



June 1, 2017

CALL AND NOTICE OF A REGULAR MEETING OF THE
LEGAL, GOVERNMENT AND ENVIRONMENTAL AFFAIRS COMMITTEE
OF THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTICE is hereby given that a regular meeting of the Legal, Government and Environmental Affairs Committee will be held Monday, June 5, 2017, at 10:30 a.m., (or immediately following the special Commission meeting), in the Burbank Room of Hollywood Burbank Airport, 2627 Hollywood Way, Burbank, California 91505.

Terri Williams, Board Secretary
Burbank-Glendale-Pasadena Airport Authority

REGULAR MEETING
OF THE
LEGAL, GOVERNMENT AND ENVIRONMENTAL AFFAIRS COMMITTEE

Burbank Room
Monday, June 5, 2017
10:30 A.M. or Immediately Following
the Conclusion of the
Airport Authority Meeting

NOTE TO THE PUBLIC: Any disclosable public records related to an open session item on a special meeting agenda and distributed by the Authority to the Commission less than 72 hours prior to that meeting are available for public inspection at Hollywood Burbank Airport (2627 Hollywood Way, Burbank) in the administrative office during normal business hours.

As a result of the convening of this meeting of the Legal, Government and Environmental Affairs Committee, each Committee member is entitled to receive and shall be provided \$200.

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In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the Board Secretary at (818) 840-8840 at least 48 hours prior to the meeting.

AGENDA

1. Approval of Agenda
2. Public Comment
3. Approval of Minutes
 - a. March 20, 2017 [See page 1]
 - b. May 15, 2017 [See page 4]

4. Contracts and Leases

a. Award of Professional Services Agreement to
Arnold & Associates for Legislative Representation Services Contract

- Staff Report Attached

[See page 6]

Staff seeks a Legal, Government and Environmental Affairs Committee recommendation to the Commission for award of a three-year professional services agreement to Michael J. Arnold & Associates for legislative representation services in Sacramento. The proposed contract will retain the current compensation rate of \$8,000 per month plus expenses.

5. Adjournment

Subject to Approval

**MINUTES OF THE REGULAR MEETING OF THE
LEGAL, GOVERNMENT AND ENVIRONMENTAL AFFAIRS COMMITTEE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**

MONDAY, MARCH 20, 2017

A regular meeting of the Burbank-Glendale-Pasadena Airport Legal, Government and Environmental Affairs Committee was called to order on this date in the Burbank Room of the Airport Authority, 2627 Hollywood Way, Burbank, California, at 9:25 a.m., by Chairman Wiggins.

AB 23 Disclosure: The Assistant Board Secretary announced that, as a result of the convening of this meeting of the Legal, Government and Environmental Affairs Committee, each Committee member is entitled to receive and shall be provided \$200.

ROLL CALL

Present: Commissioners Wiggins and Madison

Absent: Commissioner Quintero

Also Present: Staff: John Hatanaka, Senior Deputy Executive Director; Mark Hardyment, Director, Government and Environmental Affairs; Lucy Burghdorf, Director of Public Affairs and Communications; Maggie Martinez, Manager, Noise and Environmental Compliance; Dan Feger, Director, Development Services

Airport Authority Counsel: Terence R. Boga of Richards, Watson and Gershon

1. Approval of Agenda The agenda was approved (2-0; one absent) as presented.

2. Public Comment There were no public speakers.

3. Approval of Minutes
a. February 6, 2017 The minutes of the February 6, 2017, meeting were approved (2-0; one absent) as submitted by Staff.

4. Contracts and Leases

a. Annual Review and Adjustment of Noise Violation Fines

The Airport Authority's Resolution No. 382 requires an annual review and adjustment of noise violation fines. This adjustment is based on year-over-year increases in the Consumer Price Index ("CPI") for the month of January. The January 2016 CPI for All Urban Consumers in the area of Los Angeles, Riverside, and Orange Counties was 252.37 according to U.S. Bureau of Labor Standards. This level represents an approximate increase of 2.11% when compared to the January 2016 index reading of 247.15. Accordingly, Staff recommended that the Committee recommend to the full Commission increases to the current Rules 8 and 9 violation fines by 2.11% effective April 1, 2017, as follows: Rule 8, first violation, increase from \$1,427 to \$1,457; Rule 8, subsequent violations, increase from \$2,073 to \$2,116; and Rule 9, each violation, increase from \$4,149 to \$4,236. Commissioner Wiggins suggested that this item move to the Commissions Consent Calendar.

