

1 [Settlement of Lawsuit]

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3 **Ordinance authorizing the settlement of the bankruptcy claim filed by the City and**
4 **County of San Francisco, acting by and through its Airport Commission against US**
5 **Airways, Inc., for the settlement of the unlitigated bankruptcy claim between the Airport**
6 **and the execution of future Airport leases with US Airways, Inc. with regard to In re:**
7 **US Airways, Inc. et al., Debtors, Case No. 04-12819 SSM, United States Bankruptcy**
8 **Court for the District of Virginia; and authorizing settlement of the lawsuit filed by the**
9 **City and County of San Francisco, acting by and through its Airport Commission**
10 **against US Airways, Inc., for payment to the Airport of environmental clean-up costs**
11 **and agreement of a percentage allocation for future clean-up costs with regard to City**
12 **and County of San Francisco v. ARCO et al., Case No. C-97-2965 MMC (N.D. Cal)**

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14 Be it ordained by the People of the City and County of San Francisco:

15 Section 1. The City Attorney is hereby authorized to settle the case with US Airways,
16 Inc. called In re: US Airways, Inc. et al., Debtors, Case No. 04-12819 SSM, United States
17 Bankruptcy Court for the District of Virginia and a related litigated claim with regard to City and
18 County of San Francisco v. ARCO et al., Case No. C-97-2965 MMC (N.D. Cal) on the terms
19 and conditions specified in that certain Settlement Agreement on file with Clerk of the Board
20 (file no. _____);

21 Section 2. The Settlement Agreement and the actions contemplated thereby are
22 hereby approved.

23 Section 3. The material terms of the Settlement Agreement include but are not
24 limited to US Airways, Inc. ("US Airways") payment to the San Francisco International
25 Airport ("Airport") of One Million Dollars (\$1,000,000.00) for the settlement of US Airways

1 rejection claim filed with the Bankruptcy Court; US Airways payment of Thirty-Two Thousand
2 One Hundred Eighty-Seven Dollars and Ninety-Six Cents (\$32,187.96) for past environmental
3 clean-up costs and agreement to assume future environmental clean-up costs; and US
4 Airways commitment to execute new Airport leases that include compliance with the City's
5 Nondiscrimination Ordinance.

6 Section 4. That the Airport Director be and hereby is authorized to take such other
7 actions as are necessary and appropriate in furtherance of this ordinance, including the
8 execution of agreement(s) and modifications contemplated by the Settlement Agreement,
9 provided such agreement(s) are approved as to form by the City Attorney.

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APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

RECOMMENDED:
San Francisco Airport Commission

By: _____
David Serrano Sewell
Deputy City Attorney

By: _____
John L. Martin
Airport Director

Resolution No. 07-0070
Adopted: March 20, 2007

Attest: _____
Secretary
Airport Commission