

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)**

13

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. 070631);

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.

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

RECOMMENDED:
San Francisco Airport Commission

12
13 By:



14 David Serrano Sewell
Deputy City Attorney

By:


15 John L. Martin
16 Airport Director

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

17 Attest:


18 Secretary
19 Airport Commission



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails

Ordinance

File Number: 070631

Date Passed:

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

June 19, 2007 Board of Supervisors — PASSED ON FIRST READING

Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Jew, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

June 26, 2007 Board of Supervisors — FINALLY PASSED

Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Jew, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

File No. 070631

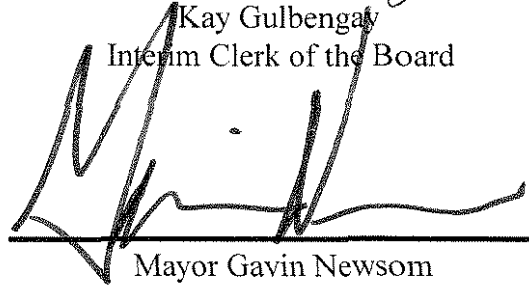
I hereby certify that the foregoing Ordinance was **FINALLY PASSED** on June 26, 2007 by the Board of Supervisors of the City and County of San Francisco.

JUL 03 2007

Date Approved



Kay Gulbengay
Interim Clerk of the Board



Mayor Gavin Newsom