



April 15, 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, April 19, 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

Regular Meeting of Monday, April 19, 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, April 19, 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) February 16, 2021 **[See page 1]**
 - 2) Finance and Administration Committee
 - (i) March 15, 2021 **[See page 3]**
 - 3) Legal, Government and Environmental Affairs Committee
 - (i) March 15, 2021 **[See page 5]**
 - b. Commission Minutes
(For Approval)
 - 1) April 5, 2021 **[See page 7]**
6. ITEMS FOR COMMISSION APPROVAL
 - a. Award of Service Agreement – Armored Vehicle and Cash Management Services **[See page 11]**
 - b. Exercise of Extension Option – External Auditing Services **[See page 14]**
Macias Gini & O’Connell LLP
 - c. Exercise of Extension Option – Professional Services Agreement **[See page 16]**
for AutoCAD, GIS, Graphic Display and Airport Planning Services
 - d. Approval of Professional Services Agreement Extension **[See page 30]**
RS&H California, Inc.
 - e. Award of Contract – Body-Worn Camera (BWC) System **[See page 34]**

7. ITEMS FOR COMMISSION DISCUSSION

- a. Briefing – Federal Relief Funds
- b. ADK Consulting Service Contract

[See page 47]

8. ITEMS FOR COMMISSION INFORMATION

- a. February 2021 Passenger and Air Cargo Statistics
- b. February 2021 Transportation Network Companies
- c. February 2021 Parking Revenue Statistics

[See page 48]

9. CLOSED SESSION

- a. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
(California Government Code Section 54957(b))
Title: Executive Director

10. EXECUTIVE DIRECTOR COMMENTS

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

12. ADJOURNMENT

COMMISSION NEWSLETTER

Monday, April 19, 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 special meeting of February 16, 2021; approved minutes of the Finance and Administration Committee meeting of March 15, 2021; and approved minutes of the Legal, Government and Environmental Affairs Committee meeting of March 15, 2021, are included in the agenda packet for information purposes.
- b. COMMISSION MINUTES. Draft minutes of the April 5, 2021, Commission meeting are attached for the Commission's review and approval.

6. ITEMS FOR COMMISSION APPROVAL

- a. AWARD OF SERVICE AGREEMENT – ARMORED VEHICLE AND CASH MANAGEMENT SERVICES. A staff report is included in the agenda packet. At its meeting on April 5, 2021, the Finance and Administration Committee voted (2–0, 1 absent) to recommend that the Commission approve a Service Agreement for Armored Vehicle and Cash Management Services (“Agreement”) with Brinks, Inc., for the rental of smart equipment and armored car pickup and delivery services. These services under the proposed Agreement are for a three-year period beginning May 1, 2021, with two one-year options.
- b. EXERCISE OF EXTENSION OPTION – EXTERNAL AUDITING SERVICES – MACIAS GINI & O’CONNELL, LLP. A staff report is included in the agenda packet. At its meeting on April 5, 2021, the Finance and Administration Committee voted (2–0, 1 absent) to recommend that the Commission exercise the second one-year extension option of the Professional Services Agreement for External Auditing Services with Macias Gini & O’Connell LLP for the term beginning April 1, 2021 to March 31, 2022, and to undertake the audits of the Authority’s financial statements for the fiscal year ending June 30, 2021.
- c. EXERCISE OF EXTENSION OPTION – PROFESSIONAL SERVICES AGREEMENT FOR AUTOCAD, GIS, GRAPHIC DISPLAY AND AIRPORT PLANNING SERVICES. A staff report is included in the agenda packet. At its meeting on April 5, 2021, the Operations and Development Committee voted (2–0, 1 absent) to recommend that the Commission exercise the first of two one-year extension options contained in the Professional Services Agreement between the Authority and Azrial Ltd. for continued AutoCAD, GIS, graphic display, and airport planning support services.

- d. APPROVAL OF PROFESSIONAL SERVICES AGREEMENT EXTENSION – RS&H CALIFORNIA, INC. A staff report is included in the agenda packet. At its meeting on April 5, 2021, the Legal, Government and Environmental Affairs Committee voted (2–0, 1 absent) to recommend that Commission approve a Second Amendment to the Professional Services Agreement (“Agreement”), with RS&H California, Inc. that extends the term of the Agreement for a period of six months to complete the preparation of an Environmental Impact Statement for the Replacement Passenger Terminal project.
- e. AWARD OF CONTRACT – BODY-WORN CAMERA (BWC) SYSTEM. A staff report is included in the agenda packet. At its meeting on April 5, 2021, the Operations and Development Committee voted (2–0, 1 absent) to recommend that the Commission award a contract, to Axon Enterprise, Inc. (“Axon”) to supply the Airport Police Department (“APD”) with forty-one 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. This contract will provide the Authority’s APD with the manufacturer’s Body-Worn Camera System and a camera will be assigned to each sworn officer of the APD.

7. ITEMS FOR COMMISSION DISCUSSION

- a. BRIEFING – FEDERAL RELIEF FUNDS. No staff report attached. Staff will update the Commission on the federal relief funds received and future grants anticipated to be received.
- b. ADK CONSULTING SERVICE CONTRACT. A staff report is included in the agenda packet. At its February 16, 2021 meeting, the Legal, Government and Environmental Affairs Committee voted unanimously to direct staff to agendize an item for the Commission to consider restarting the Authority’s contract with ADK Consulting, Inc., for an organizational governance structure study.

8. ITEMS FOR COMMISSION INFORMATION

- a. FEBRUARY 2021 PASSENGER AND AIR CARGO STATISTICS. A staff report is included in the agenda packet. The February passenger count of 73,316 was down 84%, compared to last year’s 456,545 passengers. Air carrier aircraft operations decreased 72%, while cargo volume in February was down 9%, at 7.5 million pounds.
- b. FEBRUARY 2021 TRANSPORTATION NETWORK COMPANIES. No staff report attached. Staff will update the Commission on TNC activity for the month of February 2021.
- c. FEBRUARY 2021 PARKING REVENUE STATISTICS. No staff report attached. Staff will present parking revenue data for the month of February 2021.

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

TUESDAY, FEBRUARY 16, 2021

A special 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 8:34 a.m., by Commissioner Devine.

1. ROLL CALL

Present: Commissioners Brown, Devine (via teleconference) and Kennedy (via teleconference)

Absent: None

Also Present: John Hatanaka, Senior Deputy Executive Director; Anthony DeFrenza, Director of Engineering and Maintenance

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

3. Public Comment There were no public comments.

4. Approval of Minutes

a. December 14, 2020 Commissioner Brown moved approval of the minutes of the December 14, 2020, special meeting seconded by Commissioner Kennedy (via teleconference). There being no objection, a voice vote was taken to accommodate those participating via teleconference. The motion was approved (3-0).

5. Contracts and Leases

a. Award of Fleet Maintenance Services Agreement Keolis Transit Services, LLC Staff sought a Committee recommendation to the Commission to award a Fleet Maintenance Services Agreement ("Agreement") to Keolis Transit Services, LLC. The proposed Agreement has a one-year term and two one-year extension options.

Appropriations for the fleet vehicle maintenance services are included in the adopted FY 2021 budget and future year appropriations will be included in subsequent budget proposal request.

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 (3-0).

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 8:43 a.m.

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

MONDAY, MARCH 15, 2021

A regular meeting of the Finance and Administration Committee was called to order on this date in the Skyroom of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, California, at 12:00 p.m., by Commissioner Selvidge.

1. ROLL CALL

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

Absent: None

Also Present: Staff: John Hatanaka, Senior Deputy Executive Director; Kathy David, Deputy Executive Director, Finance and Administration; Scott Kimball, Deputy Executive Director, Operations, Properties and SMS; David Kwon, Director, Financial Services

2. Staff Announcement: AB 23

The Senior Deputy Executive Director announced that, as a result of the convening of this meeting of the Finance and Administration Committee, each Committee member is entitled to receive and shall be provided \$200.

3. Approval of Agenda

The agenda was approved as presented.

4. Public Comment

There were no public comments.

5. Approval of Minutes

a. February 16, 2021

Draft minutes for the February 16, 2021, meeting of the Finance and Administration Committee meeting was presented for approval.

Motion

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

Motion Approved

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

6. Treasurer's Report

a. January 2021

A copy of the January 2021 Treasurer's Report was included in the agenda packet for the Committee's review.

Motion

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

Motion Approved

There being no objection a voice vote was taken to accommodate those participating via teleconference. The motion was approved (3–0) that it be forwarded to the Commission for note and file.

7. Items for Discussion

a. FY 2022 Budget Development

Staff presented and discussed with the Committee the significant and noteworthy issues with developing the FY 2022 budget.

8. Items for Information

a. Committee Pending Items

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

9. Adjournment

There being no further business to discuss, the meeting was adjourned at 12:32 p.m.

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

MONDAY, MARCH 15, 2021

A regular meeting of the Legal, Government and Environmental Affairs Committee was called to order on this date in the Burbank Room, 2627 N. Hollywood Way, Burbank, California, at 12:07 a.m., by Commissioner Wiggins.

1. ROLL CALL

Present: Commissioners Wiggins, Agajanian (via teleconference) and Madison (arrived at 12:09 p.m., via teleconference)

Absent: None

Also Present: Frank Miller, Executive Director; Pamela Marcello, Senior Director, Government and Public Affairs

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

2. Staff Announcement: AB 23

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

3. Approval of Agenda

The agenda was approved as presented.

4. Public Comment

There were no public speakers.

5. Approval of Minutes

a. February 16, 2021

Commissioner Agajanian (via teleconference) moved approval of the minutes of the February 16, 2021, special meeting seconded by Commissioner Madison (via teleconference). There being no objection, a voice vote was taken to accommodate those participating via teleconference. The motion was approved (3-0).

6. Contracts and Leases

a. Annual Review and Adjustment of Noise Violation Fines

The Airport Authority's Resolution No. 382 requires an annual review and adjustment of noise violation fines. This adjustment is based on year-over-year increases in the Consumer Price Index ("CPI") each February. The January 2021 CPI for All Urban Consumers in

the Los Angeles, Long Beach and Anaheim area increased approximately 0.87% when compared to the January 2020 index.

Accordingly, Staff recommended that the Committee recommend to the full Commission increases to the current Rules 8 and 9 noise violation fines by 0.87% effective April 1, 2021, as follows: Rule 8, first violation, increased to \$1,617; Rule 8, subsequent violations, increased to \$2,348; and Rule 9, each violation, increased to \$4,702.

Motion

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

Motion Approved

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

b. Proposed Transmittal to California Citizens Redistricting Commission

Staff presented a report and a proposed draft letter for Committee consideration and recommendation to the Commission, requesting that the California Citizens Redistricting Commission refrain from placing the Airport in a new Congressional State electoral district.

Motion

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

Motion Approved

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

7. Adjournment

There being no further business, the meeting was adjourned at 12:12 p.m.

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

MONDAY, APRIL 5, 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 9:06 a.m., by President Selvidge.

1. ROLL CALL

Present: Commissioners Selvidge (via teleconference), Brown, Wiggins, Adams, Agajanian (via teleconference), and Kennedy (via teleconference)

Absent: Commissioners Devine, Madison and Najarian

Also Present: Staff: Frank Miller, Executive Director; John Hatanaka, Senior Deputy Executive Director; Pamela Marcello, Senior Director, Government and Public Affairs; Ed Skvarna, Director, Police Chief, Public Safety; Tom Lenahan, Fire Chief, Airport Rescue Firefighters

2. PLEDGE OF ALLEGIANCE

Police Chief, Ed Skvarna led the assembly in the recitation of the Pledge of Allegiance to the Flag.

3. APPROVAL OF AGENDA

The agenda was approved as presented.

4. PUBLIC COMMENT

Doug Silva, Airport Traveler

Commissioner Kennedy, with a second from Commissioner Brown, requested that the subject of concern raised by the Public Commentor Doug Silva, be agendaized for a future scheduled meeting. Commissioner Selvidge requested that staff research this issue.

5. CONSENT CALENDAR

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

**1) Finance and
Administration
Committee**

(i) February 16, 2021

Approved minutes of the Finance and Administration Committee special meeting for February 16, 2021, were included in the agenda packet for information purposes.

2) Legal, Government and Environmental Affairs Committee

(i) February 16, 2021

Approved minutes of the Legal, Government and Environmental Affairs Committee special meeting for February 16, 2021, were included in the agenda packet for information purposes.

b. Commission Minutes (For Approval)

1) March 15, 2021

Minutes of the March 15, 2021, Commission special meeting were included in the agenda packet for review and approval.

c. Annual Review and Adjustment of Noise Violation Fines

At its meeting on March 15, 2021, the Legal, Government and Environmental Affairs voted unanimously (3-0) to recommend that the Commission approve an annual adjustment to the fines associated with violation of Noise Rules 8 and 9 in accordance with Resolution No. 382.

d. Treasurer's Report

1) January 2021

A copy of the January 2021 Treasurer's Report was included in the agenda packet for the Committee's review.

MOTION

Commissioner Wiggins moved approval of the Consent Calendar; seconded by Commissioner Adams.

MOTION APPROVED

There being no objection, a voice vote was taken to accommodate those participating via teleconference. The motion was approved unanimously (6-0, 3 absent).

AYES: Commissioners Selvidge (via teleconference), Brown, Adams, Agajanian (via teleconference), Wiggins and Kennedy (via teleconference)

NOES: NONE

ABSENT: Commissioners Devine, Madison and Najarian

6. ITEMS FOR COMMISSION APPROVAL

a. Proposed Transmittal to California Citizens

At its meeting on March 15, 2021, the Legal, Government and Environmental Affairs Committee voted unanimously (3-0) to recommend that the

Redistricting Commission

Commission approve a letter requesting that the California Citizens Redistricting Commission refrain from placing the Airport in a new Congressional or State electoral district.

MOTION

Commissioner Agajanian moved approval; seconded by Commissioner Wiggins.

MOTION APPROVED

There being no objection, a voice vote was taken to accommodate those participating via teleconference. The motion was approved (6-0, 3 absent).

AYES: Commissioners Selvidge (via teleconference), Brown, Adams, Agajanian (via teleconference), Wiggins and Kennedy (via teleconference)

NOES: NONE

ABSENT: Commissioners Devine, Madison and Najarian

7. ITEMS FOR COMMISSION INFORMATION

a. Airport Police Department – Introduction of New Police Officers

Staff introduced four (4) new police officers who will be serving at the Airport: Sean McLaughlin, Mark Morimoto, Christopher Hicks, and Mark Hogan.

b. Airport Police Department – Police Officer of the Year

Staff introduced Anthony Harper as the recipient of the 2021 Airport Police Department Police Officer of the Year award for his exemplary service.

c. Airport Fire Department – Fire Fighter of the Year

Staff introduced Ian Rich as the 2021 Fire Fighter of the Year for his distinguished service.

8. CLOSED SESSION

a. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

(California Government Code Section 54957(b))
Title: Executive Director

This item was delayed until the next scheduled Commission meeting.

9. EXECUTIVE DIRECTOR COMMENTS

The Executive Director informed the Commission that Staff has received confirmation from the Los Angeles County Health Department that Hollywood Burbank Airport is on the list to receive COVID-19 vaccines and a date is being set for all Airport employees to receive vaccinations at the Airport in the very near future.

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

Commissioner Selvidge announced that the Finance and Administration Committee will meet immediately following the Commission meeting to discuss the proposed FY 2022 Budget with a focus on the budget process which has been impacted by COVID-19.

11. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:33 a.m.

