



News Release

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BOB HOPE AIRPORT CONTESTS DESIGNATION AS “POTENTIALLY RESPONSIBLE PARTY” BY U.S. ENVIRONMENTAL PROTECTION AGENCY FOR LOCKHEED GROUNDWATER CLEANUP COSTS

*Airport Authority Files Suit to Compel Lockheed
to Honor Commitment to Defend Authority in EPA Action*

BURBANK, Calif., July 13, 2010 — The Burbank-Glendale-Pasadena Airport Authority, owner and operator of Bob Hope Airport, is vigorously contesting a recent action by the U.S. Environmental Protection Agency (EPA) naming the Authority as a “potentially responsible party” for costs of ongoing groundwater cleanup beneath the Airport. The Authority originally purchased the Airport from Lockheed Corporation in 1978 and acquired additional parcels of property from Lockheed in subsequent years.

The Authority received notice on July 6 that it was being directed by the EPA to help pay part of a \$108 million cleanup of contaminated groundwater that was polluted by Lockheed and other firms through decades of aircraft manufacturing on and near the Airport. EPA’s July letter asserts that the Authority is a “potentially responsible party,” but does not detail the basis for that assertion.

(more)

AIRPORT CONTESTS EPA ACTION

7/13/10

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“The Airport does not believe that it has contributed in any way to the contamination of the groundwater,” said Dan Feger, Executive Director of Bob Hope Airport. “We are disappointed that EPA is apparently seeking to partially shift responsibility for cleanup from Lockheed, a financially solvent company that is directly responsible for the contamination, to the passengers and tenants using the Bob Hope Airport, a publicly owned facility that did not contribute to the problem,” he added.

“The costs of this cleanup that the Airport may be forced to pay could result in increased parking rates, increased concession fees, and increased rents that will ultimately be shouldered by the travelling public,” Feger said.

Lockheed made a contractual commitment when it sold the Airport in 1978 to defend and indemnify the Airport Authority from any damages caused by Lockheed’s prior operations on the property. The Airport Authority has filed suit in federal court to compel Lockheed to honor its contractual agreement and defend the Authority against the EPA action.