



April 24, 2014

The Honorable Jim Frazier  
State Capitol, Room 3091  
Sacramento, CA 95814

**RE: AB 2471 as Amended April 7, 2014 – OPPOSE**

Dear Assembly Member Frazier:

On behalf of the California Airports Council (CAC), we write to inform you of our opposition to AB 2471, which addresses public contracts. This measure was introduced to ensure the timely payment of contractors and we sincerely agree with the validity of this issue. Unfortunately, the mandates of this bill would create inflexible deadlines for our airports and we must oppose.

The CAC comprises the 34 commercial service airports throughout the state, serving over 170 million passengers annually. It also consists of two of the nation's ten largest airports, Los Angeles International and San Francisco International.

AB 2471 would require public entities, such as airports, to issue change orders no later than 30 days after modifications are required. Due to the size and scope of airport operations, terminal and airfield construction can result in a surplus of change orders that can significantly increase project costs. To assess and prevent unwarranted expenditures, change orders must adhere to an approval process with the city or county Board of Supervisors, which generally takes longer than 30 days. There are multiple factors involved to execute a successful change order, including timeliness, accuracy, and adherence to local government process. Moreover, an airport project change order could itself be a weeks or months-long job. Placing a one-size fits all time limit for payment on change order on projects of this size is not realistic.

For the reasons mentioned above the CAC opposes AB 2471. We respectfully urge your reconsideration of this measure.

Sincerely,

A handwritten signature in black ink that reads "Jim Lites". The signature is stylized and fluid, with a large loop at the end.

Jim Lites  
Executive Director

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