Ross Selvidge, President

Don Brown, Secretary

Date

Date

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
APRIL 19, 2021**

**AWARD OF SERVICE AGREEMENT
ARMORED VEHICLE AND CASH MANAGEMENT SERVICES**

Presented by David Kwon
Director, Financial Services

SUMMARY

At its meeting on April 5, 2021, the Finance and Administration Committee (“Committee”) voted (2–0, 1 absent) to recommend that the Commission approve a Service Agreement for Armored Vehicle and Cash Management Services (“Agreement”) with Brinks, Inc. (“Brinks”), copy attached, for the rental of smart equipment and armored car pickup and delivery services. These services under the proposed Agreement are for a three-year period beginning May 1, 2021, with two one-year options.

BACKGROUND

In October 2014, the Authority awarded a five-year agreement to Brinks for the rental of smart equipment units and armored car services for pickup and delivery services from the Airport’s parking operations. The smart equipment is a storage system with smart technology and provides additional security and reporting functionality. In October 2019, the agreement was extended for an additional one-year period and extended again to April 30, 2021, to maintain continuity of operations during the COVID-19 pandemic while Staff undertook the procurement process to pursue competitive bids for these specialized services.

The Authority’s parking operations has multiple locations where the smart equipment units are installed. The current smart equipment units were installed and are maintained by the current armored vehicle services vendor, Brinks.

Currently, the Authority has temporarily closed Lots A and C due to the reduction of passenger activity from the COVID-19 pandemic. As a result, three of the six smart equipment units are currently not being utilized. Additionally, Brinks is currently phasing out its older smart equipment models and has recommended that all its customers transition to a new smart equipment model. Due to the current uncertain environment and the fluid nature of the Authority’s parking operations, Staff prepared and issued a request for bids (“RFB”) that allows for flexibility in scope of services as the Authority’s needs change in the future, while still maintaining its current level of internal controls over the parking operations.

DETAILS

In December 2020, an RFB for these services was issued and posted on the PlanetBids platform. The RFB sought bids for: (1) smart equipment rental that provides a higher level of security, fraud detection, and real-time reporting functionality that meets the Authority’s bank requirements; (2) once-a-week (business day) pickup services with same-day delivery to the

Authority's bank; and (3) daily and weekly count reporting used to reconcile with parking shift reports and other activity reports. The RFB also included provisions to allow the Authority to update the number of smart equipment rentals and to change the locations and frequency of pickup services as the Authority's parking needs change in the future.

In response to this request, the Authority received only one response which was from the Authority's incumbent vendor, Brinks. Staff reached out to the other armored vehicle service providers to inquire why they did not respond to the request with various responses given from missing the deadline due to employees being out, an inability to respond to the required scope of services, and difficulty using PlanetBids. Based on the feedback from these companies, Staff re-issued the RFB on February 1, 2021, through both PlanetBids and direct e-mail with a response deadline of February 17, 2021. Again, the only response received was received from Brinks. Brinks is one of four armored vehicle service providers that has smart equipment that meets the Authority's bank requirements.

PROGRAM COSTS

Brink's proposal includes the rental of its smart equipment acceptable to the Authority's bank, a standard equipment warranty, cost for the armored vehicle services as well as applicable taxes. The proposal for the first year is \$17,532 with an increase of CPI plus 2% each year thereafter. This represents a decrease of \$26,604 in the first year attributable to the reduction of equipment rentals from six to three as well as a decrease in the per unit rental cost from \$613 to \$487 per month. The first year additionally has a one-time cost for removal of current equipment which is \$2,097, with no cost for the installation of the new equipment.

Services	Current	Proposed
Rental and service cost (per unit)	\$613/mo.	\$487/mo.
Number of Equipment Rentals	6	3
Rental and service cost per month	\$3,678/mo.	\$1,461/mo.
Total Annual Cost	\$44,136	\$17,532
First Year Costs	Per Unit	Total
Remove Current Unused Equipment (3 units)	\$699	\$2,097
Equipment Shipping Fee	Included	\$0
Equipment Replacement & Installation (3 units)	Included	\$0
First Year One-Time Cost		\$2,097

Over the tenure of the current agreement, Brinks has performed satisfactorily. Based on Staff's evaluation of Brink's proposed smart equipment specifications, armored vehicle and other services, overall ability of vendor representatives to meet the service requirements of the Authority, and overall cost of services, Staff is recommending an award of contract to Brinks for these services.

FUNDING

The funding for these services is included in the adopted FY 2021 budget. Appropriations for these services will be made in future year budgets.

RECOMMENDATION

At its meeting on April 5, 2021, the Committee voted (2-0, 1 absent) to recommend that the Commission award the proposed Agreement to Brinks for the rental of smart equipment and armored vehicle services, and authorize the President to execute the same.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
APRIL 19, 2021**

**EXERCISE OF EXTENSION OPTION
EXTERNAL AUDITING SERVICES
MACIAS GINI & O'CONNELL LLP**

Presented by David Kwon
Director, Financial Services

SUMMARY

At its meeting on April 5, 2021, the Finance and Administration Committee (“Committee”) voted (2–0, 1 absent) to recommend that the Commission exercise the second one-year extension option of the Professional Services Agreement for External Auditing Services (“Agreement”) with Macias Gini & O’Connell LLP (“MGO”) for the term beginning April 1, 2021 to March 31, 2022 and to undertake the audits of the Authority’s financial statements for the fiscal year ending June 30, 2021.

BACKGROUND

As part of its required statutory fiduciary obligations, and as part of its grant requirements for receiving federal grants, the Authority routinely contracts with outside financial auditors to audit and report on its financial transactions.

The required financial statements of the Authority that are currently audited by MGO in accordance with the Agreement, include the following:

- Basic Financial Statements (“BFS”)
- Single Audit Reports (audit of federal grant programs)
- Passenger Facility Charge program (“PFC”)
- Customer Facility Charge program (“CFC”)
- Report on Compliance with Section 6.05 of the Bond Indenture

The Agreement is for an initial three-year term with two one-year extension options. These extensions are at the discretion of the Authority and the first extension was exercised last year. Since MGO has continued to perform satisfactorily, Staff is recommending to the Committee that it is in the best interest of the Authority to exercise the second of the available one-year extension options.

FUNDING

The Agreement sets a not-to-exceed annual fee for the audits of the Authority’s financial statements with an average annual increase of 3% for each succeeding year. The not-to-exceed fees for the audit of the fiscal year 2021 financial statements is \$115,517. Funding for these services were included in the approved FY 2021 budget. Appropriations for the proposed extension will be included in the FY 2022 budget development.

If necessary, the Authority may request MGO to perform additional services to either supplement the audit services or to perform additional work because of a specific recommendation included in any report related to the audits. If such services are required, the services would be separately identified and at rates for each staff classification as set forth in the Agreement.

RECOMMENDATION

At its meeting on April 5, 2021, the Committee voted (2–0, 1 absent) to recommend that the Commission exercise the second one-year extension option of the Agreement with MGO to extend the term from April 1, 2021 to March 31, 2022 and to undertake the audits of the Authority’s financial statements for the fiscal year ending June 30, 2021.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
APRIL 19, 2021**

**EXERCISE OF EXTENSION OPTION
PROFESSIONAL SERVICES AGREEMENT FOR
AUTOCAD, GIS, GRAPHIC DISPLAY AND AIRPORT PLANNING SERVICES**

Presented by Anthony Defrenza
Director, Engineering and Maintenance

SUMMARY

At its meeting on April 5, 2021, the Operations and Development Committee (“Committee”) voted (2–0, 1 absent) to recommend that the Commission exercise the first of two one-year extension options contained in the Professional Services Agreement (“Agreement”) between the Authority and Azrial Ltd. (“Azrial”) for continued AutoCAD, GIS, graphic display, and airport planning support services.

BACKGROUND

On April 16, 2018, the Commission awarded an Agreement to Azrial for the services described above. The Agreement (copy attached) is on a time and materials basis at a rate of \$95.00 per hour (currently), not to exceed 1,800 hours annually, for a three-year period. The Agreement also allows for two one-year extension options that can be exercised up to 30 days before the expiration date. 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.

For the past 25 years, Mr. Dan Lichtner, the Principal of Azrial, has provided computer-aided drafting or “CAD” services to the Authority on a time and materials basis. Azrial developed the current AutoCAD digital drawing library of the airport that encompasses several thousand drawings. Additionally, Mr. Lichtner has extensive knowledge of the airport’s facilities, Engineering procedures and airport operations. Azrial’s services are utilized in a variety of areas, including conceptual planning, graphic arts, lease document exhibits, and AutoCAD construction document preparation. The depth and breadth of Mr. Lichtner’s knowledge and familiarity with the airport and airfield design is an invaluable resource that would be difficult to replace through a single source at an effective cost.

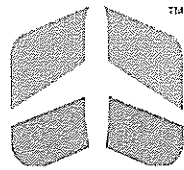
The Agreement requires that the hourly rate be adjusted on each anniversary date based on the applicable CPI. Accordingly, if the one-year extension option is exercised, the hourly rate would be increased to \$98.00.

FUNDING

In a given fiscal year, a significant portion of Azrial’s annual charges are charged to individual capital improvement projects with the balance of Azrial’s support services included in that fiscal year’s O&M cost. The approved FY 2021 budget included appropriations for the support services that are not a part of a capital project.

RECOMMENDATION

At its meeting on April 5, 2021, the Committee voted (2–0, 1 absent) to recommend to the Commission that it exercise the first of two one-year extension options and direct Staff to issue a notice of extension to Azrial.



Hollywood
Burbank
Airport

March 16, 2021

Via e-mail

Mr. Dan Lichtner
Azrial Ltd.
18321 Algiers St
Porter Ranch, CA 91326

Re: **Professional Service Agreement dated May 4, 2018**

Dear Mr. Lichtner:

I write in reference to the May 4, 2018 Professional Service Agreement executed by the Authority and Azrial Ltd. As you know, pursuant to Section 3 of the Agreement, the Authority has the option to exercise two extension options which would extend the term of the agreement for one year at a time. In order to exercise the extension option, the Authority is to provide written notice to Consultant at least 30 days prior to the then-scheduled expiration date which is currently May 3, 2021. We intend to recommend the Commission authorize the issuance of the first of two 12-month extensions at the April 19, 2021 meeting, but this date is past the date which is 30 days prior to the current expiration date.

Please sign below and return the letter indicating you are willing to waive the 30-day written notice requirement outlined in the contract. We will provide written notice of the Commission's decision as soon as possible after the April 19th meeting.

If you have any questions, please contact us at your convenience.

Anthony DeFrenza
Director, Engineering and Maintenance

By signing below, I waive the requirement that, regarding exercising an extension, the Authority shall provide at least 30 days written notice prior to the then-scheduled expiration date.

Date 3/16/21

PROFESSIONAL SERVICES AGREEMENT
(Burbank-Glendale-Pasadena Airport Authority / Azrial Ltd.)

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is dated April 16, 2018 for reference purposes and is executed by the Burbank-Glendale-Pasadena Airport Authority (“Authority”), a California joint powers agency, and Azrial Ltd. (“Consultant”), a California corporation (“Consultant”).

RECITALS

A. The Authority owns and operates the Bob Hope Airport (commonly known as Hollywood Burbank Airport) (“Airport”) and desires to renew its retention of Consultant as an independent contractor providing the following professional services: computer-aided drafting, graphics service, and other related architectural and engineering services.

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

NOW, THEREFORE, the parties agree as follows:

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

A. “Contract Administrator”: Patrick Lammerding 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 C, which requirements are applicable to projects not funded by an Airport Improvement Program grant from the Federal Aviation Administration.

D. “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.

2. **Services.**

A. The nature, scope and level of the specific services to be performed by Consultant are as set forth in Exhibit A.

B. The services shall be performed in a timely, regular basis in accordance with Exhibit A and the instruction of the Contract Administrator. Time is of the essence in the performance of this Agreement.

C. All services performed by Consultant shall be provided in accordance with all applicable rules, regulations and other laws of the Authority and any federal, state, or local governmental agency having jurisdiction at the time service is performed.

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

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

3. Term.

A. This Agreement shall commence on May 4, 2018 and shall expire on May 3, 2021 unless extended by the Authority pursuant to paragraph (B) below or terminated by either party pursuant to paragraph (C) below.

B. The Authority shall have two options by which it may extend the term of this Agreement by one year at a time in its sole discretion. The extension options may be exercised sequentially or concurrently. To exercise an extension option, the Authority shall give written notice to Consultant at least 30 days prior to the then-scheduled expiration date.

C. If Consultant breaches this Agreement and fails to cure such breach within seven days of written notice from the Contract Administrator, then the Authority may immediately terminate this Agreement for cause. Either party may terminate this Agreement for convenience upon seven days prior written notice to the other party. In the event of termination, the Authority shall pay Consultant for work satisfactorily performed through the termination date.

4. Compensation.

A. The Authority shall compensate Consultant for performance of the Services, and Consultant agrees to accept as full satisfaction for such work, payment according to fee schedule set forth in Exhibit B.

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

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

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

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

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

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

9. Insurance.

A. The Authority shall cause Consultant to be an additional insured under the Authority's Airport Liability insurance policy. The insurance coverage shall apply to Consultant's actions on the Authority's behalf that are directly related to the operation of the Airport and that cause third party bodily injury, property damage, or both.

B. Consultant shall procure and maintain for the duration of this Agreement automobile liability insurance with limits no less than \$100,000 per accident for bodily injury and property damage. Any deductibles or self-insured retentions must be declared to and approved by the Contract Administrator. The policy shall contain, or shall be endorsed to contain, the following provisions:

1. For any claims related to this Agreement, Consultant's insurance coverage shall be primary insurance. Any insurance or self-insurance maintained by the Authority shall be excess of Consultant's insurance and shall not contribute with it.

2. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A, unless waived by the Contract Administrator.

C. Consultant shall procure and maintain for the duration of this Agreement Professional Liability insurance with limits no less than \$1,000,000.

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

11. 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: Patrick Lammerding
E-mail: PLammerding@bur.org

Consultant
Azrial Ltd.
18321 Algiers Street
Porter Ranch, CA 91326
Attn: Dan Lichtner
E-mail: azrialtd@gmail.com

12. Assignability. Consultant shall not assign, transfer or subcontract any interest in this Agreement or the performance of any of its obligations without the Executive Director's prior written consent. Any attempt by Consultant to assign, transfer or subcontract any rights, duties or obligations in violation of this prohibition shall be void.

13. 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.


14. 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.

15. 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.

16. Entire Agreement. This Agreement (and the attached Exhibits) represents the entire and integrated contract between the parties. This Agreement supersedes all prior oral or written negotiations, representations and contracts. This Agreement may not be amended, nor any provision or breach waived, except in a writing that is signed by the parties and that expressly refers to this Agreement.

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

Azrial Ltd.



 Chairperson President Vice President

 Secretary Asst. Secretary
 Chief Finance Officer Asst. Treasurer

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

Burbank-Glendale-Pasadena Airport Authority



President

Approved as to form:



Richards, Watson & Gershon
A Professional Corporation

EXHIBIT A
Scope of Services

Consultant shall provide computer-aided drafting, graphics service, and other related architectural and engineering services under the direct supervision of the Contract Administrator.

EXHIBIT B
Fee Schedule

Consultant shall be compensated for the actual number of authorized hours performed for each assigned task.

Consultant shall be compensated at a rate of \$92.50 per hour not to exceed 1,800 hours per year. Additionally, Consultant shall receive an annual allowance of \$5,000 for miscellaneous out-of-pocket expenses such as paper, ink, and reproduction costs

Commencing May 4, 2019, automatic hourly labor rate adjustments shall be made each year by Consumer Price Index for All Urban Consumers for the Los Angeles-Riverside-Orange County statistical area (CPI-U) published by the United States Department of Labor, Bureau of Labor Statistics. In the event the CPI-U is discontinued or revised during the term of this Agreement, such other governmental index or computation with which it is replaced shall be used.

