



February 13, 2020

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

The Airport Authority administrative offices will be closed on Monday, February 17, 2020, in observance of President's Day. Therefore, the regular meeting of the Legal, Government and Environmental Affairs Committee scheduled for Monday, February 17, 2020, at 9:30 a.m., or immediately following the Commission meeting, in the Burbank Room of Hollywood Burbank Airport, has been cancelled.

NOTICE is hereby given that a special meeting of the Legal, Government and Environmental Affairs Committee will be held Tuesday, February 18, 2020, at 9:30 a.m., or immediately following the Commission meeting, in the Burbank Room of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, California 91505.

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

SPECIAL MEETING
OF THE
LEGAL, GOVERNMENT AND ENVIRONMENTAL AFFAIRS COMMITTEE

Burbank Room
Tuesday, February 18, 2020
9:30 a.m., or Immediately Following
the Conclusion of the
Commission Meeting

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



The public comment period is the opportunity for members of the public to address the Committee on agenda items and on airport-related non-agenda matters that are within the Committee's subject matter jurisdiction. At the discretion of the presiding officer, public comment on an agenda item may be presented when that item is reached.

Members of the public are requested to observe the following decorum when attending or participating in meetings of the Committee:

- *Turn off cellular telephones and pagers.*
- *Refrain from disorderly or boisterous conduct, including loud, threatening, profane, or abusive language, clapping, whistling, stamping, or other acts that disrupt or otherwise render unfeasible the orderly conduct of the meeting.*
- *If you desire to address the Committee during the public comment period, fill out a speaker request card and present it to the Board Secretary.*
- *Confine remarks to agenda items or to airport-related non-agenda matters that are within the Committee's subject matter jurisdiction.*
- *Limit comments to five minutes or to such other period of time as may be specified by the presiding officer.*



The following activities are prohibited:

- *Allocation of speaker time to another person.*
- *Video presentations requiring use of Authority equipment.*



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



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.

A G E N D A

Tuesday, February 18, 2020

1. Approval of Agenda

2. Public Comment

3. Approval of Minutes

a. February 3, 2020

[See page 1]

4. Contracts and Leases

a. TBI Airport Management Contract Amendment

- Staff report attached

[See page 5]

The General Counsel seeks a recommendation from the Legal, Government and Environmental Affairs Committee to the Commission for approval of a sixth amendment to the airport management services agreement with TBI Airport Management, Inc. The proposed amendment will: (i) extend the term by 10 years, resulting in a June 30, 2030 expiration date; (ii) redefine cost sharing for legal and professional fees and costs associated with Airport-related collective bargaining, employee grievances, and litigation; and (iii) revise the insurance requirement.

5. Items for Information

a. Committee Pending Items

[See page 15]

6. Adjournment

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

MONDAY, FEBRUARY 3, 2020

A regular meeting of the Legal, Government and Environmental Affairs Committee was called to order on this date in the Burbank Room, 2627 N. Hollywood Way, Burbank, California, at 10:52 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 in attendance is entitled to receive and shall be provided \$200.

ROLL CALL

Present:	Commissioners Wiggins and Agajanian
Absent:	Commissioner Madison
Also Present:	Staff: Frank Miller, Executive Director; Sarah Paulson Sheehy, Senior Director of Government and Public Affairs; Mark Hardyment, Director of Transportation and Environmental Programs; Patrick Lammerding, Deputy Executive Director, Planning and Development Burbank Transportation Management Organization: Bronwen Keiner, Director Airport Authority Counsel: Terence R. Boga of Richards, Watson and Gershon

1. Approval of Agenda	The agenda was approved as presented.
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2. Public Comment	There were no public speakers.
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3. Approval of Minutes

a. January 21, 2020	Commissioner Wiggins moved approval of the minutes of the January 21, 2020 meeting seconded by Commissioner Agajanian. The minutes were approved (2-0, one absent).
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4. Contracts and Leases

a. Agreements with Burbank Transportation Management Organization and Steer Davies & Gleave, Inc.	Staff sought Committee recommendation to the Commission to authorize a membership agreement with the Burbank Transportation Management Organization ("BTMO") and a new professional services agreement with Steer Davies & Gleave, Inc., which is the contract management service provider for the BTMO. The term of the agreement
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is for a two (2) year and four (4) month period for a total cost of \$105,807.