Motion

Commissioner Wiggins moved approval of Staff's recommendation, seconded by Commissioner Madison.

Motion Approved

There being no objection, the motion was approved (2-0; one absent).

b. Environmental Impact Statement MOU with FAA

Staff recommended that the Committee recommend to the Commission approval of the proposed Memorandum Of Understanding ("MOU") with the Federal Aviation Administration ("FAA") to provide the framework in which the FAA will prepare an Environmental Impact Statement ("EIS") for the Replacement Passenger Terminal project for the Airport. Staff answered questions regarding the selection of the contractor who oversees the preparation of the EIS, reimbursement of funds to the Authority for the expenditures associated with the program and what role the Authority plays in the process along with FAA policy changes regarding the program. Staff further discussed ways that the process may be expedited and still meet the requirements of the law and get full community involvement.

Motion

Commissioner Wiggins moved approval of Staff's recommendation; Commissioner Madison seconded the motion.

Motion Approved

The motion was approved (2-0; one absent).

5. Items for Information

**a. Empire Avenue Metrolink
Station Maintenance Update**

Staff updated the Committee regarding the maintenance condition of the Empire Avenue Metrolink Station and the parties responsible for the station. Staff advised the Committee of the lack of attention to the station in photographic detail and took steps to rectify the immediate situation. Staff will confirm the party responsible for the ongoing operation maintenance of the station and will advise the Committee with any updates.

6. Adjournment

There being no further business, the meeting was adjourned at 9:40 a.m.

Subject to Approval

**MINUTES OF THE REGULAR MEETING OF THE
LEGAL, GOVERNMENT AND ENVIRONMENTAL AFFAIRS COMMITTEE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**

MONDAY, MAY 15, 2017

A regular meeting of the Burbank-Glendale-Pasadena Airport Legal, Government and Environmental Affairs Committee was called to order on this date in the Burbank Room of the Airport Authority, 2627 Hollywood Way, Burbank, California, at 10:45 a.m., by Chairman Wiggins.

AB 23 Disclosure: The Assistant Board Secretary announced that, as a result of the convening of this meeting of the Legal, Government and Environmental Affairs Committee, each Committee member is entitled to receive and shall be provided \$200.

ROLL CALL

Present: Commissioners Wiggins and Quintero

Absent: Commissioner Madison

Also Present: Staff: Frank Miller, Executive Director;
Mark Hardymont, Director, Government and
Environmental Affairs

Airport Authority Counsel: Terence R. Boga of
Richards, Watson and Gershon

Airport Authority Legislative Consultants (via
teleconference): Michael J. Arnold and Kristian Foy,
Arnold and Associates

1. Approval of Agenda The agenda was approved (2-0, one absent) as presented.

2. Public Comment There were no public speakers.

3. Approval of Minutes
a. March 20, 2017 Draft minutes of the March 20, 2017, Legal, Government and Environmental Affairs Committee were presented for approval. Commissioner Quintero abstained from commenting on the minutes as he did not attend that meeting. The minutes were held over until the next meeting due to a lack of quorum.

b. May 1, 2017

The minutes of the May 1, 2017, meeting were approved (2-0, one absent) as submitted by Staff.

4. Items for Discussion

a. California Legislative Update

Via teleconference Kristian Foy and Michael J. Arnold of Arnold & Associates, the Authority's Sacramento legislative consultants, updated the Committee on airport related legislative issues which they have been monitoring and answered various questions from the Committee.

5. Adjournment

There being no further business, the meeting was adjourned at 11:10 a.m.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
LEGAL, GOVERNMENT AND ENVIRONMENTAL AFFAIRS COMMITTEE
JUNE 5, 2017**

**ARNOLD AND ASSOCIATES
LEGISLATIVE REPRESENTATION SERVICES CONTRACT**

SUMMARY

Staff seeks a Legal, Government and Environmental Affairs Committee ("Committee") recommendation to the Commission for award of a three-year professional services agreement to Arnold and Associates ("Arnold") for legislative representation services in Sacramento. The proposed contract will retain the current compensation rate of \$8,000 per month plus expenses.