EXHIBIT C
Non-AIP Project Federal Requirements

1. General Civil Rights Provisions

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

2. Civil Rights – Title VI Assurance

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

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

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

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

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

E. **Sanctions for Noncompliance:** In the event of Consultant’s noncompliance with the Non-discrimination provisions of this contract, the Authority will impose such contract

sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

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

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

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

1. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
2. 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
3. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
4. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
5. The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
6. Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
7. The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the

Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

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

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

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

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

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

3. Federal Fair Labor Standards Act

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

4. Occupational Safety and Health Act

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

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
APRIL 19, 2021**

**APPROVAL OF PROFESSIONAL SERVICES AGREEMENT EXTENSION
RS&H CALIFORNIA, INC.**

Presented by Patrick Lammerding
Deputy Executive Director, Planning and Development

SUMMARY

At its meeting on April 5, 2021, the Legal, Government and Environmental Affairs Committee (“Committee”) voted (2–0, 1 absent) to recommend that Commission approve a Second Amendment to the Professional Services Agreement (“Agreement”), copy attached, with RS&H California, Inc. (“RS&H”) that extends the term of the Agreement for a period of six months to complete the preparation of an Environmental Impact Statement (“EIS”) for the Replacement Passenger Terminal project.

BACKGROUND

RS&H was selected by the Federal Aviation Administration (“FAA”) to prepare an EIS for the Replacement Passenger Terminal project at Hollywood Burbank Airport (“Airport”) and was awarded an Agreement by the Commission for these services on April 16, 2018.

Pursuant to the National Environmental Policy Act (“NEPA”), completion of an EIS is a prerequisite for the development and construction of the project. As the lead federal agency on the project, the FAA is responsible for compliance with NEPA and the associated regulations. As the Airport Sponsor, the Authority is responsible for retention of an FAA-selected contractor to prepare the EIS.

After commencement of services, FAA determined that additional fieldwork in the northwest quadrant of the Airport was necessary. This additional scope of services was awarded to RS&H under a First Amendment to the Agreement on December 10, 2018.

The proposed Second Amendment is only for an extension of time and does not include an increase in compensation. This additional time in the project schedule comes at the FAA’s request to allow the FAA and RS&H to complete project close-out activities. The proposed Second Amendment will extend the expiration date of the contract from April 30, 2021, to October 31, 2021.

FUNDING

No additional funds are being requested under the proposed Second Amendment. The funding sources for the EIS are through an Airport Improvement Program grant in the amount of \$2,417,700 received in Federal Fiscal Year 2017 with the local required matching funds in the amount of \$582,300 provided through an already approved PFC application.

RECOMMENDATIONS

At its meeting on April 5, 2021, the Committee voted (2–0, 1 absent) to recommend that the Commission approve the proposed Second Amendment with RS&H for an additional six months to complete the EIS and to authorize the Authority President to execute the same.

**AMENDMENT NO. 2 TO
PROFESSIONAL SERVICES AGREEMENT
(Burbank-Glendale-Pasadena Airport Authority / RS&H California, Inc.)**

This Amendment No. 2 (“Second Amendment”) to the April 16, 2018 Professional Services Agreement (“Agreement”) executed by the Burbank-Glendale-Pasadena Airport Authority (“Authority”), a California joint powers agency, and RS&H California, Inc. (“Consultant”), a California corporation, is dated April 5, 2021 for reference purposes.

RECITALS

A. The parties executed the Agreement to provide for the Authority’s engagement of Consultant as an independent contractor to assist the Federal Aviation Administration (“FAA”) in preparing an environmental impact statement (“EIS”) for a replacement 14-gate passenger terminal building (no more than 355,000 square feet), aircraft parking apron and connector taxiways, and ground access and automobile parking facility.

B. The FAA has directed Consultant to perform additional tasks and approved additional compensation for Consultant, and Consultant has completed such work.

C. The parties executed a December 10, 2018 Amendment No. 1 (“First Amendment”) to the Agreement to memorialize the expanded scope of services and compensation increase specified by the FAA.

D. The parties desire to amend the Agreement to extend the term by six months to accommodate project close-out activities.

NOW, THEREFORE, the parties agree as follows:

1. **Amendment of Section 1.** Paragraph E of Section 1 (“Definitions”) of the Agreement is amended to read as follows:

“E. “Expiration Date”: October 31, 2021.”

2. **Effective Date.** This Second Amendment shall be effective upon execution.

3. **Preservation of Agreement.** Except as expressly modified by this Second Amendment, all of the provisions of the Agreement (as amended by the First Amendment) shall remain unaltered and in full force and effect. In the event of a conflict between the provisions of this Second Amendment and the provisions of the Agreement (as amended by the First Amendment), the provisions of this Second Amendment shall control.

[CONTINUED ON FOLLOWING PAGE]

TO EFFECTUATE THIS SECOND AMENDMENT, the parties have caused their duly authorized representatives to execute this Second Amendment by signing below.

RS&H California, Inc.


 Chairperson President Vice President


 Secretary Asst. Secretary
 Chief Finance Officer Asst. Treasurer

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

Burbank-Glendale-Pasadena Airport Authority

Ross Selvidge, Ph.D., President

Approved as to form:

Richards, Watson & Gershon
A Professional Corporation

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
APRIL 19, 2021**

**AWARD OF CONTRACT
BODY-WORN CAMERA (BWC) SYSTEM**

Presented by Commander Jorge Martinez
Hollywood Burbank Airport Police Department

SUMMARY

At its meeting on April 5, 2021, the Operations and Development Committee (“Committee”) voted (2–0, 1 absent) to recommend that the Commission award a contract, copy attached, to Axon Enterprise, Inc. (“Axon”) to supply the Airport Police Department (“APD”) with forty-one 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. This contract will provide the Authority’s APD with the manufacturer’s Body-Worn Camera (“BWC”) System and a camera will be assigned to each sworn officer of the APD.

BACKGROUND

Over the past several years, law enforcement agencies around the country have determined that a BWC system is an essential part of today’s policing. Deployment of a BWC has become an industry standard as evidenced by the significant growth in the number of police agencies using police BWCs. Currently, it has been reported that over one-third of the approximately 18,000 law enforcement agencies in the United States are now using this type of technology.

In response to increased community concerns over several controversial police use of force incidents, deployment of BWC technology has helped in resolving issues of community trust. BWCs are used for documentation purposes, capture interactions with suspects, victims, witnesses, and other members of society during public encounters with police personnel as well as actual arrests and other critical incidents. The deployment of this technology provides a basis for potential resolutions of both administrative and criminal complaints and as a resource in matters involving civil liability.

The deployment of BWCs by the APD has the following potential benefits:

1. Deployment of BWCs is shown to reduce the use of all categories of force, including lethal force, with the potential to save lives;
2. Overall, the deployment of BWCs by police agencies has reduced the cost of litigation involving the alleged use of excessive or unnecessary force;
3. Deployment of BWCs has reduced the number of civilian complaints and helped to resolve such complaints;

4. Deployment of BWCs appears to have a positive effect on the behavior of both civilians and law enforcement personnel during any interaction;
5. The quality of evidence for the criminal justice system is improved; and
6. Recordings from the BWC system are an available tool to help evaluate officer performance, improve training, guidance, commendations, discipline, and ensure that the system is being used in accordance with the department's policy.

The APD Command Staff have discussed the proposed acquisition with the BGPAAPD Police Officer's Association ("Association") as well as the wearing and use of BWCs at Hollywood Burbank Airport. Deploying this technology at the Airport will require that while on duty and in uniform, all sworn personnel, including the Chief of Police and Commanders, will wear a BWC. The Association overwhelmingly supports the proposed acquisition and implementation of BWCs and has issued a letter of support, copy attached. Additionally, the Command staff has prepared a draft General Order covering the deployment and use of BWCs which has been reviewed by Authority General Counsel. A copy is also attached.

PROCUREMENT

A Request for Proposals ("RFP") was issued and posted on PlanetBids on November 11, 2020, with a response date of December 10, 2020. Four responses were received, with one proposal determined to be non-responsive due to not including all the required components listed in the RFP.

The remaining three responses were independently evaluated by a panel consisting of staff from the APD Command, APD Sergeants, the IT Department, the Procurement Department, and a member of the Association for a total of seven evaluators.

The median scores for each proposal evaluated based on selection criteria, and inclusive of proposed prices for reference, are listed below:

*RFP Evaluation Score Sheet
RFP AP20-01 Body Worn Camera System*

	SC-1-Firm Experience	SC-2 - Qualifications	SC-3 - Technical Approach and Quality	SC-4 - Fee Schedule/ Price	SC-5 - Purchase Agreement	SC-6 - Special Features	SC-7 - Overall Value		
	PROPOSALS								
Points Available	10	15	25	100 points total				PROPOSAL TOTAL	
				30	10	5	5		RANK
Axon	10	15	24	24	8	4	4	89	1
Utility Associates	8	11	14	23	5	2	3	66	3
WatchGuard	10	14	22	30	5	1	4	86	2

	Price
Axon	\$ 254,812.96
Utility Associates	\$ 260,257.50
WatchGuard	\$ 201,692.00

The results of the evaluation showed that Axon was the only proposer that offered several features of a BWC that is preferred by the APD. Most notable of the features APD feels is important to any BWC is signal technology that activates the cameras in response to activity “triggers”. Some of the triggers that automatically cause activation of the camera are:

1. When an officer’s TASER is transitioned from safe position to armed;
2. When a sidearm is removed from its holster;
3. When an officer discharges his/her firearm; and
4. When a gunshot is detected.

These features enhance officer safety by allowing the officer to focus on a potential threat rather than focusing on activating the camera. The automatic triggers also ensure an incident is recorded.

As a matter of reference, other area police agencies have either deployed or have recently awarded contracts for a BWC system. Burbank, Glendale, and Pasadena Police Departments are currently utilizing the Axon BWC system. The Los Angeles Police Department began deploying BWCs in 2014 and is also currently using the Axon system. Most recently the Los Angeles County Sheriff Department executed an agreement for acquisition and deployment of the Axon BWC system for its Deputies.

BUDGET

During the development of the FY 2021 budget, this item was not planned for and does not have appropriations. However, due to the importance of acquiring the proposed system, Staff believes the acquisition can be accommodated within the current budget for the initial cost with requests for the subsequent annual recurring cost in future budget years.

IMPLEMENTATION

If recommended by the Committee and approved by the Commission, the purchase of the equipment will begin immediately with program integration and deployment of the BWC system prior to the end of FY 2021.

RECOMMENDATION

At its meeting on April 5, 2021, the Committee voted (2–0, 1 absent) to recommend that the Commission approve the proposed acquisition of forty-one Axon-3 cameras and related first year warranty support services in the amount of \$87,400 with an annual recurring charge of \$41,853 per year for four years for a total five-year commitment of \$254,812. Staff also seeks that the President be authorized to execute the requisite contract and the Executive Director be authorized to execute ancillary purchasing documents.

INTER-DEPARTMENTAL COMMUNICATION

TO: Chief Edward Skvarna

DATE: March 22, 2021

FROM: Burbank Glendale Pasadena Airport POA

SUBJECT: Body Worn Cameras



The Burbank-Glendale-Pasadena Airport Police Officer's Association and Command Staff have been discussing the need for Body Worn Cameras prior to the dramatic civil unrest which occurred nationwide during 2020. We had previously discussed the need for audio recorders in August of 2019, but with the increased level of police scrutiny, we feel body worn cameras are currently the only viable option.

The board members feel there is an immediate need for body worn cameras, which would be beneficial to the airport, the department, and to the individual officers. Although the airport digital video surveillance system is effective, it does not cover all areas of the airport, nor does it provide the context and detail which many investigations demand.

The board members believe the most important aspect of the body worn cameras would be the protection from false accusations and potential liability claims. The body worn cameras will also preserve evidentiary statements and showcase our officers' professional demeanor during contacts and arrests. Body worn cameras help ensure accountability for officers' conduct and displays a crime scene to a jury from the officer's point of view. This evidence may immediately exonerate officers involved in high profile incidents and can be made available to the media. This provides transparency and improves the public's trust, as well as reassuring our airport administrators. A side benefit is that members of the public are less likely to become hostile or assaultive if they know they are being recorded.

Body worn cameras will preserve our members' professionalism during law enforcement contacts, and when coupled with the airport DVSS, safeguard the department and the airport from spurious or fraudulent claims which are so prevalent in our current culture.

The Burbank Glendale Pasadena Airport Police Officer's Association strongly endorses the deployment of body worn cameras for all officers at Hollywood-Burbank Airport.

Respectfully,

Sergeant Steve Saucedo – Vice President
Burbank Glendale Pasadena Airport POA

Body Worn Cameras

450.1 PURPOSE AND SCOPE

In-car (Mobile Audio Video) cameras and body worn cameras (BWC) provide additional documentation of police/public encounters and may be an important tool for collecting evidence and maintaining public trust. Persons reviewing recordings must be cautious before conclusions are reached about what the video shows.

It is the policy of the **BGPAA** Police Department to equip sworn personnel with BWCs. The cameras are intended to:

- Capture crimes in progress, whether perpetrated against the officer or the community, and to maintain this evidence for presentation in court.
- Document initial police response, the discovery of evidentiary items, and the actions of the police pursuant to an investigation including calls for service or self-initiated police contacts.
- Mitigate potentially confrontational interactions with members of the public through the presence of the BWC.
- Prevent and investigate complaints made against officers during the course of their police duties.
- Serve in training and performance feedback - ensuring the professionalism, accountability, and transparency of members of the **BGPAA** Police Department.

Officers shall utilize BWCs in accordance with the provisions in this general order and state and federal law to complement the performance of patrol personnel, investigators, and detention officers.

While recordings obtained from BWCs provide an objective record of events, it is understood that video recordings do not necessarily reflect the experience or state of mind of the individual member(s) in a given incident. Moreover, the recordings, especially video, have limitations and may depict events differently than the events recalled by the involved member. Video captures 2-dimensional images, which may be different from a member's 3-dimensional observations. Lighting and angles may also contribute to different perceptions. Specifically, it is understood that the recording device will capture information that may not have been heard and/or observed by the involved member and that the involved member may see and hear information that may not be captured on video.

450.2 POLICY

This policy provides guidelines for the use of BWCs by members of this department while in the performance of their duties, including all recording systems whether body-worn, hand-held or integrated into portable equipment. The use of recorders is intended to enhance the mission of the Department by accurately capturing contacts between members of the Department and the public.

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This policy does not apply to lawful surreptitious audio-video recording, interception of communications for authorized investigative purposes, or to mobile audio/video recordings (see the Investigation and Prosecution and Mobile Audio/Video policies).

450.3 MEMBER PRIVACY EXPECTATION

Members should avoid using their personal devices to make recordings, if however, members do use their personal devices to make recordings, they are required to provide that recording to the department at the earliest opportunity and no later than by the end of their shift. All recordings made by members acting in their official capacity shall remain the property of the BGPAA regardless of whether those recordings were made with department-issued or personally owned recorders. Members shall have no expectation of privacy or ownership interest in the content of these recordings. Members shall maintain full privacy and ownership interest in the unrelated content stored on personally owned recorders, including cellular telephones.

450.4 MEMBER RESPONSIBILITIES

Each uniformed member shall be responsible for making sure that he/she is equipped with a BWC issued by the Department, and that the recorder is in good working order prior to each shift. If the recorder is not in working order or malfunctions at any time, the member shall promptly report the failure to his/her supervisor and obtain a functioning device as soon as practicable. Uniformed members shall wear the BWC in a conspicuous manner and the cameras shall be forward facing on the uniform to facilitate optimal recording field of view.