Participation in the BTMO and implementation of a trip reduction program are conditions of approval specified in the 2017 Development Agreement executed by the Authority and the City of Burbank.

Motion

Commissioner Agajanian moved the Committee recommendation, seconded by Commissioner Wiggins.

Motion Approved

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

b. Professional Services Agreement with Trifiletti Consulting Inc.

Staff sought Committee recommendation to the Commission for authorization of a professional services agreement for remainder fiscal year with Trifiletti Consulting Inc. ("Trifiletti") for additional Airport Environmental Consulting/Advisory Services and Project Advisory Services with an approved budget of \$55,000 to cover the continued services of Trifiletti as well as sub-contracted services provided to Trifiletti by CDM Smith. The services to be provided include the necessary technical support associated with the implementation of the AQIP.

Motion

Commissioner Agajanian moved the Committee recommendation, seconded by Commissioner Wiggins.

Motion Approved

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

c. Approval of Amendment No. 3 to Noise and Flight Track Monitoring System Extended Maintenance and Support Agreement for an Upgrade to Wireless Noise Monitoring Terminal Communication Technology

Staff sought a Committee recommendation to the Commission to approve the proposed Amendment No. 3 to the Noise and Flight Track Monitoring System Extended Maintenance and Support Agreement ("Agreement") with EMS Bruel & Kjaer Inc. The proposed Amendment upgrades the noise monitoring terminal ("NMT") communication technology from a wired network to a wireless network and adds support and cellular services that will provide for an upgrade of the NMT communication technology with 4G cellular modems and increase the fee schedule to reflect the cost of modem supply, configuration, installation, warranty, support, and cellular service.

Pricing for the proposed amended services is a one-time service charge of \$24,540 for modems, accessories, configuration and installation for all 20 NMTs and an annual \$14,400 for wireless communication services, increasing the annual Agreement cost from \$105,422 to \$119,822. The Agreement includes a 3% annual increase effective April 15th of each successive service year. The 3% increase for the wireless services will commence after the first year of service on April 15, 2021.

Motion

Commissioner Agajanian moved the Committee recommendation, seconded by Commissioner Wiggins.

Motion Approved

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

d. ADK Consulting, Inc. - Proposal for Organizational Governance Structure Study

Authority General Counsel sought direction from the Committee on a proposal from ADK Consulting, Inc. for an organizational governance structure study.

The Authority has utilized an independent contractor for management services and personnel since its acquisition of the Airport in 1978. Currently, this arrangement is structured through a 2008 airport management services agreement with TBI Airport Management, Inc. ("TBI"). The personnel provided by TBI under that agreement include the Executive Director. The agreement also gives the Commission the option to employ or appoint an "Authority Executive Director" to serve as the Authority's chief operating officer and to whom TBI and its personnel shall report.

For this engagement, ADK is proposing to prepare a "SWOT" analysis. ADK's proposal includes a fee schedule with an estimate of \$35,380 for the consultant fee and \$7,500 for travel expense reimbursement.

Motion

Commissioner Agajanian moved the Committee recommendation, seconded by Commissioner Wiggins.

Motion Approved

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

5. Items for Information

a. Committee Pending Items

Staff informed the Committee of future pending items that will come to the Committee for review.

6. Adjournment

There being no further business, the meeting was adjourned at 11:19 a.m.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
LEGAL, GOVERNMENT AND ENVIRONMENTAL AFFAIRS COMMITTEE
FEBRUARY 18, 2020**

TBI AIRPORT MANAGEMENT CONTRACT AMENDMENT

SUMMARY

The General Counsel seeks a recommendation from the Legal, Government and Environmental Affairs Committee ("Committee") to the Commission for approval of a sixth amendment to the airport management services agreement ("Management Contract") with TBI Airport Management, Inc. ("TBI"). The proposed amendment will: (i) extend the term by 10 years, resulting in a June 30, 2030 expiration date; (ii) redefine cost sharing for legal and professional fees and costs associated with Airport-related collective bargaining, employee grievances, and litigation; and (iii) revise the insurance requirement.