BACKGROUND

Arnold has provided legislative representation services in Sacramento for the Authority since 2002. The two principals at Arnold are Michael Arnold and Kristian Foy, and they bring over 65 years of combined experience to their practice of representing local governments in Sacramento. The firm has additional staff and the ability to retain outside services if needed.

Arnold was chosen through a competitive proposal selection process. Until 2014, the Authority reviewed and renewed the agreement with Arnold on an annual basis. In 2014, the Authority and Arnold executed a three-year professional services agreement with compensation set at a monthly flat fee plus expenses. That contract had a fee of \$7,000 per month in the first year and \$8,000 per month for the remaining two years. Immediately prior to that contract, Arnold's monthly fee was \$4,000 in Fiscal Year 2012, \$5,000 in Fiscal Year 2013, and \$6,000 in Fiscal Year 2014.

Staff has negotiated with Arnold a proposed new professional services agreement covering current services for a three-year term, and Arnold has proposed to continue the existing compensation rate (\$8,000 per month flat fee plus expenses) for the duration of the new contract. Monthly expenses, if any, have generally totaled between \$90 and \$100. The new agreement would be effective July 1, 2017, and would run through June 30, 2020, subject to termination for convenience by either party with 15 days notice. A copy of Arnold's proposal and a copy of the new professional services agreement signed by Arnold are attached.

During the past three years, there has been increasing volume of proposed legislation affecting airports in the state as well as legislation which specifically involved the Hollywood Burbank Airport that has required activity and support by Arnold. Efforts by the California Airports Council ("CAC"), while effective, are required to be balanced for all of the group's members. In a number of situations, Arnold's immediate representation achieved positive results by ensuring that the Authority's unique concerns and needs were presented to the Legislature.

Arnold routinely helps identify proposed bills of interest to the Authority at the start of the legislative year and tracks proposed legislation throughout the process. Arnold periodically briefs the Committee and will assist the Authority's new Senior Director of Government and Public Affairs with communications with members of state government, the CAC, and the legislative representatives of other airports and the aviation industry group Airlines for America. The firm's familiarity with state lawmakers, state staff, state agencies and other legislative representatives has

permitted constructive involvement in numerous issues, including:

- Extension and amendment of the Customer Facility Charge ("CFC") legislation, which provided flexibility for the permitted use of CFC revenue from rental car transactions used to finance bonds for construction of the Regional Intermodal Transportation Center;
- Reduction of CFC revenue auditing expense and oversight by the State Controller;
- Amendment of the proposed new countywide system for taxi regulation, which will ensure that the Authority retains the ability to regulate taxis at Hollywood Burbank Airport; and
- Amendment of the bill concerning airport facilities for nursing mothers to remove onerous provisions originally proposed in the measure and to provide flexibility to facilitate compliance.

In addition, Arnold has been a consistent voice for the Authority when bills affecting joint powers agencies are introduced, ensuring there is no adverse impact on the Authority. Arnold also works in tandem with the CAC to promote a broad-based aviation presence in the Capitol.

FUNDING

Subject to the approval of the Commission, the proposed FY 2017/2018 budget includes an appropriation covering the expense for this line item. If the proposed agreement is approved, funding for the second and third years of the agreement will be requested in subsequent budgets.

RECOMMENDATION

Staff recommends that the Committee recommend to the Commission award of a three-year professional services agreement to Arnold for legislative representation services in Sacramento

PROFESSIONAL SERVICES AGREEMENT

(Burbank-Glendale-Pasadena Airport Authority/Michael J. Arnold & Associates)

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is dated June 5, 2017 for reference purposes and is executed by the Burbank-Glendale-Pasadena Airport Authority ("Authority"), a California joint powers agency, and Michael J. Arnold & Associates ("Consultant"), a California corporation ("Consultant").

RECITALS

A. The Authority owns and operates the Bob Hope Airport (commonly known as Hollywood Burbank Airport) ("Airport") and desires to retain Consultant as an independent contractor to provide the following professional services: legislative representation services.

