



Los Angeles World Airports

August 24, 2009

City of Los Angeles City Council
200 North Spring Street
Room 395, City Hall
Los Angeles, California 90012

LAX

LA/Ontario

LA/Palmdale

Van Nuys

City of Los Angeles

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Gina Marie Lindsey
Executive Director

Re: Transmittal of the Los Angeles World Airports' Proposed Capital Improvement Program and Debt Accountability Report

Dear Committee Members:

Pursuant to Section 610 of the City Charter, Los Angeles World Airports is required to submit a Capital Improvement Plan and Debt Accountability Report every two years to the Mayor, City Council and Controller.

LAWA is pleased to submit for your consideration the attached Capital Improvement Program (CIP) which contains estimated capital expenditures for Fiscal Year 2009-10 and the Statement of Bonded Indebtedness (Debt Accountability). The Debt Accountability Report shows LAWA's Statement of Bonded Indebtedness for the Budget Fiscal Year 2009-10.

We look forward to discussing this information with the Council. If you have any questions or need further information regarding LAWA's Proposed Capital Expenditures and Debt Accountability Report, please contact Steve Martin, Chief Operating Officer at (424) 646-5040 or Ryan Yakubik, Director of Capital Development and Budget at (424) 646-5251.

Sincerely,

Gina Marie Lindsey
Executive Director

GML:MSA

Attachments

cc: Honorable Antonio R. Villaraigosa, Mayor
Honorable Janice Hahn, Councilmember, Fifteenth District
Honorable Bill Rosendahl, Councilmember, Eleventh District
Honorable Tom LaBonge, Councilmember, Fourth District
Honorable Wendy Greuel, City Controller
Steve Martin, LAWA
Wei Chi, LAWA

Los Angeles World Airports

ESTIMATED CAPITAL EXPENDITURES - FY2009-10

The expenditures listed below may be financed from the Airport Revenue Fund or special funds available to the Board of Airport Commissioners. These expenditures represent the estimated portion of the projects that may be implemented during FY2009-10.

| | FY2009-10 |
|--|--------------------|
| Estimated Capital Expenditures | |
| Air Freight 1 - Roof Renovation | 1,857 |
| Aircraft & Noise Monitoring & Management System (ANMMS)-LAX | 832 |
| Airfield Safety Improvements | 1,000 |
| Airport Operations Center (AOC) Facility | 1,000 |
| American Airlines Settlement/Relocation | 17,000 |
| AOA Perimeter Fence Replacement (World Way West) - Phase 3 | 16,486 |
| ARFF Station #80 Construction | 9,624 |
| Baggage Claim Devices Replacement (T3) | 500 |
| Bradley West Aprons | 8,950 |
| Bradley West Concourse | 87,862 |
| Bradley West Core | 50,550 |
| Bradley West Taxiway S | 31,278 |
| Bradley West Taxiway S - Assoc. | 4,363 |
| CCTV System Enhancement and Expansion | 1,558 |
| ConRac Planning & Definition | 1,896 |
| Construction Support Facilities | 9,470 |
| Crossfield Taxiway - Associated Projects | 1,010 |
| Crossfield Taxiway Project | 88,664 |
| CTA Expansion Joint Repair (Roadway and Parking) | 500 |
| CTA Utility Distribution | 4,376 |
| CUP - CUP- side Projects | 12,140 |
| CUP - Terminal - side Projects | 1,140 |
| Electrical Switchboard & Panelboard Replacements (T2, 3, 5, 6, 7/B) | 1,000 |
| Elevators & Escalators Replacement (Parking Structures & Terminals) | 44,000 |
| Enhanced Access Control Monitoring System (ACAMS) | 2,519 |
| GSE Quick Charging Stations Implementation (Pilot Program) | 748 |
| I-105 Ramp Improvements (CALTRANS) | 2,000 |
| IT Fiber Loop Backbone | 1,966 |
| IT Infrastructure Construction | 2,579 |
| Passenger Boarding Bridge (PBB) Replacement at Gate 64 | 1,500 |
| Passenger Boarding Bridges (PBB) Replacements & Extensions | 1,449 |
| Passenger Boarding Bridges Replacement (T1, T3, T6, Remotes) | 500 |
| Propeller Aircraft Aviation Center - Site Preparation (VNY) | 1,948 |
| Runway Status Light System | 1,803 |
| Security Airfield Access Posts Upgrade | 903 |
| Security Program - In-Line Baggage Screening System (ONT) | 1,240 |
| Security Program - In-Line Baggage Screening Systems (T3) - North | 46,705 |
| Seismic Retrofit of CTA Pedestrian and Vehicular Bridges | 1,000 |
| Sewer Line Replacement (T1, T6) | 500 |
| Southside Airfield Improvement Program - Airfield Intersection Improvements - Phase 2 | 12,705 |
| TBIT Interior Improvements Program - Interior Improvements & Baggage Screening Systems | 129,113 |
| Terminal Air Handling Units (AHU) Upgrades | 1,500 |
| Theme Building Restoration | 3,159 |
| Voice Over Internet Protocol | 3,521 |
| Wired & Wireless | 3,720 |
| | 618,233 |
| Estimated Noise Mitigation | |
| Noise Mitigation - City of Ontario | 12,881 |
| Noise Mitigation / LAX School Soundproofing Agreements | 11,500 |
| Noise Mitigation / Soundproofing (City of LA) | 11,000 |
| Noise Mitigation / Soundproofing (Other Jurisdictions) | 22,500 |
| | 57,881 |
| Estimated Property Acquisition | |
| 9851 S. Sepulveda Blvd (Park One Parking Lot) | 126,000 |
| Residential Acquisition & Relocation Program | 22,500 |
| | 148,500 |
| Total Estimated FY2009-10 Capital Expenditures | 824,615 |

