

LICENSE AGREEMENT BETWEEN
THE UNITED STATES OF AMERICA
AND
CITY OF LONG BEACH
30760

THIS License Agreement (“LICENSE”) is made and entered into on this 1st day of November, 2007 (“Effective Date”) by and between the City of Long Beach, a municipal corporation, (“City”) and the United States of America, acting through the Transportation Security Administration (“TSA”), together referred to as the “Parties.”

1.0 AUTHORITY

1.1 The TSA enters into this LICENSE under the authority of the Aviation and Transportation Security Act of 2001 (“ATSA”), Pub. L. 107-71. Under the terms of ATSA, TSA is required to deploy federal security screeners, Federal Security Managers, federal security personnel, and federal law enforcement officers to conduct screening of all passengers, property, and baggage at all airports, and to establish a program to screen cargo and ensure perimeter access security at all such airports. In order to carry out this statutory mandate, it is necessary for TSA to use certain airport space and facilities defined under federal law as “necessary security checkpoints.” TSA has specific statutory authority under 49 U.S.C. §§ 106(m) and 114(m) to enter into this LICENSE.

1.2 City enters into this LICENSE under the authority of the minute order adopted by the City Council of the City of Long Beach at its meeting of May 15,2007.

2.0 PURPOSE

This LICENSE establishes TSA’s use of the security checkpoints TSA needs to conduct baggage and passenger screening under the requirements of ATSA and other applicable federal laws. In order to improve airport security in a manner that meets the requirements of ATSA, it is necessary for TSA to use existing checkpoint space, and, in some cases, to expand checkpoint space.

3.0 USE OF PROPERTY

3.1 City is the owner and operator of that certain airport known as Long Beach Airport, located in the county of Los Angeles, State of California, and having an address at 4100 Donald Douglas Drive, Long Beach, California **90808** (“Property”).

3.2 This LICENSE covers the use of space that TSA reasonably believes is necessary for passenger and baggage screening operations. The specific areas covered by this LICENSE (which are referred to herein as “Space”) are set out on the attached Exhibit 1. The Space may be expanded or altered, and Exhibit 1 amended accordingly, at the written request of TSA and upon the written approval of City, such approval not to be unreasonably withheld, conditioned or delayed. If City does not provide such approval, TSA may proceed pursuant to its legal authority to provide security at airport checkpoints. In addition, temporary additions to and deletions from the Space, or temporary adjustments thereto, may be made at the verbal request of the TSA. TSA’s use and occupancy of other areas at the Property, such as Federal Security Managers and staff offices, and other areas not deemed necessary checkpoint space, has been or will be obtained through a separate lease agreement between City and the U.S. General Services Administration, acting on behalf of TSA.

3.3 City hereby agrees that TSA has the right to use the Space to screen passengers and their property, baggage, and cargo. Such use shall include the right to establish and use security checkpoints, to place and operate screening equipment, and to perform such other activities and locate such other equipment as TSA deems necessary for TSA to perform its passenger and baggage screening function under federal law.

3.4 The ATSA authorizes TSA to acquire real property by purchase, lease, condemnation, or otherwise. This LICENSE shall not be considered a waiver of any rights that TSA may assert under ATSA with respect to the acquisition of property, nor with respect to TSA's authority to enter onto any Airport property to address security concerns; nor shall this LICENSE waive any rights that the City may assert in connection with such acquisition.

3.5 City provides the Space to TSA in "AS IS" condition as of the Effective Date of this LICENSE.

4.0 FEE

Pursuant to Section 511 of the Department of Homeland Security Appropriations Act, 2005, Pub. Law 108-334, 118 Stat. 1298 (October 18, 2004), City agrees to provide use of the Space at no cost to TSA as a part of its obligation to comply with a security program and in recognition of the benefits that TSA's security function provides to City, passengers and others entering airport property. City reserves the right to impose rental charges for the Space if federal law requires TSA to pay rent for checkpoint space in the future.

