
Department of Airports  
1 World Way  
Post Office Box 92216  
Los Angeles, CA 90009-2216

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

or to such other address as these parties may designate by written notice to Guarantor.

Written notices to Guarantor hereunder shall be given by registered or certified mail, postage prepaid, and addressed to:

ABM Industries Incorporated  
4151 Ashford Dunwoody Road, Suite 600  
Atlanta, GA 30319  
Attention: Noah Becker, Assistant General Counsel  
Email: [Noah.becker@abm.com](mailto:Noah.becker@abm.com)  
Office Phone: 404-926-9549  
Mobile Phone: 470-889-3754  
VOIP: 376549

Authorized Signatory: Scott Flynn, Vice President

or to such other address as Guarantor may designate by written notice to City.

15. All notices, demands, and other communications which are required or may be permitted to be given to LAWA or Guarantor by the other hereunder shall be in writing and shall be sent by United States mail, postage prepaid, certified, or by personal delivery or nationally recognized overnight courier, addressed to the addresses set forth in this Guaranty, or to such other place as either party may from time to time designate in a notice to the other party given as provided herein. Copies of all notices and demands given to LAWA shall additionally be sent to LAWA's contract manager at the address specified in the Agreement, Section 14, herein, or at such other address as LAWA may specify in writing from time to time. Notice shall be deemed given upon actual receipt (or attempted delivery if delivery is refused), if personally delivered, or one (1) business day following deposit with a reputable overnight courier that provides a receipt, or on the third (3<sup>rd</sup>) day following deposit in the United States mail in the manner described above.

16. This Guaranty and any other document necessary for the consummation of the transaction contemplated by this Guaranty may be executed in counterparts, including counterparts that are manually executed and counterparts that are in the form of electronic records and are electronically executed. An electronic signature means a signature that is executed by symbol attached to or logically associate with a record and adopted by a party with the intent to sign such record, including facsimile or e-mail signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Guaranty and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called PDF format shall be legal and binding and shall have the same full force and effect as if a paper original of this Guaranty had been delivered that had been signed using a handwritten signature. All parties to this Guaranty (i) agree that an electronic signature, whether digital or encrypted, of a party to this Guaranty is intended to authenticate this writing and to have the same force and effect as a manual signature; (ii) intended to be bound by the signatures (whether original, faxed, or electronic) on any document sent or delivered by facsimile or electronic mail or other electronic means; (iii) are aware that the other party(ies) will rely on such signatures; and, (iv) hereby waive any defenses to the enforcement of the terms of this Guaranty based on the foregoing forms of signature. If this Guaranty has been executed by electronic signature, all parties executing this document are expressly consenting, under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and the California Uniform Electronic Transactions Act ("UETA") (California Civil Code §1633.1 et seq.), that a signature by fax, e-mail, or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

17. This Guaranty shall continue in full force and effect and Guarantor's liability hereunder shall continue notwithstanding the termination or earlier expiration of the se Agreement until the date that the Covenants have been fully performed.

(Signature page follows)

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the day and year first above written.

**APPROVED AS TO FORM:**

Michael N. Feuer,  
City Attorney

**CITY OF LOS ANGELES**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Chief Executive Officer  
Department of Airports

By: \_\_\_\_\_  
Deputy/Assistant City Attorney

ATTEST:

By: *D. Goldman*  
David Goldman (Sep 10, 2021 11:08 EDT)  
Signature

ABM Industries Incorporated, Guarantor

By: *Scott S. Flynn*  
Scott S. Flynn (Sep 10, 2021 10:49 EDT)  
Signature

David Goldman  
\_\_\_\_\_  
Print Name

Vice President & Deputy General Counsel  
\_\_\_\_\_  
Print Name and Title

ATTEST:

By: *Noah Becker*  
Noah Becker (Sep 10, 2021 10:30 EDT)  
Signature

ABM Aviation, Inc., Contractor

By: *D Scott Hutchison*  
Signature

Noah Becker  
\_\_\_\_\_  
Print Name

Senior Vice President, Operations  
\_\_\_\_\_  
Print Name and Title