BACKGROUND

Since its acquisition of the Airport in 1978, the Authority has utilized an independent contractor for management services and personnel. Currently, this arrangement is structured through the Management Contract with TBI. That agreement has a 12-year base term expiring on June 30, 2020, and it afforded the Authority one 10-year extension option that could be exercised up to January 1, 2020.

On December 16, 2019, in lieu of exercising the extension option, the Commission authorized the President to issue TBI a letter confirming the Commission's intent to approve a 10-year extension upon negotiation of a mutually agreeable contract amendment. Concurrently, the Commission authorized the Committee and the General Counsel to negotiate this contract amendment. The contract amendment is intended to address ambiguities in the Management Contract with respect to the parties' financial responsibility for expenses related to union negotiations, collective bargaining agreement implementation, and special counsel legal fees. A copy of the President's letter to TBI is attached as Exhibit A.

The Authority and TBI have amended the Management Contract five times to date. In 2008, the first amendment addressed severance payments for certain TBI personnel. In 2013, the second amendment established a pool for the Authority's reimbursement of unbudgeted legal fees incurred by TBI in the operation and management of the Airport. In 2015, the third amendment added aircraft rescue and firefighting ("ARFF") services to the scope of services and made associated contract revisions. In 2016, the fourth amendment provided for the transition of the former Executive Director to the position of Director, Development Services. Finally, in 2017, the fifth amendment revised the minimum staffing requirement for ARFF services and updated the lists of Senior Staff, additional management, and supervisory personnel. Copies of the Management Contract and the five amendments are attached as Exhibit B through G.

PROPOSED CONTRACT AMENDMENT

A copy of the proposed sixth amendment to the Management Contract is attached as Exhibit H. Jointly prepared by the General Counsel and TBI counsel, this contract amendment will: (i) extend the term by 10 years; (ii) redefine cost sharing for legal and professional fees and costs associated with Airport-related collective bargaining, employee grievances, and litigation; and (iii) revise the employment practices liability ("EPL") insurance requirement. The key provisions of the proposed amendment are discussed below.

A. Term Extension

As noted above, the Management Contract currently is set to expire on June 30, 2020. The proposed amendment will change the expiration date to June 30, 2030.

B. Cost Sharing

Over the year's ambiguities in the Management Contract, and situation-specific positions taken by the Authority and TBI with respect to those ambiguities, have led to disagreements regarding the extent to which each party is responsible for expenses related to union negotiations, collective bargaining agreement implementation, and special counsel legal fees. The proposed contract amendment seeks to eliminate the ambiguities and establish an equitable cost sharing for TBI's legal and professional fees and costs associated with Airport-related collective bargaining, employee grievances, and litigation. Among other things, the new cost sharing plan will replace the existing arrangement in which TBI is entitled to reimbursement for up to \$5,000 in unbudgeted legal fees and expenses per year. The table below summarizes the new cost sharing plan.

<u>Subject</u>	<u>Description</u>
Collective Bargaining	The Authority will reimburse TBI for reasonable attorney and professional negotiator fees and costs incurred in connection with negotiation or renegotiation of union contracts for TBI employees at the Airport. The Authority also will reimburse TBI for reasonable costs related to any necessary attendance at such negotiations by TBI's management personnel.
Employee Grievance	The Authority will reimburse TBI for reasonable attorney fees and costs incurred in connection with union grievances filed by TBI employees at the Airport. If a court or arbitrator determines that TBI is liable for one or more claims underlying a grievance, then, at the Authority's option, the reimbursement paid by the Authority shall either: (i) be deducted from a future payment owed to TBI; or (ii) be refunded by TBI.

Litigation

The Authority shall reimburse TBI for reasonable attorney and expert witness fees and costs incurred in connection with litigation filed by a third party against TBI arising from TBI's operations at the Airport. The Authority also shall reimburse TBI for 50% of any settlement payment made by TBI provided that the Authority gave prior approval of the settlement. The Authority will not be required to reimburse TBI for any amounts for which TBI is reimbursed by a third party or by insurance. If a court or arbitrator determines that TBI is liable for one or more causes of action in litigation filed by a third party, then, at the Authority's option, the reimbursement paid by the Authority shall either: (i) be deducted from a future payment owed to TBI; or (ii) be refunded by TBI.