5.0 TERM

5.1 This LICENSE shall commence on the Effective Date and shall continue for one (1) year or so long as federal law requires TSA to perform screening functions at the Airport, whichever is sooner. On each anniversary of the Effective Date (the "Rollover Date"), the LICENSE shall be automatically renew unless terminated by either party and shall be amended to reflect changes in the costs associated with Sections 8 and 9 below.

5.2 Either **Party** may terminate this LICENSE on the Rollover Date by providing written notice to terminate the LICENSE. Such notification must be provided no later than sixty (60) days before the Rollover Date.

6.0 TSA'S OPERATIONAL ACTIVITIES AT AIRPORT

City agrees that TSA has the following rights and privileges with respect to the Space:

6.1. The right to use the Space in connection with its screening and security operations at the Property.

6.2. The right to install, operate, maintain, repair, remove, and store equipment necessary for TSA's operations within the Space. TSA agrees to give notice to City and coordinate their screening activities with City whenever possible. To the extent required under federal law, TSA's contractor will obtain all state and local permits required to perform any work under this paragraph.

6.3 The right of TSA employees, agents, and contractors to freely access and use the Space in connection with TSA's performance of its security operations at the Property.

6.4 City will provide TSA employee parking spaces according to its customary, non-discriminatory practices for employees of other governmental entities, including payment of applicable fees, if any. Such practices and fees shall be set out in a separate agreement between the Parties.

7.0 LIABILITY

TSA's liability for operations on the Property shall be in accordance with federal law. TSA, as an instrument of the federal government has sovereign immunity. However, under the Federal Tort Claims Act ("FTCA"), 28 C.F.R. pt 14 (2002), sovereign immunity is waived with respect to certain torts. Under the FTCA, airports, passengers and other aggrieved parties may pursue a claim against TSA for damage to or loss of property, or personal injury or death caused by the negligent or wrongful act or omission of an employee of TSA while acting within the scope of employment, under circumstances where the United States, if a private person, would be liable to the claimant in accordance with the law of the place where the act or omission occurred. The foregoing shall not be deemed to extend TSA's liability beyond that existing under the FTCA or to preclude TSA from using any defense available at law or equity.

8.0 UTILITIES AND SERVICES

8.1 TSA is responsible for its own telecommunications services. However, TSA may adhere to City's policy on Shared Tenant Services and utilize the telephone line service of the Shared Tenant Services System provided by City upon payment of any applicable charges.

8.2 TSA shall reimburse City for utility charges in accordance with Exhibit 2 attached to this LICENSE. TSA shall have the right to audit utility charges in accordance with the cost principles for state, local and Indian tribal governments contained in Office of Management and Budget Circular A-87, as revised.

8.3 TSA may pay any charges due under this LICENSE by electronic funds transfer, check, or other means. Any charges due under this LICENSE shall be due monthly and, to the extent appropriated funds are available, shall be paid within thirty (30) days of TSA's receipt of an invoice for the previous month's charges.

9.0 MAINTENANCE, REPAIR, AND OPERATION

9.1 City shall provide janitorial, cleaning services, and supplies as may be necessary or required in the operation and maintenance of the Space. TSA shall reimburse City for its pro-rata share of City's cost to provide such janitorial and cleaning services in accordance with Exhibit 3 attached to this LICENSE. Notwithstanding the foregoing, TSA may enter into contracts with third parties for janitorial and cleaning services, in which case, upon notice from TSA of having entered into such third party contract(s), City shall be relieved of its obligation to provide such services under this Section 9, and TSA shall be relieved of its obligation to reimburse City under this Section 9.

9.2 City will maintain and keep in good repair the Space, including electrical, plumbing, and HVAC systems. TSA agrees to coordinate with City so as to not overload the electrical, plumbing, or HVAC systems associated with the Space. TSA will not install or caused to be installed equipment or machinery that will place a load upon any floor exceeding the floor load per square foot area which such floor was designed to carry.