B. Consultant represents that it is fully qualified to perform such work by virtue of the training and experience of its personnel.

NOW, THEREFORE, the parties agree as follows:

1. **Definitions.** In addition to the terms defined above, the following definitions shall apply for purposes of this Agreement:

A. "Commencement Date": July 1, 2017.

B. "Contract Administrator": Sarah Paulson-Sheehy or a duly authorized designee.

C. "Executive Director": Frank R. Miller or a duly authorized designee.

D. "Expiration Date": June 30, 2020.

E. "Federal Requirements": the federal requirements set forth in the attached Exhibit C, which requirements are applicable to projects not funded by an Airport Improvement Program grant from the Federal Aviation Administration.

F. "Indemnitees": the Authority, TBI Airport Management, Inc., the Cities of Burbank, Glendale and Pasadena, and the respective officers, agents, employees and volunteers of each such entity.

G. "Insurance Requirements": the insurance requirements set forth in the attached Exhibit B.

H. "Proposal": Consultant's May 22, 2017 proposal set forth in the attached Exhibit A.

I. "Services": legislative representation services, including legislation monitoring and advocacy, as generally described in the Proposal.

2. Services.

A. Consultant shall perform the Services in a timely, regular basis in accordance with the Authority's rules for the Airport, the Federal Requirements, and applicable laws. Time is of the essence in the performance of this Agreement.

B. Consultant shall perform all work to the highest professional standards and in a manner reasonably satisfactory to the Authority. Consultant shall consult the Contract Administrator for any decisions that must be made by the Authority. Consultant shall promptly notify the Contract Administrator of any unsafe condition that Consultant discovers at the Airport.

C. In the event any claim is brought against the Authority relating to Consultant's performance of the Services, Consultant shall provide any reasonable assistance and cooperation that the Authority might require.

3. Term.

A. This Agreement shall commence on the Commencement Date and shall expire on the Expiration Date unless earlier terminated.

B. If Consultant breaches this Agreement and fails to cure such breach within seven days of written notice from the Contract Administrator, then the Authority may immediately terminate this Agreement for cause. Either party may terminate this Agreement for convenience upon 15 days prior written notice to the other party.

4. Compensation.

A. The Authority shall compensate Consultant for performance of the Services, and Consultant agrees to accept as full satisfaction for such work, the sum of eight thousand dollars (\$8,000) per month. In addition, the Authority shall reimburse Consultant for documented expenses related to the Services.

B. Consultant shall submit monthly invoices to the Authority for the Services. Each invoice shall itemize the work performed during the billing period and the amount due. Within 10 business days of receipt of each invoice, the Authority shall notify Consultant in writing of any disputed amounts on the invoice. Within 30 calendar days of receipt of each invoice, the Authority shall pay all undisputed amounts on the invoice. The Authority shall not withhold applicable taxes or other authorized deductions from the payments, and Consultant shall pay all required taxes on the payments.

5. Independent Contractor Status. Consultant is, and shall at all times remain as to the Authority, an independent contractor. Consultant shall have no power to incur any debt, obligation, or liability on behalf of the Authority or to act otherwise on behalf of the Authority as

an agent. Neither the Authority nor any of its officers, employees, agents or volunteers shall have control over the conduct of Consultant except as set forth in this Agreement.

6. Work Product Ownership. All reports, documents, or other written material developed by Consultant in the performance of this Agreement shall be and remain the property of the Authority without limitation upon use or dissemination by the Authority.

7. Confidentiality. Consultant shall preserve the confidentiality of all nonpublic data, documents, discussion or other information that is developed or received by it in connection with this Agreement. Consultant shall not disclose such information without the prior written authorization of the Executive Director. Upon request, all Authority data shall be returned to the Authority at expiration or termination of this Agreement. Consultant's obligations under this section shall survive expiration or termination of this Agreement.

8. Conflict of Interest. Consultant shall not maintain or acquire any financial interest that may be affected by the Services. Consultant shall avoid the appearance of having any financial interest that would conflict in any manner with the Services.