Any member assigned to a non-uniformed position (Detectives and Special Investigative Units) shall carry an approved BWC any time the member believes that such a device may be useful. Non-uniformed members wearing a BWC shall wear the device in a conspicuous manner and forward facing to facilitate optimal recording field of view. This section does not apply to members acting in an undercover capacity.

When using a BWC, the assigned member shall record his/her name, BGPAA identification number and the current date and time at the beginning and the end of the shift or other period of use, regardless of whether any activity was recorded. This procedure is not required when the recording device and related software captures the user's unique identification and the date and time of each recording.

Members shall document the use of a BWC and the existence of a recording in any report or other official record of the contact, including any instance where the recorder malfunctioned or the member deactivated the recording prior to the conclusion of the contact. Members shall include the reason for deactivation.

When a member reasonably believes a recorded contact may lead to a review by a subsequent supervisor, the member should promptly notify their supervisor of the existence of the recording.

Members shall not tamper with or dismantle any hardware or software component of the body worn camera.

All Department members using BWCs shall be trained and provided a copy of the policy prior to use of equipment. The training and course outline shall be documented in the Department's

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Training Management System. Supervisors with Department members assigned BWCs shall conduct section training twice a year on the policy expectations, and use and maintenance of the BWC equipment. Employees will also be tested yearly via the Department's web-based policy review.

450.4.1 TRANSFER PROCEDURES

Members shall dock their issued body worn camera for automated upload of data files daily or when directed by a supervisor to ensure the timely transfer of data. This procedure will ensure that storage capacity is not exceeded within the device and to view uploaded audio/video files for report writing.

Members uploading audio/video files into storage shall include incident information (metadata) for any recording which has the likelihood of resulting in a criminal, civil, or administrative review or investigation. These incidents shall include those in which a member may only be a secondary or peripheral responder. All associated recordings for these events, whether evidence or not, shall include general offense and case number.

Personnel assigned a BWC should allow sufficient time to upload files at the end of their shift to avoid incurring unnecessary overtime expenditures. All Department policies and MOUs regarding the use of overtime will apply.

450.5 SUPERVISOR RESPONSIBILITIES

Supervisors shall not use BWCs or online storage system until they have successfully completed the required training.

Supervisors shall ensure members assigned a BWC are utilizing the equipment according to policy guidelines. Supervisors may also conduct random or directed review of recordings to assess performance related to its use and note videos that may be appropriate for training and/or administrative review. Supervisors completing an audit should memorialize in the Notes field the purpose for each video audited.

When an incident arises that requires the immediate retrieval of BWC media for chain of custody purposes (including, but not limited to, officer involved shootings, in-custody deaths, critical incidents involving great bodily injury, or other incidents as determined by policy/supervision), a supervisor will respond to the scene, ensure the position/location of the BWC is documented and photographed, retrieve and take custody of the BWC, and ensure the data is uploaded and access is restricted (Penal Code § 832.18). Supervisors shall review relevant video recordings prior to submitting any administrative reports.

450.6 ACTIVATION OF THE BODY WORN CAMERA

This policy is not intended to describe every possible circumstance where the activation of the BWC is appropriate and/or required. Not all situations will clearly start out necessitating documentation by the BWC nor will all recorded events have a clear ending for when the BWC is no longer required.

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The BWC shall be activated in:

A. All enforcement and investigative contacts, including but not limited to:

- Calls for service
- Traffic stops
- Pedestrian stops (including member-initiated consensual encounters)
- Field interviews
- Witness and victim interviews (except as noted below in Section 450.8)
- Detentions
- Arrests (Including Miranda advisements)
- Searches (service of warrants, warrantless or consensual searches)
- Crowd management and control
- Canine deployments
- Use of force investigations
- Suspicion of crime occurring (narcotic investigations, problem locations, etc.)
- Any activity the member believes may be criminal in nature

B. Any other contact that becomes adversarial after the initial contact in a situation that would not otherwise require recording.

If the immediate activation of the BWC is not feasible due to an imminent risk to the safety of the officer or others, the officer will activate the BWC at the first available opportunity after the immediate threat has been addressed. Members assigned a BWC should consider initiating a recording prior to contacting or detaining people in the course of their duties. Once a recording is initiated, a continuous recording of the event must take place until completion of the incident or contact.

Members should remain sensitive to the dignity of all individuals being recorded and exercise sound discretion to respect privacy by discontinuing video recording whenever it reasonably appears to the member that such privacy may outweigh any legitimate law enforcement interest in video recording. When video recording is discontinued, officers should utilize other means of capturing the audio. Video recording should resume when privacy is no longer an issue unless the circumstances no longer fit the criteria for recording.

Members shall not use BWC devices to record communications or discussions with co-workers or supervisors, non-work related activities or non-law enforcement contacts. Members shall not use BWC devices to record discussion pertaining to tactical operations, such as those by SWAT personnel.

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450.6.1 FIRST AMENDMENT ACTIVITY

Members shall not use BWC devices to record individuals who are engaged in peaceful protest or First Amendment protected speech or activities: unless the officer believes a violation of criminal law is occurring, may occur, or if the officer has direct interaction with a participant or third party to the event.

450.6.2 SURREPTITIOUS USE OF THE PORTABLE RECORDER

Penal Code § 632 prohibits an individual from surreptitiously recording a "confidential" conversation if there is a reasonable expectation of privacy or confidentiality. However, Penal Code § 633 expressly exempts law enforcement from this prohibition during the course of a criminal investigation. Members of the Department may surreptitiously record any conversation during the course of a criminal investigation in which the member reasonably believes that such a recording will be lawful and beneficial to the investigation (Penal Code § 633).

450.7 ADVISEMENT ABOUT RECORDING

Private citizens do not have a reasonable expectation of privacy when talking with police personnel during the scope of an officer's official duties. Private citizens may have a reasonable expectation of privacy in their homes or place of business except when officers are lawfully present during the course of official duties (warrant, consent, exigent circumstances). Therefore, members are not required to give notice they are recording and/or obtain consent.

450.8 TERMINATION OF RECORDING

Once activated, the BWC should remain on continuously until the member's direct participation in the incident is complete, the situation no longer fits the criteria for activation, or unless tactical or practical reasons dictate otherwise. Recording may be stopped during significant periods of inactivity, such as report writing or other breaks from direct participation in the incident.

If the BWC is used during an enforcement situation and it becomes necessary to discuss issues or concerns related to privacy or officer-safety with another employee or supervisor, the device may be turned off. The intention to stop the recording should be noted by the officer verbally such that it is recorded by the BWC before the deactivation. When the aforementioned conversation has ended, the member should reactivate the camera promptly and the member shall note verbally that the recording has continued.

Members shall cease recording whenever necessary to ensure conversations are not recorded between a person in custody and the person's attorney, religious advisor or physician, unless there is explicit consent from all parties to the conversation (Penal Code § 636).

Circumstances when a member is not required to activate the BWC or may cease recording include, but are not limited to:

- A. Officer and citizen safety would be compromised (e.g. a confidential informant, citizen informant, or undercover member);

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- B. A health care provider is discussing medical issues with a patient;
- C. While in a hospital for an extended security detail with a subject or an arrestee. However, the BWC should be turned on in the hospital if a situation arises which requires police action or to garner investigative statements;
- D. On a primary school campus, unless officers are responding to an imminent threat to public safety, such as assault in progress, or effecting an arrest;
- E. Non-enforcement contacts in restrooms, dressing rooms, and locker rooms;
- F. A witness or victim refuses to provide a statement if recorded and the encounter is non-confrontational;
- G. In the member's judgment, a recording would interfere with his or her ability to conduct an investigation, or may be inappropriate because of the victim or witness's physical condition, emotional state, age, or other sensitive circumstance (e.g. sexual assault victim);
- H. If a member is on a perimeter post or assigned to a static post where he/she is not in contact with citizens, involved in an enforcement action, or actively part of the investigation;
- I. Other examples as covered in instructional training sessions.

450.8.1 EXPLOSIVE DEVICE

Many portable recorders, including BWCs and audio/video transmitters, emit radio waves that could trigger an explosive device. Therefore, these devices shall not be used where an explosive device may be present.

450.9 PROHIBITED USE OF BODY WORN CAMERAS

Members are prohibited from personally retaining recordings of activities or information obtained while acting in their official capacity, whether the recording was created with department-issued or personally owned recorders. Members shall not duplicate or distribute such recordings, except for authorized Department purposes. All such recordings shall be retained at the Department.

Members are prohibited from using personally owned BWCs while acting in their official capacity. Any member who uses a personally owned recorder for department-related activities shall comply with the provisions of this policy, including retention and release requirements.

Recordings shall not be used by any member for the purpose of embarrassment, intimidation or ridicule.

Generally, BWCs shall not be used as a surveillance tool to record members of the public engaged in lawful activity (see section 450.6 for exceptions).

450.10 RETENTION REQUIREMENTS

All recordings of evidentiary value shall be retained for a period consistent with the requirements of the organization's records retention schedule, but no less than 1 year pursuant to Government Code § 34090.6.

In the event of an accidental recording of a department member where the resulting recording is of no investigative or evidentiary value, the member who made the recording shall notify a supervisor and the recorded employee of the footage as soon as he/she becomes aware of its existence. An

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employee may request, via the chain of command, that the video be isolated. The supervisor shall email his/her Division Commander with sufficient information to located the video and an explanation for the request. The Division Commander shall review the video, approve or deny the request, and forward to the \$GPLQLVWUDWLYH Division Commander for action through the System Administrator. All requests to isolate video shall be maintained by the \$GPLQ Services Division Commander.

450.11 REVIEW OF RECORDINGS

Except for those situations otherwise contained within this policy, Department members will be allowed to review recordings for the following reasons:

- A. To test the device to ensure it is operating properly;
- B. When preparing written reports. Members should review recordings to assist with their investigation prior to the completion of their report. Recorded statements shall be summarized and documented in the narrative of the report;
- C. Follow-up to an assigned criminal investigation;
- D. Prior to courtroom testimony or for courtroom presentation;
- E. By an authorized supervisor/investigator participating in an investigation or inquiry of a meritorious conduct, personnel complaint, or administrative or criminal investigation;
- F. Pursuant to lawful process or by court order.

In the event video files are utilized for training purposes and the involved employee(s) object to the use of the video, such objection shall be submitted to the employee's section &PGU The value of the video for training will be weighed against the employee's objections and basis for the objection.

Anytime a Department member reviews a recording pursuant to a criminal investigation, or in authoring a report or memorandum, the viewing person shall document in the report the fact that the recording was viewed.

BWC recordings shall not replace employees' investigative notes taken at the scene and members shall not use the fact that a recording was made as a reason to write a less detailed report.

Whenever a BWC is present during a critical incident, such as an officer-involved shooting or in-custody death, the involved officer or witness officer shall notify an on-duty supervisor as soon as practical. The supervisor shall secure the device until turned over to the BGPAA Police Department supervisor assigned to the investigation. The BWC recording shall be uploaded to the storage system as soon as practical and access to the recording shall be restricted.

A Department member involved in an officer-involved shooting, in-custody death, incident resulting in great bodily injury, or suspected of criminal activity shall be given the opportunity to review his/her own BWC video recording of the incident prior to providing a statement to criminal investigators. In the event the involved member does not provide a voluntary statement to criminal

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investigators, the member will not be allowed to view any recordings until the administrative investigation. If deemed necessary and appropriate by the assigned investigative supervisor, the involved Department member shall be given the opportunity to review other relevant BWC recordings that memorialized the encounter from a similar vantage point. The member may have his/her representative present during the viewing of the video recordings and will be afforded the opportunity to privately consult with his/her representative before providing a statement.

Members are not authorized to play back BWC recordings to allow members of the public to review the recordings without approval from a Lieutenant.

450.11.1 ADMINISTRATIVE INVESTIGATION

As part of the administrative investigation, the member shall be given the opportunity to view the video recordings of the incident from his/her own BWC immediately prior to his/her interview. The member may have his/her representative present during the viewing of the video recordings and will be afforded the opportunity to privately consult with his/her representative before providing a statement.

450.12 RECORDS REQUEST

The BGPAA Police Department will endeavor to release BWC recordings to the greatest extent possible unless disclosure would:

- A. endanger the safety of a witness or another person involved in the investigation,
- B. jeopardize the successful completion of an investigation or
- C. violate local, state, and/or federal laws, including but not limited to, the right to privacy,
- D. involves other mitigating circumstances such as potential civil litigation.

All recordings released by the Department by virtue of the California Public Records Act, court order, or subpoena shall be handled by the Custodian of Records and documented (see the Records Maintenance and Release Policy). All recordings should be reviewed by the Custodian of Records prior to public release.

Although the data contained within audio/video systems is not considered Criminal Offender Record Information (CORI), it shall be treated in the same manner as CORI data. All access to the systems is logged and subject to audit at any time. Access to the data from the systems is permitted on a right to know, need to know basis.

Pursuant to discovery requests in preparation for criminal trials or civil discovery requests, the investigator can make a copy of an audio/video file for release to the District Attorney's Office, City Attorney's Office, and/or other Judicial Department. The release shall be memorialized in a report by the investigator and signed as received by the prosecuting attorney, in compliance with current Department practice.

Prior to the public release of a recording containing the image of a readily identifiable Department member, that member shall be notified of the pending release as soon as practicable.

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450.13 COORDINATOR

The Chief of Police or the authorized designee shall appoint a member of the Department to coordinate the use, maintenance, and training of BWC recording devices and the storage of recordings, including:

- A. Establishing a system for downloading, storing, and security of recordings;
- B. Designating persons responsible for downloading recorded data;
- C. Establishing a maintenance system to ensure availability of operable BWC devices;
- D. Establishing a system for tagging and categorizing data according to the type of incident captured;
- E. Establishing a system to prevent tampering, deleting, and copying recordings and ensure chain of custody integrity;
- F. Working with the General Counsel to ensure an appropriate retention schedule for recordings and associated documentation;
- G. Isolating accidental recordings upon request of the applicable Division Commander;
- H. Maintaining logs of access and isolations of recordings (Penal Code § 832.18).

450.14 AUDITING

For the purpose of ensuring incidents are being recorded per this Policy, a supervisor may randomly audit the system to evaluate policy compliance and performance.

Generally, minor infractions regarding the use of the BWC and related equipment may be viewed as training opportunities and documented rather than means to take disciplinary action, especially in the implementation stage of the project.

The Policy and Risk Management Unit will be responsible for routinely reviewing and updating applicable policies to meet state and federal law and industry best practices.

450.15 PROHIBITION AGAINST MODIFICATION OF RECORDINGS

Members shall not copy, edit, alter, erase, or otherwise modify in any manner audio/video recordings except as authorized by law or Department policy. Audio/video recordings shall not be disseminated via electronic mail.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
APRIL 19, 2021**

ADK CONSULTING SERVICES CONTRACT

Presented by General Counsel Terence Boga

SUMMARY

At its February 16, 2021 meeting, the Legal, Government and Environmental Affairs Committee voted unanimously to direct staff to agendaize an item for the Commission to consider restarting the Authority's contract with ADK Consulting, Inc. ("ADK") for an organizational governance structure study.

BACKGROUND

On February 18, 2020, the Commission approved a contract (copy attached) with ADK for an organizational governance structure study. The details of the proposed study are specified in ADK's January 27, 2020 proposal, which is set forth at Exhibit A to the contract. In April 2020, ADK's work was placed on hold due to the onset of the COVID-19 pandemic.