9.3 With the prior consent of TSA, such consent not to be unreasonably withheld, City may enter the Space used by TSA for the performance of City's obligations under federal law or other lawful purpose. Notwithstanding the foregoing, City will comply with all applicable federal security requirements (including badging and maintenance of sterile area) and will use its best efforts to minimize the disruption of TSA operations.

10.0 IMPROVEMENTS OR ALTERATIONS

10.1 TSA shall have the right to make such additions, improvements, modifications, revisions or other alterations within the Space as are necessary for required security operations at the Property. To the extent required under federal law, TSA's contractors will abide by state and local permitting requirements when making alterations

to the Space. City shall use its best efforts to support TSA in obtaining required permits in a timely fashion *so* as to minimize delay.

10.2 TSA shall, whenever possible, notify City in advance when any additions, improvements, modifications, revisions or other alterations to the Space are planned, and shall coordinate such alterations with City. In addition, upon completion, TSA will allow City to inspect the same and will provide an updated set of working drawings showing the current as-built condition of the Space. City will safeguard such as-built drawings from unauthorized access or disclosure as Sensitive Security Information in accordance with the requirements of 49 C.F.R. part 1520.

10.3 Any and all furniture and equipment or other personal property placed or installed within the Space by TSA shall, at TSA's option, remain personal property, notwithstanding the fact that it may be affixed or attached to the Space, and shall remain the property of TSA during the term of this LICENSE and, at TSA's option, be removable by TSA at any time from the Space.

11.0 GOVERNING LAW

Federal law governs this LICENSE. City shall comply with all federal, state and local laws applicable to City as owner of the Property. TSA will comply with all federal, state and local laws applicable to and enforceable against TSA under federal law, provided that nothing in this LICENSE shall be construed as a waiver of any sovereign immunity of the TSA. City is required by the terms of certain grant assurances entered into with the Federal Aviation Administration to include certain clauses in all contracts. TSA shall be bound by those clauses to the degree required by federal law.

12.0 DISPUTE RESOLUTION

When possible, disputes under this LICENSE shall be resolved through good faith discussions between the appropriate City representative and the Contracting Officer. If a dispute cannot be resolved through such discussions, the dispute shall be submitted to the Federal Aviation Administration's Office of Dispute Resolution for Acquisition ("ODRA"). ODRA acts on behalf of TSA, pursuant to a Memorandum of Agreement dated September 23, 2002, to manage TSA's dispute resolution process and to recommend decisions on matters concerning contract disputes. Judicial review, where available, will be in accordance with 49 U.S.C. 46110 and shall apply only to final agency decisions.

13.0 SUCCESSORS AND ASSIGNS BOUND BY COVENANTS

This LICENSE shall bind, and inure to the benefit of the parties and their respective heirs, executors, administrators, successors, and assigns.

14.0 SEVERABILITY

In the event any term, covenant, condition or provision of this LICENSE is held by any court or tribunal of competent jurisdiction to be invalid or in conflict with any law, rule, order or regulation of the Federal Aviation Administration or TSA, the invalidity of any such covenant, condition or provision shall in no way affect any other covenant, condition or provision herein contained.

15.0 NOTICES

Any notice, demand, request, consent, or approval that either Party may or is required to give the other, shall be in writing, and shall be either personally delivered or sent by first class mail, postage prepaid, addressed as follows:

To City:

AIRPORT DIRECTOR
LONG BEACH AIRPORT
4100 DONALD DOUGLAS DR.
LONG BEACH, CA 90808

with copy to:

Office of the City Attorney
333 West Ocean Blvd., 11th Floor
Long Beach, CA 90802

To TSA:

Contracting Officer
TSA - 25
601 South 12th Street
Arlington, VA 22202

with copy to:

Federal Security Director

16.0 INTEGRATED AGREEMENT

This LICENSE, upon execution, contains the entire agreement of the parties as to the Space, and no prior written or oral agreement, express or implied, shall be admissible to contradict the provisions of this LICENSE as to the terms of use of the Space. There may exist other agreements between the Parties as to other matters, which are not affected by this LICENSE and are not included within this integration clause.