9. Indemnification.

A. Consultant shall defend, hold harmless, and indemnify the Indemnitees from and against any actual, alleged, or threatened causes of action, claims, costs, damages, demands, expenses (including fees of accountants, attorneys, and other professionals), judgments, liens, losses, penalties, and proceedings of any nature whatsoever (collectively, "Liabilities") that arise out of the acts or omissions of Consultant or its subcontractors in connection with this Agreement.

B. Consultant's obligations under this section shall survive expiration or termination of this Agreement, and shall apply regardless of whether or not any insurance policies are determined to be applicable to the Liabilities.

C. Consultant's obligations under this section shall apply, without limitation, to Liabilities that partially involve active or passive negligence by the Authority. However, Consultant's obligations under this section shall not apply to Liabilities that arise from the sole negligence or willful misconduct of the Authority, as determined by final arbitration or court decision or by consensus of the parties.

10. Insurance. Without limiting Consultant's defense, hold harmless, and indemnification obligations under this Agreement, Consultant shall maintain policies of insurance as specified in the Insurance Requirements.

11. Suspension. The Contract Administrator may suspend all or any part of the Services for the Authority's convenience or for work stoppages beyond the control of the parties. Written notice of a suspension shall be given to Consultant.

12. **Notices.** Any notices, invoices, or other documents related to this Agreement shall be deemed received on: (a) the day of delivery, if delivered by hand during the receiving party's regular business hours or by e-mail or facsimile before or during the receiving party's regular business hours; (b) the business day after delivery, if delivered by e-mail or facsimile after the receiving party's regular business hours; or (c) on the second business day following deposit in the United States mail, postage prepaid, to the addresses listed below, or to such other addresses as the parties may, from time to time, designate in writing.

Authority
Burbank-Glendale-Pasadena Airport Authority
2627 Hollywood Way
Burbank, CA 91505
Attn: John T. Hatanaka
E-mail: JHATANAKA@bur.org
Fax: (818) 848-1173

Consultant
Michael J. Arnold & Associates, Inc.
1127 11th Street, Suite 820
Sacramento, CA 95814
Attn: Michael J. Arnold
E-mail: marnold@mjarnold.com
Fax: (916) 446-6095

13. **Assignability.** Consultant shall not assign, transfer or subcontract any interest in this Agreement or the performance of any of its obligations without the Executive Director's prior written consent. This prohibition is not intended to preclude, and shall not be interpreted as precluding, Consultant from utilizing subcontractors identified in Consultant's proposal for the Services. Any attempt by Consultant to assign, transfer or subcontract any rights, duties or obligations in violation of this prohibition shall be void.

14. **Litigation.** In the event that either party shall commence legal action to enforce or interpret this Agreement, the prevailing party shall be entitled to recover its costs of suit including reasonable attorneys' fees. The venue for litigation shall be Los Angeles County. The interpretation of this Agreement shall not be resolved by any rules of construction providing for interpretation against the party who causes the uncertainty to exist or against the party who drafted the disputed language.

15. **Exhibits.** Exhibits A through C are incorporated into this Agreement by reference. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of Exhibits A through B, the provisions of this Agreement shall prevail. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of Exhibit C, the provisions of Exhibit C shall prevail.

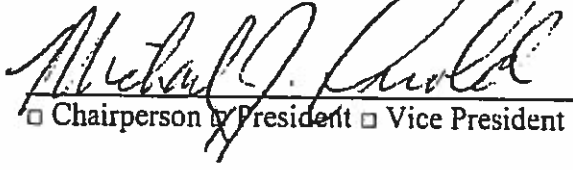
16. **Incorporation of Mandatory Language.** Each and every provision required by law to be inserted in this Agreement shall be deemed to be inserted and this Agreement shall be read and enforced as though such provision were included. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon request of either party this Agreement shall promptly be amended to make such insertion or correction.

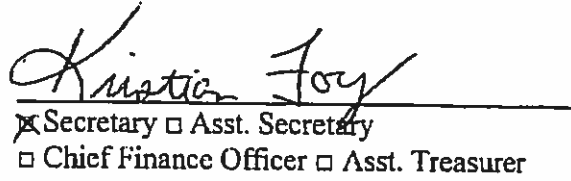
17. **Entire Agreement.** This Agreement (and the attached Exhibits) represents the entire and integrated contract between the parties regarding the Services. This Agreement supersedes all prior oral or written negotiations, representations and contracts related to the Services. This

Agreement may not be amended, nor any provision or breach waived, except in a writing that is signed by the parties and that expressly refers to this Agreement.

