

BOARD OF PUBLIC WORKS  
MEMBERS

CYNTHIA M. RUIZ  
PRESIDENT

ANDREA A. ALARCÓN  
VICE PRESIDENT

PAULA A. DANIELS  
PRESIDENT PRO-TEMPORE

STEVEN T. NUTTER  
COMMISSIONER

VALERIE LYNNE SHAW  
COMMISSIONER

WILLIAM P. WEEKS  
EXECUTIVE OFFICER

CITY OF LOS ANGELES  
CALIFORNIA



ANTONIO R. VILLARAIGOSA  
MAYOR

JOHN L. REAMER, JR.  
Inspector of Public Works  
and  
Director

BUREAU OF  
CONTRACT ADMINISTRATION

1149 S. Broadway, Ste 300  
LOS ANGELES, CA 90015  
(213) 847-1922  
<http://www.lacity.org/bca>

**CERTIFIED MAIL**  
November 2, 2010

Mr. David Cotton  
Flying Food Group  
212 N. Sangamon  
Chicago, IL 60607

**RE: Living Wage Non-Coverage Determination for Flying Food Group Pacific, Inc.**

Dear Mr. Cotton,

The Office of Contract Compliance (OCC) has been designated by the City Council as the administrative agency responsible for monitoring and enforcing the Living Wage Ordinance (Los Angeles Administrative Code Section 10.37 et. seq.). The purpose of this notice is to inform you that our Office has made a determination to in regard to your non-coverage request dated October 1, 2010.

Our office has determined that employees of **Flying Food Group Pacific, Inc. (FFG)** are covered by the Living Wage Ordinance (LWO). Irrespective, of any previous or pending lease agreement(s) between FFG and the Los Angeles World Airports, the determining factor in denying your request for non-coverage is that FFG satisfies the definition of a "subcontractor" as defined in the LWO Section 10.37.1(n)(2) which states:

(n) **"Subcontractor"** means any person not an employee that enters into a contract (and that employs employees for such purpose) with

(1) a contractor or subcontractor to assist the contractor in performing a service contract or

(2) a contractor or subcontractor of a proprietary lessee or licensee or sublessee or sublicensee to perform or assist in performing services on the leased or licensed premises. Vendors, such as service contractors or subcontractors, of City financial assistance recipients shall not be regarded as subcontractors except to the extent provided in Subsection (i).\*

\*Technical correction due to re-lettering of subsections: "Subsection (f)" corrected to "Subsection (i)".

FFG provides in flight catering services to various airlines at LAWA a.k.a. LAX, in particular Air France, thereby satisfying the definition above. Additionally, Air France and other airlines, have a Public lease or license with the Los Angeles World Airport (LAWA) and consequently the airlines and their "subcontractors" are covered by the LWO as stipulated in Section 10.37.1(l) which states in part:

(l) "Public lease or license".

(a) Except as provided in (l)(b)\*, "Public lease or license" means a lease or license of City property on which services are rendered by employees of the public lessee or licensee or sublessee or sublicensee, or of a contractor or subcontractor, but only where any of the following applies:

\*Technical correction due to re-lettering of subsections: "(i)(b)" corrected to "(l)(b)".

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

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

(3) The DAA has determined in writing that coverage would further the proprietary interests of the City.

As stated in your October 1, 2010 letter, you indicate that since 2005 FFG has understood that the LWO requirements were not applicable to your operations. This Office acknowledges that the LWO was not applicable to FFG employees in 2005. Further, this Office affirms that FFG employees were not subject to the LWO requirements prior to May 1, 2010 because none of the criteria stipulated in the definition of Public Lease or License had been satisfied. However, as you are aware, on February 26, 2010, this Office issued a determination of coverage letter affecting all industry-specific services to or for the Los Angeles World Airport (LAWA). The determination whether the LWO applies rests on meeting any one of the two key factors; 1.) the work directly impacts the public's perception of services rendered to them by Airport Employers at LAWA and 2.) the positions are critical in maintaining a secure transportation complex. The determination listed a number of job classifications this Office had initially identified and expressly stated that the list was not all inclusive.

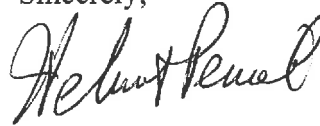
Your letter also stated that your business or employees are covered by the definition of "industry-specific" airport employees. However, you failed to support your position and did not offer an opinion as to why your company believes that factors one and/or two are not satisfied. Absent a position to the contrary, this Office has determined that the in-flight catering services provided by FFG to the airlines is industry-specific because it satisfies both of the aforementioned factors. The work FFG employees perform directly impacts the public's perception of the food services rendered to them and FFG employees play a significant role in

maintaining a secure transportation complex because of their potential accessibility to secure areas such as the tarmac and runways.

If and when a public lease agreement is executed between FFG and LAWA to occupy the premises located at 6751 Imperial Highway, FFG will become subject to the provisions of the LWO as Public Lessee.

We believe that we have clearly established our position and if you have any questions, please contact Faye Serafin at (213) 847-2643.

Sincerely,

A handwritten signature in black ink, appearing to read "Helmut Peindl". The signature is written in a cursive style with a large, prominent initial "H".

Helmut Peindl,  
EEOE Supervisor  
Bureau of Contract Administration