17.0 WAIVER

No failure by either Party to insist upon the strict performance of any provision of this LICENSE or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial compensation (if applicable) or other performance by either Party during the continuance of any such breach shall constitute a waiver of any such breach of such provision.

IN WITNESS WHEREOF, the Parties have entered into this LICENSE by their duly authorized officers the day and year first above written.

APPROVED AS TO FORM AND RETURNED

3-31, 20-08

ROBERT E. SHANNON, City Attorney
By: [Signature]
RICHARD ANTHONY
DEPUTY CITY ATTORNEY

AIRPORT

CITY OF LONG BEACH

By: [Signature] Assistant City Manager

Name: Patrick H. West

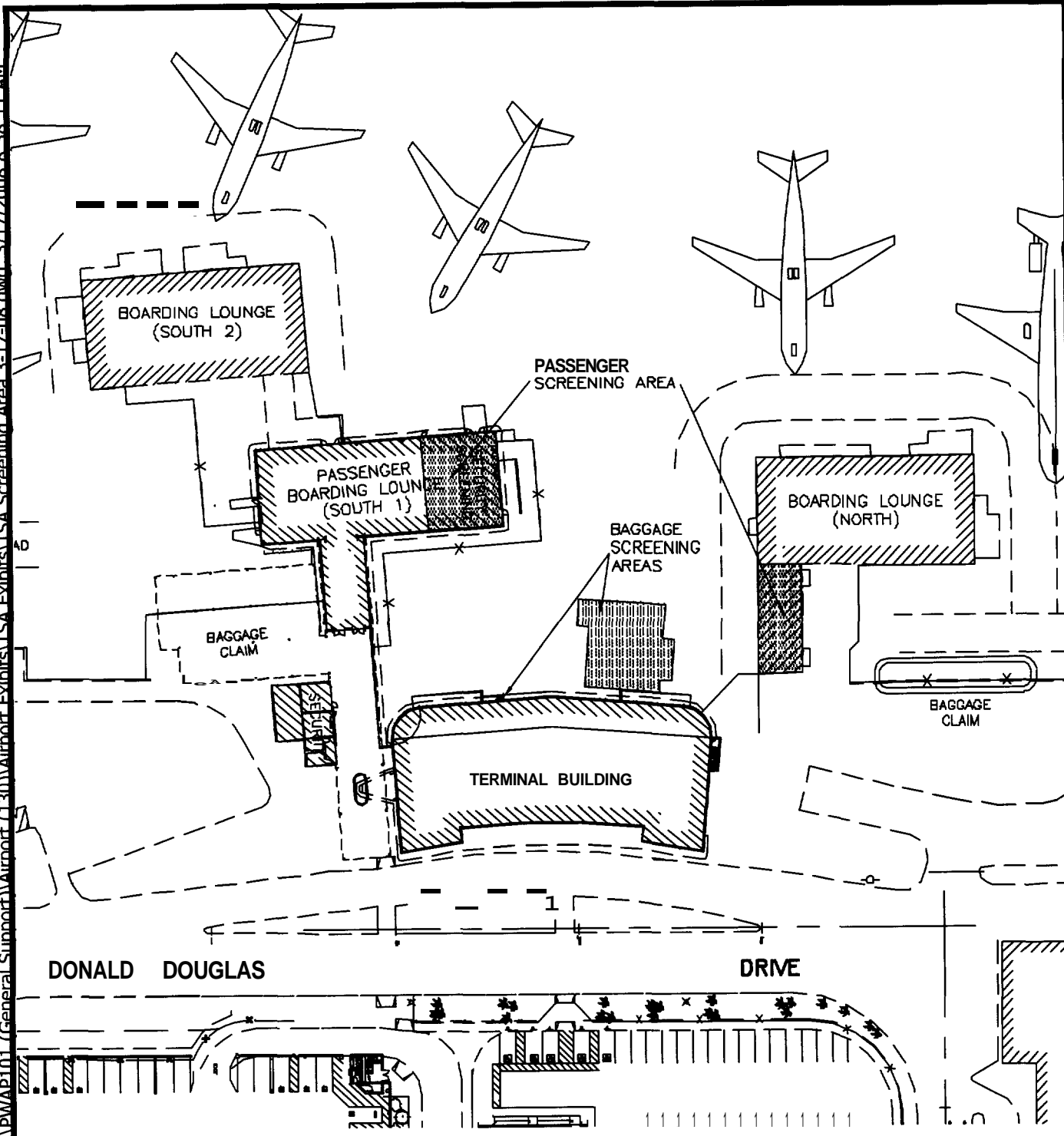
Its: City Manager

**EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER.**

TSA

By: [Signature]
Name: JAMES J. DAWSON
Contracting Officer

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02/05/2006 SCALE:NONE

CITY OF LONG BEACH - CALIFORNIA
LONG BEACH AIRPORT - CHRISTINE F. ANDERSEN, DIRECTOR

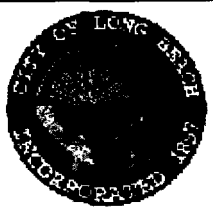


EXHIBIT 1
TRANSPORTATION SECURITY ADMINISTRATION
Passenger & Baggage Screening Operations

4100 DONALD DOUGLAS DRIVE LONG BEACH, CA 90808



Exhibit 2

Utility Rates

LGB	Equipment	Average Power (KW); Note 1	Hours per day of operation Note 2	KWH/Day;	Cost per KWH (\$) Note 5	Cost per day (\$)	Number of Machines	Total Cost per Day
<u>EID:</u>								
	Smiths Detection Ionscan (Barringer) outside	0.3	24	7.2	0.0900	\$0.65	11	7.13