TO EXECUTE THIS AGREEMENT, the parties have caused their authorized representatives to sign below.

Michael J. Arnold & Associates, Inc.


 Chairperson President Vice President


 Secretary Asst. Secretary
 Chief Finance Officer Asst. Treasurer

[Pursuant to California Corporations Code Section 313, both signature lines must be executed unless the signatory holds at least one of the offices designated on each line.]

Burbank-Glendale-Pasadena Airport Authority

President

Approved as to form:

Richards, Watson & Gershon
A Professional Corporation

EXHIBIT A
Consultant Proposal

(attached)



Michael J. Arnold and Associates, Inc.

Legislative Advocates and Consultants

May 22, 2017

John Hatanaka, Senior Deputy Executive Director
Hollywood Burbank Airport
2627 Hollywood Way
Burbank, CA 91505-1096

Re: Proposal for Legislative Representation Services

Dear John:

I write pursuant to our telephonic conversation during which I offered to prepare a proposal governing the legislative representation services to be provided to Hollywood Burbank Airport by Arnold and Associates over the next three years. This correspondence will constitute that proposal.

Arnold and Associates proposes to Hollywood Burbank Airport that legislative representation services continue to be provided for the next three years beginning on July 1, 2017 and ending on June 30, 2020, for the current retainer amount. Arnold and Associates will continue to provide legislative representation services for Hollywood Burbank Airport during the term of this agreement and Hollywood Burbank will compensate Arnold and Associates \$8,000 per month, plus necessary expenses.

The terms of the contract will be: July 1, 2017 – June 30, 2020 at the rate of \$8,000 per month, plus necessary expenses.

Acceptance of this agreement by Hollywood Burbank Airport may be indicated via email response.

Thank you for your consideration of this proposal.

Sincerely,

Michael J. Arnold
President

Kristian E. Foy
Vice President

EXHIBIT B
Insurance Requirements

1. Consultant shall obtain, provide, and maintain policies of insurance as specified below.
 - A. **General Liability Insurance.** Consultant shall maintain commercial general liability insurance in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage.
 - B. **Automobile Liability Insurance.** Consultant shall maintain automobile insurance covering bodily injury and property damage for all activities of Consultant arising out of or in connection with the Services, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.
 - C. **Professional Liability (Errors and Omissions) Insurance.** Consultant shall maintain professional liability insurance that covers the Services in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the Commencement Date and Consultant shall maintain continuous coverage through a period of no less than three years after expiration or termination of this Agreement.
 - D. **Workers' Compensation/Employer's Liability Insurance.** Consultant shall maintain workers' compensation insurance (statutory limits) and employer's liability insurance with limits of at least \$1,000,000.
2. The insurance policy or policies shall contain, or shall be endorsed to contain, the following provisions:
 - A. General liability policies shall provide or be endorsed to provide: (i) that the Indemnitees shall be additional insureds; and (ii) a waiver of subrogation in favor of additional insureds. This provision shall also apply to any excess/umbrella liability policies.
 - B. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.
 - C. The coverage shall contain no special limitations on the scope of protection afforded to the Indemnitees.
 - D. For any claims related to this Agreement, Consultant's insurance coverage shall be primary insurance as respects the Indemnitees. Any insurance or self-insurance maintained by the Indemnitees shall be excess of Consultant's insurance and shall not contribute with it.

E. The limits of insurance may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of each Indemnitee before the Indemnitee's own insurance or self-insurance shall be called upon to protect it as a named insured.

F. Any failure to comply with reporting or other provisions of the policy, including breaches of warranties, shall not affect coverage provided to the Indemnitees.

G. Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

H. The policy shall be endorsed to state that coverage shall not be suspended, voided, cancelled by either party, or reduced in coverage or in limits except after 30 calendar days (10 calendar days in the event of non-payment of premium) prior written notice by certified mail, return receipt requested, has been given to the Authority.

I. Insurance is to be placed with insurers authorized to conduct business in the State of California with a minimum current A.M. Best's rating of no less than A:X, unless waived by the Contract Administrator. An exception to this standard will be made for the State Compensation Insurance Fund when not specifically rated.

