



June 17, 2021

CALL AND NOTICE OF A REGULAR MEETING
OF THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTICE is hereby given that a regular meeting of the Burbank-Glendale-Pasadena Airport Authority will be held on Monday, June 21, 2021, at 9:00 a.m., in the Airport Skyroom of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, California 91505.

Pursuant to Governor Newsom's Executive Order N-29-20, members of the Commission or staff may participate in this meeting via teleconference. In the interest of maintaining appropriate social distancing, members of the public may observe and participate in the meeting telephonically through the following number:

Dial In: (818) 862-3332

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

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

Skyroom

Regular Meeting of Monday, June 21, 2021

9:00 A.M.

The public comment period is the opportunity for members of the public to address the Commission on agenda items and on airport-related non-agenda matters that are within the Commission'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 Commission:

- *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 Commission 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 Commission'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 Commission 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.

AGENDA

Monday, June 21, 2021

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. PUBLIC COMMENT
(For items not on the Agenda. Public Comment on specific Agenda items will be received at the time the item is presented.)
5. CONSENT CALENDAR
 - a. Committee Minutes
(For Note and File)
 - 1) Operations and Development Committee
(i) April 5, 2021 ***[See page 1]***
 - 2) Finance and Administration Committee
(i) May 26, 2021 ***[See page 3]***
 - b. Commission Minutes
(For Approval)
 - 1) June 7, 2021 ***[See page 5]***
6. PRESENTATION TO FORMER COMMISSIONERS
7. ITEMS FOR COMMISSION APPROVAL
 - a. Appointment of Committees
 - b. Award of Agreement Extension
Self-Park Management Services and Valet Parking Services ***[See page 10]***
 - c. Award of Contract
Designated Aviation Channeling Services ***[See page 12]***
 - d. Fourth Amendment to Ground Lease
D&L Transportation, Inc. dba Desmond's Studio
Production Service ***[See page 15]***
 - e. Third Amendment to Aviation Hangar Lease
AT&T Services, Inc. ***[See page 19]***
 - f. Award of License Agreement
City of Los Angeles ***[See page 24]***

8. ITEMS FOR COMMISSION INFORMATION

- a. Airport Health Accreditation - Airports Council International ***[See page 35]***

9. CLOSED SESSION

- a. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant Exposure to Litigation (California Government Code Section
54956.9(d)(2)): 1 potential case. Facts and Circumstances: FAA Southern
California Metroplex Project

10. EXECUTIVE DIRECTOR COMMENTS

11. COMMISSIONER COMMENTS
(Other updates and information items, if any)

12. ADJOURNMENT

COMMISSION NEWSLETTER

Monday, June 21, 2021

[Regarding agenda items]

5. CONSENT CALENDAR

(Consent Calendar items may be enacted by one motion. There will be no separate discussion on these items unless a Commissioner so requests, in which event the item will be removed from the Consent Calendar and considered in its normal sequence on the agenda.)

- a. COMMITTEE MINUTES. Approved minutes of the Operations and Development Committee meeting of April 5, 2021; and approved minutes of the Finance and Administration Committee special meeting of May 26, 2021 are included in the agenda packet for information purposes.
 - b. COMMISSION MINUTES. Draft minutes of the June 7, 2021, Commission meeting are attached for the Commission's review and approval.
6. PRESENTATION TO FORMER COMMISSIONERS. No staff report attached. Commission President will make a presentation to individual persons.
- 1. Presentation of a Certificate of Appreciation to Bill Wiggins, Former Airport Authority Commissioner, City of Burbank; June 2001 – May 2021
 - 2. Presentation of a Certificate of Appreciation to Ray Adams, Former Airport Authority Commissioner, City of Burbank; February 2015 – May 2021
 - 3. Presentation of a Certificate of Appreciation to Steve Madison, Former Airport Authority Commissioner, City of Pasadena; June 2010 – June 2021
 - 4. Presentation of a Certificate of Appreciation to John Kennedy, Former Airport Authority Commissioner, City of Pasadena; August 2020 – June 2021

7. ITEMS FOR COMMISSION APPROVAL

- a. APPOINTMENT OF COMMITTEES. No staff report is attached. This item is included in the agenda to provide the Commission President the opportunity to make any standing or ad hoc committee appointments that he may wish to make.
- b. AWARD OF AGREEMENT EXTENSION – SELF-PARK MANAGEMENT SERVICES AND VALET PARKING SERVICES. A staff report is included in the agenda packet. At its meeting on June 7, 2021, the Operations and Development Committee voted (2–0, 1 absent) to recommend that the Commission exercise the first of two one-year extensions available under the Agreement for Self-Park Management Services and Valet Parking Services with SP Plus Corporation. The base contract period is for three years, which began on July 1, 2018 and expires on June 30, 2021. If approved, the first extension period will begin on July 1, 2021, and will expire on June 30, 2022.

- c. AWARD OF CONTRACT – DESIGNATED AVIATION CHANNELING SERVICES. A staff report is included in the agenda packet. Subject to the recommendation of the Operations and Development Committee at its meeting immediately preceding the Commission meeting, Staff seeks approval from the Commission for award of a contract and authorization for the Executive Director to execute an associated purchase order with Telos Identity Management Solutions, LLC, to provide Designated Aviation Channeling services for approximately \$25,000 per year for a three-year term.
 - d. FOURTH AMENDMENT TO GROUND LEASE – D&L TRANSPORTATION, INC. dba DESMOND’S STUDIO PRODUCTION SERVICE. A staff report is included in the agenda packet. At its meeting on June 7, 2021, the Finance and Administration Committee voted unanimously (3–0) to recommend that the Commission approve a Fourth Amendment to the Ground Lease Agreement with D&L Transportation, Inc. dba Desmond’s Studio Production Service.
 - e. THIRD AMENDMENT TO AVIATION HANGAR LEASE – AT&T SERVICES, INC. A staff report is included in the agenda packet. At its meeting on June 7, 2021, the Finance and Administration Committee voted unanimously (3–0) to recommend that the Commission approve a Third Amendment to Aviation Hangar Lease with AT&T Services, Inc. for Hangar 37.
 - f. AWARD OF LICENSE AGREEMENT – CITY OF LOS ANGELES. A staff report is included in the agenda packet. Staff seeks approval of the Commission to award a License Agreement (“Agreement”) to the City of Los Angeles for access to the Adjacent Parcel for the purposes of temporarily storing 125 mobile trailers and ancillary equipment through April 1, 2022.
8. ITEMS FOR COMMISSION INFORMATION
- a. AIRPORT HEALTH ACCREDITATION – AIRPORTS COUNCIL INTERNATIONAL. A staff report is included in the agenda packet. This item provides a briefing on an Airport Health Accreditation awarded to Hollywood Burbank Airport by Airports Council International – World (“ACI-World”) and Airports Council International – North America (ACI-North America).

**MINUTES OF THE REGULAR MEETING OF THE
OPERATIONS AND DEVELOPMENT COMMITTEE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**

MONDAY, APRIL 5, 2021

A regular meeting of the Operations and Development Committee was called to order on this date in the Airport Skyroom, 2627 N. Hollywood Way, Burbank, California, at 8:32 a.m., by Commissioner Brown.

1. ROLL CALL

Present: Commissioners Kennedy (via teleconference), and Brown

Absent: Commissioner Devine

Also Present: Frank Miller, Executive Director;
John Hatanaka, Senior Deputy Executive Director;
Anthony Defrenza, Director, Engineering and Maintenance; Commander Jorge Martinez, Airport Police Department

2. Approval of Agenda The agenda was approved as submitted.

3. Public Comment There were no public comments.

4. Approval of Minutes

a. February 16, 2021 Commissioner Kennedy (via teleconference) moved approval of the minutes of the February 16, 2021, special meeting seconded by Commissioner Brown. There being no objection, a voice vote was taken to accommodate those participating via teleconference. The motion was approved (2-0, 1 absent).

5. Contracts and Leases

a. Exercise of Extension Option Professional Services Agreement for AutoCAD, GIS, Graphic Display and Airport Planning Services Staff sought a Committee recommendation to the Commission to exercise the first of two one-year extension options contained in the Professional Services Agreement ("Agreement") between the Airport Authority and Azrial Ltd. ("Azrial") for continued AutoCAD, GIS, graphic display, and airport planning support services.

The Agreement also allows for two one-year extension options that can be exercised up to 30 days before the expiration dates. The initial three-year base period expires on May 3, 2021, and Azrial has waived the 30-day notice requirement for the first extension option.

The Agreement requires that the hourly rate be adjusted on each anniversary date based on the applicable CPI. Accordingly, the one-year extension option increases the hourly rate to \$98.00.

Motion

Commissioner Kennedy (via teleconference) moved approval of Staff's recommendation, seconded by Commissioner Brown.

Motion Approved

There being no objection, a voice vote was taken to accommodate those participating via teleconference. The motion was approved (2-0, 1 absent).

**b. Award of Contract
Body-Worn Camera (BWC)
System**

Staff sought a Committee recommendation to the Commission to award a contract to Axon Enterprise, Inc. to supply the Airport Police Department ("APD") with forty-three Axon-3 cameras and first-year warranty support services in the amount of \$87,400 with an additional recurring charge for licensing, service, cloud storage and end of life program fees of \$41,853 per year for four years for a total of \$167,412. The total cost of the proposed contract over five years is \$254,812.

Motion

Commissioner Kennedy (via teleconference) moved approval of Staff's recommendation, seconded by Commissioner Brown.

Motion Approved

There being no objection, a voice vote was taken to accommodate those participating via teleconference. The motion was approved (2-0, 1 absent).

6. Items for Information

a. Committee Pending Items

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

7. Adjournment

There being no further business, the meeting adjourned at 8:48 a.m.

**MINUTES OF THE SPECIAL MEETING OF THE
FINANCE AND ADMINISTRATION COMMITTEE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**

WEDNESDAY, MAY 26, 2021

A special meeting of the Finance and Administration Committee was called to order this date in the Airport Skyroom, 2627 N. Hollywood Way, Burbank, California, at 9:00 a.m., by Commissioner Selvidge.

1. ROLL CALL

Present: Commissioners Selvidge (via teleconference),
Adams and Najarian (via teleconference).

Absent: None

Also Present: Staff: Frank Miller, Executive Director; John Hatanaka, Senior Deputy Executive Director; Kathy David, Deputy Executive Director, Finance and Administration (via teleconference)

2. Approval of Agenda

Agenda was approved as presented.

Motion

Commissioner Adams moved approval; seconded by Commissioner Najarian.

Motion Approved

There being no objection, a voice vote was taken to accommodate those Commissioners participating via teleconference. The motion was unanimously approved (3–0).

3. Public Comment

There were no public comments.

4. Approval of Minutes

a. May 17, 2021

Draft minutes for the May 17, 2021, Finance and Administration Committee meeting were presented for approval.

Motion

Commissioner Adams moved approval of the minutes, seconded by Commissioner Najarian.

Motion Approved

There being no objection, a voice vote was taken to accommodate those Commissioners participating via teleconference. The motion was unanimously approved (3–0).

5. Items for Discussion

a. Proposed Fiscal Year 2021/2022 ("FY 2022") Budget

Staff presented and discussed with the Committee a draft of the proposed FY 2022 budget.

Motion

Commissioner Najarian moved approval to recommend that the FY 2022 budget be presented to the full Commission at its next meeting on June 7, 2021; seconded by Commissioner Adams.

Motion Approved

There being no objection, a voice vote was taken to accommodate those Commissioners participating via teleconference. The motion was unanimously approved (3–0).

6. Adjournment

There being no further business to discuss, the meeting was adjourned at 9:57 a.m.

**MINUTES OF THE REGULAR MEETING OF THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**

MONDAY, JUNE 7, 2021

A regular meeting of the Burbank-Glendale-Pasadena Airport Authority was called to order this date in the Airport Skyroom, 2627 N. Hollywood Way, Burbank, California, at 9:03 a.m., by President Selvidge.

1. ROLL CALL

Present: Commissioners Selvidge, Brown, Ovrom, Devine (via teleconference), Agajanian (via teleconference), Najarian (via teleconference), Madison (via teleconference), Gabel-Luddy

Absent: Commissioners Kennedy

Also Present: Staff: Frank Miller, Executive Director; John Hatanaka, Senior Deputy Executive Director; Kathy David, Deputy Executive Director, Finance and Administration; Scott Kimball, Deputy Executive Director, Business and Properties, SMS, Procurement and Operations; Nerissa Sugars, Director, Marketing, Communications and Air Service (via teleconference); Tom Janowitz, Sr. Manager, Ground Access;

2. PLEDGE OF ALLEGIANCE

Commissioner Selvidge led the assembly in the recitation of the Pledge of Allegiance to the Flag.

Commissioner Selvidge introduced two new Commissioners from the City of Burbank who are joining the Airport Authority Commission: Emily Gabel-Luddy and Bud Ovrom.

3. APPROVAL OF AGENDA

The agenda was approved as presented.

4. PUBLIC COMMENT

Laura Ioanou, Burbank resident
Suellen Wagner, Studio City for Quiet Skies

5. CONSENT CALENDAR

**a. Committee Minutes
(For Note and File)**

**1) Finance and
Administration
Committee**

(i) May 10, 2021

Approved minutes of the Finance and Administration Committee special meeting of May 10, 2021 were included in the agenda packet for information purposes.

- (ii) May 17, 2021
- Approved minutes of the regular meeting of May 17, 2021, were included in the agenda packet for information purposes.
- b. Commission Minutes
(For Approval)**
- 1) May 17, 2021
- Minutes of the May 17, 2021, Commission meeting were included in the agenda packet for review and approval.
- c. Treasurer's Report**
- 1) March 2021
- At its meeting on May 17, 2021, the Finance and Administration Committee reviewed the March 2021 Treasurer's Report and voted unanimously (3–0) to accept the report and recommend to the Commission for note and file.
- d. Approval of Joint Incentive Program COVID-19 Vaccination**
- Information was provided regarding a potential incentive program designed to encourage employees of TBI Airport Management, Inc. and the Authority's sworn officers of the Airport Police Department to get vaccinated against COVID-19.
- MOTION**
- Commissioner Devine moved approval of the Consent Calendar; seconded by Commissioner Agajanian.
- MOTION APPROVED**
- There being no objection, a voice vote was taken to accommodate those participating via teleconference. The motion was approved (6–0, 1 absent, 2 abstentions).
- AYES: Commissioners Selvidge, Brown, Agajanian (via teleconference), Devine (via teleconference), Najarian (via teleconference), Madison (via teleconference)
- NOES: NONE
- ABSENT: Commissioner Kennedy
- ABSTAINED: Commissioners Ovrom, Gabel-Luddy
- 6. ITEMS FOR COMMISSION APPROVAL**
- a. Appointment of Committees**
- Commissioner Selvidge appointed Commissioner Gabel-Luddy to the Legal, Government and Environmental Affairs Committee, and to the Ad Hoc Committee for the Replacement Passenger Terminal.

Commissioner Selvidge also appointed Commissioner Ovrom to the Finance and Administration Committee.

Commissioner Najarian has accepted the position of Auditor which was previously held by Commissioner Wiggins.

b. Award of Professional Services Agreement

This item was deferred back to the Legal, Government and Environmental Affairs Committee for further discussion.

c. Award of Month-to-Month Office Lease – Frontier Airlines, Inc.

Staff presented to the Commission for approval a proposed Month-to-Month Office Lease with Frontier Airlines (“Lease”). This Lease provides administrative office space for Frontier to support their operations scheduled to begin on July 15, 2021.

MOTION

Commissioner Najarian moved approval; seconded by Commissioner Agajanian.

MOTION APPROVED

There being no objection, a voice vote was taken to accommodate those participating via teleconference. The motion was approved (8–0, 1 absent).

AYES: Commissioners Selvidge, Brown, Agajanian (via teleconference), Devine (via teleconference), Najarian (via teleconference), Madison (via teleconference); Gabel-Luddy, Ovrom

NOES: NONE

ABSENT: Commissioner Kennedy

d. Review of the Proposed Fiscal Year 2021/2022 (“FY 2022”) Annual Budget; and Proposed Resolution No. 490, A Resolution of the Burbank-Glendale-Pasadena Airport Authority Commission Adopting the Fiscal Year 2021/2022 (“FY 2022”) Annual Budget

Staff presented the proposed FY 2021/2022 (“FY 2022”) annual budget. Staff also presented proposed Authority Resolution No. 490 adopting the FY 2022 budget. At the May 26, special meeting of the Finance and Administration Committee (“Committee”), the Committee voted unanimously (3–0) to recommend to the Commission that it approve the proposed FY 2022 annual budget.

MOTION

Commissioner Najarian moved approval; seconded by Commissioner Agajanian.

MOTION APPROVED

There being no objection, a voice vote was taken to accommodate those participating via teleconference.

The motion was approved (8–0, 1 absent).