RECOMMENDATION

It is recommended that the Commission provide direction on whether to restart the Authority's contract with ADK for an organizational governance structure study.

Hollywood Burbank Airport

REVENUE PASSENGERS	February			January - February		
	2021	2020	% Change	2021	2020	% Change

Signatory Airlines						

Alaska Airlines	7,714	38,355	-79.89%	14,702	78,192	-81.20%
American Airlines	8,960	31,179	-71.26%	18,307	63,715	-71.27%
Delta Airlines	5,996	19,968	-69.97%	11,458	41,595	-72.45%
JetBlue Airways	0	20,002	-100.00%	0	38,608	-100.00%
Southwest Airlines	46,400	312,038	-85.13%	89,659	642,479	-86.04%
Spirit Airlines	2,310	9,717	-76.23%	3,853	19,832	-80.57%
United Airlines	1,936	25,286	-92.34%	3,980	53,000	-92.49%

Total Revenue Passengers	73,316	456,545	-83.94%	141,959	937,421	-84.86%
=====						
Inbound (deplaned)	36,882	228,595	-83.87%	72,762	467,645	-84.44%
Outbound (enplaned)	36,434	227,950	-84.02%	69,197	469,776	-85.27%

AIRCRAFT OPERATIONS	February			January-February		
	2021	2020	% Change	2021	2020	% Change

Landings & Takeoffs						
Air Carrier	1,501	5,319	-71.78%	3,274	10,550	-68.97%
Air Taxi	1,167	2,009	-41.91%	2,319	4,041	-42.61%
General Aviation	2,018	2,642	-23.62%	3,686	5,084	-27.50%
Military Itinerant	22	54	-59.26%	49	85	-42.35%
<i>Subtotal</i>	<i>4,708</i>	<i>10,024</i>	<i>-53.03%</i>	<i>9,328</i>	<i>19,760</i>	<i>-52.79%</i>

Pass Through BUR Airspace						
Civil Local	2,906	1,963	48.04%	5,853	4,020	45.60%
Military Local	0	0	N/A	0	0	N/A
<i>Subtotal</i>	<i>2,906</i>	<i>1,963</i>	<i>48.04%</i>	<i>5,853</i>	<i>4,020</i>	<i>45.60%</i>
=====						
Total Aircraft Operations	7,614	11,987	-36.48%	15,181	23,780	-36.16%

Air Carrier: Scheduled commercial air carrier operations; including cargo operators

Air Taxi: Smaller aviation operators such as charters, commuter carriers or on-demand operators

General Aviation: Civil aviation operations for personal use

Military Itinerant: Military aviation activities

Civil Local: Civil aviation operations that pass through BUR airspace monitored by FAA ATCT at BUR.

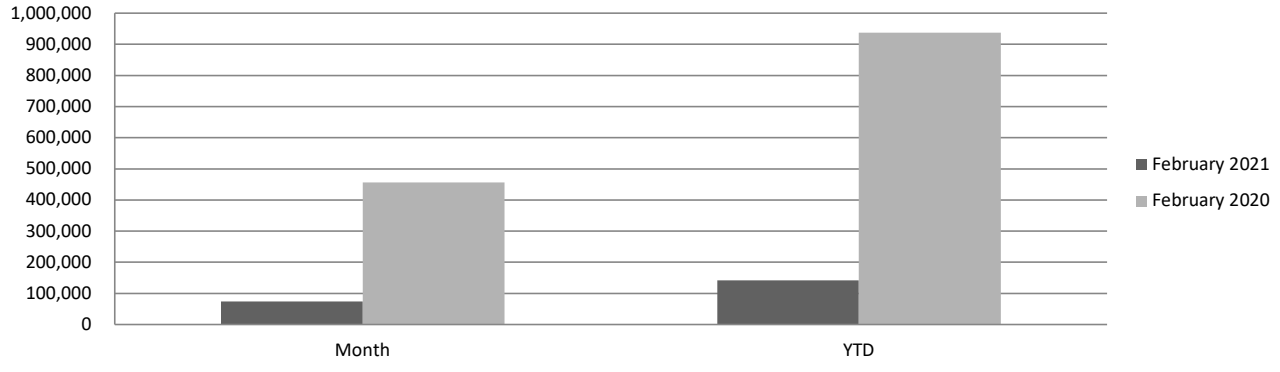
Military Local: Military aviation operations that pass through BUR airspace monitored by FAA ATCT at BUR

Hollywood Burbank Airport

AIR CARGO (lbs.)	February			January - February		
	2021	2020	% Change	2021	2020	% Change
<hr/>						
Signatory Airlines						
<hr/>						
Alaska Airlines	341	137	148.91%	1,271	689	84.47%
American Airlines	0	0	N/A	0	18	-100.00%
Delta Airlines						
JetBlue Airways						
Southwest Airlines	92,898	170,456	-45.50%	171,236	358,019	-52.17%
Spirit Airlines						
United Airlines	0	69	-100.00%	0	1,075	-100.00%
<hr/>						
Other Scheduled Carriers						
<hr/>						
Federal Express	3,820,944	3,914,026	-2.38%	8,546,250	7,676,676	11.33%
United Parcel Service	3,409,094	3,915,456	-12.93%	7,339,176	8,528,755	-13.95%
<hr/>						
Charter/Contract Carriers						
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Ameriflight	170,868	223,442	-23.53%	343,617	480,955	-28.56%
<hr/>						
Total Air Cargo	7,494,145	8,223,586	-8.87%	16,401,550	17,046,187	-3.78%
<hr/>						
Inbound (deplaned)	3,670,241	4,278,616	-14.22%	8,163,290	9,039,085	-9.69%
Outbound (enplaned)	3,823,904	3,944,970	-3.07%	8,238,260	8,007,102	2.89%

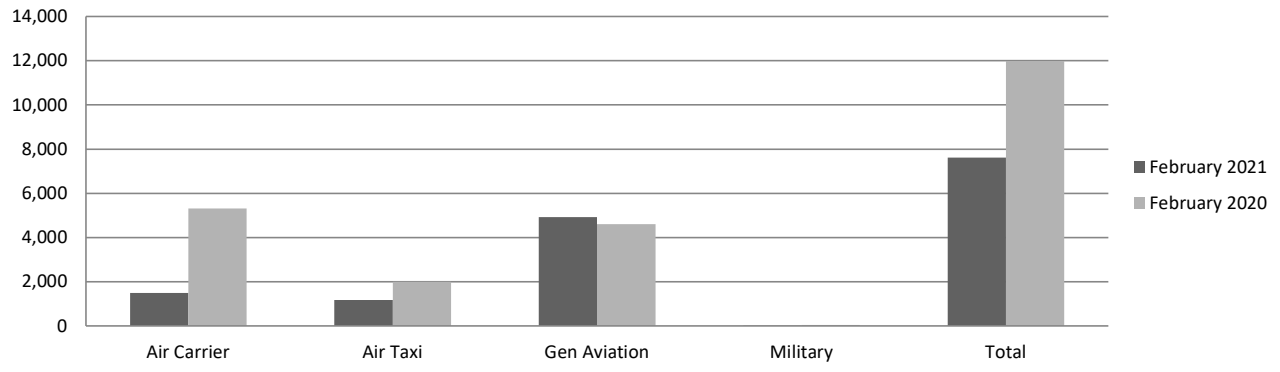
MAIL (lbs.)	February			January - February		
	2021	2020	% Change	2021	2020	% Change
<hr/>						
American Airlines	0	0	N/A	0	6,032	-100.00%
<hr/>						
Total Mail	0	0	N/A	0	6,032	-100.00%
<hr/>						
Inbound (deplaned)	0	0	N/A	0	3,016	-100.00%
Outbound (enplaned)	0	0	N/A	0	3,016	-100.00%

Revenue Passengers



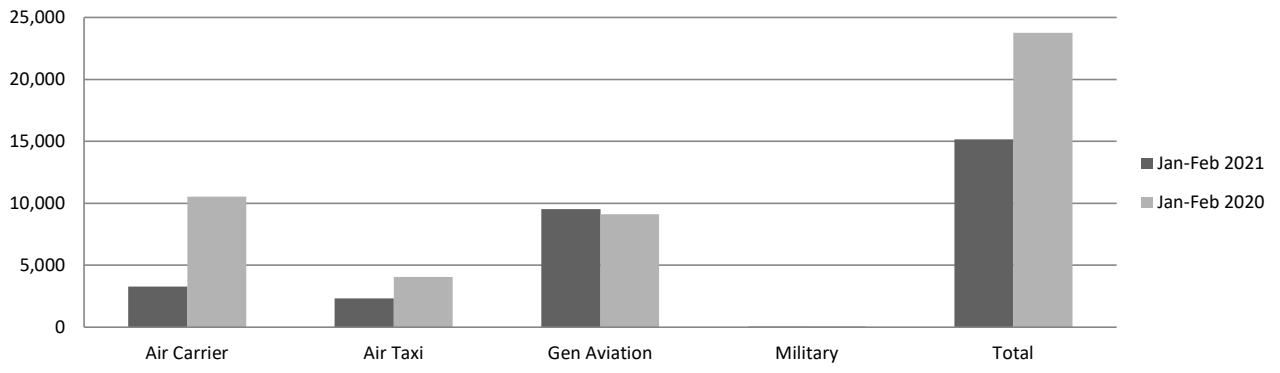
Revenue Passengers	Month	YTD
February 2021	73,316	141,959
February 2020	456,545	937,421
% Change	-83.94%	-84.86%

Aircraft Operations - Month



Aircraft Operations - MO	Air Carrier	Air Taxi	Gen Aviation	Military	Total
February 2021	1,501	1,167	4,924	22	7,614
February 2020	5,319	2,009	4,605	54	11,987
% Change	-71.78%	-41.91%	6.93%	-59.26%	-36.48%

Aircraft Operations - Year-to-Date



Aircraft Operations - YTD	Air Carrier	Air Taxi	Gen Aviation	Military	Total
Jan-Feb 2021	3,274	2,319	9,539	49	15,181
Jan-Feb 2020	10,550	4,041	9,104	85	23,780
% Change	-68.97%	-42.61%	4.78%	-42.35%	-36.16%

BRINK'S COMPLETE SERVICE AGREEMENT NONSTANDARD

THIS BRINK'S COMPLETE SERVICES AGREEMENT (together with Attachment(s) and Appendices, including without limitation the Brink's Complete Service Terms and Conditions attached as Appendix A, this "Agreement") is made by and between Brink's Capital LLC ("Brink's"), a Delaware limited liability company with offices located at 1801 Bayberry Ct., Richmond VA 23226, and BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY ("Customer"), a California Public Entity with offices located at 2627 NORTH HOLLYWOOD WAY, BURBANK, CA-91506 and is entered into this 19th day of April, 2021 ("Effective Date").

Customer wishes to engage Brink's to provide certain cash management solutions, and Brink's is willing to provide such cash management and logistics services for Customer in accordance with terms and conditions set forth in this Agreement. For and in consideration of the mutual agreements herein contained, the Parties hereby agree as follows:

Unless otherwise indicated, all capitalized terms used herein shall have the meaning stated in the Service Terms and Conditions.

1. SERVICES.

- (a) **Equipment.** Brink's shall install the Equipment in each Service Location; provided that Customer has prepared each installation site according to the Brink's Site Prep Guidelines by the Scheduled Installation Date. All other Services and obligations of Brink's under this Agreement are contingent upon proper installation of the Equipment.
 - (b) **Brink's 24SEVEN.** Brink's shall provide Customer with access to Brink's 24SEVEN. Customer shall enroll in and utilize Brink's 24SEVEN to create a deposit declaration for each Deposit Bag that is placed in the Equipment. Such deposit declaration will be made prior to depositing any Deposit Bag into the Equipment, must include, without limitation, Customer's Declared Value and serial number of the applicable Deposit Bag, and will constitute a request for Direct Credit for the Declared Value. For Equipment with a Bill Validator, Customer acknowledges and agrees that Customer's deposit declaration and request for Direct Credit is made when Customer or its designated employee inserts Property into the Bill Validator.
 - (c) **Direct Credit.** Customer agrees that Brink's will own the Property upon deposit into the Equipment. Brink's shall initiate issuance of credit via ACH to Customer's specified account at Customer's Bank based on the Declared Value. This advance credit ("Direct Credit") shall constitute a draw against the monthly line of credit extended from Brink's to Customer. The Customer's applicable monthly Direct Credit limit is stated in the Rate Sheet. Customer will use its best efforts to deposit cash into the Equipment equaling the Declared Value. Brink's will remove the Property from the Equipment no less than once every nine (9) Business Days. After removing the Property from the Equipment, Brink's will count the Property in a Deposit Bag to determine the Actual Value. Customer's Direct Credit balance will be adjusted based upon the Actual Value. Brink's will post any Variance to Brink's 24SEVEN on the processing day. Brink's shall debit any such Variance resulting from shortages and counterfeit Property from Customer's bank account via ACH. If Brink's determines that the amount of Property counted exceeds the applicable Declared Value, Brink's shall initiate a credit in the amount of the Variance to Customer's bank account through ACH. Customer shall be charged reconciliation fees for any Variances and overage fees, for deposits which exceed the monthly limit, as set forth in the Rate Sheet. Brink's will not charge Customer interest on Direct Credit unless balances are not paid within thirty (30) days of the transaction date. Unpaid Direct Credit balances are subject to interest at .66% per month, but in no case above the maximum rate allowed by law. ACH debits or credits for Variances shall be made within eight (8) Business Days from the date of processing and Customer shall receive a notice of such auto-debit or credit via Brink's 24SEVEN. For Equipment with a Bill Validator, Brink's guarantees that the Property deposited into the Equipment using the Bill Validator, or the Declared Value, shall match the Actual Value except to the extent any Variance is caused in whole or in part by the criminal acts, misrepresentation, or fraud of Customer, its employees, representatives or agents.
 - (d) **Change Orders.** Change Order service, if any, will be provided in accordance with this Agreement. All Change Order requests shall be subject to a twenty (20) pound per Change Order weight limit.
- 2. TERM.** The term of this Agreement shall commence on the Effective Date and terminate when the last Equipment Term is terminated pursuant to this Agreement ("Agreement Term"). The term of Services and Customer's obligations for each Equipment unit shall begin on the earlier of (i) the Scheduled Installation Date as set forth under Appendix C and (ii) the date the Equipment is actually installed, and shall continue for a period of three (3) years ("Equipment Term"). Thereafter, the Equipment Term for each unit of Equipment shall automatically renew from month to month until cancelled by either party on at least ninety (90) days prior written notice.
- 3. FEES.** Customer agrees to pay Brink's Fees for the Services at the rates set out in the Rate Sheet.

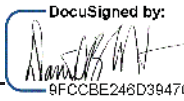
This Agreement may be executed in multiple counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered as of the date first written above.