J. Any deductibles or self-insured retentions must be declared to and approved by the Contract Administrator. At the option of the Contract Administrator, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Indemnitees, or Consultant shall provide a financial guarantee satisfactory to the Contract Administrator guaranteeing payment of losses and related investigations, claim administration and defense expenses.

K. The workers' compensation insurer agrees to waive all rights of subrogation against the Authority for injuries to employees of Consultant resulting from work for the Authority or use of the Airport.

3. Requirements of specific coverage features or limits are not intended as a limitation on coverage, limits, or other requirements, or as a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for clarification purposes only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If Consultant maintains higher limits than the minimum specified above, the Authority requires and shall be entitled to coverage for the higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Authority.

4. Consultant shall furnish to the Authority an original certificate or certificates of insurance and amendatory endorsements showing that required policies are in effect in the required amounts and, as to the workers' compensation insurance, with the required waiver of

subrogation. The certificates and endorsements must be received and approved by the Contract Administrator prior to commencement of work. The Authority reserves the right to require complete, certified copies of all required insurance policies at any time.

5. Consultant shall ensure that its subcontractors provide the same minimum insurance coverage and endorsements required of Consultant. Consultant shall monitor and review all such coverage, and Consultant assumes all responsibility for ensuring that such coverage is provided. Upon request, Consultant shall submit all subcontractor agreements to the Authority for review.

6. In the event any policy of insurance does not comply with these requirements or is cancelled and not replaced, the Authority has the right but not the duty to obtain the insurance it deems necessary. Any premium paid by the Authority in such event shall be promptly reimbursed by Consultant or the Authority shall withhold from its payments to Consultant an amount sufficient to pay that premium.

7. The Authority reserves the right at any time to change the amounts and types of required insurance by giving Consultant 90 days notice of such change. If such change results in substantial additional cost to Consultant, then the parties shall renegotiate Consultant's compensation.

EXHIBIT C
Non-AIP Project Federal Requirements

1. General Civil Rights Provisions

Consultant agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision binds Consultant and subtier contractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

2. Civil Rights – Title VI Assurance

During the performance of this contract, Consultant, for itself, its assignees, and successors in interest (hereinafter referred to as the "Consultant") agrees as follows:

A. **Compliance with Regulations:** Consultant will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

B. **Non-discrimination:** Consultant, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Consultant will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

C. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by Consultant for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by Consultant of Consultant's obligations under this contract and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.

D. **Information and Reports:** Consultant will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Authority or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts And Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, Consultant will so certify to the Authority or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

E. **Sanctions for Noncompliance:** In the event of Consultant's noncompliance with the Non-discrimination provisions of this contract, the Authority will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

1. Withholding payments to Consultant under the contract until Consultant complies; and/or
2. Cancelling, terminating, or suspending a contract, in whole or in part.

F. **Incorporation of Provisions:** Consultant will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. Consultant will take action with respect to any subcontract or procurement as the Authority or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if Consultant becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, Consultant may request the Authority to enter into any litigation to protect the interests of the Authority. In addition, Consultant may request the United States to enter into the litigation to protect the interests of the United States.

G. During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

1. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
2. 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
3. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
4. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
5. The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
6. Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);

7. The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

8. Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;

9. The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

10. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

11. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);

12. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

3. Federal Fair Labor Standards Act

All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Consultant has full responsibility to monitor compliance to the referenced statute or regulation. Consultant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

4. Occupational Safety and Health Act

All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. Consultant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Consultant retains full responsibility to monitor its compliance and its subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). Consultant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

Hollywood Burbank Airport Proposal Background

Arnold and Associates has greatly enjoyed representing the Hollywood Burbank Airport in Sacramento and hope to continue working with the airport well into future. The current retainer amount is \$8,000 per month, plus necessary expenses. Expenses generally run around \$100 per month – excluding those times when we travel for a meeting at the airport.