AYES: Commissioners Selvidge, Brown, Agajanian (via teleconference), Devine (via teleconference), Najarian (via teleconference), Madison (via teleconference); Gabel-Luddy, Ovrom

NOES: NONE

ABSENT: Commissioner Kennedy

7. ITEMS FOR COMMISSION INFORMATION

- | | |
|---|--|
| a. Future Award of License Agreement – City of Los Angeles Fire Department – (COVID-19 Mobile Trailer Storage) | Staff presented to the Commission a request to present for approval at the next scheduled Commission meeting a license agreement with the City of Los Angeles to utilize the Adjacent Parcel to store 180 mobile trailers which can be deployed to various emergency responses in the local vicinity for approximately one year. |
| b. April 2021 Passenger and Air Cargo Statistics | Staff presented an update on the April 2021 Passenger and Air Cargo statistics. |
| c. April 2021 Transportation Network Companies | Staff presented an update on the April 2021 Transportation Network Companies' activities. |
| d. April 2021 Parking Revenue Statistics | Staff presented an update on the April 2021 Parking revenue statistics. |

Before convening to Close Session, Commissioner Madison announced that this would be his last meeting serving on the Commission as he departs to accept additional duties with the City of Pasadena.

8. CLOSED SESSION

The meeting convened to Closed Session at 11:10 a.m.

- a. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
Significant Exposure to Litigation (California Government Code Section 54956.9(d)(2)): 1 potential case. Facts and Circumstances: FAA Southern California Metroplex Project
- b. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
Significant Exposure to Litigation (California Government Code Section 54956.9(d)(2)): 1 potential case.

Meeting Reconvened to Open Session

The meeting reconvened to open session at 11:50 a.m., with six Commissioners present.

Closed Session Report

No reportable action taken on the presented items.

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**9. EXECUTIVE DIRECTOR
COMMENTS**

The Executive Director updated the Commission on the status of the contract with the executive search company, ADK. The contract had been approved in early 2020 but had been placed on hold due to the pandemic and will now resume.

**10. COMMISSIONER COMMENTS
(Other updates and information,
if any)**

Commissioner Gabel-Luddy expressed her enthusiasm in working with the Commission and her willingness to be an active participant in finding a solution for the Noise issue. Commissioner Gabel-Luddy also commented on her involvement on the Ad Hoc Committee for the Replacement Passenger Terminal and her hopes for the Committee to be able to achieve a premium standard in its development.

11. ADJOURNMENT

There being no further business, the meeting was adjourned at 11:59 a.m.

Ross Selvidge, President

Don Brown, Secretary

Date

Date

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
JUNE 17, 2021**

**AWARD OF AGREEMENT EXTENSION
SELF-PARK MANAGEMENT SERVICES
AND
VALET PARKING SERVICES**

Presented by Tom Janowitz
Senior Manager, Ground Access

SUMMARY

At its meeting on June 7, 2021, the Operations and Development Committee (“Committee”) voted (2–0, 1 absent) to recommend that the Commission exercise the first of two one-year extensions available under the Agreement for Self-Park Management Services and Valet Parking Services (“Agreement”) with SP Plus Corporation (“SP+”). The base contract period is for three years that began on July 1, 2018 and expires on June 30, 2021. If approved, the first extension period will begin on July 1, 2021 and will expire on June 30, 2022.

BACKGROUND

The Agreement was awarded to SP+ through a competitive process on May 7, 2018, with services commencing on July 1, 2018. The Agreement is for three years with two one-year extensions available to the Commission.

The overall performance by SP+ during the initial term of the Agreement has been satisfactory and with all required obligations met for self-park management and valet parking services, such as customer service levels, revenue collection, auditing, and reporting. SP+ has also focused on parking revenue growth utilizing the services of its sub-contractor, Manchester Airport Group (“MAG”), to introduce a pre-booking parking reservation system beginning with valet parking in July 2019 and later in September 2020 for self-parking in Lot G.

The COVID-19 pandemic has had its impact of the parking operation at the Airport. SP+ has worked with Staff to address the rapidly changing environment with closure of certain parking lots to reduce costs and reopening of spaces when conditions warrant. To that end, Staff has decided to review the terms of the subcontract between SP+ and MAG to ensure the pre-booking parking reservation system is meeting the objective to maximize the revenue from the airport parking lots. SP+ is participating in this review as well as suggesting changes to meet the evolving operating environment from the pandemic. SP+ is and has remained a proactive partner with the Airport responding to the COVID-19 pandemic challenge.

The annual cost of services over the three-year period has been an average of \$4,174,111, which reflects the pass-through costs of labor, equipment, and a specified management fee. Approximately 90% of the costs are directly related to labor as the majority of SP+ employees are covered under a collective bargaining agreement between SP+ and

Teamsters Local 911. These costs are estimated by Staff as part of the annual fiscal year budget development and are based on forecast for parking services in consultation with SP+. For the proposed one-year extension, Staff is proposing a budget of \$3,770,000 which is included in the FY 2022 budget and will be closely monitored by Staff on a monthly basis.

RECOMMENDATION

At its meeting on June 7, 2021, the Committee voted (2-0, 1 absent) to recommend that the Commission exercise the first of two one-year extension options under the Agreement and authorize Staff to notify SP+ of the same.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
JUNE 21, 2021**

**AWARD OF CONTRACT
DESIGNATED AVIATION CHANNELING SERVICES**

Presented by Ray Hunting
Manager, Security

SUMMARY

Subject to the recommendation of the Operations and Development Committee at its meeting immediately preceding the Commission meeting, Staff seeks approval from the Commission for award of a contract and authorization for the Executive Director to execute an associated purchase order with, Telos Identity Management Solutions, LLC ("Telos") to provide Designated Aviation Channeling ("DAC") services for approximately \$25,000 per year for a three-year term.

BACKGROUND

The Authority has contracted with Telos for DAC services since 2012 to comply with the airport security regulations of the Transportation Security Administration ("TSA"), which are codified at 49 Code of Federal Regulations Part 1542. The DAC services include performing a Security Threat Assessment ("STA") and Criminal History Records Check ("CHRC") vetting of all Airport Security ID badge applicants and badge holders. The DAC services provider is responsible for sending biographical and biometric data electronically from the Authority to the TSA via secure/encrypted means, without manual intervention by the Authority's Badging Office.

Prior to the services of Telos becoming available, the Authority contracted with the American Association of Airport Executives' Transportation Security Clearinghouse ("TSC"), which then was the nation's only qualified provider of STA and CHRC services. TSC was slow and, at times even nonresponsive, in processing requested STAs and CHRCs. Telos, once authorized to provide these background check services, was tested by the Authority during a trial period in 2012. Telos's processing and responses to inquiries was found to be quicker and allowed for timely processing of applications. This is important to ensure that persons qualified to hold an Airport Security ID badge are able to report for duty in a timely matter. Upon completion of the trial period, Telos became the provider of DAC services for the Authority.

On average the Authority's Badging Office processes approximately 80 Security ID badge applications submittals per month and 65 TSA and Federal Bureau of Investigation submittals per month as part of the continual CHRC monitoring of Airport Security ID badge holders.

To date, for privacy and security measures, TSA has certified only two DAC service providers in the country. The two firms are Telos and TSC.

REQUEST FOR PROPOSALS

A Request for Proposals (“RFP”) for DAC services was issued on April 6, 2021. The deadline for written questions or requests for clarification was April 22, 2021, and the deadline for proposal submissions was April 30, 2021. Proposals were received from the two TSA-certified firms: Telos and TSC.

The two firms were both responsive proposers that met the minimum qualifications which was stated in the RFP as follows:

“Respondents will be deemed non-responsive if they, as a business, do not currently have accreditation and certification from the TSA to operate as a DAC Services Provider. Conditional acceptance, applications in process, or any status short of full operational approval as a DAC Services Provider shall not be accepted.”

PROPOSAL EVALUATIONS

A five-person in-house evaluation team performed a qualifications-based, point-based analysis consisting of a review and ranking of the technical proposals received from the two firms. The evaluation focused on the following categories, with the sum of reviewer totals being averaged for each category, for a total of 100 possible points:

- SC-1. Firm’s Experience, Background, and Past Performance: Experience providing DAC services for three similar sized airports for at least five years.
- SC-2. Qualifications of Proposed Project Team: Capability and requisite credentials to perform all tasks. Identify key personnel’s professional background and caliber, including the qualifications of personnel assigned and similar projects they have worked on.
- SC-3. Technical Approach and Appropriate Credentials per TSA requirements: Proposed technical approach demonstrates an in-depth understanding of the TSA requirements and the ability to meet project objectives successfully.
- SC-4. Pricing was scored against a mathematical formula.
- SC-5. Full points were awarded if the Authority’s proposed contract terms and conditions were accepted.

Each firm was evaluated, and the scoring was as follows:

	SC-1 Firm's Experience, Background and Past Performance	SC-2 Qualifications of Proposed Project Team	SC-3 Technical Approach and Appropriate Credentials	SC-4 - Fee Schedule and Pricing	SC-5 DAC Services Agreement Acceptance	Total
Weighting Factor:	1	1	1	1	1	
Maximum Points Possible	25	20	25	20	10	100
FIRM:						
TSC	20	20	18	20	10	88
TELOS	24	20	25	14	10	93

At the conclusion of the evaluation process, Telos received the highest score.

FUNDING

Appropriations for the estimated annual cost of \$25,000 for FY 2022 are included in the recently adopted budget. Costs for these services in subsequent years will be included in future budget appropriation request.

RECOMMENDATION

Subject to the recommendation of the Operations and Development Committee at its meeting immediately preceding the Commission meeting, Staff seeks approval from the Commission for award of a three-year contract to Telos for DAC services and authorization for the Executive Director to execute an associated purchase order.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
JUNE 21, 2021**

**FOURTH AMENDMENT TO GROUND LEASE
D&L TRANSPORTATION, INC.
dba DESMOND'S STUDIO PRODUCTION SERVICE**

Presented by Scott Kimball
Deputy Executive Director,
Business and Properties, Safety, Procurement, and Operations

SUMMARY

At its meeting on June 7, 2021, the Finance and Administration Committee ("Committee") voted unanimously (3–0) to recommend that the Commission approve a Fourth Amendment ("Amendment") to the Ground Lease Agreement ("Agreement") with D&L Transportation, Inc. dba Desmond's Studio Production Service ("Desmond's").

BACKGROUND

Desmond's entered into the Agreement with the Authority on January 24, 2003. The Agreement grants Desmond's the non-exclusive right to use the leased premises to store equipment and park trucks and other vehicles (that are used primarily by the movie and television industry) on approximately 15 acres located at 4000 Cohasset St. in the City of Burbank ("Leased Premises")

On November 15, 2004, the Agreement was amended in order to reflect a 22,645 square feet reduction in the Leased Premises. The reduction resulted from the designation of the airport safety buffer zone on the eastern boundary, and the storm water drainage ditch on the northern boundary, of the Leased Premises.

Through subsequent amendments, the Agreement was extended through December 6, 2021. Desmond has reached out to Staff requesting an extension of the Agreement for an additional two years through December 6, 2023.

DETAILS

The key components of the proposed Amendment are as follows:

Premises: 630,755 square feet of land located at:

4000 Cohasset St.
Burbank, CA 91505

Use: Storage of vehicles that are used primarily in the movie and television industry

Term:	Two-year extension (through December 6, 2023)
Termination:	Six months prior written notice to Tenant
Rent:	\$87,439.18 per month; \$1,049,270.15 per year
Annual Adjustment:	Annually at 120% of CPI
Other:	Tenant pays expenses related to occupancy including maintenance, utilities and applicable taxes

IMPACT ON REVENUE

The proposed Amendment is revenue neutral through December 2021 with the rent level adjusted annually at 120% of CPI.

RECOMMENDATION

At its meeting on June 7, 2021, the Committee voted unanimously (3–0) to recommend the Commission approve the proposed Amendment and authorization the President to execute same.

**FOURTH AMENDMENT TO
GROUND LEASE AGREEMENT**

This FOURTH AMENDMENT TO GROUND LEASE AGREEMENT (this "Fourth Amendment") is dated as of APRIL 14, 2021 and is entered into by and between the **BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**, a public entity formed under a joint exercise of powers agreement among the Cities of Burbank, Glendale and Pasadena, California, pursuant to the California Joint Exercise of Powers Act ("Landlord"), and **D&L STUDIO TRANSPORTATION, INC.**, a California corporation doing business as "Desmond's Studio Production Service" ("Tenant").

RECITALS

A. On January 24, 2003, Landlord entered into a Ground Lease Agreement with Tenant and later amended it by a First Amendment to Ground Lease Agreement dated November 15, 2004, a Second Amendment to Ground Lease Agreement dated November 5, 2012, and a Third Amendment to Ground Lease Agreement dated October 15, 2018 (the "Lease"), pursuant to which Landlord granted Tenant the non-exclusive right to use the Leased Premises (as defined and described therein) to store equipment and to park trucks and other vehicles used primarily in the movie and television production business.

B. The Lease expires on December 6, 2021, and Landlord and Tenant desire to extend the term of the Lease for two (2) years subject to a right in favor of Landlord to terminate the Lease upon six (6) months' prior written notice; eliminate the conditional option in favor of Tenant to extend the Lease for an additional year (in the Third Amendment); and modify the rent.

AMENDMENT/AGREEMENT

THEREFORE, the parties hereto agree as follows:

1. **Definitions.** Capitalized terms used herein, including in the Recitals, shall have the meanings set forth in the Lease.
2. **Extension of Term.** The term of the Lease is hereby extended to December 6, 2023. (Tenant's conditional option to extend the term in the Third Amendment to Ground Lease Agreement is hereby terminated.)
3. **Landlord Right to Terminate; Waiver by Tenant.** Landlord shall have the right to terminate the Lease upon six (6) months' prior written notice to Tenant, in its sole and absolute discretion. Tenant hereby waives and covenants not to assert any claims or rights it may have to relocation benefits under California law in connection with any such termination.
4. **Rent.** As of December 6, 2021, the Annual Rent under the Lease shall be One Million Forty-Nine Thousand Two Hundred Seventy and 15/100 Dollars (\$1,049,270.15), payable in monthly installments of Eighty-Seven Thousand Four Hundred Thirty-Nine and 18/100 Dollars (\$87,439.18), without demand, offset or deduction, subject to the annual adjustments described in Section 3.1.3 of the Agreement.

5. Conflict. In the event of a conflict or inconsistency between the terms and conditions of the Lease and the terms and conditions of this Fourth Amendment, the terms and conditions of this Fourth Amendment shall prevail and control.

6. Continuing Effect. Except as specifically modified hereby, the Lease shall remain unaffected and unchanged. The Lease is hereby ratified and affirmed by Landlord and Tenant and remains in full force and effect as modified hereby.

7. Counterparts. This Fourth Amendment may be executed in any number of counterparts, 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.

IN WITNESS WHEREOF, this Fourth Amendment has been executed by the undersigned as of the date first written above.

LANDLORD:

BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY, a public entity

By: _____
Print Name: _____
Title: _____

TENANT:

D&L STUDIO TRANSPORTATION, INC.,
a California corporation (dba "DESMOND'S
STUDIO PRODUCTION SERVICE")

By: David P. Desmond
Print Name: DAVID P. DESMOND
Title: VICE-PRESIDENT

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
JUNE 21, 2021**

**THIRD AMENDMENT TO AVIATION HANGAR LEASE
AT&T SERVICES, INC.**

Presented by Scott Kimball
Deputy Executive Director
Business and Properties, Safety, Procurement, and Operations

SUMMARY

At its meeting on June 7, 2021, the Finance and Administration Committee ("Committee") voted unanimously (3–0) to recommend that the Commission approve a Third Amendment ("Amendment") to Aviation Hangar Lease ("Lease") with AT&T Services, Inc. ("AT&T"), copy attached, for Hangar 37.

BACKGROUND

GTC Management Services Inc. (formerly known as GTC Aviation, Inc.) ("GTC"), a subsidiary of Time Warner, originally entered into the Lease in 2003. Upon completion of a merger between AT&T and Time Warner, the Commission approved an assignment of the Lease to AT&T on February 18, 2020. AT&T is a tenant in good standing.

AT&T seeks to extend the Lease for an additional three years with two 3-year extension options.

The proposed Amendment would provide AT&T with an allowance of up to \$150,000 as rent credit to be used only for Authority-approved capital tenant improvements. In order to qualify for the rent credit, such improvements must be completed by May 31, 2022.

Commercial real estate firm CBRE Group, Inc. ("CBRE") represented AT&T in the negotiation of the Amendment. For its role in the transaction, CBRE will be compensated \$28,795.29 by the Authority upon approval and execution of the proposed Amendment.

DETAILS

Key components of the proposed Amendment are:

Premises: Hangar 37, comprised of 20,800 square feet of hangar space and 4,800 square feet of office space

Use: Storage of general aviation aircraft

Term: 3-year extension extending the term through May 31, 2024

Options: Two 3-year extension options

Rent: \$52,457.70 per month; \$629,492.40 per year

Adjustments: Annually at a fixed three percent (3%) per year commencing June 1, 2022

Rental Credit: \$150,000 for Authority-approved tenant improvements that are completed by May 31, 2022

Other: Tenant pays expenses related to occupancy including maintenance, utilities, share of property insurance and taxes

Broker

Commission: \$28,795.29

REVENUE IMPACT

Under the terms of the proposed Amendment, the Authority will receive rent in the amount of \$52,457.70 per month or \$629,492.40 per year and subject to an annual rent adjustment commencing June 1, 2022.

RECOMMENDATION

At its meeting on June 7, 2021, the Finance and Administration Committee voted unanimously (3–0) to recommend that the Commission approve the Amendment, authorize the President to execute the same, and authorize the Executive Director to consent to the extension options.