TBI has indicated that its management fee would need to be increased in order for it to accept sole responsibility for these fees and costs. Because these fees and costs are intermittent and generally are unpredictable in amount, it is anticipated that the new cost sharing plan will be more financially prudent for the Authority than giving TBI a management fee increase that would be paid regardless of collective bargaining needs or the occurrence of employee grievances or litigation.

C. EPL Insurance

Currently, the Management Contract requires the Authority to reimburse TBI for supplemental EPL insurance with coverage in the amount of \$250,000 per occurrence and annual aggregate. Additionally, for any year in which TBI is unable to obtain EPL insurance, the Authority is required to increase TBI's management fee by \$25,000.

The proposed amendment will require the Authority to pay a pro rata share, based on the number of TBI employees at the Airport in relation to the total number of TBI employees, of TBI's costs to maintain EPL insurance. If TBI is unable to obtain EPL insurance with a \$50,000 deductible, then the Authority shall reimburse TBI for 50% of amounts paid toward the deductible in excess of \$50,000. In any year in which TBI is unable to obtain EPL insurance, the Authority will increase TBI's management fee by \$25,000 for that year.

RECOMMENDATION

The General Counsel recommends that the Committee recommend to the Commission approval of the proposed sixth amendment to the airport management services contract with TBI.

EXHIBITS

- A. Authority Letter to TBI
- B. Management Contract
- C. Amendment #1
- D. Amendment #2
- E. Amendment #3
- F. Amendment #4
- G. Amendment #5
- H. Proposed Amendment #6

EXHIBIT H

AMENDMENT NO. 6 TO THIRD AMENDED AND RESTATED AGREEMENT FOR AIRPORT MANAGEMENT SERVICES

THIS AMENDMENT NO. 6 (“Sixth Amendment”) to the July 1, 2008 Third Amended and Restated Agreement for Airport Management Services (“Agreement”) executed by the Burbank-Glendale-Pasadena Airport Authority, a public entity (“Authority”) and TBI Airport Management, Inc., a Delaware corporation (“Manager”), is made as of _____, 2020.

RECITALS

A. The parties executed the Agreement to provide for the Authority’s continued engagement of Manager as an expert in airport management and operation, and continued delegation to Manager of the day-to-day management and operation of the Bob Hope Airport (commonly known as Hollywood Burbank Airport) (“Airport”).

B. The parties have executed the following amendments to the Agreement (collectively, “Prior Amendments”):

1. A September 2, 2008 Amendment No. 1 to address severance payments for certain Manager employees appointed by the Authority Commission as Executive Director and Senior Deputy Executive Director of the Authority.

2. A September 3, 2013 Amendment No. 2 to establish a pool for the Authority’s reimbursement of unbudgeted legal fees incurred by Manager in the management and operation of the Airport.

3. An April 6, 2015 Amendment No. 3 to: (i) add aircraft rescue and firefighting services to the scope of services commencing May 1, 2015; (ii) extend the base period of the term by two years; (iii) increase the management fee; (iv) update the lists of Senior Staff, additional management, and supervisory personnel; and (v) revise the employment practices liability insurance requirement.

4. An April 18, 2016 Amendment No. 4 to provide for the transition of the former appointed Executive Director to the position of Director, Development Services.

5. A June 19, 2017 Amendment No. 5 to: (i) revise the minimum staffing levels for aircraft rescue and firefighting services; and (ii) update the lists of Senior Staff, additional management, and supervisory personnel.

C. The parties desire to further amend the Agreement to: (i) extend the term by 10 years; (ii) redefine cost sharing for legal and professional fees and costs associated with Airport-related collective bargaining, employee grievances, and litigation; and (iii) revise the insurance requirement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, the parties amend the Agreement (as amended by the Prior Amendments) as follows:

1. Amendment of Section 4.1.1. Paragraph (a) of Section 4.1.1 (“Full Compensation”) of the Agreement is amended to read as follows:

“(a) The Authority shall pay to Manager as full compensation for the Airport Management Services: (i) all direct and out-of-pocket Staff Personnel expense authorized in the Annual Budget and actually paid or actually incurred by Manager in the performance of the Airport Management Services at the compensation and benefit rates set forth in the Staff Personnel Schedule (including training costs, uniform costs, and licensing/certification fees associated with the ARFF services), together with all employer payroll taxes and insurance premiums (or self-insured claims) actually paid or actually incurred by Manager with respect to such Staff Personnel and any payments for sick leave, PTO or vacation in lieu of time taken, not to exceed the amount included in the Annual Budget, as the same may be amended in accordance with the provisions of this Agreement (collectively, the “Staff Personnel Cost”); (ii) all actual out-of-pocket costs to perform the Reimbursable Off-Site Services, not to exceed the amount included therefore in the Annual Budget, as the same may be amended in accordance with the provisions of this Agreement (the “Reimbursable Off-Site Services Cost”); (iii) actual out-of-pocket costs within the scope of the attached Exhibit H for legal and professional fees and costs associated with Airport-related collective bargaining, employee grievances, and litigation (the “Legal Cost”); and (iv) a “Management Fee.””

2. Amendment of Section 4.2. Section 4.2 (“Payment”) of the Agreement is amended to read as follows:

“4.2 Payment.

Manager shall prepare and deliver to the Authority a monthly statement covering all Staff Personnel Cost and Reimbursable Off-Site Services Cost actually paid or actually incurred by Manager during the preceding month, which shall be in the same format and with the same detail as set forth in the Staff Personnel Schedule and in the Reimbursable Off-Site Services Schedule, and which shall include a comparison of year-to-date Staff Personnel Cost and Reimbursable Off-Site Services Cost to Staff Personnel Cost and Reimbursable Off-Site Services Cost as set forth in the Annual Budget. The monthly statement shall also set forth the Management Fee and the Legal Cost payable for that month. Manager shall credit against amounts owing by the Authority any refund, rebate, credit, discount or payment received by Manager which is attributable to or paid or reimbursed to Manager on account of amounts previously paid by the Authority to Manager as Staff Personnel Cost, Reimbursable Off-Site Services Cost, or Legal Cost. Within fifteen (15) business days after receipt of the monthly statement, the Authority shall pay to Manager the Staff Personnel Cost, the Reimbursable Off-Site Services Cost, the Legal Cost, and the Management Fee included in the monthly statement, unless the Authority questions or disputes any amount described in the monthly statement, in which case the Authority shall pay the unquestioned and undisputed portion of the monthly statement and the parties shall use their respective best efforts to answer the Authority’s questions or resolve any dispute.”

3. **Amendment of Section 6.1.** Section 6.1 (“Base Period”) of the Agreement is amended to read as follows:

“6.1 **Term.**

The term of this Agreement shall be for a period of twenty-two (22) years, commencing on July 1, 2008 and ending on June 30, 2030, unless earlier terminated in accordance herewith.”

4. **Deletion of Section 6.2.** Section 6.2 (“Extension”) of the Agreement is deleted.

5. **Amendment of Exhibit D.** Section D3.1.2 of Exhibit D of the Agreement is amended to read as follows:

“D3.1.2 At the Authority’s expense, throughout the term of this Agreement, Manager shall obtain and maintain supplemental employment practices liability insurance (“EPL Insurance”) that provides reasonable coverage levels in relation to Manager’s operations at the Airport. A pro rata share of Manager’s actual out-of-pocket costs to maintain the EPL Insurance, based on the number of Manager employees at the Airport in relation to the total number of Manager employees, shall be included in the Reimbursable Off-Site Services Schedule. Notwithstanding Section D5.1 below, Manager shall endeavor to obtain EPL Insurance with a deductible not exceeding \$50,000 and shall be solely responsible for payment deductibles up to \$50,000 under the EPL Insurance policy. If Manager is unable to obtain EPL Insurance with a deductible not exceeding \$50,000 after commercially reasonable efforts to do so, then the Authority will reimburse Manager for 50% of amounts paid toward the deductible in excess of \$50,000. If for any given year of this Agreement Manager exhausts commercially reasonable efforts and is unable to obtain EPL Insurance at commercially reasonable rates, or if EPL insurance is no longer made available, then the Authority will increase Manager’s management fee by twenty-five thousand dollars (\$25,000) for such year.”

6. **Addition of New Exhibit H.** The attached Exhibit H is added to and incorporated in the Agreement.

7. **Replacement of Exhibit List.** The Exhibit List of the Agreement is replaced with the attached Exhibit List.