Legislative issues involving airports have grown significantly over the past few years. In addition, with the planning and construction for the replacement terminal we are certain that the number of unique legislative, administrative and budget issues here in Sacramento will continue to increase in number, complexity, and importance over the next few years. However, considering our interest in continuing our relationship with the airport we are proposing to leave our retainer at the current level. We are proposing a new three-year contract at the \$8,000 per month level. Such an arrangement would allow the airport to have a definite budget figure for the next three-year time frame.

Importantly, we believe 2017 is a key year for the airport to maintain representation here in Sacramento. Two key bills that we have been working on are making their way through the session this year.

AB 1286 (Friedman) which extends the sunset date to be able to increase the alternative customer facility charge is a very important bill. We brought the bill idea to Assembly Member Friedman and secured her agreement to author the bill. We have been working closely with her office to seek passage of the legislation. We were successful in getting AB 1286 through the Assembly. The bill is now in the Senate and we will continue to work on getting the bill passed by the Legislature and signed by the Governor before the end of the session in September.

AB 1069 (Low) is another bill we have been working very hard on. This bill establishes a new county wide system for the regulation of taxis. We have been working with the author and sponsors of the bill to seek an amendment to clarify that the Hollywood Burbank Airport, as a joint powers authority, retains the ability to regulate taxis at our airport. We will continue to work on this bill to make sure that if it passes in September it is in a form that is acceptable to the airport.

In addition, we have a very good history of past successes for the Hollywood Burbank Airport regarding public policy issues under consideration at the state level. We have listed below some examples of our activities on behalf of the airport and some of the issues in which we have been involved:

- **Review of all Legislation** - As part of our activities on behalf of the Airport, we review all bills and all amendments introduced in the state legislature.
- **Legislative Status Report** - We forward bills of interest to airport staff and develop a Legislative Status Report (LSR) which is available in electronic or printed form at any time. The LSR shows all bills we are following and the position we are pursuing on behalf of the Airport.
- **Passage of Customer Facility Charge Legislation** – Our work with a special friend, Senator Jenny Oropeza, and other members of the Legislature was determinative of the outcome on SB 1192, the bill which revised the customer facility charge (cfc) statute in a way which permitted the use of cfc revenues to finance bonds for construction of the new Regional Intermodal Transportation Center (RITC).
- **Rental Agreement Legislation** – We monitor all legislation relating to rental agreements and relationships between rental car companies and airports.
- **JPA Legislation** – There is frequently a need to become involved in legislative proposal which impact Joint Powers Authorities to ensure that there is no adverse impact upon our Airport Authority.
- **Empire Bridge Funding** – We were instrumental in the efforts to obtain and retain the \$7 million in funding for the Empire Bridge project.
- **Caltrans Train Station Improvements** – Again, our efforts were central to the completion of improvements by CalTrans at the Metrolink/Amtrak train station.
- **Legislative Briefings on the Part 161A Study** – We were very active in briefing legislators and legislative staff on the Part 161A noise study.
- **Reduced Auditing Expense for Dual Audits** – Our efforts, in conjunction with others, led to a reduction of the auditing oversight by the State Controller mandated by the Legislature concerning expenditure of cfc funds and construction of the new RITC. Budget trailer bill language eliminated duplicative auditing which would otherwise have been required.
- **Amendments to Nursing Mother’s Room Mandate Proposal** – Our activities in connection with AB 1787(Lowenthal) resulted in significant amendments to the bill which made the implementation of the proposal much less onerous for the Airport.

- **Taxicab and Transportation Network Companies (TNC)** – Over the last several years there have been a large number of bills introduced that relate to taxicabs and the TNC industry. We have closely worked with all of the parties involved to make sure that the airport can properly regulate taxicab and TNC activities on our property.

We have truly enjoyed working for the Hollywood Burbank Airport and that is why we are proposing to continue the relationship at the same retainer amount for the next three years without any increase.

Please let us know if this proposal meets with your approval. If it does, we would recommend using a similar Professional Services Agreement as the previous three-year agreement dated July 1, 2014. The only modifications would be to change the dates of the agreement to reflect the new three-year term.

Again, it has been wonderful working with all of you and we look forward to continuing to represent the interests of the Hollywood Burbank Airport here in Sacramento. Please let us know if you need more information about this proposal or if you have any questions.

Thank you very much for your consideration.

Kristian Foy and Michael Arnold
Arnold and Associates