THIRD AMENDMENT OF AVIATION HANGAR LEASE

THIS THIRD AMENDMENT OF AVIATION HANGAR LEASE (this "Third Amendment" or "Amendment") is dated May 26, 2021, and is entered into by and between the BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY, a public entity formed under a joint exercise of powers agreement among the Cities of Burbank, Glendale and Pasadena, California pursuant to the California Joint Exercise of Powers Act ("Landlord"), and AT&T SERVICES, INC., a Delaware corporation ("Tenant").

RECITALS

1. Landlord and GTC Management Services, Inc. (formerly known as GTC Aviation, Inc.) entered into an Aviation Hangar Lease dated as of June 1, 2003, an Amendment of Aviation Hangar Lease dated June 20, 2011 and a Second Amendment of Aviation Hangar Lease dated February 21, 2017 (collectively, the "Lease") affecting premises (the "Premises") more particularly described in the Lease.

2. GTC Management Services, Inc. assigned the Lease to Tenant with the written consent of Landlord (given by a Consent to Assignment of Aviation Hangar Lease dated February 18, 2020).

3. Tenant and Landlord desire to further amend the Lease, as hereinafter set forth.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Tenant and Landlord hereby agree as follows:

4. Extension of Term. The "Expiration Date" of the Lease is hereby extended to May 31, 2024, but may be further extended by Tenant under Section 2 below.

5. Extension Options. If the Lease is not terminated earlier pursuant to its terms (and provided Tenant is not in default under the Lease after having received written notice thereof and the expiration of applicable cure periods), the Expiration Date (and the term of the Lease) may, with the written consent of the Landlord's Executive Director (not to be unreasonably withheld, conditioned, or delayed), be extended by Tenant (the "Extension Options") for two (2) additional consecutive periods of three (3) calendar years each (the "Extension Terms") by giving written notice of such extension to Landlord at least six (6) months prior to the then-current Expiration Date, and the Annual Base Rent for such Extension Term shall be calculated as set forth in Section 3 below.

6. Rent. Notwithstanding any contrary provisions in Article 3 of the Lease, from June 1, 2021 through May 31, 2022, Annual Base Rent shall be \$629,492.40, payable in equal monthly installments of \$52,457.70. On June 1, 2022 and each anniversary thereof, Annual Base Rent shall be increased by three percent (3%) on a cumulative basis. For the avoidance of doubt, Annual Base rent during any Extension Terms shall be the "Fair Market Rental Rate"

and determined in accordance with the process set forth in the Second Amendment of Aviation Hangar Lease.

7. Limited Rent Credit for New Improvements. Upon delivery to Landlord on or before June 30, 2022 (as extended for the same number of days as the below construction completion deadline is extended) of copies of applicable permits (including any requisite certificates of occupancy) and invoices and other reasonable evidence of the costs incurred for new improvements made by Tenant to the Premises, which must include, but are not limited to: (i) new interior painting and carpeting; (ii) updating existing lighting in the office area; and (iii) remodeling of the lobby, bathrooms, offices and kitchen area (the "2021 Proposed Tenant Improvements"), Tenant shall be entitled to a credit against Annual Base Rent of up to One Hundred and Fifty Thousand and No/100 Dollars (\$150,000.00) of such costs (including both hard and soft costs) that are incurred by Tenant after the date hereof and prior to May 31, 2022 (as such completion date is extended as a result of force-majeure events or Landlord-caused delays impacting Tenant's construction provided Landlord is informed in writing of any such claimed delay within ten (10) days after it commences).

8. 2021 Proposed Tenant Improvements. All improvements to be made by Tenant shall be subject to Article 6 of the Lease, and Tenant shall pay prevailing wages for the costs thereof and otherwise comply with California Labor Code Sections 1720 et seq.

Upon the expiration or sooner termination of the Lease, Tenant shall not be required to cause the removal of all or any of the 2021 Proposed Tenant Improvements or any improvements currently existing in the Premises.

9. Continuing Effect. Except as specifically modified hereby, the Lease shall remain unaffected and unchanged. The Lease is hereby ratified and affirmed by Landlord and Tenant and remains in full force and effect as modified hereby.

10. Counterparts. This Amendment may be executed in any number of counterparts, 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.

11. Broker's Fees. Each party represents and warrants to the other that it has had no dealings with any person, firm, broker or finder in connection with this Amendment other than CBRE, Inc. ("Broker") who represents Tenant, and that no broker or other person, firm or entity other than Broker is entitled to any commission or finder's fee in connection with this Amendment. Landlord shall be responsible for the payment of a \$28,795.29 commission to Broker (and Broker is hereby made a third party beneficiary of the foregoing to the extent necessary for the foregoing to be enforceable as a written commission agreement), and no additional fees or commissions shall be payable to Broker in connection with Tenant's exercise of any Extension Options under Section 2 above. The parties further agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any other broker, finder or other similar party by reason of any dealings or actions of the indemnifying party, including any costs, expenses, and/or attorneys' fees reasonably incurred with respect thereto.

12. Time of Essence. Time is of the essence of each and every provision hereof.

13. Governing Law. This Amendment shall be governed by the laws of the state of California notwithstanding any applicable conflicts of laws rules or law.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first written above.

LANDLORD:

BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY, a public entity

By: _____
Print Name: _____
Title: _____

TENANT:

AT&T SERVICES, INC.,
a Delaware corporation

By: Patricia McNulty
Print Name: Patricia McNulty
Title: Transaction Manager

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
JUNE 21, 2021**

**AWARD OF LICENSE AGREEMENT
CITY OF LOS ANGELES**

Presented by Chief Edward Skvarna
Chief of Police, Burbank-Glendale-Pasadena Airport Authority Police Department

SUMMARY

Staff seeks approval of the Commission to award a License Agreement (“Agreement”), copy attached, to the City of Los Angeles for access to the Adjacent Parcel (“Property”) for the purposes of temporarily storing 125 mobile trailers and ancillary equipment through April 1, 2022.

BACKGROUND

The Burbank-Glendale-Pasadena Airport Authority Police and Airport Fire Departments have been working with the City of Los Angeles Fire Department (“LAFD”) on matters of mutual assistance during the COVID-19 pandemic. As the mass vaccination sites within the City of Los Angeles have begun to close, LAFD contacted the Airport Police and Fire Departments with a request to temporarily store 125 33-foot-long mobile trailers, plastic K-Rails, and traffic cones which have been used to support the City of Los Angeles COVID-19 mass vaccination program. The need to store these mobile trailers and equipment became an urgent matter for LAFD as the rate of closure of these sites ramped up toward the end of May.

The trailers and equipment are designed for use in response to various emergencies and are able to be deployed in the local vicinity up to April 1, 2022, if the need arises. After reviewing space at the Airport, the Property was offered for the temporary storage and staff negotiated a no cost license.

As time is of the essence for the relocation of the trailers, with the receipt of an executed Agreement from the City of Los Angeles Office of the Mayor and a general insurance bond, Staff provided LAFD access to the Property.

As presented to the Commission on June 7, due to the nature of the need to support a neighboring public safety agency that has provided mutual aid support to the Airport in the past, the proposed Agreement is being presented directly to the Commission without a recommendation from the Legal, Government and Environmental Affairs Committee.

REVENUE IMPACT

The proposed Agreement is a no-cost license that provides temporary and limited authorization to enter the Property for mobile trailer and equipment storage purposes.

RECOMMENDATION

Staff recommends that the Commission approve the proposed Agreement with the City of Los Angeles for the temporary storage of mobile trailers and equipment and authorize the President to execute the same.

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (“Agreement”) is dated June 7, 2021 for reference purposes, and is executed by the BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY, a California joint powers agency (“Licensor”), and the CITY OF LOS ANGELES, a California charter city (“Licensee”).

RECITALS

A. Licensor is the owner of the land depicted on Exhibit A (“Licensed Premises”) which is part of the Hollywood Burbank Airport (“Airport”), a public airport in the County of Los Angeles (“Property”). The Licensed Premises are located on the “Adjacent Parcel” north of Parking Lot A, east of the Airport Operations Area, and south of an Authority tenant leasehold.

B. Licensee has requested the right to temporarily use the Licensed Premises for the limited purpose of storing one hundred twenty-five 33-foot travel trailers, plastic K-Rails, and traffic cones (collectively, “Assets”) in connection with Licensee’s de-mobilizing of COVID-19 vaccination sites (“Activities”).

C. Licensor has agreed to give to Licensee, and Licensee has agreed to accept from Licensor, a temporary and limited contractual license to enter upon the Property to conduct the Activities in accordance with and subject to this Agreement.

NOW, THEREFORE, for and in consideration of the foregoing recitals, the mutual terms, covenants and agreements contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, Licensor and Licensee agree as follows:

1. Term. This Agreement shall be deemed to have commenced on May 24, 2021 (“License Commencement Date”) and shall expire on April 1, 2022 unless earlier terminated. Either party may terminate this Agreement without cause upon 30 days’ prior written notice. Licensee hereby waives any and all rights to relocation benefits under applicable law upon the expiration or earlier termination of this Agreement.

2. Use of Licensed Premises.

2.1 Licensee may use the Licensed Premises during the term of this Agreement for the Activities only, and for no other use or purpose. In connection therewith, Licensee shall comply with the FAA Grant Assurances described in the attached Exhibit C to the extent applicable, and with all applicable laws.

2.2 Licensor shall have the right to enter and inspect the Licensed Premises at any time. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of any exclusive right within the meaning of Section 308 (a) of the Federal Aviation Act of 1958 (49 U.S.C. 1349(a)).

2.3 Licensee shall not make use of the Property in any manner that might interfere with the landing and taking off of aircraft from the Airport, or that might otherwise constitute a hazard. In the event this covenant is breached, in addition to all other rights and

remedies of Licensors, Licensors may cause the abatement of such interference at Licensee's expense.

2.4 Licensee shall use reasonable precautions in its use of the Property to prevent unauthorized persons from gaining access to restricted flight and aircraft operational areas of the Airport.

3. Use of Assets. Licensors may use any or all of the Assets for any Airport-related contingency or emergency need that arises during the term of this Agreement.

4. No Improvements; Hazardous Substances. Licensee shall not construct any improvements on the Licensed Premises. Licensee shall not store or release any hazardous materials or substances on the Licensed Premises or Property.

5. Trash Removal. Licensee shall remove and properly dispose of all trash.

6. Removal of Personal Property. No later than the expiration date or any earlier termination date of this Agreement, Licensee shall remove the Assets from the Licensed Premises (and the Property) and shall restore the Licensed Premises to its condition as of the date hereof. If Licensee does not do so, then Licensors may do so, and may dispose of or retain such property without obligation or liability to Licensee.

7. Damage; Indemnity. Licensee agrees that: (i) all activities by or on behalf of Licensee, or Licensee's officers, members, employees, agents, customers, guests or contractors (collectively, "Licensee's Designees") shall not damage the Licensed Premises or the Property in any manner whatsoever (normal wear and tear excepted); (ii) in the event the Property is damaged, altered, or disturbed in any manner in connection with the Activities, Licensee shall return the Licensed Premises and the Property to the condition existing prior to the damage, alteration, or disturbance; and (iii) Licensee, to the fullest extent allowed by law, shall indemnify, defend and hold harmless Licensors, the Cities of Burbank, Glendale and Pasadena, TBI Airport Management, Inc. and the commissioners, employees, and agents of Licensors (collectively, "Licensors Parties") from and against any and all claims, liabilities, damages, losses, costs, and expenses of any kind or nature whatsoever (including, mechanics liens, reasonable attorneys' fees and expenses, and court costs) suffered, incurred, or sustained by Licensors Parties as a result of, by reason of, or in connection with the Activities or the entry by Licensee or Licensee's Designees onto the Property. The obligations of Licensee under this Section shall survive the expiration or termination of this Agreement.

8. Insurance. At all times during the term of this Agreement and at its sole cost and expense, Licensee shall maintain or cause to be maintained in effect the insurance coverage specified in the January 4, 2021 proof of insurance set forth in the attached Exhibit B.

9. Contractual in Nature; No Recording. Licensors does not hereby convey to Licensee any right, title, or interest in or to the Property, but merely grants the specific and limited contractual rights and privileges set forth in this Agreement. In no event shall this Agreement or any memorandum hereof be recorded.

10. Notices. Any notice, demand, request, consent, approval, or communication hereunder shall be in writing; shall be delivered either by (i) e-mail at the addresses set forth below (deemed delivered on the date of delivery provided the e-mail is not rejected as shown by the sender's e-mail system), (ii) certified mail (deemed delivered on date of delivery or attempted delivery on the return receipt) or (iii) reputable overnight delivery service (deemed delivered one business day after being given to the service for overnight delivery); and shall be addressed as set forth below.

If to Licensor, to:

Burbank-Glendale-Pasadena
Airport Authority
2627 Hollywood Way
Burbank, CA 91505
Attn: Ed Skvarna
ESKVARNA@bur.org

If to Licensee, to:

City of Los Angeles
Deputy Mayor of Los Angeles
Homeland Security and Public Safety
Attn: Jeff Gorell
Jeff.gorell@lacity.org

11. Assignment. This Agreement may not be assigned by Licensee, in whole or in part.

12. Governing Law. This Agreement shall be construed, enforced, and interpreted in accordance with the laws of the State of California.

13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument. Furthermore, executed counterparts of this Agreement may be delivered by e-mails of pdf documents, and such electronic transmissions shall be valid and binding for all purposes when transmitted to and actually received by the other party.

14. Time. Time is of the essence of this Agreement and each and all of its provisions in which performance is a factor.

15. Prior Agreements. This Agreement contains the entire agreement of the parties with respect to the Activities.

16. Partial Invalidity. Any provision of this Agreement which shall prove to be invalid, void, or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provision shall remain in full force and effect.

17. POSSESSORY INTEREST TAX. LICENSEE RECOGNIZES AND UNDERSTANDS THAT THIS AGREEMENT MAY CREATE A POSSESSORY INTEREST THAT IS SUBJECT TO TAXES LEVIED UPON SUCH INTEREST. LICENSEE SHALL PAY ALL SUCH TAXES AS REQUIRED BY THE APPROPRIATE TAXING AUTHORITY

TO BE PAID BY LICENSEE IN CONNECTION WITH LICENSEE'S RIGHTS TO USE THE PROPERTY HEREUNDER.

18. Attorneys' Fees. If any party brings an action in connection with this Agreement, the prevailing party in any such action, as determined by the trier of fact, shall be entitled to recover its costs and reasonable outside attorneys' fees.

19. Condition of Property. Licensee represents that it has inspected the Property and hereby accepts the Property in its current "AS IS" condition, without representation or warranty, express or implied.

20. 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 or 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.

21. 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.

IN WITNESS WHEREOF, Licensors and Licensee have executed this Agreement as of the day and year first written above.

LICENSEE:

CITY OF LOS ANGELES

By: _____

Print Name: Jeff Gorell

Title: Deputy Mayor of Public Safety

LICENSOR:

BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY

By: _____

Print Name: _____

Title: _____

EXHIBIT A
Depiction of License Premises

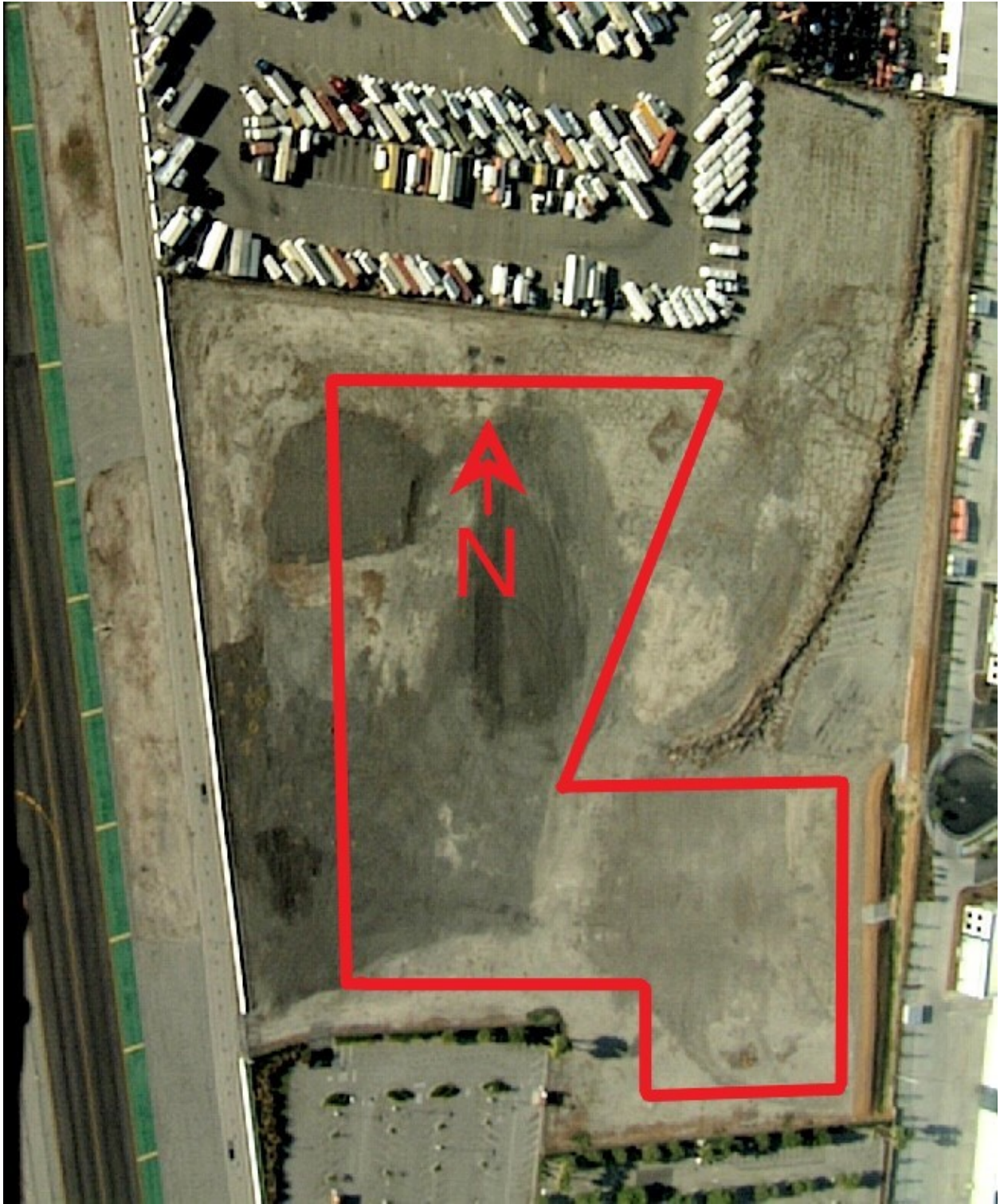


EXHIBIT B
Proof of Insurance

(ATTACHED.)