LOS ANGELES WORLD AIRPORTS
STATEMENT OF BONDED INDEBTEDNESS
(DEBT ACCOUNTABILITY)
BUDGET FISCAL YEAR 2009-10

Under the Los Angeles City Charter Section 609(a) the Los Angeles World Airports (LAWA), as a Proprietary Department, is granted the power to borrow money and to issue bonds, refunding bonds, notes and other evidences of indebtedness for any lawful purpose payable from the revenues of LAWA operations, or from any other money lawfully available in the form and manner approved by the LAWA Board of Commissioners and adopted by Council through procedural ordinance. The table below summarizes the outstanding debt, projected issuances and debt service requirements for fiscal year 2009-10.

| Debt | Amount Authorized | Amount Issued As of 7/1/09 | Remaining Authorization | Amount Outstanding As of 7/1/09 | Projected Issuance/ Early Redemption FY2009-10 | Debt Service | |
|---|-------------------------|----------------------------|-------------------------|---------------------------------|--|----------------------|----------------------|
| | | | | | | Interest | Principal |
| Revenue Bonds: | | | | | | | |
| LAX Issue 2002, Series A | 32,450,000 | 32,450,000 | - | 32,450,000 | - | 1,624,633 | - |
| LAX Issue 2002, Series C-1 | 37,400,000 | 37,400,000 | - | 37,400,000 | (37,400,000) | 682,550 | - |
| LAX Issue 2002, Series C-2 | 20,000,000 | 20,000,000 | - | 20,000,000 | (20,000,000) | 365,000 | - |
| LAX Issue 2003, Series A | 23,700,000 | 23,700,000 | - | 23,700,000 | (23,700,000) | 456,225 | - |
| LAX Issue 2003, Series B | 103,625,000 | 103,625,000 | - | 71,340,000 | - | 3,548,850 | 12,395,000 |
| ONT Issue of 2006, Series A | 83,720,000 | 83,720,000 | - | 74,335,000 | - | 3,656,075 | 2,790,000 |
| ONT Issue of 2006, Series B | 6,435,000 | 6,435,000 | - | 5,720,000 | - | 316,392 | 210,000 |
| LAX Issue 2008, Series A | 602,075,000 | 602,075,000 | - | 602,075,000 | - | 32,225,700 | - |
| LAX Issue 2008, Series B | 7,875,000 | 7,875,000 | - | 7,280,000 | - | 364,000 | 1,070,000 |
| LAX Issue 2008, Series C | 243,350,000 | 243,350,000 | - | 240,150,000 | - | 11,755,149 | 4,225,000 |
| New Issues (Commercial Paper/Other Debt) | | | | | | | |
| Commercial Paper | 500,000,000 | 97,000,000 | 403,000,000 | 97,000,000 | - | - | - |
| New Debt Issues | - | - | - | - | (a) 1,600,000,000 | - | - |
| Total Bonded Indebtedness | \$ 1,660,630,000 | \$ 1,257,630,000 | \$ 403,000,000 | \$ 1,211,450,000 | \$ 1,518,900,000 | \$ 54,994,574 | \$ 20,690,000 |

(a) Estimate based current CIP assumptions and probability of prefunding future capital expenses under the terms of the ARRA