**BURBANK-GLENDALE-PASADENA AIRPORT
AUTHORITY**

By: _____
(Customer Signature)
Name: _____
Title: _____

Brink's Capital LLC

DocuSigned by:

By: _____
Name: Daniel Theriault
Title: VP - US Sales

Appendix A

BRINK'S COMPLETE SERVICE TERMS AND CONDITIONS

1. DEFINITIONS

- (a) "Actual Value" means the value of the deposited Property as verified by Brink's.
- (b) "Bill Validator" means a component of certain models of the Equipment that counts currency.
- (c) "Brink's 24SEVEN" means the customer portal application and associated services by which Customer creates deposit declarations and change order requests.
- (d) "Business Days" means weekdays other than holidays observed by Brink's.
- (e) "Customer's Bank" means the financial institution that, pursuant to an agreement with Customer, provides banking services to Customer.
- (f) "Declared Value" means the amount of Property reported by Customer through a deposit declaration on Brink's 24SEVEN for each deposit made using a Deposit Bag or the amount of Property as transmitted to Brink's by the Equipment, for each deposit made using a Bill Validator.
- (g) "Deposit Bag" means a container provided to Customer by Brink's and specifically designed for the purpose of depositing Property into Equipment.
- (h) "Documentation" means written materials describing the function and use of Equipment.
- (i) "Equipment" means the Brink's technology-enabled device or smart safe (with or without a Bill Validator) provided by Brink's and any other items of equipment described in the Rate Sheet, together with all related software and accessories and Documentation.
- (j) "Loss" means a loss of Property or a dispute with respect to the amount of Property deposited or collected.
- (k) "Property" means U.S. currency or coin placed in the Equipment.
- (l) "Service Location" means the location where the Equipment(s) is installed and as set out in Appendix B.
- (m) "Services" means the services to be provided by Brink's under this Agreement.
- (n) "Third Party Lender" means the financial institution that provides certain services to Brink's to support *Brink's Complete Services*.
- (o) "Variance" means a discrepancy between the Declared Value and the Actual Value of Property deposited in the Equipment.

2. FEES

- (a) Billing Statements shall be issued for each calendar month of Service, or portion thereof, as per the rates set out in Appendix B ("Rate Sheet") plus all applicable federal, state and local taxes (together "Subscription Fees"). Subscription Fees shall be debited from the Customer's account via ACH transfer or automatically charged to Customer's credit card on or before the 1st of each month. All additional charges ("Additional Fees") related to the Services as set out in the Rate Sheet shall be charged to Customer's chosen payment method in arrears. If the Equipment installation date is not on the first of a month, Subscription Fees for the first month may be billed by Brink's in arrears in the next month's billing statement.

- (b) Brink's will post a monthly statement of Subscription Fees and Additional Fees (together, "Fees") on Brink's 24SEVEN.
- (c) Brink's will not increase Fees in the first year of this Agreement, but thereafter, may increase Fees annually upon thirty (30) days' notice by an amount not to exceed the annual increase in CPI for All Urban Consumers plus two percent (2%).
- (d) If Customer disputes the accuracy of any Fees, other than any rate change per Section 2(c), Customer will provide Brink's written Notice within fifteen (15) days of the date of such billing statement, or such claim will be deemed waived by Customer. Any amounts that remain unpaid when due are subject to interest of .66% per month, but in no case above the maximum rate allowed by law. Customer shall also be responsible for all Brink's collection expenses, including, without limitation, reasonable attorney's fees.
- (e) Brink's may reduce the amount of any credit to Customer by any amount due and payable to Brink's.
- (f) Customer shall provide its banking information to Brink's and hereby authorizes Brink's to share such information with the Third Party Lender in order to enable the provision of Services. Customer will provide Brink's thirty (30) days advance Notice of any changes to its banking information.

3. EQUIPMENT

3.1 DELIVERY, INSTALLATION, USE & LOCATION

- (a) Brink's shall arrange for the Equipment to be delivered to and installed in each Service Location on a date mutually agreed upon by the parties ("Scheduled Installation Date").
- (b) Customer shall be solely responsible for all fees and expenses associated with the site preparation for installation of the Equipment, repeat trips and storage costs associated with the site not being ready for installation on the Scheduled Installation Date.
- (c) Customer shall allow Brink's access to each Service Location during Customer's normal business hours to remove Property from the Equipment, perform repairs or make adjustments, or to exercise any right or remedy under this Agreement.
- (d) The Equipment shall be used and operated by Customer only in the ordinary course of its business in compliance with all Documentation and in accordance with all applicable Brink's instructions, governmental laws, rules and regulations.
- (e) Customer shall not remove the Equipment for any reason.

3.2 EQUIPMENT REPAIR

During the Equipment Term, Brink's shall repair the Equipment at no additional cost to Customer, except that Customer shall pay for repairs arising out of: (i) abuse and/or vandalism of the Equipment; (ii) incorrect or insufficient training by Customer of its employees or agents; (iii) utilization of the Equipment contrary to the Documentation; and/or (iv) damages caused by rodents or other pests. Repairs will be performed on Business Days. **THE FOREGOING REPAIR OBLIGATION IS GIVEN IN LIEU OF ANY OTHER EXPRESS OR IMPLIED WARRANTY AND SUCH OTHER WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED. BRINK'S MAKES NO WARRANTY THAT THE EQUIPMENT IS NEW, MERCHANTABILITY OR FIT FOR A PARTICULAR PURPOSE.**

3.3 UNAUTHORIZED EQUIPMENT ACCESS AND ALTERATIONS

Customer shall not permit any party other than Brink's to service, repair or alter the Equipment without Brink's prior written direction.

3.4 RETURN OF EQUIPMENT

Upon the expiration or earlier termination of an Equipment Term or the Agreement Term, or upon demand by Brink's as allowed by this Agreement, Customer shall permit Brink's to obtain possession of the Equipment. Except as otherwise provided in Section 11, Customer shall pay all costs incurred by Brink's in obtaining possession of and in returning the Equipment to the storage facility designated by Brink's.

3.5 EQUIPMENT TITLE, OWNERSHIP AND LIENS

Customer shall have no ownership interest in the Equipment. Customer agrees that Brink's may lease the Equipment from one or more lessors. Customer agrees that its interest, if any, in the Equipment is subject and subordinate to the interest of such lessor(s). CUSTOMER SHALL NOT ASSIGN, LEASE OR TRANSFER ALL OR ANY PART OF THE EQUIPMENT OR CUSTOMER'S RIGHTS OR OBLIGATIONS HEREUNDER WITHOUT THE PRIOR WRITTEN CONSENT OF BRINK'S. Customer shall, at its sole cost and expense, keep the Equipment free and clear of all liens, security interests, claims and any other type of encumbrances, and shall not attempt in any other manner to dispose of the Equipment during the Agreement Term. Customer shall defend Brink's title to the Equipment against such claims. In the event that Customer's landlord claims title to or an interest in any of the Equipment, Customer agrees to take all steps necessary, at its own cost and expense, (including taking appropriate legal action) to obtain the Equipment and return it to Brink's. In addition, Customer shall indemnify, defend, protect and hold Brink's harmless from all claims resulting from its possession or use of the Equipment.

3.6 LOSS OF EQUIPMENT

If the Equipment is lost, stolen, destroyed or irreparably damaged due to any cause, Customer shall promptly notify Brink's in writing of the occurrence. Brink's shall have the right, at its option, to retake possession of damaged or destroyed Equipment. Brink's shall provide replacement Equipment for the duration of the Term of the Agreement. Customer shall pay for the shipping and installation of replacement Equipment, which may include, without limitation, any expenses associated with any additional site preparation for installation.

4. CUSTOMER OBLIGATIONS

- (a) Customer agrees that the Equipment shall be opened only by Brink's.
- (b) Customer shall follow all instructions provided by Brink's for use of the Equipment. In the event of Equipment malfunction, Customer will follow trouble shooting instructions in the Documentation. If problems persist Customer will contact the Brink's customer support center and follow instructions.
- (c) Customer shall only place Property in a Deposit Bag and only place Deposit Bags and Property in the Equipment. Customer shall not place more than Five Dollars (\$5.00) of coin in a Deposit Bag at any time. Customer shall place a Deposit Bag in the Equipment promptly after creating a deposit declaration using

Brink's 24SEVEN. Brink's reserves the right, without obligation, to reject any Deposit Bag that is not sealed.

- (d) Customer shall not conceal or misrepresent any Property value, material fact or circumstance concerning the Property placed into the Equipment. Customer agrees, in the event of a Loss, to be bound by the Declared Value.

5. REPRESENTATIONS & WARRANTIES

- (a) Customer understands and hereby agrees that any deposits by Customer into the Equipment shall constitute the Property of Brink's. Customer agrees that neither Customer nor any other entity has any possessory nor ownership rights to the Property under Section 541 of the Bankruptcy Code, 11 U.S.C. §541. Other than Brink's rights with respect to repayment of the Direct Credit, Customer agrees that all deposits are and shall be free and clear of all liens, security interests, claims and any other type of encumbrances and Customer is not now a party to and shall not enter into any agreement that would (i) restrict Customer from making deposits and utilizing the Services provided by Brink's hereunder or (ii) cause any such deposits to be subject in any manner to any lien, security interest, attachment or other process in favor of any creditors of Customer or any other person.
- (b) Customer acknowledges that Brink's may collaterally assign its rights under this Agreement to Third Party Lender and that Third Party Lender shall have the right to, either directly or indirectly, confirm with Customer the value of the Property and the outstanding amounts owed to Brink's by Customer. In the event Brink's collaterally assigns its rights under this Agreement to Third Party Lender, Customer undertakes and agrees to act as a bailee for Third Party Lender with respect to the Property or Equipment while the Property is in the Equipment at the Service Location and Customer will comply with any written instructions provided by Third Party Lender with respect to such Property or Equipment, including without limitation, to turn over such Property or Equipment to Third Party Lender upon request.
- (c) Customer shall not remove or attempt to remove Property from the Equipment.
- (d) Customer understands and agrees that Brink's sole obligation with respect to Direct Credit is to initiate issuance of credit via ACH to Customer's account at Customer's Bank in the Amount of the Declared Value and Variances. In no event will Brink's be liable for the delay, failure, or refusal by Customer's Bank to issue such credit or any other act or omission of Customer's Bank.
- (e) Customer acknowledges and agrees that Third Party Lender is advancing funds to Brink's against the Property and consents to any such assignment, and that Third Party Lender is relying on the representations, warranties and covenants by Customer in order to induce Third Party Lender to advance against such Property. Customer agrees to indemnify, hold harmless and defend Brink's from and against any and all damages, loss, expenses (including attorneys' fees), liability or claims, made at any time, or presented in any manner by any person or entity with respect to the breach of any terms of the representations, warranties and undertakings in this Agreement. Third Party Lender shall be a third party beneficiary of this Agreement.

- (f) Customer represents and warrants that the installation site will be prepared for installation as set forth under the Brink's Site Prep Guidelines by the Scheduled Installation Date.
- (g) Customer represents that: it is domiciled in, has its principal place of business in, and is organized under the laws of, a state of the United States or the District of Columbia; it has not dissolved or ceased to do business and has not commenced a proceeding under debtor relief laws, and no proceeding under any debtor relief law has been commenced against Customer; and it is not affiliated with Brink's.
- (h) **Customer represents that (i) it is entering this Agreement for solely business or commercial purposes; (ii) Customer's bank account(s) provided to Brink's for Services and payment thereof is solely for business and commercial purposes; and (iii) the Services nor such bank account(s) will be used for personal, family, or household purposes.**

6. LIABILITY LIMITATIONS AND EXCLUSIONS

- (a) Brink's will not be liable for a deposit into the Equipment unless made using a sealed Deposit Bag or the Bill Validator.
- (b) Deposit Bag Property. Failure to submit a Declared Value for a Deposit Bag shall forfeit any claim (for Direct Credit or otherwise) by Customer. Brink's count of the Deposit Bags collected from the Equipment at the time Property is removed by Brink's is binding and conclusive. Brink's shall not be liable for any unexplained shortage of the number of Deposit Bags. Brink's count of the Property in each Deposit Bag will be binding and conclusive upon the parties. Brink's will not be liable for any unexplained shortage within a Deposit Bag unless: (i) the Deposit Bag does not show external evidence of tampering at the time of removal of the Deposit Bag from the Equipment by Brink's for transportation; and (ii) the Deposit Bag shows external evidence of tampering at the time of processing of the Deposit Bag at the Brink's location(s) where Deposit Bags are processed after removal from the Equipment.
- (c) Bill Validator. If Brink's identifies that a particular Service Location experiences, at Brink's sole discretion, a significant or recurring Variance in Property inserted via the Bill Validator, Brink's may require that an investigation be performed, and Customer agrees to promptly and diligently cooperate with Brink's in determining the cause of such Variances; provided, however, such inquiry shall be completed by Brink's within ten (10) business days of Brink's initial notification that an investigation is required. If Brink's finds that any Variance was caused in whole or in part by the criminal acts, misrepresentation, or fraud of Customer or its Representatives, the applicable Direct Credit balance will be adjusted based upon the Actual Value, and Brink's shall be entitled to debit any such Variance from Customer's bank account.
- (d) Customer shall not make deposits which bring the total Property in the Equipment at any one time in excess of One Hundred Thousand Dollars (\$100,000.00). Brink's will not issue Direct Credit in excess of this limit.
- (e) Brink's liability for any of its obligations under this Agreement, including without limitation liability for a Loss, is limited to the lesser of: (i) One Hundred Thousand Dollars (\$100,000.00); (ii) Customer's Declared Value of Property subject to the Loss; and (iii) the Actual Value. Notwithstanding the foregoing, Brink's liability for Change Orders is limited to the lesser of: (i) Five Thousand Dollars (\$5,000.00); (ii) the actual value of the Loss; and (iii) Customer's requested value of the Change Order in Brink's 24SEVEN.
- (f) Brink's shall not be liable for non-performance or delays of service caused by internet or communication network outages, pandemics, strikes, lockouts or other labor disturbances, riots, authority of law, acts of God, fire, flood, tornado, hurricane, earthquake or other events beyond Brink's control.
- (g) Brink's shall not be liable for any Loss caused by civil unrest, riots, fire, explosion, water damage or hazards and risks ordinarily insured against by owners or users of such properties in similar businesses.
- (h) Brink's shall not be liable for any Loss or for non-performance or delays of service (or for any cost, expense or liability related thereto) caused by or resulting from: (i) war, hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack (A) by any government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval or air forces, (B) by military, naval or air forces or (C) by an agent of any such government, power, authority or forces; or (ii) insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an occurrence or confiscation by order of any government or public authority.
- (i) In no case shall Brink's be liable for any Loss or for non-performance or delays of service (or for any cost, expense or liability related thereto) directly or indirectly caused by, or contributed to, or arising from: (i) any chemical, biological, bio-chemical or electromagnetic weapon; (ii) the use or operation, as a means for inflicting harm, of any computer, computer system, computer software program, malicious code, computer virus or process or any other electronic system; (iii) ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel; (iv) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof; (v) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter; or (vi) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause (vi) does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.
- (j) Brink's shall not be liable for any Loss, liability or expenses directly or indirectly caused, contributed to or occasioned by, happening through, resulting or arising from or in consequence of any negligence, criminal acts or fraud by Customer, Customer's agents, employees or any other party.
- (k) Brink's liability whether as a result of breach of contract, tort, indemnity, warranty or otherwise, shall not, under any circumstances, include lost profits, special, incidental, consequential, indirect or punitive losses or

damages, interest or attorneys' fees, whether or not caused by the fault or neglect of Brink's and whether or not Brink's had knowledge that such losses or damages might be incurred.

7. **FILING OF CLAIMS; PROOF OF LOSS**

- (a) In the event of any claim by the Customer for a Loss or any other claim pursuant to this Agreement, Customer shall inform Brink's as soon as practicable upon discovery and provide written Notice of claim to Brink's through Brink's 24SEVEN Case Management, no more than fifteen (15) days after a deposit of the Property at issue into the Equipment. In the event of any claim pertaining to Change Orders, Customer shall notify Brink's via Brink's 24SEVEN Case Management of any discrepancy in a Change Order within one (1) business day of delivery. Customer shall promptly verify the Actual Value of all Deposit Bags and Change Orders, as applicable, in Brink's 24SEVEN. **Unless such Notice is given by Customer through Brink's 24SEVEN and within the time prescribed by this paragraph, Brink's shall not be liable to Customer for any claim made pursuant to this Agreement and Customer shall be deemed to have expressly waived any such claim.**
- (b) Customer shall utilize Brink's 24SEVEN to record and track all Property placed in the Equipment and shall promptly and diligently assist Brink's in the investigation of any Loss or suspected Loss, including, but not limited to, providing any supplemental records maintained by Customer to track Property placed in the Equipment. Customer shall mitigate its damages in connection with any Loss.
- (c) No action, suit or other proceeding to recover for any such Loss shall be brought against Brink's unless Notice has been given to Brink's pursuant to Section 7(a), and such action, suit or proceeding is commenced within twelve (12) months after the Property is deposited into the Equipment.