Richard H. Llewellyn, Jr.
CITY ADMINISTRATIVE OFFICER

CITY OF LOS ANGELES

CALIFORNIA



ERIC GARCETTI
MAYOR

ASSISTANT
CITY ADMINISTRATIVE OFFICERS

PATRICIA J. HUBER
BEN CEJA
YOLANDA CHAVEZ

January 4, 2021

To Whom It May Concern:

RE: Proof of Insurance for the City of Los Angeles

This is to certify that the City of Los Angeles self-administers, defends, settles and pays third-party claims for bodily injury, personal injury, death and/or property damage. Protection under this program is warranted to meet or exceed \$5 million, combined single limit, per occurrence.

Additionally, the City is permissively self-insured for Workers' Compensation under California law. The City of Los Angeles will provide 30 days' written notice of any modification or cancellation of the program.

If you need any further information regarding this risk retention program, please contact the Risk Management staff at (213) 978-RISK (7475) located at City Hall East, 200 N. Main St., Room 1240, Los Angeles, CA 90012.

Very truly yours,

Victor T. Parker

Victor T. Parker
Director of Risk Management



EXHIBIT C
FAA Grant Assurances

A. Licensee, for itself, its representatives, successors in interest, and permitted assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the Property that in the event facilities are constructed, maintained, or otherwise operated on the Property for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, Licensee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as such regulations may be amended.

B. Licensee for itself and its representatives, successors and any permitted assigns as a part of the consideration hereof, does hereby covenant and agree that:

1. No person on the ground of race, color, or national origin shall be excluded from participation, denied the benefits of, or be otherwise subjected to discrimination in the use of the Property;

2. In the construction of any improvements on, over or under the Property, if allowed, and the furnishings of services thereon, no person on the ground of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and

3. Licensee shall use the Property in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as such Regulations may be amended.

C. In the event of breach of any of the above nondiscrimination covenants, Licensor shall have the right to terminate this Agreement and to re-enter and to repossess the Property, and hold the Property as if this Agreement had never been made.

D. Licensee shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that Licensee may make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.

E. Noncompliance with paragraph D, above shall constitute a material breach hereof and in the event of such noncompliance Licensor shall have the right to terminate this Agreement and the estate hereby created without liability therefor or, at the election of Licensor or the

United States, either or both thereof shall have the right to judicially enforce paragraphs A, B, C and D above.

F. Licensee agrees that it shall insert the above five provisions in any permitted agreement by which Licensee grants a right or privilege to any person, firm or corporation to render accommodations and/or service to the public at the Property.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
JUNE 21, 2021**

**AIRPORT HEALTH ACCREDITATION
AIRPORTS COUNCIL INTERNATIONAL**

Presented by Sumire Spurlock
Manager, Safety Management System

SUMMARY

This item provides a briefing on an Airport Health Accreditation awarded to Hollywood Burbank Airport by Airports Council International – World (“ACI- World”) and Airports Council International – North America (“ACI-NA”).

BACKGROUND

Since the onset of the COVID-19 pandemic, airports around the world have increased efforts to address standards of cleanliness at their facilities to ensure a safe and secure place for travelers, aviation employees, and other persons transiting through the airport environment. ACI-World and ACI-NA established the Airport Health Accreditation program to provide airports with an assessment of how aligned their health measures are with the ACI Aviation Business Restart and Recovery guidelines, International Civil Aviation Organization (“ICAO”) Council Aviation Restart Task Force recommendations, and industry best practices.

ACI-World is a global trade representative of the world's airport operators. Established in 1991, ACI-World represents airports' interests with governments and international organizations. ACI-NA, initially founded as Airport Operators Council in 1948, represents airport interests in North America, the largest of the five worldwide regions of ACI-World. ICAO is a funded agency of the United Nations and is directed by 193 national governments to support diplomacy and cooperation in air transport.

The Airport Health Accreditation program is available to all ACI member airports of all sizes in all regions around the world and is on a voluntary basis initiated by an airport. Hollywood Burbank Airport applied for accreditation in the fall of 2020 and on June 7, 2021 was awarded an Airport Health Accreditation. Copies of the certificate and a letter from the Director General of ACI – World are attached.

PROCESS FOR ACCREDITATION

The accreditation is based on guidance from the ICAO Council Aviation Restart Task Force “Take-Off” document and ACI Recovery and Restart Best Practices which supplement the approach established by ICAO. Topics include cleaning and disinfection, physical distancing (where feasible and practical), staff protection, physical layout, passenger communications and passenger facilities.

All passenger areas and processes are considered including terminal access, check-in areas, security screening, boarding gates, lounges, retail, food and beverages, gate equipment such as boarding bridges, escalators and elevators, border control areas and facilities (in collaboration with authorities), baggage claim area and arrivals exit.

BENEFITS

The benefits of earning an Airport Health Accreditation are:

- Allows an airport to demonstrate to passengers, staff, regulators, and government agencies that the airport is prioritizing health and safety in a measurable, established manner.
- Enables staff to validate the health and cleaning practices throughout the facilities and processes.
- Provides a level of reassurance to travelling public.
- Promotes best practices among airport tenants and concessionaires across the industry.
- Supports coordination between ICAO global guidance and industry implementation.

ACCREDITATION

A number of airports in the United States have obtained an Airport Health Accreditation. Hollywood Burbank Airport joins a growing list of airports in California such as San Francisco, San Diego, Santa Maria, Sonoma County, Ontario, and Long Beach earning an Airport Health Accreditation. This accreditation is for one year and will be reapplied for next year.



AIRPORTS COUNCIL INTERNATIONAL

OFFICE OF THE DIRECTOR GENERAL

7 June 2021

Mr. Frank Miller
CEO
Hollywood Burbank Airport
Burbank, United States

Dear Mr. Miller,

I wish to extend my congratulations to you and your team at Hollywood Burbank Airport in becoming accredited in the Airports Council International (ACI) Airport Health Accreditation programme.

After reviewing the evidence presented through our evaluation process, your airport has shown that it is providing a safe airport experience for all travelers which is in line with the recommended health measures established in the ACI Aviation Business Restart and Recovery guidelines and ICAO Council Aviation Recovery Task Force Recommendations, along with industry best practices.

Your accreditation is valid for the next 12 months.

This programme is designed to help reassure the travelling public that airport facilities remain safe and that precautions are being taken to reduce any risk to their health. We feel confident your efforts will help us succeed in achieving this common goal.

Once again, my thanks and congratulations to all your team.

Sincerely,

Luis Felipe de Oliveira
Director General
ACI World



CERTIFICATE OF ACCREDITATION

Hollywood Burbank Airport

This certificate recognizes your airport's commitment to prioritizing health and safety measures in accordance with ICAO Council Aviation Restart Task Force (CART) recommendations and in alignment with the ACI Aviation Business Restart and Recovery guidelines along with industry best practices.

DATE OF ISSUANCE 20/05/2021

DATE OF EXPIRY 20/05/2022


LUIS FELIPE DE OLIVEIRA
Director General
ACI World


KEVIN BURKE
President and CEO
ACI North America

Supported by



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**AGREEMENT FOR SELF-PARK MANAGEMENT SERVICES AND
VALET PARKING SERVICES**

BETWEEN

BURBANK - GLENDALE - PASADENA

AIRPORT AUTHORITY

AND

SP PLUS CORPORATION

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EXHIBIT LIST

<u>Exhibit Reference</u>	<u>Description</u>
Exhibit A	Parking Facilities
Exhibit B	Services
Exhibit C	Authority Responsibilities
Exhibit D	Budget
Exhibit E	Minimum Staffing
Exhibit F	FAA Grant Agreement Assurances – Nondiscrimination
Exhibit G	FAA Grant Agreement Assurances

**AGREEMENT FOR SELF-PARK MANAGEMENT SERVICES
AND VALET PARKING SERVICES**

This Agreement for Self-Park Management Services and Valet Parking Services ("Agreement") is made and entered into as of this 7th day of May, 2018, by and between the **BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY** ("the Authority"), a public entity formed under a joint exercise of powers agreement among the Cities of Burbank, Glendale and Pasadena, California pursuant to the Joint Exercise of Powers Act, and **SP Plus Corporation** (SP+) ("Manager"), a Delaware corporation. The Authority and Manager are sometimes referred to herein individually as "a Party" and collectively as "the Parties."

RECITALS

- A. The Authority owns and operates the Hollywood Burbank Airport ("Airport").
- B. Manager has expertise in the performance of self-park management services and valet parking services at airports and comparable enterprises.
- C. The Authority desires to engage Manager to manage the Airport's self-park facilities and perform valet parking services at the Airport, all in accordance with this Agreement. Manager desires to accept such engagement.

NOW, THEREFORE, the Parties agree as follows:

1. Definitions.

1.1 "Annual Period" means (i) the period starting at Commencement and ending 11:59 p.m. June 30, 2019; and (ii) each subsequent twelve (12) calendar month period during the Term.

1.2 "Authority Confidential Information" means Authority documents and information that both (i) are designated in writing by the Authority as proprietary or confidential; and (ii) are given to, obtained by or prepared by Manager in connection with performance of the Services. "Authority Confidential Information" does not include documents or information that have been disclosed to the general public through no fault of Manager.

1.3 "Authority Insurance" means the Authority's Comprehensive General Aviation Liability (a.k.a. Airport Liability) insurance policy including the War, Hi-jacking and Other Perils write-back endorsement or comparable coverage, but only to the extent that such write-back endorsement or comparable coverage is commercially available.

1.4 "Budget" means the zero-based Operating Expenses budget prepared by Manager and approved by the Authority pursuant to Paragraph 4.4.3.

1.5 "Claims" means any and all claims, demands, actions, proceedings, causes of action, damages, judgments, awards, settlement amounts, penalties, fines, assessments, charges, fees, forfeitures, losses, liabilities, obligations, costs and expenses. "Claims" includes attorneys' fees.

- 1.6 "Commencement" means 12:01 a.m. July 1, 2018.
- 1.7 "Environmental Law" means all Law governing Toxic Materials or the environmental condition of soil, air or water.
- 1.8 "Event of Default" means an event specified in Sub-Section 10.1.
- 1.9 "Executive Director" means the Executive Director of the Authority or such person's designee.
- 1.10 "Expiration" means 11:59 p.m. June 30, 2021 or, if the Authority extends the Term pursuant to Sub-Section 11.1, the time and date of expiration of the Term as extended.
- 1.11 "FAA" means the Federal Aviation Administration.
- 1.12 "Government Agencies" means collectively federal, state, regional and local government entities. "Government Agency" means any one of the Government Agencies.
- 1.13 "Indemnitees" means collectively the Authority, TBI, the Cities of Burbank, Glendale and Pasadena, California and the respective commissioners, council members, officers, directors, employees, agents and representatives of the Authority, TBI and the Cities of Burbank, Glendale and Pasadena, California. "Indemnitee" means any one of the Indemnitees.
- 1.14 "Law" means all statutes, codes, rules, regulations, ordinances and orders (whether imposed by permit, license or otherwise) of all Government Agencies, including the Authority.
- 1.15 "Management Fee" means the fee described in Sub-Section 4.2 and payable to Manager pursuant to this Agreement.
- 1.16 "Manager Personnel" means collectively Manager's employees, sub-contractors and other Persons for whose acts Manager may be responsible. "Manager Employee" means any one of the Manager Personnel (including the Manager Representative) regardless of such Person's contractual relationship with Manager.
- 1.17 "Manager Representative" means the authorized representative of Manager specified in Sub-Section 5.4.
- 1.18 "Non-discrimination Regulations" means 49 Code of Federal Regulations Part 21 as amended from time to time.
- 1.19 "Operating Expenses" means the reimbursable expenses incurred by Manager in the performance of the Services.
- 1.20 "Parking Documents" means all original books, records, computer database information, computer disks and tapes, notes, reports, calculations, estimates and other materials provided to, obtained by or prepared by Manager in the performance of the Services. "Parking Documents" includes Authority Confidential Information.

- 1.21 "Parking Facilities" means the Airport parking facilities specified in Exhibit A.
- 1.22 "Parking Policies" means the Authority's operational policies for the Parking Facilities, the Services and the Airport.
- 1.23 "Parking Receipts" means the gross amount of all receipts (whether for cash, credit or otherwise) arising from operation of the Parking Facilities.
- 1.24 "Person" means an individual, trust, partnership, firm, corporation, limited liability company or other entity.
- 1.25 "Proposal": Manager's February 16, 2018 proposal submitted for the RFP.
- 1.26 "Revenue Control Equipment" means the equipment comprising the Skidata self-park and Computerized Valet Parking System (CVPS) revenue control systems for the Parking Facilities. "Revenue Control Equipment" includes the gates, validators, cash registers, ticket dispensers, video cameras and video recorders.
- 1.27 "RFP": Authority Request For Proposals No. LS17-01 and all addenda thereto.
- 1.28 "Services" means the self-park management services, valet parking services, and passenger and employee busing services specified in Exhibit B and Manager's other obligations under this Agreement.
- 1.29 "Short Term Parking Facilities" means collectively the Short Term Parking Lot and the Short Term Parking Structure.
- 1.30 "Term" means the term of this Agreement specified in Section 11.
- 1.31 "Termination" means the effective date and time of early termination of this Agreement by the Authority pursuant to Sub-Section 11.2.
- 1.32 "TBI" means TBI Airport Management, Inc., the manager of the Airport.
- 1.33 "Toxic Materials" means any hazardous or toxic materials, pollutants, effluents, contaminants, radioactive materials, flammables, explosives, pesticides, chemicals known to cause cancer or reproductive toxicity, emissions, wastes or any other chemicals, materials or substances whose handling, storage, release, transportation or disposal is or becomes prohibited or regulated by any Government Agency or, even if not so regulated, is or becomes known to pose a hazard or potential threat to the health and safety of any Person or to the environment.
- 1.34 "TSA" means the United States Transportation Security Administration.
- 1.35 "Valet Parking Facilities" means collectively the Valet Parking Facilities identified in Exhibit A.

2. Scope of Work.

2.1 Services. Manager shall perform the Services in accordance with this Agreement, the Parking Policies, the RFP and the Proposal. At any time, the Executive Director may modify, add to or delete any of the Services. In the event of any such modification, addition or deletion, the Management Fee shall be adjusted as determined by the Authority subject to the prior written approval of Manager, which approval shall not be unreasonably withheld.

2.2 Reconfiguration of Parking Facilities. At any time, Authority may modify, expand, reduce or relocate the Parking Facilities or any areas, improvements, facilities or equipment (including the Revenue Control Equipment) located in or servicing the Parking Facilities. In the event of any such modification, expansion, reduction or relocation, Manager shall cooperate in the determination of the new or revised Parking Facilities and equipment specifications, as well as in any construction or equipment purchases. This Agreement shall be amended, where required, as agreed upon by the Parties within one hundred twenty (120) days of completion of the modification, expansion, reduction or relocation. If an amendment cannot be agreed upon within this period, then the Authority may terminate this Agreement pursuant to Paragraph 11.2.1.

3. Authority's Responsibilities.

3.1 In General. The Authority shall be responsible for the matters specified in Exhibit C and the Services shall exclude such matters. At any time, the Executive Director may modify, expand or reduce the responsibilities specified in Exhibit C, including to delegate any of such responsibilities to Manager as part of the Services.

3.2 Contract Administrator. The Executive Director shall be the Authority's contract administrator for this Agreement. The Executive Director may instruct Manager regarding this Agreement, the performance of the Services and the Parking Facilities. Notice to the Executive Director with respect to this Agreement shall constitute notice to the Authority. All approvals, representations and commitments made by the Executive Director with respect to this Agreement shall be binding upon the Authority unless the Authority has notified Manager in writing of any limits on the authority of the Executive Director. The Executive Director may modify, add to or delete any of the Parking Policies at any time by giving written notice to Manager.

