

RESOLUTION NO. 28351

WHEREAS, Los Angeles World Airports management presents for approval, First Amendment to License Agreement LAA-8972 with Shell California Pipeline Company LLC to extend the term by ten (10) years, covering pipeline facilities at Los Angeles International Airport; and

WHEREAS, Shell California Pipeline Company LLC (Shell) operates a large network of oil pipelines throughout California. At Los Angeles International Airport (LAX), the pipelines provide Jet-A aviation fuel and other fuels that are needed by commercial and private aircraft. Shell currently occupies 25,671 square feet for all four pipeline locations at LAX, with the pipeline feeding the tank farm license being the largest of the four pipelines. Some of the pipelines are part of Shell's pipeline network and simply run through Los Angeles World Airports (LAWA) property; and

LAX

Van Nuys

City of Los Angeles

Karen Bass
Mayor

Board of Airport
Commissioners

Matthew M. Johnson
President

Vanessa Aramayo
Vice President

Courtney La Bau
Victor Naro
Nicholas P. Roxborough
Valeria C. Velasco

John Ackerman
Chief Executive Officer

WHEREAS, the Amendment will allow Shell to provide jet and other fuels at LAX for use by commercial and private aircraft and allow Shell's underground pipeline right of way to facilitate the continuity of its area-wide pipeline network; and

WHEREAS, the Amendment aims to extend the term of the license agreement, which is set to expire in July 2026. Additionally, it will reflect the new layout of the relocated pipelines, requested by LAWA as part of the Airfield and Terminal Modernization Project (ATMP) – Roadways Project, located near West Century Boulevard. Shell has cooperated with LAWA to relocate and remove the pipelines per the terms of its license agreement and has cooperated with the project team of ATMP Roadways to relocate and remove pipelines in the project path at no cost to LAWA; and

WHEREAS, LAWA will maintain current key elements of the license agreement, such as:

- The right to require Shell to relocate, remove and install pipelines as required by LAWA at the expense of Shell.
- Pipeline appurtenances will be removed at Shell's expense.
- LAWA may require Shell to remove and decommission pipelines at the end of the term at Shell's sole expense.
- Shell will not cause disruption to LAX operations; and
- Should the License Agreement not be renewed, LAWA will not assume any responsibility associated with the Shell pipelines and Shell will be responsible for the removal, relocation, and/or any required remediation resulting from any clean-up required by Shell; and

WHEREAS, without the Amendment, fuel delivery to LAXFuel, which provides fueling services for domestic, international, and cargo airlines, could be significantly affected. Furthermore, such situation would also impact the transportation of crude oil from Ventura County to Chevron's Refinery in El Segundo; and

WHEREAS, the Amendment will generate \$89,079.77 in the first year, with increases in rent per the Consumer Price Index as of July 1 on each additional year for a total of approximately \$473,000 in the first five years, except for the year in which a reset of rental rates occurs. In the fifth year, a rental rate reset occurs, LAWA will determine the new fair market rental rates by procuring an appraisal, which will set the new fair market pipeline rental rates for the last five years of the ten-year term. The estimated income over the next ten years is approximately \$1,094,00; and



WHEREAS, actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 606;

NOW, THEREFORE, BE IT RESOLVED that the Board of Airport Commissioners hereby adopts the staff report; further adopts staff's determination that the requested action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines; approves the First Amendment to License Agreement LAA-8972 with Shell California Pipeline Company LLC to extend the term by ten (10) years, covering pipeline facilities at Los Angeles International Airport; and authorizes the Chief Executive Officer, or designee, to execute said First Amendment to License Agreement LAA-8972 with Shell California Pipeline Company LLC subject to approval by the Los Angeles City Council and approval as to form by the City Attorney.

o0o

I hereby certify that this Resolution No. 28351 is true and correct, as adopted by the Board of Airport Commissioners at its Special Meeting held on Thursday, April 23, 2026.



Grace Miguel – Secretary
BOARD OF AIRPORT COMMISSIONERS