8. **DEFAULT BY BRINK'S**

Customer shall be entitled to terminate a particular Equipment Term in the event of a material breach by Brink's of this Agreement with respect to that Equipment, provided such breach continues for a period of thirty (30) days after Brink's receipt of written Notice from Customer specifying the nature of such breach. If such breach is corrected within the applicable Notice period, then such Equipment Term shall continue in full force and effect. Any termination by Customer in accordance with this Section 8 shall have no effect on and shall not terminate any other Equipment Term hereunder nor any other existing agreement between Brink's and Customer.

9. **DEFAULT BY CUSTOMER**

- (a) A material breach by Customer of this Agreement shall be considered an event of default ("Event of Default") with respect to the affected Equipment, provided such breach continues for a period of thirty (30) days after Customer's receipt of written Notice from Brink's specifying the nature of such breach. Notwithstanding the foregoing, if the breach at issue is non-payment for Services, such an Event of Default must be cured and payment made for all outstanding sums due within five (5) days of written Notice. The foregoing shall not limit Brink's from pursuing any additional remedies under Section 9(b).

- (b) Upon the occurrence of any Event of Default, Brink's may exercise any one or more of the following remedies:
- (i) Require Customer, at Customer's sole cost and expense, to return any and all of the Equipment in accordance with Section 3.4, or Brink's, at its option, may enter the Service Location, and repossess and remove the Equipment;
 - (ii) Declare immediately due and payable all Fees for Services provided under this Agreement, all costs associated with the removal, storage, and shipment of the Equipment, and early termination Fees under Section 10;
 - (iii) Upon written Notice to Customer, terminate this Agreement or a particular Equipment Term associated with the breach or default.
- (c) If Customer Variances exceed any "Variance Thresholds," as defined in the Rate Sheet, Brink's shall have the right, at its sole discretion, to suspend or terminate this Agreement or the Direct Credit service with no further notice to the Customer.
- (d) After two failed attempts, if Brink's is unable to access the Equipment, for any reason whatsoever, Brink's shall have the right, at its sole discretion, to suspend or terminate the Services immediately.
- (e) Notwithstanding the foregoing, Brink's may terminate this Agreement without any notice if it determines, in its sole discretion, that Customer is "structuring" its deposits in order to avoid triggering regulatory reporting obligations of Brink's or any other entity.

10. **EARLY TERMINATION BY CUSTOMER**

- (a) If Customer terminates an Equipment Term within the first thirty (30) months of this Agreement, without cause, Customer agrees to pay Brink's, as liquidated damages and not as a penalty, the remaining balance of the Fees to be paid by Customer during the remaining portion of the applicable Equipment Term. If Customer terminates an Equipment Term after the first thirty (30) months of this Agreement, but before expiration of the applicable Equipment Term, without cause, Customer agrees to pay Brink's, as liquidated damages and not as a penalty, ten percent (10%) of the remaining Fees to be paid by Customer during the remaining portion of the applicable Equipment Term. Customer shall also pay all expenses associated with the removal and return of the Equipment to Brink's. Said termination Fees provided in this section shall be in addition to all Fees due to Brink's for Services already provided.
- (b) Notwithstanding the foregoing, upon thirty (30) days prior written Notice:
- (i) In the event a Service Location is closed, Customer shall, with Brink's written consent, have the right to relocate Equipment to a different Customer location within the Brink's service area, and Customer shall pay the cost of removal, transportation and re-installation of the Equipment. In the event of such an Equipment move, Fees will be abated for no more than one month and the Equipment Term for such Equipment will be extended for one month.
 - (ii) If Customer sells its business at any Service Location to a third party, and said third party enters into a *Brink's Complete Services Agreement* with Brink's within such Notice period, then Customer may terminate the Equipment Term with respect to

such Equipment. In such event, Customer shall have no further obligation under this Agreement with respect to such Equipment, other than payment for Services already provided.

- (c) Upon the occurrence of any event of termination relating to a specific Equipment pursuant to this section, this Agreement shall remain in full force and effect to cover the remaining Equipment.

11. EARLY TERMINATION BY BRINK'S

Brink's may terminate this Agreement or an Equipment Term as described in Section 9. Additionally, if Brink's is required by any court of law or governmental agency to cease operating, cease providing Services, or recall the Equipment or (ii) if any other party is deemed to have rights in the Equipment other than Brink's and Customer, then Brink's shall also have the right to terminate this Agreement without any penalty, provided Brink's has given Customer thirty (30) days prior written notice of its decision to terminate and Brink's arranges, at its sole cost and expense, for the pick-up and return of the Equipment. Customer shall permit Brink's to obtain possession of the Equipment. Such expenses are limited to the removal of the Equipment from Customer's premises and will in no case cover the cost of returning Customer's premises to its original state (except for damages caused by Brink's negligence in performing such removal).

12. MISCELLANEOUS.

- (a) Brink's Service obligations under this Agreement may be met by Brink's, its authorized contractors or authorized agents (together, "Contractors"). Contractors and Thirty Party Lender shall be entitled to the benefit of every limitation and defense to which Brink's is entitled hereunder.
- (b) All "Notices" under this Agreement shall be in writing and shall be deemed given to the other party immediately upon the receipt date of a delivery service. Notice shall be sent to the party at the address shown on the front of this Agreement or to such other address as either party may specify in writing. Notice to Brink's shall also be sent to Brink's 24SEVEN Case Management.
- (c) Customer hereby consents to the use and disclosure of certain Customer information by Brink's for compliance purposes.
- (d) Each party agrees to comply with all applicable laws, rules and regulations in the performance of its obligations hereunder.
- (e) The illegality or invalidity of any term, clause or provision of this Agreement shall not affect or invalidate the remainder of this Agreement.
- (f) This Agreement, including the exhibits and appendices, constitutes the entire agreement and understanding between Customer and Brink's with respect to the Services. This Agreement supersedes any prior agreement or understanding between the parties pertaining to the Services. Except with respect to Fees and the addition of Service Locations, this Agreement may be altered, amended or superseded only in writing signed by the parties.
- (g) Customer will not assign this Agreement without the prior written consent of Brink's.
- (h) This Agreement and the rights and relationships of the parties, and all claims or causes of action (whether in contract or tort) that may be based on, arise out of or

relate to this Agreement, shall be governed in all respects by, and construed in accordance with, the laws of the State of Delaware, without regard to the conflicts of laws and principles thereof.

- (i) CUSTOMER AND BRINK'S HEREBY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION IN CONNECTION WITH THIS AGREEMENT. This provision is a material inducement for the parties to enter into this Agreement.
- (j) Notwithstanding any other provisions of this Agreement, if a breach by either party of the provisions of this Agreement that may cause the other party irreparable damage for which recovery of money damages would be inadequate, either party shall be entitled to seek timely injunctive or other equitable relief from a court with competent jurisdiction, to protect its rights under this Agreement.

**ATTACHMENT B
 FEE SCHEDULE OFFER FORM**

*The Fee Schedule Offer prices shall be all-inclusive, and shall include, without limitation, all costs for providing electronic validator safes (Smart Safes) with currency recognition, counterfeit detection, software/hardware upgrades as warranted to accept new currency, built-in UPS (uninterrupted power source), installation and connection to the Authority’s local area network (LAN) in selected locations specified by the Authority’s Parking and Ground Access Operations, and field support services for the installed validator safes. The Contractor shall provide the services for collection and guarded transport of cash and/or checks deposited into the validator safes at the Airport, including regulatory fees and permits, insurance and equipment maintenance, fuel, fuel surcharges, trip charges except when indicated as an “additional pick-up” within the Fee Schedule, general and administrative support costs, materials, mileage, overhead(s), profit, supplies, sale and use taxes, shipping and handling, etc.

Price offer shall be firm for a 1-year period. On each anniversary of the contract, the Fee Schedule shall be increased based on the most recent previous 12-month period published Consumer Price Index (CPI) rate for all indices, Los Angeles County or by 5%, whichever is less. Any adjustments in excess must be approved in writing by the Authority.

#	Safe Contents	Location	Address	Qty.	Description	Pick-up	Monthly Fee Year 1	Add'l Pick-up per EA Location
1	Bills of various U.S.D. denominations and checks	Valet Center	2627 N. Hollywood Way Burbank, CA 91505	1	Smart Safe	Weekly	\$	\$
2	Bills of various U.S.D. denominations and checks	Parking Structure Exit Booth - South	2627 N. Hollywood Way Burbank, CA 91505	1	Smart Safe	Weekly	\$	\$
3	Bills of various U.S.D. denominations and checks	Parking Structure Exit Booth - Middle	2627 N. Hollywood Way Burbank, CA 91505	1	Smart Safe	Weekly	\$	\$
TOTAL PRICE PER MONTH ALL LOCATIONS:							\$	
YEAR 1 NOT-TO-EXCEED TOTAL ALL LOCATIONS:					\$			
PRICE IN WORDS:								

ONE TIME INSTALLATION FEE (4 SAFES): \$ _____

ADDITIONAL LOCATION TO BE DETERMINED

#	Safe Contents	Location	Address	Qty.	Description	Pick-up	Monthly Fee (hold firm for 1 year)	Add'l Pick-up per EA Location
4	Bills of various U.S.D. denominations and checks	Future Parking Lot Location	TBD	1	Smart Safe	Weekly	\$	\$

ANCILLARY SERVICES AND MISCELLANEOUS SUPPLIES AS NEEDED

(Fees including delivery)

Type of Ancillary Services	Rate per Service or Supplies
Unscheduled Pickup	\$
Servicing or Maintenance Labor per Hour	\$
Envelopes or Pouches Replacements	\$
Printing Supplies for Vault Reports	\$
Other - Specify	\$
Other - Specify	\$

The undersigned Bidder hereby submits its Fee Schedule Offer to the Authority. This Offer is firm, and valid for acceptance via award by the Authority for a period of one hundred and twenty days (120) from the bid closing date. This Offer accepts and incorporates by reference all the solicitation documents.

This Fee Schedule Offer has been executed by a duly authorized representative of the Bidder as indicated below:

Company Name: _____

Authorized Signature: _____

Name: _____

Title: _____

Date: _____

PROFESSIONAL SERVICES AGREEMENT
(Burbank-Glendale-Pasadena Airport Authority/Macias Gini & O'Connell LLP)

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is dated May 17, 2017 for reference purposes and is executed by the Burbank-Glendale-Pasadena Airport Authority ("Authority"), a California joint powers agency, and Macias Gini & O'Connell ("Auditor"), a California Limited Liability Partnership.

RECITALS

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

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

C. Auditor is independent of Authority, TBI Airport Management, Inc ("TBI"), and the Cities of Burbank, Glendale and Pasadena. "Independence" shall be construed to be the most stringent definition of independence by the various bodies with standard or rulemaking authority over the auditing profession, including: generally accepted auditing standards ("GAAS") or other applicable standards, issued by the American Institute of Certified Public Accountants ("AICPA"); Government Auditing Standards, issued by the Comptroller General of the United States; standards of the U.S. Securities and Exchange Commission ("SEC"); standards of the Public Company Accounting Oversight Board ("PCAOB"); and rules of the California State Board of Accountancy or any successor body.

D. Auditor and all key professional staff are licensed to practice in the State of California.

E. All key professional staff are in compliance with continuing professional education requirements of the State Board of Accountancy and Government Auditing Standards.

NOW, THEREFORE, the parties agree as follows:

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

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

B. "Contract Administrator": Kathy J. David or a duly authorized designee.

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

D. "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.

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

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

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

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

2. Services.

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

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

D. Reports shall be issued by Auditor in a timely manner in accordance with Exhibit A.

E. Auditor shall attend any Authority Commission or Committee meetings as required when notified by the Contract Administrator.

F. Auditor shall provide notice of and recommendations concerning new accounting principles, such as those issued from time to time by the Governmental Accounting Standards Board ("GASB") and single audit requirements issued by the U.S. Government Accountability Office ("GAO") or U.S. Office of Management and Budget ("OMB"). The Authority may also request assistance and recommendations on the proper recording of complicated transactions that may occur from time to time.

G. All working papers and reports must be retained, at Auditor's expense, for a minimum of seven years, unless Auditor is notified in writing by the Authority of the need to extend the retention period. Should standard retention periods required by any of the standards identified in Exhibit A be increased beyond seven years, the increased retention period shall be followed. Auditor will be required to make working papers available, upon request, to Authority, the GAO, granting agencies or pass-through granting agencies in accordance with Government Auditing Standards, 2 C.F.R. Part 200 (Uniform Administrative Requirements, Cost

Principles, and Audit Requirements for Federal Awards) (“Uniform Guidance”), and the California State Controller’s Office. In addition, Auditor shall respond to reasonable inquiries of successor Authority auditors and shall allow successor Authority auditors to review working papers relating to matters of continuing accounting significance.

H. Auditor will meet with Authority Staff for a planning meeting (entrance conference) and at or near the end of final fieldwork and prior to issuance of the final reports (exit conference). If interim audit fieldwork is conducted, Auditor will also meet with Authority Staff after interim audit fieldwork but prior to beginning final audit fieldwork. In addition, Auditor will provide a regular progress report identifying issues, requested documents, timelines, and any other related matters, in order to meet a “no surprises” requirement in the administration of the audits.

I. If it should become necessary for Authority to request Auditor to perform additional services to either supplement the services requested in this Agreement or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an amendment to this Agreement duly executed by the parties. Any such additional work shall be performed at the rates set forth in Exhibit B.

3. Term.

A. This Agreement shall commence on the Commencement Date and shall end on March 31, 2020 unless extended pursuant to paragraph (B) or earlier terminated pursuant to paragraph (C) below.

B. The Authority may exercise two extension options by which it may extend the term for one year at a time in its discretion. If the Authority exercises Extension Option No. 1, the term shall expire on March 31, 2021 unless further extended by the Authority’s exercise of Extension Option No. 2 or earlier terminated pursuant to paragraph (C). If the Authority exercises Extension Option No. 2, the term shall expire on March 31, 2022 unless earlier terminated pursuant to paragraph (C). To exercise an Extension Option, the Authority shall deliver written notice to Auditor on or before the thirtieth day prior to the then-applicable expiration date. The Authority may exercise the extension options sequentially or concurrently.

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

4. Compensation.

A. The Authority shall compensate Auditor for performance of the Services, and Auditor agrees to accept as full satisfaction for such work, payment according to the Fee Schedule.

B. Auditor 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. Each invoice shall be accompanied by a summary of hours worked showing number of hours charged by individual, the staff classification of each individual (e.g., partner, manager), rate per hour of the individual, and extended cost. This extended cost on the summary must agree with the invoice amount. Within 10 business days of receipt of each invoice, the Authority shall notify Auditor 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 Auditor shall pay all required taxes on the payments.

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

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

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

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

9. Indemnification.

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

B. Auditor'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. Auditor's obligations under this section shall apply, without limitation, to Liabilities that partially involve active or passive negligence by the Authority. However,

Auditor'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 Auditor's defense, hold harmless, and indemnification obligations under this Agreement, Auditor 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 Auditor.