4. Compensation.

4.1 Management Fee and Operating Expenses. As full compensation during each Annual Period for the performance of the Services, the Authority shall pay Manager: (i) the Management Fee for such Annual Period pursuant to Sub-Sections 4.2 and 4.3; and (ii) reimbursement of the Operating Expenses incurred by Manager during such Annual Period, subject to Sub-Section 4.4. In no event shall Manager be entitled to any other fees, costs, expenses or compensation.

4.2 Management Fee. The Management Fee for each Annual Period shall be 1.30 percent of the Authority approved Self-Parking Management and Valet Services Budget for each Annual Period ("Management Fee Percentage") and shall be payable to Manager in twelve (12) equal monthly installments. The Management Fee for any partial Annual Period shall be prorated on the basis of a three hundred sixty (360) day year. The monthly installment of the Management

Fee payable for any partial calendar month shall be prorated on the basis of a thirty (30) day month. In addition to any adjustment permitted by Sub-Section 2.1, Manager may request an adjustment to the Management Fee by written submission to the Authority providing justification for the adjustment thirty (30) days prior to the beginning of each Annual Period. The Authority may approve or deny the request for a Management Fee adjustment at its sole and absolute discretion.

4.3 Management Fee Reconciliation. After the close of each Annual Period for which the Management Fee is paid, the Management Fee for the Annual Period shall be subject to reconciliation according to the procedure outlined in this Sub-Section 4.3. The sum of the Operating Expenses actually paid or incurred during the preceding Annual Period shall be multiplied by the Management Fee Percentage then in effect for that Annual Period. If the resulting amount is more than the Management Fee paid for the same Annual Period, then any overpayment of the Management Fee shall be credited against future installments of the Management Fee (or, upon termination of this Agreement, shall be repaid to the Authority). If the resulting amount is less than the Management Fee paid for the same Annual Period, then any underpayment shall be paid by the Authority to Manager.

4.4 Operating Expenses.

4.4.1 Monthly Invoice. On or before the tenth (10th) day of each calendar month during the Term, Manager shall deliver to the Authority: (i) an invoice describing in detail the nature and amount of the Operating Expenses incurred by Manager performing the Services during the immediately preceding calendar month; (ii) copies of all documentation (e.g. certificates of payment and certified payrolls) demonstrating that Manager incurred such Operating Expenses; (iii) a variance report comparing the month, year-to-date and forecasted annual costs to the Budget for that Annual Period and to the same period for the prior fiscal year; (iv) narrative explanations for all variances shown on the variance report; and (v) a written statement, executed under penalty of perjury, that the Operating Expenses itemized in the invoice were incurred by Manager performing the Services.

4.4.2 Payment. The Executive Director shall approve or disapprove the Operating Expenses itemized in each monthly invoice. The approved amount shall be paid within thirty (30) days following receipt of the invoice. If there is a good faith dispute between the Parties regarding any item of Operating Expenses included in a monthly invoice, the Authority shall pay the undisputed portion and the disputed portion shall be subject to resolution pursuant to Section 19. In no event shall Manager delay or stop performance of the Services.

4.4.3 Budget. Manager shall be entitled to reimbursement of Operating Expenses for each Annual Period only to the extent the same (i) are incurred by Manager performing the Services during such Annual Period; (ii) are approved by the Executive Director; and (iii) do not exceed the maximum amount of the Operating Expenses in the Budget for such Annual Period. The Budget for the first Annual Period shall be as set forth in Exhibit D. One Hundred Fifty (150) days prior to the start of each subsequent Annual Period, Manager shall submit to the Authority a proposed Budget for review and approval. At any time, the Authority may amend the Budget for an Annual Period if it determines that there have been changes in the Services or in the circumstances under which they are performed by Manager. At any time, Manager may submit a proposed modification of the Budget for an Annual Period. In no event shall the Authority be

obligated to approve either a proposed modification of the Budget for an Annual Period or approve a new Budget for an Annual Period, including for reasons due to Manager's execution of a new or re-negotiated union agreement that increases Manager's labor costs. If any Annual Period is a partial Annual Period, the maximum amount of Operating Expenses set forth in the Budget for such Annual Period shall be prorated on the basis of a three hundred sixty (360) day year.

4.5 Performance Bonus. The Authority shall negotiate with Manager regarding criteria for a performance bonus award in an amount no greater than twenty-five percent (25%) of the Management Fee. The Authority shall not award a performance bonus until the Authority and Manager mutually agree upon such criteria. Upon agreement, the Executive Director may award a performance bonus at any time upon determining that Manager has satisfied the Authority's criteria as agreed upon by both parties and that such an award is in the best interests of the Authority. If a performance bonus is awarded by the Executive Director, Manager is encouraged to share such bonus with the Manager Personnel who are primarily responsible for the award.

4.6 Retention. The Executive Director may withhold up to ten percent (10%) of the Management Fee owed in any monthly installment as a penalty for nonperformance of any provision of this Agreement by Manager or any Manager Employee. In such event, the Executive Director shall provide Manager written notice of the area(s) of nonperformance and a reasonable opportunity to cure. The withheld portion of the Management Fee shall be paid promptly upon Manager's cure of the identified area(s) of nonperformance.

4.7 Records. Manager shall maintain its records relating to this Agreement during the Term and for a minimum period of five (5) years following Expiration or Termination. Such records shall be subject to inspection and audit, at any time during the Term and within the five (5) year period following Expiration or Termination, by any authorized representatives of the Authority. If an audit shows that any amounts paid by the Authority to Manager were in excess of the amounts to which Manager is entitled under this Agreement, in addition to other remedies of the Authority, Manager shall pay the Authority such excess immediately upon the Authority's written demand. Alternatively, the Authority may deduct such excess from any future payments of the Management Fee or the Operating Expenses. If an audit shows that any amounts paid by the Authority to Manager were equal to or in excess of two percent (2%) of the amount to which Manager is entitled for the period under audit, in addition to other remedies of the Authority, Manager shall pay to the Authority the costs of the audit.

4.8 Taxes, Fees and Assessments. Prior to delinquency, Manager shall pay taxes, fees and assessments (including penalties) imposed upon Manager by Government Agencies in connection with the Services, the Management Fee and the Operating Expenses. Manager shall not be responsible for payment of taxes, fees or assessments applicable to the Parking Facilities.

4.9 Manager shall reimburse the Authority for any parking fees that the Authority must reimburse its passengers due to negligence on the part of Manager or Manager Personnel.

5. Performance of Services.

5.1 Standard for Performance. Manager shall perform the Services in a diligent manner in strict conformity with the best practices and highest standards of the parking management industry and the valet parking industry.

5.2 Compliance with Parking Policies and with Law. Manager shall comply with the Parking Policies and with all Law applicable to Manager, the Parking Facilities, the Airport and the Services. This requirement includes the duty to maintain permits, licenses, registrations, certifications, authorizations and approvals mandated by Law. Manager shall provide the Authority copies of all such permits, licenses, registrations, certifications, authorizations and approvals, as well as copies of all renewals thereof.

5.3 Manager Personnel. Manager shall employ a sufficient number of qualified and bondable Manager Personnel to perform the Services. Manager Personnel directly involved with the day-to-day operation of the Services shall have the ability to speak English sufficiently well to communicate with Airport customers. Manager Personnel, other than management staff, shall wear Authority-approved uniforms and safety gear (as required for traffic conditions or nighttime operations) while performing the Services. Subject to Sub-Sections 5.4 through 5.6, Manager is solely responsible for all matters pertaining to the employment, work assignments, methods of executing work assignments, supervision, compensation, promotion and discharge of Manager Personnel. Manager Personnel shall not be assigned to perform any of the Services until they have satisfactorily completed an Authority-approved training program developed by Manager.

5.4 Manager Representative. Robert Blackwell or Edgars Skele shall serve as the "Manager Representative" with respect to this Agreement and shall be primarily responsible for administering the Services. The Manager Representative shall act upon instructions given by the Executive Director. All approvals, representations and commitments made by the Manager Representative shall be binding upon Manager. Manager shall not, at any time during the first two (2) Annual Periods, reassign the Manager Representative from the Airport except as provided in Sub-Section 5.6. Any change in the Manager Representative shall require the prior written approval of the Executive Director.

5.5 Minimum Staffing. During peak traffic periods, Manager shall utilize at least the minimum staffing identified in Exhibit E.

5.6 Authority's Right to Remove. If the Executive Director disapproves of any Manager Employee (including the Manager Representative), the Executive Director shall notify Manager in writing of the name of the Manager Employee and the reason for such disapproval. If Manager does not cause the reason for disapproval of the Manager Employee to be cured to the reasonable satisfaction of the Executive Director within ten (10) days following the notification, Manager immediately shall remove the Manager Employee from performance of the Services and shall replace the Manager Employee with a qualified substitute. The Authority shall have the right, but not the obligation, to interview any substitute Manager Representative proposed by Manager before such substitute Manager Representative begins working at the Airport. The Executive Director's authority under this Sub-Section 5.6 shall not constitute, or be construed to constitute,

any right to terminate or otherwise interfere with any employment relationship between Manager and Manager Personnel.

5.7 Theft. Manager shall conduct a program for the selection, management and supervision of Manager Personnel performing the Services that is reasonably calculated to preclude theft of Parking Receipts, vehicles and property contained therein. Such program shall include: background investigations (including references and criminal records); provisions for the identification and exclusion of prospective and existing Manager Personnel who have been convicted of theft by a court of competent jurisdiction; and proper supervision of the collection and delivery of Parking Receipts to the Authority.

5.8 Parking Receipts. Parking Receipts are monies of the Authority, and Manager is a trustee of the Parking Receipts for the Authority's benefit. Manager shall ensure that Parking Receipts are properly assessed, collected, accounted for and delivered to the Authority free of all claims, demands, set-offs or counter-claims by Manager against the Authority.

5.9 Operations.

5.9.1 Maintenance. Manager shall maintain the Revenue Control Equipment and the parking exit booths (including fixtures, equipment, furniture and interior personal property) in good operating condition and in accordance with the Parking Policies. Manager shall immediately notify the Executive Director of any maintenance necessary or appropriate for the Revenue Control Equipment or the other Parking Facilities.

5.9.2 Damage. Manager shall be responsible for repairing any damage to the Parking Facilities that arises out of any acts or omissions of Manager or any Manager Employee. This obligation applies even if the Authority is responsible for maintenance of the damaged portion of the Parking Facilities.

5.9.3 Improvements. Unless the Executive Director has given prior written approval, Manager shall not make any improvements to the Parking Facilities, and shall not post any signs at the Parking Facilities. At its sole expense, when approved in advance in writing by the Executive Director, Manager may place movable furniture and other trade fixtures in the parking exit booths. Manager shall immediately remove such furniture and trade fixtures upon Expiration or Termination. Additionally, at its sole expense, Manager shall immediately repair damage to the parking exit booths and other portions of the Parking Facilities arising out of the removal of such furniture or trade fixtures. The repairs shall be performed to the reasonable satisfaction of the Executive Director.

5.9.4 Police Department Reports. Manager shall immediately report to the Airport Police Department personal injuries, property loss or damage, and threats or potential threats that arise in connection with use of the Parking Facilities or with the Services. The reports shall be made on forms provided by the Airport Police Department.

5.10 Independent Contractor Status. This Agreement shall not be construed as creating a partnership between Manager and the Authority or as creating any other form of legal association that would impose liability upon Manager or the Authority for an act or omission of the other Party. Manager shall perform the Services as an independent contractor of the Authority. Manager

shall not have any authority to bind the Authority by contract or otherwise, or to incur any obligation or liability on behalf of the Authority, unless such authority is expressly conferred by this Agreement, the Parking Policies or a writing by the Executive Director.

6. Ownership of Parking Documents.

The Parking Documents shall be the property of the Authority and shall be delivered to the Authority on request, but in no event later than Expiration or Termination. The Executive Director may inspect or copy the Parking Documents at any time, and Manager shall make the Parking Documents available for such purposes.

7. Access.

Employees, agents and representatives of the Authority or TBI may enter the Parking Facilities at any time for any purpose.

8. Insurance.

8.1 Obligations. Subject to Sub-Section 8.2, Manager shall maintain the types and amounts of insurance described in this Sub-Section 8.1.

8.1.1 Commercial General Liability. Manager shall maintain commercial general liability insurance written on an occurrence basis and providing coverage in an amount at least equal to One Million Dollars (\$1,000,000) each occurrence and in the annual aggregate. Each commercial general liability policy shall include premises/operations, explosion, collapse and underground hazard, broad form contractual, products/completed operations, independent contractors, broad form property damage and personal injury.

8.1.2 Comprehensive Automobile Liability and Physical Damage Coverage. Manager shall maintain comprehensive automobile liability and physical damage insurance written on an occurrence basis and covering all owned, non-owned and hired vehicles in an amount at least equal to One Million Dollars (\$1,000,000) combined single limit. If any Manager Employee covered by comprehensive automobile liability insurance policy maintained by Manager, or by the Authority pursuant to Sub-Section 8.2, does not satisfy the requirements of the applicable insurer, Manager shall not permit such Manager Employee to operate any motor vehicle in connection with this Agreement. Manager shall assume responsibility for the automobile liability and physical damage coverage, with an Authority-approved underwriter, for all Authority-owned vehicles while being operated by Manager or in Manager's care, custody and control, and any insurance procured and maintained by the Authority will not be called upon to respond or to contribute.

8.1.3 Workers' Compensation. Manager shall maintain statutory workers' compensation insurance written in accordance with Law.

8.1.4 Employers' Liability. Manager shall maintain employers' liability insurance in amounts not less than the following:

Bodily injury by accident - One Million Dollars (\$1,000,000) - each accident
Bodily injury by disease - One Million Dollars (\$1,000,000) - policy limit
Bodily injury by disease - One Million Dollars (\$1,000,000) - each employee

The employers' liability coverage shall not contain an occupational disease exclusion.

8.1.5 Crime. Manager shall maintain blanket crime insurance written on loss discovered basis and providing coverage over the life of this Agreement in an amount at least equal to Three Million Dollars (\$3,000,000) each occurrence and in the annual aggregate. The policy shall include coverage for employee dishonesty, premises, transit, forgery, credit and debit cards and computer fraud (including wire transfer). In lieu of such insurance policy, Manager may maintain a bond that provides the same coverage.

8.1.6 Garage Keepers Coverage. Manager shall maintain garage keepers coverage written on an occurrence basis and providing coverage in an amount at least equal to Five Million Dollars (\$5,000,000) each occurrence.

8.1.7 Excess Umbrella Liability Insurance. Manager shall maintain excess umbrella liability insurance written on an occurrence basis and providing coverage in an amount at least equal to Nine Million Dollars (\$9,000,000) in excess of the coverages required in Sub-Sections 8.1.1, 8.1.2 and 8.1.4.

8.2 Authority's Right to Maintain. At any time, the Authority may at its sole election maintain the insurance specified in Paragraph 8.1.2. If the Authority elects to maintain such insurance, the cost thereof shall be deducted from the Operating Expenses.

8.3 Performance Bonds. Manager shall maintain a performance bond in the continuing penal sum of Six Hundred Thousand Dollars (\$600,000) naming the Authority as obligee. The performance bond shall guarantee Manager's full and faithful performance of the Services. Coverage of the performance bond shall include the Authority's damages (measured by the Authority's loss of parking revenue, cost of maintaining the parking and busing operation in Manager's absence, cost of disruption of business, cost related to advertising and securing a successor for Manager and ancillary expenses such as legal fees) resulting from Manager ceasing to perform the Services prior to Expiration or Termination.

8.4 Deductible and Self Insured Retention Limitations. In no event shall the deductible or self-insured retention for any insurance policy or bond maintained by Manager pursuant to this Section 8 exceed Ten Thousand Dollars (\$10,000) without the Authority's approval, which shall not be unreasonably withheld. The Authority is assured of dollar one coverage and this deductible remains the total responsibility of Manager.

8.5 Erosion of Coverage. If the coverage limit under any insurance policy or bond maintained by Manager is eroded below the applicable limit required by this Agreement, Manager shall immediately notify the Authority in writing and shall take all reasonable actions required to reinstate the coverage limit to at least the applicable limit of liability.

8.6 Insurer and Surety Requirements. Each insurance policy and bond required to be maintained by Manager pursuant to this Section 8 shall be underwritten by an insurance company

or surety authorized to conduct business in California and having a rating not less than A-X in A.M. Best's Insurance Guide. The Executive Director may waive this requirement.

8.7 No Limitation of Liability. The limits of liability provided in the insurance policies and bonds maintained by Manager pursuant to this Agreement shall not limit Manager's liability under this Agreement.