8. **Preservation of the Agreement.** Except as expressly amended by this Sixth Amendment, all of the provisions of the Agreement (as amended by the Prior Amendments) shall remain unaltered and in full force and effect.

9. **Counterparts.** This Sixth Amendment may be executed in any number of counterparts by facsimile or other electronic transmission, each of which, when executed and delivered, shall be deemed to be an original, and all of which, taken together, shall be deemed to be one and the same instrument.

TO EFFECTUATE THIS SIXTH AMENDMENT, the parties have caused their duly authorized representative(s) to execute this Sixth Amendment by signing below.

Burbank-Glendale-Pasadena
Airport Authority

TBI Airport Management, Inc.

Ray Adams, President

☐ Chairman ☐ 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.]

Approved as to form:

Richards, Watson & Gershon
A Professional Corporation

Stephanie Griffin, Esq.
General Counsel and Secretary
TBI US Operations Inc.

Exhibit H

Legal Cost Allocation

H1. Responsibilities.

H1.1 *Collective Bargaining.* The Authority shall reimburse Manager for all reasonable attorney and professional negotiator fees and costs incurred in connection with the negotiation or renegotiation of union contracts pertaining to Manager employees at the Airport. Additionally, the Authority shall reimburse Manager for all reasonable costs related to any necessary attendance at such negotiations by Manager's management personnel.

H1.2 *Employee Grievances.* The Authority shall reimburse Manager for all reasonable attorney fees and costs incurred in connection with union grievances filed by Manager employees at the Airport. If a court or arbitral body of competent jurisdiction determines that Manager is liable for one or more claims underlying a union grievance, then, at the Authority's option, the amount reimbursed by the Authority in connection with such grievance shall be deducted from any payment owed to Manager by the Authority or shall be refunded to the Authority by Manager.

H1.3 *Litigation.*

H1.3.1 The Authority shall reimburse Manager for all reasonable attorney and expert witness fees and costs incurred in connection with litigation filed by a third party against Manager arising from Manager's operations at the Airport.

H1.3.2 The Authority shall reimburse Manager for 50% of any amounts paid by Manager to settle litigation filed by a third party against Manager arising from Manager's operations at the Airport provided that Manager obtained prior approval from the Authority for such settlement. The Authority shall not unreasonably withhold or delay approval of a settlement.

H1.3.4 The Authority shall not be required to reimburse Manager for any amounts that are otherwise reimbursed to Manager by a third party, including pursuant to any applicable policy of insurance.

H1.3.4 If a court or arbitral body of competent jurisdiction determines that Manager is liable for one or more causes of action in litigation filed by a third party against Manager arising from Manager's operations at the Airport, then, at the Authority's option, the amount reimbursed by the Authority in connection with such litigation shall be deducted from any payment owed to Manager by the Authority or shall be refunded to the Authority by Manager.

H1.4 *Miscellaneous.* The Authority shall reimburse Manager for other reasonable and necessary attorney fees and costs in connection with Manager's operations at the Airport that are approved in advance from time to time through the Authority's budgetary process. The Authority may grant or deny approval of such reimbursements in its absolute discretion.

H2. Budgeting. To the extent foreseeable in advance of the Authority's budget deadlines, Manager shall submit Legal Cost to the Authority for approval through the budgetary process.

EXHIBIT LIST

<u>Exhibit</u>	<u>Section Reference</u>
A Description of Operational and Administrative Services	2, 2.3.2
B Description of Financial Services	2, 2.2, 2.3.1, 2.3.2
C-1 Description of Senior Staff	2, 2.2, 2.2.1.1
C-2 Description of Additional Management and Supervisory Personnel	2, 2.2
C-3 Reassignment Multiplier	2.2.2
D Indemnification and Insurance	7.1
E FAA Grant Assurances and Non-Discrimination Covenants	8
F Description of ARFF Services	2
G Description of Trucks, Tools, Equipment and Supplies	2.4.4
H Legal Cost Allocation	4.1.1

**BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
LEGAL, GOVERNMENT AND ENVIRONMENTAL AFFAIRS COMMITTEE
FEBRUARY 18, 2020**

COMMITTEE PENDING ITEMS

Future

1. Award of Contract – Task Force Public Outreach Support
2. State Legislative Update