	Smiths Detection Ionscan (Barringer) inside	0.3	24	7.2	0.0900	\$0.65	4	2.59
<u>X-Ray Equipment:</u>								
	Rapiscan 520B	1.15	17	19.55	0.0900	\$1.76	4	7.04
	Rapiscan 520B	1.15	14.5	16.675	0.0900	\$1.50	2	3.00
<u>WTMD Equipment:</u>								
	Metorex 200D	0.04	17	0.68	0.0900	\$0.06	2	0.12
	Metorex 200D	0.04	14.5	0.58	0.0900	\$0.05	1	0.05
	CEIA 02PN20	0.04	14.5	0.6	0.0900	\$0.05	1	0.05
<u>EIS:</u>								
	Invision CTX-5500	3.0	17	62.2	0.0900	5.6	3	16.80

Notes: All equipment operates on 115VAC.

Total Daily Cost	36.78
Annual cost	13426.20
Monthly cost	1118.85

Exhibit 3

Janitorial Costs

City agrees to perform or cause to be performed janitorial services generally consistent with the janitorial standards for space throughout the Property. TSA shall allow reasonable access for such janitorial service. TSA shall pay City a pro rata share for such janitorial services as charged to other Airport tenants currently at the rate of \$3.21 per square foot of licensed space per year. City shall have the unilateral right to increase the rates charged for such janitorial service upon not less than thirty (30) days' written notice to TSA. TSA reserves the right to terminate the services subject to such rate increase and procure these services from a third party.

SQUARE FOOTAGE OF TSA AREAS
(SEPTEMBER 2007)

South Boarding Lounge – **2448** Square Feet

North Boarding Lounge – **946** Square Feet

Baggage Screening Area – **2950** Square Feet