8.8 Proof of Insurance and Bonds. Upon Manager's execution of this Agreement, Manager shall deliver to the Executive Director certificates of insurance and copies of the bonds evidencing that the required insurance policies and bonds are being maintained by Manager. At such time Manager also shall deliver to the Executive Director copies of endorsements (i) requiring the insurers to give to the Authority at least thirty (30) days prior written notice by certified or registered mail of cancellation, non-renewal or reduction in coverage; (ii) confirming the applicability of Sub-Section 8.9; (iii) with respect to the commercial general liability, automobile liability, garage keepers liability, employers' liability and excess liability coverages, naming Authority and its officers, directors, employees, agents and representatives as additional insureds; (iv) with respect to the blanket crime insurance policy and the performance bonds, naming the Authority loss payee and providing that its term shall continue in full force and effect during the Term and for one (1) year following Expiration or Termination; and (v) with respect to the automobile liability and physical damage coverage, confirming that the policy provides coverage for all Authority-owned vehicles while being operated by Manager or in Manager's care, custody and control, and that any insurance procured and maintained by the Authority will not be called upon to respond or to contribute. Failure of Manager to provide any of these items, or the subsequent receipt by the Authority of a notice of cancellation, non-renewal or reduction in coverage under a required insurance policy or bond, shall constitute an Event of Default. Upon reasonable request by the Executive Director (for example, in the event of a coverage dispute), Manager shall deliver a true and complete copy of the required insurance policies or bonds, together with a copy of all related endorsements.

8.9 Waiver of Subrogation. All insurance policies and bonds required by this Agreement shall include, or shall be endorsed to provide, a waiver by the insurers of any rights of subrogation that the insurers may have at any time against the Indemnitees. This requirement shall not apply to Manager's workers' compensation policy. If the waiver of subrogation is included in the insurance policies or bonds, the waiver shall be included in the certificates of insurance and copies of bonds delivered to the Executive Director pursuant to Sub-Section 8.8. If the waiver of subrogation is included in endorsements to the insurance policies or bonds, copies of the endorsements shall be delivered to the Executive Director.

8.10 Primary Policies. Insurance policies and bonds required to be maintained by Manager pursuant to this Agreement shall be primary without right of contribution of any other insurance carried by or on behalf of the Authority. Such insurance policies and bonds shall be endorsed in accordance with this Sub-Section 8.10 and Manager shall provide to the Authority copies of the endorsements.

8.11 Designation of Other Coverages and Requirements.

8.11.1 Right to Designate. At any time, the Authority may require Manager to maintain additional or different insurance policies or bond coverages. The Authority also may, at any time, change any other requirements specified in this Section 8.

8.11.2 Manager Compliance. Manager shall comply with all changes made by the Authority pursuant to Paragraph 8.11.1, to the extent that such changes in coverages and other requirements are available in the insurance or bond market at the time. Manager shall cooperate with the Authority in implementing all such changes.

8.11.3 Additional Costs. Additional costs incurred by Manager as a result of changes made by the Authority pursuant to Paragraph 8.11.1 shall be paid to Manager as part of the Operating Expenses.

8.11.4 Amendment. If the Authority elects to change the insurance or bond coverages specified in this Section 8, such change shall be incorporated in a written amendment to this Agreement.

9. Indemnity.

9.1 General. Manager shall defend, indemnify and hold harmless the Indemnitees from and against Claims arising out of, resulting from or relating to this Agreement. Without limiting the generality of the preceding sentence, Manager shall defend, indemnify and hold harmless the Indemnitees from and against Claims arising out of, resulting from or relating to the following: (i) the performance of the Services; (ii) the employment by or on behalf of Manager of any Manager Employee to perform the Services; or (iii) the reassignment, replacement or removal of any Manager Employee from the performance of the Services.

9.2 Indemnitee Rights. Notwithstanding Sub-Section 9.1, each Indemnitee shall have the following rights with respect to any Claim against the Indemnitee: (i) to approve of any legal counsel engaged by Manager to defend the Indemnitee with respect to such Claim, which approval shall not be unreasonably withheld; and (ii) to engage separate legal counsel for the Indemnitee (which separate legal counsel shall be selected by the Indemnitee with Manager's approval, which approval shall not be unreasonably withheld) in any of the following circumstances: (a) the Indemnitee reasonably determines that there is a material conflict between the interests of Manager and/or any insurance carrier of Manager and the interests of the Indemnitee with respect to such Claim; (b) any material disagreement between Manager or any insurance carrier of Manager and the Indemnitee, as to the manner, method or handling of the defense of such Claim; or (c) the Indemnitee reasonably determines that separate legal counsel is otherwise required to protect its interests with respect to such Claim. The fees and costs of the legal counsel described in (i) and (ii) above shall be paid for by Manager as part of its indemnity obligation under Sub-Section 9.1.

9.3 Exculpation. Manager hereby releases the Authority from and waives any and all liability for losses of, or damage to or loss of use of, Manager's property or injury to or death of Manager Personnel arising out of or in any way connected with the Services. This release and waiver shall not apply to any such loss of or damage to property or injury to or death of Manager Personnel caused by the willful misconduct of the Authority, its officers, agents, or employees.

9.4 Personal Injury or Property Damage Claims. Claim reports for personal injury or property damage related to the Services shall be handled immediately by the Manager Representative or his authorized designee. Manager shall have forms at the Airport for any Person to make a claim of personal injury or property damage, whether or not the Manager Representative (or his designee) judges such claim to have actually occurred at the Airport. Manager shall respond to all properly submitted claims within forty-eight (48) hours after the claim is received and shall transmit to the Authority, within such period, a copy of the claim and a written description of the disposition of the claim.

9.5 Survival. Manager's obligations under this Section 9 shall survive Expiration or Termination.

10. Default.

10.1 Events of Default by Manager. The following shall constitute Events of Default by Manager:

10.1.1 Exercise of Creditor Rights or Remedies. (i) The consent of Manager to the appointment of a receiver, trustee or liquidator of all or a substantial portion of Manager's assets; or (ii) the adjudication of Manager as a bankrupt or insolvent; or (iii) the filing by Manager of a voluntary petition in bankruptcy; or (iv) the admission by Manager in writing of Manager's inability to pay its debts as they become due; or (v) the failure by Manager to pay its debts as they become due; or (vi) the making by Manager of a general assignment for the benefit of creditors; or (vii) the filing by Manager of a petition or answer seeking reorganization or arrangement with creditors; or (viii) the entry of any order, judgment or decree by a court of competent jurisdiction approving a petition seeking appointment of a receiver, trustee or liquidator of all or a substantial part of Manager's assets.

10.1.2 Material Breach. The occurrence of any of the following, each of which shall be a material breach of this Agreement: (i) misrepresentation, default, breach or nonperformance of any provision of this Agreement by Manager or any Manager Employee; (ii) abandonment of this Agreement by Manager; or (iii) initiation of proceedings to dissolve Manager.

10.2 Authority's Default. The Authority shall not be deemed to be in default in the performance of any of its obligations under this Agreement until it has failed to perform such obligation within thirty (30) days following the receipt by the Authority of written notice specifying the obligation the Authority has failed to perform. If such obligation is not reasonably susceptible of being performed within a thirty (30) day period, the Authority shall not be in default unless it has failed to initiate the performance of such obligation within thirty (30) days (or longer period if required) of receipt of the notice, or unless it has failed to prosecute diligently such performance to completion. In the event of a default by the Authority under this Agreement, the sole remedy of Manager shall be to terminate this Agreement.

11. Term.

11.1 Base Period and Month-to-Month Extensions. The term of this Agreement shall begin at Commencement and shall end at Expiration unless sooner terminated or extended as provided in this Section 11. The Authority may extend the Term for up to two additional years on

an annual basis. If the Authority elects to extend the Term, then it shall provide Manager at least thirty-five (35) days written notice prior to Expiration that this Agreement will be so extended for each one-year extension.

11.2 Early Termination by Authority.

11.2.1 Reconfiguration of Parking Facilities. The Authority may terminate this Agreement upon sixty (60) days written notice to Manager if the Parties are unable to agree upon an amendment to this Agreement within one hundred twenty (120) days of completion of the modification, expansion, reduction or relocation of the Parking Facilities pursuant to Sub-Section 2.2.

11.2.2 Termination For Convenience. In addition to its right under Paragraph 11.2.1, the Authority may terminate this Agreement for convenience at any time by delivering written notice to Manager at least one hundred twenty (120) days prior to the effective date of termination.

11.2.3 Termination Upon Event of Default. The Authority may immediately terminate this Agreement in its entirety, or as to some but not all of the Services, in the event of the occurrence of any Event of Default. To effectuate such termination, the Authority shall give written notice to Manager stating the effective date and time of termination, and, if applicable, the particular Services terminated.

11.3 Documents and Other Materials. Upon Expiration or Termination, Manager shall deliver the Parking Documents to the Authority.

12. Toxic Materials.

12.1 Prohibition. Manager shall not cause or permit any Toxic Materials to be brought onto, stored, used or disposed of in, on or about the Parking Facilities or elsewhere at the Airport without the prior written consent of the Executive Director. The Executive Director's consent shall not be unreasonably withheld if Manager demonstrates to the Authority's reasonable satisfaction that the Toxic Materials (i) are required in connection with the Services; and (ii) will be stored, used and disposed of in a manner that complies with Environmental Law. Manager may use and permit the use of gasoline and motor oil in motor vehicles in the Parking Facilities, provided that the same are not spilled, discharged or released on, in, under or about the Parking Facilities or elsewhere at the Airport and such use is in compliance with Environmental Law.

12.2 Indemnity. Manager shall be solely responsible for and shall defend, indemnify and hold harmless the Indemnitees from and against any and all Claims related to the receipt, handling, use, storage, accumulation, transportation, generation, spillage, migration, discharge, release or disposal of Toxic Materials in, on or about the Parking Facilities or any other areas of the Airport by Manager or Manager Personnel. This indemnification obligation includes costs incurred in connection with investigation of site conditions and cleanup, remediation, removal or restoration work necessary to bring the Parking Facilities or other areas of the Airport into compliance with Environmental Law. Manager's indemnity obligation under this Sub-Section 12.2 shall survive Expiration or Termination.

12.3 Prohibited Substances. Notwithstanding anything to the contrary, the following substances shall not be brought onto the Parking Facilities or any other areas of the Airport: (i) arsines; (ii) dioxins, including dioxin precursors and intermediates; (iii) polychlorinated biphenyls; and (iv) anything contained in the California List of Extremely Hazardous Chemicals.

13. Confidentiality.

13.1 In General. Manager shall keep Authority Confidential Information plainly marked "CONFIDENTIAL" to prevent unauthorized use or reproduction. Unless approved by the Executive Director in advance in writing, Manager shall not disclose Authority Confidential Information to any Person. This provision does not preclude Manager from disclosing Authority Confidential Information to a Manager Employee as necessary for performance of the Services.

13.2 Return. Manager shall immediately deliver Authority Confidential Information to the Authority upon demand.

13.3 Injunctive Relief. Manager acknowledges that the Authority's legal remedies may not be adequate to address a breach of this Section 13. Manager consents to injunctive relief in the enforcement of this Section 13 without the necessity of posting a bond or other security.

14. Conflicts of Interest.

Manager shall not approve or recommend for approval any action or decision by the Authority relating to a matter that concerns Manager or any Manager Employee and that Manager knows will or could confer a material benefit upon Manager or any Manager Employee without in each instance first disclosing in writing to the Authority the anticipated benefit to Manager or the Manager Employee. Additionally, Manager shall not negotiate, agree to or execute any other contract with TBI, or any of the Cities of Burbank, Glendale or Pasadena, California, where the interests of TBI, or any of the Cities of Burbank, Glendale or Pasadena, California, under such contract is in conflict with the interests of the Authority under this Agreement.

15. Publicity.

Unless approved by the Executive Director in writing in advance, Manager shall not make any public announcement, issue any press release or other publicity, or confirm any statements concerning this Agreement except as otherwise required by Law.

16. Non-Discrimination and Affirmative Action.

Manager shall comply with the provisions of Exhibit F and the Non-Discrimination Regulations as the same may be amended from time to time. Additionally, Manager shall establish, implement and maintain an affirmative action program as required by 41 Code of Federal Regulations Part 152, Subpart E, to ensure that no Person shall, on the ground of race, creed, color, national origin, or sex, be excluded from participating in any employment activities covered in such subpart. Manager agrees that no Person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by such subpart.

17. FAA Requirements.

Neither Manager nor any Manager Employee shall do anything that will cause or contribute to the violation by the Authority of any of the provisions of Exhibit G.

18. Security.

Manager shall comply with the Airport's security requirements for identification badges.

19. Dispute Resolution.

19.1 In General. If the Parties are unable to resolve by mutual agreement any dispute relating to this Agreement, either Party shall have the right to commence an action in any court of the State of California or the United States located in Los Angeles County, California, unless the Parties mutually agree as to an alternative dispute resolution procedure for resolving such dispute or controversy.

19.2 Attorneys' Fees. In the event of any judicial, arbitration or mediation action or proceeding to enforce or construe any of the provisions of this Agreement, the prevailing party in any such action or proceeding shall be entitled to reasonable attorneys' fees, expert witness fees and costs. The trier of fact in any judicial proceeding shall be specifically requested to name the prevailing party.

20. Miscellaneous.

20.1 Notices. All notices, requests, demands and other communications given, or required to be given under this Agreement, shall be in writing, duly addressed to the Parties as follows:

To Authority: BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY
2627 North Hollywood Way, Burbank, CA 91505
Attention: Executive Director

To Manager: 1) SP Plus Corporation (SP+)
1301 East Ninth Street, Suite 1050
Cleveland, OH 44144
Attention: Jason Finch, Sr. Vice President-West Airports

2) SP Plus Corporation (SP+)
200 E. Randolph Street, Suite 7700
Chicago, IL 60601
Attn: Legal Department

Any notices properly addressed, sent by registered or certified mail, return receipt requested, shall be deemed to have been duly given and received seventy-two (72) hours after they are deposited in the United States mail, postage prepaid. Notices shall be deemed delivered and received at the time delivered if properly addressed and delivered to the addresses set forth in this

Sub-Section 20.1 during normal business hours or personally delivered to the addressee or sent by confirmed telecopy to a Party's regular business telecopier during regular business hours. Notice sent by any other manner shall be effective upon actual receipt of the addressee. Any Party may change its address for purposes of this Agreement by giving notice to the other Party as provided in this Sub-Section 20.1.

20.2 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

20.3 Personal Services Agreement: No Assignment or Delegation. This Agreement is personal to Manager and Manager shall have no right to assign this Agreement, or any portion hereof or any monies due or to become due hereunder, or to delegate any duties or obligations arising hereunder, either voluntarily, involuntarily or by operation of Law, without the prior written approval of the Authority, which approval may be granted or withheld by the Authority in its reasonable discretion. A prohibited assignment within the meaning of this Sub-Section 20.3 includes any transfer, sale or change in the ownership of more than twenty percent (20%) of the total stock or partnership interests or limited liability company interests or other equity or voting rights or interests of Manager or any other change in the management of Manager. The Authority's consent to any assignment or transfer shall not be construed or deemed to be a waiver of any of the restrictions provided for in this Agreement or to be a consent to any subsequent transfer or assignment.

20.4 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties' respective successors and permitted assigns.

20.5 No Third Party Beneficiaries. Except as provided in this Agreement, nothing in this Agreement is intended to confer any right or remedy under or by reason of this Agreement on any Person, other than the Parties and their respective successors and permitted assigns; nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third person to any Party; nor shall any provision of this Agreement give any third person any right of subrogation or action over or against any Party.

20.6 Waiver. Waiver by either Party of any one or more of the provisions of this Agreement shall not be a waiver of any other provision of this Agreement. In no event shall the making by the Authority of any payment to Manager constitute or be construed as a waiver by the Authority of any breach of covenant, or any default that may then exist on the part of Manager, and the making of any such payment by the Authority shall in no way impair or prejudice any right or remedy available to the Authority with regard to such breach or default.

20.7 Interpretation. This Agreement shall be governed by and construed pursuant to the law of the State of California.

20.8 Integration. All Exhibits attached to this Agreement are incorporated herein by reference. Additionally, the RFP and the Proposal are incorporated herein by reference. This Agreement, together with all Exhibits, the RFP, and the Proposal, constitutes the entire contract of the Parties and supersedes all prior and contemporaneous negotiations, understandings and contracts of the Parties with respect to this subject matter (including the Parties' February 6, 2012

Agreement for Self-Park Management Services, Valet Parking Services, and Passenger and Employee Busing Services). No change or modification of the terms or provisions of this Agreement shall be deemed valid unless in writing and signed by both Parties.

20.9 Severability. If one or more of the provisions of this Agreement is hereafter declared invalid or unenforceable by judicial, legislative or administrative authority of competent jurisdiction, the Parties agree that the invalidity or unenforceability of any of the provisions shall not in any way affect the validity or enforceability of any other provisions of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

"Authority"


**BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY**

By: 
Terry Tomek
Title: President

"Manager"

SP PLUS CORPORATION

By: 
☐ Chairperson ☐ President ☐ Vice President

By: 
☐ 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.]

EXHIBIT A PARKING FACILITIES

The Parking Facilities shall consist of the following parking structures and lots located at the Airport:

A. Parking Facility Services Location

Hollywood Burbank Airport
2627 Hollywood Way
Burbank, California 91505-1096

The Airport Parking Facilities are shown on the attached map.

B. Hours of Operation

Twenty-Four (24) hours per day, seven days per week, 365 days per year.

C. Hollywood Burbank Airport Parking Facilities

1. Self-Park Facilities

The Self-Park facilities are listed below.

- a. Short-term parking
 - i. Four-level parking structure with 440 parking spaces
 - ii. Lot E adjacent to the structure with 193 parking spaces
 - iii. Two common entry lanes with one transfer gate to Lot E
 - iv. Two exit booths for the structure and one express lane
 - v. one automated exit for Lot E
 - vi. Tent Structure for vehicle security inspections
 - vii. Short term parking is open 4am to 12 am per day
- b. Remote Lot A
 - i. 1,592 parking spaces,
 - ii. Two entry lanes
 - iii. One exit cashier booth
 - iv. Two express exit lane capable of accepting pre-paid tickets and in lane credit card payment
 - v. Nine passenger pick up stations
 - vi. Lot A is open 24 hours per day
- c. Remote Lot B (Peak Holiday Parking Only)
 - i. 523 spaces
 - ii. One entry lane
 - iii. One express lane
 - iv. Four passenger pick-up stations
 - v. Lot B is open 24 hours per day
- d. Remote Lot C

- i. 518 parking spaces
 - ii. One entry lane
 - iii. One exit cashier booth and express lane
 - iv. Five passenger pick up stations
 - v. Lot C is open 24 hours per day
 - e. Covered Lot G
 - i. One entry lane
 - ii. Lot G has 253 parking spaces
 - iii. One express lane
 - iv. Open 24 hours per day
 - f. Tenant Employee lot
 - i. 567 parking spaces
 - g. Six employee pick up stations
 - h. Other Facilities
 - i. Administrative office, second floor of the Airport Terminal
 - ii. Employee break room, first floor of the Airport Terminal
2. Valet Parking Facilities
- a. Covered valet arrival center
 - i. Seven drop-off lanes with approximately 100 car capacity
 - ii. Cashier booth with five cashier positions
 - iii. Four pick-up exit lanes
 - iv. Administrative office building and key room
 - v. Parking/Valet Supervisors' and Parking Coordinator's Office
 - vi. Employee Break Room
 - vii. Locker Room
 - b. Valet parking lot with storage capacity for 2,207 cars
 - i. Valet lot is broken up into seven sections

EXHIBIT B SERVICES

In addition to other tasks specified in this Agreement, Manager shall do the following:

Self-Park Management Services

1. Operate and manage the Self-Park Services, including the Parking Structure, Lot E, Lot G, Proposed Lot H and remote Lots A, B, and C, that meet Authority's standard of an average ½ minute check out time and maximum exit booth queue length of three vehicles.
2. Provide cashier services, collection, depositing and daily reconciliation of Authority parking fees, revenues, and implement a reservation system.
3. Prepare daily and monthly operating and financial reports in electronic format or as more frequently as requested by Authority.
4. Operate and maintain Authority's SKIDATA revenue control system and other Authority-owned equipment.
5. Audit all cashiering, revenue and operational activity.
6. Purchase and store parking ticket stock and other consumables such as bulbs, fuse bolts, equipment specific cleaning supplies, etc.
7. Perform daily vehicle inventory and periodic checks.
8. Provide other custodial and maintenance tasks requested by Authority.
9. Perform other customer service tasks requested by Authority.
10. Implement an e-Commerce Platform for online parking reservations and variable pricing as described in the Proposal, subject to direction from the Executive Director.

Valet Parking Services

1. Customer vehicle drop-off (to be accomplished within 5 minutes of the customer entering the valet entry lane):
 - a. Meet and assist the customer, obtain necessary information related to the customer, the vehicle and the customer's return schedule.
 - b. Perform a vehicle pre-existing damage inspection, odometer reading, gas or energy/charge level check, and obtain customer sign-off.
 - c. Assign a valet ticket to the customer's vehicle and keys.

keys.

d. Take possession of and responsibility for control of the vehicle and vehicle

2. Initial vehicle repositioning.

3. Periodic repositioning.

4. Customer pick-up:

a. Customers entering the queue to pay for valet parking should wait no more than ten (10) minutes at peak time.

b. Retrieve customer vehicle and reposition it in the vehicle pick-up area. Customer wait time should not exceed five (5) minutes.

5. When installed, manage electric vehicle charging stations and circulate vehicles into and out of stations.

6. Provide valet cashiers and assume revenue control for valet parking operations using the Authority's CVPS PARCS. The cashier stations include cash registers and video camera surveillance. Operate the computer based inventory and fee control system (CVPS).

Miscellaneous Services

1. Perform any other services specified by the Executive Director.

2. Employees and independent contractors shall wear uniforms, approved by the Authority, at all times while performing the Services; including providing inclement weather gear and any safety gear that is required for traffic conditions and/or night time operations. Management personnel may wear normal business attire in lieu of the mandatory service uniforms.

EXHIBIT C
AUTHORITY RESPONSIBILITIES

Authority shall be responsible or shall contract with other third parties for the following:

1. The daily deposit of cash Parking Receipts in the Authority's bank account.
2. Centralized Parking Receipts counting function to verify that Parking Receipts collected by Manager are paid by Manager to Authority pursuant to this Agreement and the Parking Policies.
3. Appointment of the Executive Director to supervise the operation of the Parking Facilities and the performance of the Services. Notwithstanding the appointment by the Authority of the Executive Director to perform such supervisory role, Manager shall not be relieved from any of its duties or obligations under this Agreement.
4. Approving the Parking Policies.
5. Establishing all fees, rates and charges, as the Authority shall determine, in its sole and absolute discretion, for the use of the Parking Facilities. Manager shall not impose, seek to impose or collect any fees, rates, charges or other amounts from any users of the Parking Facilities, except those expressly authorized by the Authority in writing. This shall not preclude Manager Personnel from receiving tips.
6. Maintaining the Parking Facilities, other than the Revenue Control Equipment.
7. Providing security for the Parking Facilities; provided, however, Manager shall be responsible for protecting against theft by and dishonesty of Manager Personnel.
8. Providing office space, break room facilities, and parking for Manager Personnel during their respective hours of employment only in the Employee Parking Lot without charge to Manager.

EXHIBIT D BUDGET

HOLLYWOOD BURBANK AIRPORT

Description	Base Contract Period		
	Year 1	Year 2	Year 3
Payroll	\$ 2,872,145	\$ 3,026,633	\$ 3,192,065
Vacation accrual	115,825	123,066	130,866
Payroll taxes	288,587	303,267	318,945
Group Insurance	905,266	995,793	1,095,372.31
Workers' Compensation	244,132	264,830	287,286
Retirement	11,643	12,255	12,906
Employee incentive ⁽¹⁾	15,214	16,187	17,238
Total personnel costs	\$ 4,452,813	\$ 4,742,032	\$ 5,054,678
Daily audit of internal control ⁽²⁾	-	-	-
Telephone	3,724	3,818	3,913
Supplies and postage	6,978	7,152	7,331
Professional services	3,600	3,690	3,782
Advertising	-	-	-
Revenue refund	-	-	-
Total office costs:	\$ 14,302	\$ 14,660	\$ 15,026
Equipment lease	-	-	-
Equipment Maintenance	1,800	1,845	1,891
Uniforms	26,462	27,123	27,801
Operational supplies	3,600	3,690	3,782
Vehicle Expense	30,516	31,279	32,061
Equipment expense	-	-	-
Tickets	19,103	19,581	20,071
Miscellaneous expense ⁽³⁾	(36,741)	(38,160)	(39,614)
Liability Insurance-C/L, Auto, Bond	204,501	214,726	225,462
Total operating costs	\$ 229,241	\$ 240,085	\$ 251,455
Total Operating Budget	\$ 4,696,356	\$ 4,996,776	\$ 5,321,159
Management fee-proposed percentage	1.30%	1.30%	1.30%
Management fee-calculated dollar amount ⁽⁴⁾	\$ 60,855	\$ 64,748	\$ 68,951
E-Commerce/ Pre-Booking Platform ⁽⁵⁾	\$ 150,000	\$ 225,000	\$ 275,000
Total	\$ 4,907,211	\$ 5,286,524	\$ 5,665,110

Notes:

- 1 - As indicated in our Proposal SP+ will return 100% of any paid Incentive Fee to the SP+ associates at BUR
- 2 - Included in Payroll, Vacation and Payroll Tax line items
- 3 - SP+ or car wash vendor to subsidize Loyalty Program expense - added back as credit to Airport's Misc. Expense line item
- 4 - To calculate Management Fee, the Employee Incentive provision is deducted from Total Operating Budget first (i.e., Year 1 \$4,696,356 - \$15,214 x 1.3% = \$60,855)
- 5 - Per Addendum 2, A.45, estimate for E-Commerce Platform/Reservations - Line item moved below Fee so SP+ Management Fee not increased by actual expense

EXHIBIT E
MINIMUM STAFFING

Minimum staffing levels for peak traffic periods shown in brackets below will not guarantee performance of the peak time standards:

General Manager (1)

Self Park Management Services

Assistant Manager (1)

Shift Supervisors (2)

Coordinator (1)

Cashiers (6)

Auditors (1)

Valet Parking Services

Assistant Manager (1)

Shift Supervisors (2)

Customer Doormen/Vehicle Inspection Persons (6)

Car Runners (17)

Administration (1)

Cashiers (2)

Key Control Persons (2)

Night Vehicle Inventory Person (1)

EXHIBIT F
FAA GRANT AGREEMENT ASSURANCES – NONDISCRIMINATION

During the performance of the Agreement, Manager agrees as follows:

1. Compliance with Regulations. Manager shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation, 49 CFR Part 21, which are herein incorporated by reference and made a part of the Agreement.

2. Nondiscrimination. Manager shall not discriminate on the grounds of race, color, or national origin in the selection and retention of its employees. Manager shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Nondiscrimination Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Nondiscrimination Regulations.

3. Information and Reports. Manager shall provide all information and reports required by the Nondiscrimination Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the FAA to be pertinent to ascertain compliance with such regulations, orders, and instructions. Where any information required of Manager is in the exclusive possession of another who fails or refuses to furnish this information, Manager shall so certify to the sponsor or the FAA, as appropriate, and shall set forth what efforts it has made to obtain the information.

4. Sanctions for Noncompliance. In the event of Manager's noncompliance with the nondiscrimination provisions of the Agreement, the Authority shall impose such contract sanctions as it or the FAA may determine to be appropriate, including but not limited to:

4.1 Withholding of payments to Manager under the Agreement until Manager complies, and/or

4.2 Cancellation, termination or suspension of the Agreement, in whole or in part.

EXHIBIT G
FAA GRANT AGREEMENT ASSURANCES

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this grant agreement.

B. Duration and Applicability.

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

The terms, conditions and assurances of this grant agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

The preceding paragraph 1 also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. Airport Planning Undertaken by a Sponsor.

Unless otherwise specified in this grant agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 25, 30, 32, 33, and 34 in Section C apply to planning projects. The terms, conditions, and assurances of this grant agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements.

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance and use of Federal funds for this project including but not limited to the following:

Federal Legislation

- a. Title 49, U.S.C., subtitle VII, as amended.
- b. Davis-Bacon Act - 40 U.S.C. 276(a), et seq.¹
- c. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
- d. Hatch Act – 5 U.S.C. 1501, et seq.²
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq.^{1 2}
- f. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f).¹
- g. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469 through 469c.¹
- h. Native Americans Grave Repatriation Act - 25 U.S.C. Section 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended.
- j. Coastal Zone Management Act, P.L. 93-205, as amended.
- k. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.¹
- l. Title 49, U.S.C., Section 303, (formerly known as Section 4(f))

- m. Rehabilitation Act of 1973 - 29 U.S.C. 794.
- n. 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);
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.), prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968 -42 U.S.C. 4151, et seq.¹
- s. Power plant and Industrial Fuel Use Act of 1978 - Section 403- 2 U.S.C. 8373.¹
- t. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq.¹
- u. Copeland Anti-kickback Act - 18 U.S.C. 874.¹
- v. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.¹
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended.
- x. Single Audit Act of 1984 - 31 U.S.C. 7501, et seq.²
- y. Drug-Free Workplace Act of 1988 - 41 U.S.C. 702 through 706.
- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252).

Executive Orders

- a. Executive Order 11246 - Equal Employment Opportunity¹
- b. Executive Order 11990 - Protection of Wetlands
- c. Executive Order 11998 – Flood Plain Management
- d. Executive Order 12372 - Intergovernmental Review of Federal Programs
- e. Executive Order 12699 - Seismic Safety of Federal and Federally Assisted New Building Construction¹
- f. Executive Order 12898 - Environmental Justice

Federal Regulations

- a. 2 CFR Part 180 - OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
- b. 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [OMB Circular A-87 Cost Principles Applicable to Grants and Contracts with State and Local Governments, and OMB Circular A-133 - Audits of States, Local Governments, and Non-Profit Organizations].^{4, 5, 6}
- c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment
- d. 14 CFR Part 13 - Investigative and Enforcement Procedures 14 CFR Part 16 - Rules of Practice For Federally Assisted Airport Enforcement Proceedings.
- e. 14 CFR Part 150 - Airport noise compatibility planning.
- f. 28 CFR Part 35- Discrimination on the Basis of Disability in State and Local Government Services.
- g. 28 CFR § 50.3 - U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964.
- h. 29 CFR Part 1 - Procedures for predetermination of wage rates.¹
- i. 29 CFR Part 3 - Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.¹
- j. 29 CFR Part 5 - Labor standards provisions applicable to contracts covering federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).¹
- k. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements).¹
- l. 49 CFR Part 18 - Uniform administrative requirements for grants and cooperative agreements to state and local governments.³
- m. 49 CFR Part 20 - New restrictions on lobbying.
- n. 49 CFR Part 21 – Nondiscrimination in federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964.

- o. 49 CFR Part 23 - Participation by Disadvantage Business Enterprise in Airport Concessions.
- p. 49 CFR Part 24 — Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs.¹
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- q. 49 CFR Part 26 — Participation by Disadvantaged Business Enterprises in Department of Transportation Programs.
- r. 49 CFR Part 27 — Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.¹
- s. 49 CFR Part 28 — Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities conducted by the Department of Transportation.
- t. 49 CFR Part 30 - Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors.
- u. 49 CFR Part 32 — Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)
- v. 49 CFR Part 37 — Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 41 - Seismic safety of Federal and federally assisted or regulated new building construction.

Specific Assurances

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this grant agreement.

Footnotes to Assurance C.1.

- ¹ These laws do not apply to airport planning sponsors.
- ² These laws do not apply to private sponsors.
- ³ 49 CFR Part 18 and 2 CFR Part 200 contain requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation and circular shall also be applicable to private sponsors receiving Federal assistance under Title 49, United States Code.
- ⁴ On December 26, 2013 at 78 FR 78590, the Office of Management and Budget (OMB) issued the Uniform Administrative Requirements, Cost

Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200. 2 CFR Part 200 replaces and combines the former Uniform Administrative Requirements for Grants (OMB Circular A-102 and Circular A-110 or 2 CFR Part 215 or Circular) as well as the Cost Principles (Circulars A-21 or 2 CFR part 220; Circular A-87 or 2 CFR part 225; and A-122, 2 CFR part 230). Additionally it replaces Circular A-133 guidance on the Single Annual Audit. In accordance with 2 CFR section 200.110, the standards set forth in Part 200 which affect administration of Federal awards issued by Federal agencies become effective once implemented by Federal agencies or when any future amendment to this Part becomes final. Federal agencies, including the Department of Transportation, must implement the policies and procedures applicable to Federal awards by promulgating a regulation to be effective by December 26, 2014 unless different provisions are required by statute or approved by OMB.

- ⁵ Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.
- ⁶ Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this grant agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this grant agreement which it will own or control.

4. Good Title.

- a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.
- b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this grant agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.
- b. It will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this grant agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this grant agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this grant agreement.
- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.

- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to insure that the airport will be operated and maintained in accordance Title 49, United States Code, the regulations and the terms, conditions and assurances in this grant agreement and shall insure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under section 44706 of Title 49, United States Code, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

- a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this grant, the total cost of the project in connection with which this grant is given or used, and the amount or nature of that portion of the cost

of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.

- b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this grant agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this grant agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in Section 47112 of Title 49, United States Code. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this grant agreement, and, upon approval of the Secretary, shall be incorporated into this grant agreement. Any modification to the approved plans, specifications, and schedules shall

also be subject to approval of the Secretary, and incorporated into this grant agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or

commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for-
 - 1) Operating the airport's aeronautical facilities whenever required;
 - 2) Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
 - 3) Promptly notifying airmen of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.
- b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to-
 - 1) furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
 - 2) charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
- d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
- e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status

as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.

- f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees [including, but not limited to maintenance, repair, and fueling] that it may choose to perform.
- g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.
- h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
- i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft

can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
 - 1) If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.
 - 2) If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport

improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.

- 3) Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at Section 47102 of title 49 United States Code), if the FAA determines the airport sponsor meets the requirements set forth in Sec. 813 of Public Law 112-95.
- b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.
 - c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of Section 47107 of Title 49, United States Code.

26. Reports and Inspections.

It will:

- a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;
- b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this grant agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and

- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
 - 1) all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
 - 2) all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that –

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein, or rights in buildings of the sponsor as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

- a. It will keep up to date at all times an airport layout plan of the airport showing
 - 1) boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;
 - 2) the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities;
 - 3) the location of all existing and proposed nonaviation areas and of all existing improvements thereon; and
 - 4) all proposed and existing access points used to taxi aircraft across the airport's property boundary. Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.
- b. If a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary (1) eliminate such adverse effect in a manner approved by the Secretary; or (2) bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, creed, color, national origin, sex,

age, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any activity conducted with, or benefiting from, funds received from this grant.

a. Using the definitions of activity, facility and program as found and defined in §§ 21.23 (b) and 21.23 (e) of 49 CFR § 21, the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by, or pursuant to these assurances.

b. Applicability

1) Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.

2) Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.

3) Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

1) So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or

2) So long as the sponsor retains ownership or possession of the property.

d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this grant agreement and in all proposals for

agreements, including airport concessions, regardless of funding source:

“The **(Name of Sponsor)**, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises and airport concession disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”

e. Required Contract Provisions.

- 1) It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the DOT, and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.
- 2) It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
- 3) It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
- 4) It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin, creed, sex, age, or handicap as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:
 - a) For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b) For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.

f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors,

subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.

- g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order, (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund. If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.
- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, (1) upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order: (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3)

reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund.

- c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.
- d. Disposition of such land under (a) (b) or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

It will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services with respect to the project in the same manner as a contract for architectural and engineering services is negotiated under Title IX of the Federal Property and Administrative Services Act of 1949 or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out the project in accordance with policies, standards, and specifications approved by the Secretary including but not limited to the advisory circulars listed in the Current FAA Advisory Circulars for AIP

projects, and included in this grant, and in accordance with applicable state policies, standards, and specifications approved by the Secretary.

35. Relocation and Real Property Acquisition.

- a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.
- b. It will provide a relocation assistance program offering the services described in Subpart C and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
- c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its DBE and ACDBE programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1936 (31 U.S.C. 3801).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

- a. If the airport owner or operator of a medium or large hub airport (as defined in section 47102 of title 49, U.S.C.) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that-
 - 1) Describes the requests;
 - 2) Provides an explanation as to why the requests could not be accommodated; and
 - 3) Provides a time frame within which, if any, the airport will be able to accommodate the requests.
- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.

DESIGNATED AVIATION CHANNELING ("DAC") SERVICES AGREEMENT
(Burbank-Glendale-Pasadena Airport Authority / Telos Identity Management Solutions, LLC)

THIS DESIGNATED AVIATION CHANNELING SERVICES AGREEMENT ("Agreement") is dated June 21, 2021 for reference purposes and is executed by the Burbank-Glendale-Pasadena Airport Authority ("Authority"), a California joint powers agency, and Telos Identity Management Solutions, LLC ("Contractor"), a Delaware Limited Liability Company.

RECITALS

A. The Authority owns and operates the Bob Hope Airport (commonly known as Hollywood Burbank Airport) ("Airport") and desires to retain Contractor as an independent contractor to provide the following professional services: The Transportation Security Administration ("TSA")-approved Designated Aviation Channeling ("DAC") services for airport workers' Criminal History Records Check ("CHRC"), Security Threat Assessments ("STA"), and the TSA-FBI Rap Back program.

B. Contractor 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. "Contract Administrator": Raymond Hunting or a duly authorized designee.

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

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

D. "Fee Schedule": the fee schedule set forth in the attached Exhibit B.

E. "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.

F. "Insurance Requirements": the insurance requirements set forth in the attached Exhibit C.

G. "Services": the tasks set forth in the attached Exhibit A.

2. Services.

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

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

3. Term.

A. Term. The term of this Agreement shall be for three years, commencing on July 1, 2021 and expiring on June 30, 2024, unless extended or earlier terminated as provided herein.

B. If Contractor 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 60 days prior written notice to the other party.

4. Compensation.

A. The Authority shall compensate Contractor for performance of the Services, and Contractor agrees to accept as full satisfaction for such work, payment according to the Fee Schedule subject to adjustments pursuant to paragraphs (B) and (C) below.

B. The ID pricing includes the FBI criminal history record information ("CHRI") fee (\$11.25, effective January 1, 2019). Any increase in the FBI CHRI fee will result in an ID fee increase (equivalent to the FBI fee increase) in CHRC pricing for the Authority. This CHRC fee increase (resulting from the FBI CHRI fee increase) will be timed to coincide with the stated FBI fee increase effective date. CHRC submission (initial or recurrent) pricing includes any and all costs, including, but not limited to, the costs of services, labor, management, supervision, applicable taxes, insurance, overhead profit, permits, licenses, and incidentals required to perform the services, as identified in our technical proposal.

C. The ID Rap Back subscription fee is per-enrollment and/or per-enrolled person per year and includes any and all costs, including, but not limited to, the costs of the services, labor, management, supervision, applicable taxes, insurance overhead profit, permits, licenses, and incidentals required to perform the services, as identified in our technical proposal. The Rap Back subscription fee is exclusive of the CHRC fees and the STA fee. Any increase in the FBI Rap Back fee (\$0.00, as of January 1, 2019) will result in an ID increase (equivalent to the FBI Rap Back fee increase) in pricing for the Authority.

D. Contractor 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 Contractor 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 Contractor shall pay all required taxes on the payments.

5. Independent Contractor Status. Contractor is, and shall at all times remain as to the Authority, an independent contractor. Contractor 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 Contractor except as set forth in this Agreement.

6. Work Product Ownership. All reports, documents, or other written material developed by Contractor 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. Non-Disclosure of Confidential Information. Contractor acknowledges that it may be exposed to or acquire communication or data of the Authority that is confidential, privileged communication not intended to be disclosed to third parties. The Contractor's obligations under this Section shall survive the expiration or termination of this Agreement.

A. Obligation of Confidentiality. Contractor agrees to hold all nonpublic data, documents, discussion, or other information that is developed or received by it in connection with this Agreement ("Confidential Information") in strict confidence. Contractor shall not copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of the Contractor who have a need to know in connection with this Agreement or to use such Confidential Information for any purposes whatsoever other than the performance of this Agreement, or as required by law including the California Public Records Act, subpoena, or court order. Contractor agrees to advise and require its employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential.

B. Cooperation to Prevent Disclosure of Confidential Information. Contractor shall use its best efforts to assist the Authority in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, Contractor shall advise the Authority immediately in the event Contractor learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Agreement and Contractor will cooperate with the Authority in seeking injunctive or other equitable relief against any such person.

C. Remedies for Breach of Obligation of Confidentiality. Contractor acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the Authority, which damage may be inadequately compensable in the form of monetary damages. Accordingly, the Authority may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of Authority, at the sole election of Authority, the immediate termination, without liability to Authority, of this Agreement.

D. Surrender of Confidential Information. Within five days of termination or expiration of this Agreement, Contractor shall return to the Authority any and all Confidential Information received from the Authority, or created or received by Contractor on behalf of the Authority, which is in Contractor's possession, custody, or control.

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

9. Indemnification.

A. Contractor 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 Contractor or its subcontractors in connection with this Agreement.

B. Contractor'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. Contractor's obligations under this section shall apply, without limitation, to Liabilities that partially involve active or passive negligence by the Authority. However, Contractor'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 Contractor's defense, hold harmless, and indemnification obligations under this Agreement, Contractor 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 Contractor.

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 before or during the receiving party's regular business hours; (b) the business day after delivery, if delivered by e-mail 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: Raymond Hunting
E-mail: rhunting@bur.org

Contractor
Telos Identity Management Solutions, LLC
19886 Ashburn Road
Ashburn, VA 20147
Attn: Sharon King
E-mail: Sharon.king@telos.com

13. Assignability. Contractor 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, Contractor from utilizing subcontractors identified in Contractor's proposal for the Services. Any attempt by Contractor 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, California. 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 D 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 C, 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 D, the provisions of Exhibit D 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.

[SIGNATURES ON FOLLOWING PAGE]

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

Telos Identity Management Solutions, LLC



Manager *President*



Manager *SR Contracts Administrator*
6/11/2021

[Pursuant to California Corporations Code Section 17703.01(d), both signature lines must be executed unless the articles of incorporation state that the firm is managed by only one manager.]

Burbank-Glendale-Pasadena Airport Authority

President

Approved as to form:

Richards, Watson & Gershon
A Professional Corporation

EXHIBIT A
Scope of Services

(attached)

SCOPE OF SERVICES AND PROGRAM DESCRIPTION

The selected ("Contractor") shall use the Burbank-Glendale-Pasadena Airport Authority's ("Authority") proprietary badging and fingerprinting system to provide Designated Aviation Channeling ("DAC") services for processing airport worker background checks. The Contractor will collect data regarding individuals seeking to work in secure and sterile areas of the Bop Hope Airport ("Airport") and submit the data to the Transportation Security Administration ("TSA") in the manner described below.

MINIMUM (BASE) SERVICE REQUIREMENTS:

- A. Provide bi-directional, real-time automated electronic data exchange capability to send Criminal History Records Check ("CHRC") and Security Threat Assessment ("STA") biographical and biometric data for Airport workers electronically from the Authority to the TSA via secure/encrypted means, without manual intervention by the Airport Security Badge Office.
 - 1. Biographical and biometric data shall be collected by the Contractor, who shall validate and implement quality control for all data received from the Authority.
 - 2. The data shall be combined and sent to the TSA as one submittal; no holding or batching of data.
- B. Provide end-to-end automation, data validation/accuracy (no manual matching), and data synchronization.
 - 1. Continuous personally identifiable information (PII)/data protection, and compliance with TSA DAC technical requirements.
- C. Provide the capability to capture, upload, and submit I-9 United States Citizenship and Immigration Services ("USCIS") Employment Eligibility Verification documents with combined biographic (STA) and biometric (CHRC) submittal to the TSA. Contractor will collect and/ or receive biographic and biometric data, validate, and implement quality control for all data received from the Authority. Such data shall be combined and sent to the TSA as one submittal.
- D. Validate the Airport's existing database against TSA records to ensure that only active airport workers' records are maintained.
- E. Pay the CHRC fee, in real time, to the FBI on behalf of the Authority.
- F. Provide the real-time automated ability to enroll in the TSA-FBI Rap Back subscription service, conduct maintenance transactions, and cancel subscription service when needed.
- G. Maintain compliance with TSA Security Directive ("SD") 1542-04-08 Series inclusive of providing Rap Back services and pending TSA Rap Back National Amendment.
- H. Provide initial and recurrent DAC and Rap Back training via webinar.

- I. Produce auto-generated monthly spreadsheet in accordance with data specified in TSA SD 1542-04-08 Series.
- J. Provide real-time billing reconciliation and monthly invoices; day-to-day, month-to-date, and review of prior month's charges; no auditing or data reconciliation to reconcile invoice to actual charges; no pre-payment or pre-funded account required.
- K. Provide access to test environment to support DAC training for Airport Security Badging Staff.
- L. Provide the ability for the Authority to utilize a web-based interface for manual printing and sorting of airport worker background and vetting information 24 hours per day, seven (7) days per week.
- M. Provide for the ability of the Authority to track and view the status of each submittal.
- N. Provide the ability to produce detailed billing and operations reports to allow for auditing and compliance.
- O. Provide online detailed operations and billing reporting capability, including the ability to search for applicant details, credit/debit memos, invoices, and transaction types.
- P. Provide service that includes live, real-time Customer Service, 24/7/365 help desk, dedicated account management, troubleshooting, technical, and operational support during the Authority's normal business hours, Monday through Friday, 8:00 a.m. until 4:00 p.m. PST. Provide expected response times for the Authority's inquiries and requests for assistance.
- Q. Provide email notifications when any interruption in the bi-directional automated communication is detected.
- R. Provide the capability to assist the Authority in resolving unclassifiable fingerprints.
- S. Provide the capability to manually update records if necessary.
- T. To the extent there is hardware and/or software deployed at the Airport, the Contractor will be responsible for hardware and software maintenance, including applying security patches, cybersecurity remediation, TSA requirements, etc., to ensure a secure environment.

The Contractor shall have set fees for the services provided, and detailed billing and operations (Badging) reports will be required for auditing and compliance purposes. The Contractor shall provide services that include live, real-time, customer service, HelpDesk service 24/7/365, dedicated account management, troubleshooting, and technical and operational support during the Hollywood Burbank Airport Security Badge Office's normal business hours (Monday through Friday 8:00 a.m. – 4:30 p.m. PST).

EXHIBIT B
Fee Schedule

The Fee Schedule prices shall include, without limitation, all costs and fees for providing services as described in Exhibit A (Scope of Services and Program Description).

YEAR 1

(ALL START-UP COSTS** MUST BE INCLUDED)

Description	Unit	Unit Price
Criminal History Records Check	EACH	\$14.50
STA – Initial	EACH	\$3.00
STA – Update	EACH	\$0.00
TSA FBI – Rap Back Subscription	EACH	\$1.00
Additional Maintenance Fees (if any)	LS	\$0.00
Integration with HID Crossmatch Guardian V USB	LS	\$0.00
**Other (list):	LS	\$N/A

YEAR 2

Description	Unit	Unit Price
Criminal History Records Check	EACH	\$14.25
STA – Initial	EACH	\$3.00
STA – Update	EACH	\$0.00
TSA FBI – Rap Back Subscription	EACH	\$1.00
Additional Maintenance Fees (if any)	LS	\$0.00

YEAR 3

Description	Unit	Unit Price
Criminal History Records Check	EACH	\$14.25
STA – Initial	EACH	\$3.00
STA – Update	EACH	\$0.00
TSA FBI – Rap Back Subscription	EACH	\$1.00
Additional Maintenance Fees (if any)	LS	\$0.00

EXHIBIT C
Insurance Requirements

1. Contractor shall obtain, provide, and maintain policies of insurance as specified below.

A. General Liability Insurance. Contractor 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. Contractor shall maintain automobile insurance covering bodily injury and property damage for all activities of Contractor 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. Contractor 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 Contractor 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. Contractor shall maintain workers' compensation insurance (statutory limits) and employer's liability insurance with limits of at least \$1,000,000.

E. Cyber Liability Insurance. Contractor shall maintain cyber liability insurance in an amount not less than \$2,000,000 per occurrence/loss. If coverage is maintained on a claims-made basis, Contractor shall maintain such coverage for an additional period of three years following the termination of this Agreement. Contractor's cyber liability insurance shall include the following coverage:

- i. Liability arising from the theft, dissemination and/or use of confidential or personally identifiable information, including credit monitoring and regulatory fines arising from such theft, dissemination and/or use of the confidential or personally identifiable information;
- ii. Network security liability arising from the unauthorized use of, access to, or tampering with computer systems;
- iii. Liability arising from the failure of technology products required under this Agreement for Contractor to properly perform the intended services; and
- iv. Liability arising from the failure to render professional services.

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 Contractor'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, Contractor's insurance coverage shall be primary insurance as respects the Indemnitees. Any insurance or self-insurance maintained by the Indemnitees shall be excess of Contractor'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 Indemnatee before the Indemnatee'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. Contractor'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 Contractor 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 Contractor 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 Contractor maintains higher limits than

the minimum specified above, the Authority requires and shall be entitled to coverage for the higher limits maintained by Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Authority.

4. Contractor 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. Contractor shall ensure that its subcontractors provide the same minimum insurance coverage and endorsements required of Contractor. Contractor shall monitor and review all such coverage, and Contractor assumes all responsibility for ensuring that such coverage is provided. Upon request, Contractor 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 Contractor or the Authority shall withhold from its payments to Contractor 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 Contractor 90 days notice of such change. If such change results in substantial additional cost to Contractor, then the parties shall renegotiate Contractor's compensation.

EXHIBIT D
Non-AIP Project Federal Requirements

1. General Civil Rights Provisions

Contractor 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 Contractor 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, Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor") agrees as follows:

A. Compliance with Regulations: Contractor 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: Contractor, 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. Contractor 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 Contractor 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 Contractor of Contractor's obligations under this contract and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.

D. Information and Reports: Contractor 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, Contractor 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 Contractor'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 Contractor under the contract until Contractor complies; and/or

2. Cancelling, terminating, or suspending a contract, in whole or in part.

F. Incorporation of Provisions: Contractor will include the provisions of paragraphs A through F in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. Contractor 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 Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, Contractor may request the Authority to enter into any litigation to protect the interests of the Authority. In addition, Contractor 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, 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 U.S. 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. Contractor has full responsibility to monitor compliance to the referenced statute or regulation. Contractor 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. Contractor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Contractor 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). Contractor 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.



CORPORATE CERTIFICATE

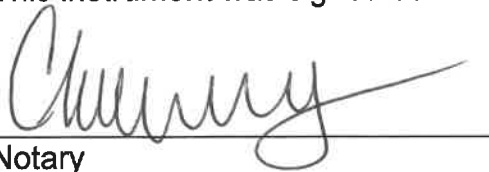
I, **Mark Griffin**, certify that I am the **President** of **Telos ID**; that **Sharon King** who signed this offer on behalf of Telos Identity Management Solutions, LLC. ("Telos ID") is the **Sr. Contracting Administrator for Telos ID**; and, in such capacity is authorized and empowered to sign this offer; that said offer was duly signed for and on behalf of Telos ID by authority of its governing body and is within the scope of its corporate power.


Mark Griffin
President

Commonwealth of Virginia

County of Loudoun

This instrument was signed before me on August 22, 2018 by Mr. Mark Griffin.


Notary

My commission expires: JUNE 30, 2022