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

Authority
Burbank-Glendale-Pasadena Airport Authority
2627 Hollywood Way
Burbank, CA 91505
Attn: Kathy J. David
E-mail: kdavid@bur.org
Fax: (818) 840-0358

Auditor
Macias Gini & O'Connell LLP
777 S. Figueroa St. Suite 2500
Los Angeles, CA 90017
Attn: James V. Godsey, Partner
E-mail: jgodsey@mgocpa.com
Fax: 213-408-8666

13. Assignability. Auditor 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, Auditor from utilizing subcontractors identified in Auditor's proposal for the Services. Any attempt by Auditor to assign, transfer or subcontract any rights, duties or obligations in violation of this prohibition shall be void.

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

15. Exhibits. Exhibits A through 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.

Macias Gini & O'Connell LLP

[use this signature block if the audit firm is a corporation]

Chairperson President Vice President

Secretary Asst. Secretary
 Chief Finance Officer Asst. Treasurer

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

[use this signature block if the audit firm is a limited liability company]


Manager James V. Godsey, Partner

Manager

[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


Bill Wiggins, President

Approved as to form:



Richards, Watson & Gershon
A Professional Corporation

EXHIBIT A
Scope of Services

1. General Information

Consultant shall perform annual audits of Authority's financial statements for the fiscal years ending June 30, 2017, 2018 and 2019. In addition, to the extent Authority exercises its extension options, Consultant shall perform annual audits of Authority's financial statements for the fiscal years ending June 30, 2020 and June 30, 2021. These audits are to be performed in accordance with the provisions contained in the request for proposal.

2. Scope of Work to be Performed

- A. Consultant will perform an examination of Authority's basic financial statements and required supplementary information ("RSI") in accordance with the auditing standards outlined in Section 3 below, with the objective of expressing an opinion on the basic financial statements. In addition, Consultant will express an "in-relation-to" opinion on other schedules, including the Schedule of Expenditures of Federal Awards, the Schedule of Passenger Facility Charge Revenues and Expenditures and the Schedule of Customer Facility Charge Revenues and Expenditures.
- B. Consultant will conduct an examination of Authority's federal awards in conformance with the auditing standards outlined in Section 3 below. In addition to the audit of the federal awards, Consultant will review any materials included in the Single Audit Reporting Package accompanying the Data Collection Form.
- C. Consultant will conduct an examination on Authority's Passenger Facility Charge program in accordance with requirements of the Federal Aviation Administration ("FAA").
- D. Consultant will conduct an examination on Authority's Customer Facility Charge program in accordance with requirements of California Civil Code Section 1936 et seq.
- E. Consultant will conduct an examination on Authority's Schedule of Forecasted Revenues and Costs of the Hollywood Burbank (Bob Hope) Airport Consolidated Rental Car Facility ("CRCF") for any future Customer Facility Charge Rate Modification Report that may be required in accordance with California Government Code Section 1936 et seq. The Authority anticipates issuing a Customer Facility Charge Rate Modification Report as of January 1, 2018, which would require such an examination as of June 30, 2017.
- F. Consultant will conduct an examination of Authority's compliance with covenants and other requirements as outlined in any Indenture(s) issued related to outstanding debt issues.

3. Auditing Standards to be Followed

The audit(s) shall be conducted in accordance with the following standards:

- A. Auditing standards generally accepted in the United States of America, as promulgated by the American Institute of Certified Public Accountants (“AICPA”) or any successor body, including standards related to fraud detection. Such standards must include specific requirements found in the AICPA audit guides, *Audits of State and Local Governments* and *Government Auditing Standards* and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”), as amended.
- B. *Government Auditing Standards*, issued by the Comptroller General of the United States (i.e., “Yellow Book”), as amended.
- C. The provisions of the Single Audit Act Amendments of 1996, as amended.
- D. The provisions of *OMB Compliance Supplement* and Uniform Guidance, as amended.
- E. *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the FAA.
- F. California Civil Code Section 1936 et seq. and/or any other State of California provided audit/reporting guidance for this program.
- G. Specific auditing standards relating to any grant agreement determined to be material by Consultant for purposes of the examination of the basic financial statements and/or the Single Audit Reports.
- H. Any other applicable standards for conducting examinations of those items outlined in Section 2 above and/or reports to be issued in conjunction therewith outlined in Section 4 below.

4. Reports to be Issued

Following completion of the audit of the financial statements, schedules, supplementary financial information and other information as outlined in Section 2 above, Consultant shall, at a minimum, issue the following reports:

- A. A report on the fair presentation of Authority’s basic financial statements in conformity with accounting principles generally accepted in the United States of America, together with an “in-relation-to” opinion on financial statements or schedules, including the Schedule of Expenditures of Federal Awards, Schedule of Passenger Facility Charge Revenues and Expenditures and Schedule of Customer Facility Charge Revenues and Expenditures.

- B. Separate “Single Audit” reports on the Authority’s federal award programs. Such reports shall include reports and opinions required by the Single Audit Act, Uniform Guidance, *Government Auditing Standards* and any other applicable standards or requirements. At a minimum, such reports shall include (if changes in reporting requirements are made through legislative or executive action, Consultant will provide the reports required through such action):
- i. An “in-relation-to” report on Authority’s Schedule of Expenditures of Federal Awards (note that this may be included in the report described in item “iii” below).
 - ii. Report on internal control over financial reporting and compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
 - iii. Report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with *OMB Compliance Supplement* and Uniform Guidance.
 - iv. Schedule of Expenditures of Federal Awards together with applicable notes to this schedule (note that Authority will prepare the schedule and notes, but Consultant will include the schedule in its Single Audit Reports).
 - v. Schedule of Findings and Questioned Costs, if any.
 - vi. Status of Prior Year Findings, if applicable.
 - vii. Form SF-SAC, *Data Collection Form for Reporting on Audits of States, Local Governments and Non-Profit Organizations*.
 - viii. Any other report or opinion required to be in conformance with the Single Audit Act, Uniform Guidance and the Yellow Book.
- C. Separate reports on Authority’s Passenger Facility Charge program in conformance with the FAA Passenger Facility Charge Audit Guide for Public Agencies:
- i. An “in-relation-to” report on Authority’s Schedule of Passenger Facility Charge Revenues and Expenditures (note that this may be included in the report described in item “iii” below).
 - ii. Report on internal control over financial reporting and on compliance and other matters on an audit of financial statements performed in accordance with *Government Auditing Standards*.
 - iii. Report on compliance with requirements applicable to the Passenger Facility Charge Program and on internal control over compliance.

- iv. Schedule of Passenger Facility Charge Revenues and Expenditures together with applicable notes to this schedule (note that Authority will prepare the schedule and notes, but Consultant will include the schedule in its Passenger Facility Charge Audit Reports.
 - v. Schedule of Findings and Questioned Costs, if any.
 - vi. Status of Prior Year Findings, if applicable
 - vii. Any other report or opinion required to be in conformance with the FAA Passenger Facility Charge Audit Guide for Public Agencies and the Yellow Book.
- D. Separate reports on the Authority's Customer Facility Charge program in conformance with California Civil Code Section 1936 et seq.:
- i. An "in-relation-to" report on Authority's Schedule of Customer Facility Charge Revenues and Expenditures (note that this may be included in the report described in item "iii" below).
 - ii. Report on internal control over financial reporting and on compliance and other matters on an audit of financial statements performed in accordance with Government Auditing Standards.
 - iii. Schedule of Customer Facility Charge Revenues and Expenditures together with applicable notes to this schedule (note that Authority will prepare the schedule and notes, but Consultant will include the schedule in its Customer Facility Charge Audit Reports.
 - iv. Schedule of Findings and Questioned Costs, if any.
 - v. Status of Prior Year Findings, if applicable
 - vi. Any other report or opinion required to be in conformance with the California Civil Code Section 1936 et seq. and the Yellow Book.
- E. A report on Authority's compliance with covenants and other requirements as outlined in any Indenture(s) issued related to outstanding debt issues.
- F. A report to management concerning material weaknesses and/or significant deficiencies (reportable conditions), if any, as defined by the AICPA. Such report may be included in the annual letter to management described in item G below, provided that the report on such items is segregated from the report on other matters. Should there be no material weaknesses identified, Consultant will provide a letter so indicating.

- G. An annual letter to management addressing any observations concerning Authority's internal control structure, as well as areas of potential economy and efficiency. Consultant shall include any matters from the prior year(s)' letter to management that have not been addressed during the subsequent fiscal year to Consultant's satisfaction.
- H. Consultant shall be required to make an immediate, written report of all irregularities and illegal acts, or indicators of irregularities and illegal acts, of which it becomes aware to the President of the Authority, Chairman of the Finance and Administration Committee, Executive Director and Director of Financial Services. In addition, Consultant shall make any other reports necessary regarding irregular or illegal acts in accordance with Government Auditing Standards.
- I. A report to the Authority Commission, Executive Director and the Director of Financial Services (written report preferred) of standard communications required by auditing standards (SAS 114 letter).
- J. A report on Authority's Schedule of Forecasted Revenues and Costs of the Hollywood Burbank (Bob Hope) Airport Consolidated Rental Car Facility for any future Customer Facility Charge Rate Modification Report that may be required in accordance with California Government Code Section 1936 et seq. The Authority anticipates issuing a Customer Facility Charge Rate Modification Report as of January 1, 2018, which would require such an examination as of June 30, 2017.

5. Date Final Reports are Due

- A. All reports, including the Basic Financial Statements, Single Audit Reports, Passenger Facility Charge Reports, Customer Facility Charge Reports, Bond compliance report, Material Weakness/Reportable Condition/Management Letter and/or No Material Weakness Letter and SAS 114 letter, must be completed no later than the Friday preceding the Thanksgiving Holiday and printed no later than November 30th of each year. These should be considered "drop-dead" dates; Authority expects to regularly issue these financial statements by November 15th of each year.
- B. The report due date for a Customer Facility Charge Rate Modification Report will be determined should such report be required.
- C. Consultant is responsible for preparation, typing and printing of the reports.
- D. Consultant will provide any suggested revisions to the pro forma reports at the planning meeting each year. Authority Staff will make every effort to provide a first draft of the reports during fieldwork. Authority Staff will provide an estimated Schedule of Expenditures of Federal Awards, draft Summary of Prior Audit Findings, estimated Schedule of Passenger Facility Charge Revenue and Expenses, and estimated Schedule of Customer Facility Charge Revenue and Expenses to Consultant

prior to the audit planning meeting with updates prior to commencement of fieldwork.

- E. Consultant will provide annually one electronic copy of each report in PDF format; 50 copies of the Basic Financial Statements; 35 copies each of the Single Audit Reports, Passenger Facility Charge Reports, Customer Facility Charge Audit Reports, Material Weakness/Reportable Condition/Management Letter and/or No Material Weakness Letter, and Bond Compliance report; and 25 copies of the SAS 114 letter.
- F. Consultant will provide one electronic copy in PDF format and 35 copies of the report on Authority's Schedule of Forecasted Revenues and Costs of the Hollywood Burbank (Bob Hope) Airport Consolidated Rental Car Facility Customer Facility Charge Rate Modification Report, if issued.

6. Reporting Tool

- A. Consultant will provide access to a reporting tool software that will better manage the reporting process, ensuring that information ties within the reports (e.g., between MD&A financial statements and footnotes) and between reports, and assists in the Auditor review of the financial statement drafts. In addition, the tool should enable future State or federal reporting requirements, such as XBRL.
- B. Consultant shall prepare pro forma reports in first year using reporting tool.

EXHIBIT B
Fee Schedule

Not-to-Exceed Fees and Hourly Rates for Each Staff Classification are as follows:

1. Service performed as detailed in Exhibit A for the fiscal years ended June 30, 2017, 2018 and 2019:

A. The not-to-exceed, all-inclusive maximum fees for annually issued report are as follows:

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Basic Financial Statements	\$ 62,174	\$ 63,494	\$ 65,240
Single Audit Reports	16,324	16,675	17,134
Passenger Facility Charge program	12,881	13,157	13,524
Customer Facility Charge program	7,837	8,009	8,224
Bond Indenture Compliance	<u>5,951</u>	<u>6,078</u>	<u>6,245</u>
Total not-to-exceed, all-inclusive maximum fees	<u>\$ 105,167</u>	<u>\$ 107,413</u>	<u>\$ 110,367</u>

The not-to-exceed, all-inclusive maximum fees for the Single Audit Reports presume that no more than two (2) single audit programs require testing. Should additional programs require testing; MGO will obtain Authority approval for any increased level of effort and related fees prior to testing additional major programs..

B. The not-to-exceed, all-inclusive maximum fees for the Customer Facility Charge Rate Modification Report, if issued \$54,000

C. The hourly rates for each staff classification are as follows:

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Engagement Partner	\$ 284	\$ 291	\$ 298
Technical Review Partner	284	291	298
Engagement Director	273	280	287
Consulting Director(s)	273	280	287
Engagement Manager	144	147	151
Audit Senior(s)	116	118	121
Semi Senior(s) and Staff	91	93	96
Administrative Assistants	70	72	74

2. **Hourly rates for each staff classification for services performed in accordance with Paragraph 2.K. beginning on the Commencement Date for the fiscal years ended June 30, 2017, 2018 and 2019:**

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Engagement Partner	\$ 284	\$ 291	\$ 298
Technical Review Partner	284	291	298
Engagement Director	273	280	287
Consulting Director(s)	273	280	287
Engagement Manager	144	147	151
Audit Senior(s)	116	118	121
Semi Senior(s) and Staff	91	93	96
Administrative Assistants	70	72	74

3. **Service performed as detailed in Exhibit A for the fiscal years ended June 30, 2020 and 2021 if the Authority extends the term pursuant to Section 3(B):**

- A. The not-to-exceed, all-inclusive maximum fees for annually issued report are as follows:

	<u>FY 2020</u>	<u>FY 2021</u>
Basic Financial Statements	\$ 66,778	\$ 68,286
Single Audit Reports	17,535	17,931
Passenger Facility Charge program	13,838	14,150
Customer Facility Charge program	8,419	8,613
Bond Indenture Compliance	6,392	6,537
Total not-to-exceed, all-inclusive maximum fees	\$ <u>112,962</u>	\$ <u>115,517</u>

The not-to-exceed, all-inclusive maximum fees for the Single Audit Reports presume that no more than two (2) single audit programs require testing. Should additional programs require testing; MGO will obtain Authority approval for any increased level of effort and related fees prior to testing additional major programs.

B. The hourly rates for each staff classification are as follows:

	<u>FY 2020</u>	<u>FY 2021</u>
Engagement Partner	\$ 305	\$ 313
Technical Review Partner	305	313
Engagement Director	294	301
Consulting Director(s)	294	301
Engagement Manager	155	158
Audit Senior(s)	124	127
Semi Senior(s) and Staff	98	100
Administrative Assistants	75	77

4. Hourly rates for each staff classification for services performed in accordance with Paragraph 2.K. for the fiscal years ended June 30, 2020 and 2021 if the Authority extends the term pursuant to Section 3(B):

	<u>FY 2020</u>	<u>FY 2021</u>
Engagement Partner	\$ 305	\$ 313
Technical Review Partner	305	313
Engagement Director	294	301
Consulting Director(s)	294	301
Engagement Manager	155	158
Audit Senior(s)	124	127
Semi Senior(s) and Staff	98	100
Administrative Assistants	75	77

5. Annual Rate for Reporting Tool Software

- A. The annual estimated rate for software cost of reporting tool is \$12,000-15,000.
- B. The not-to-exceed cost to prepare pro forma reports in first year using software tool is \$7,000 and not-to-exceed \$5,000 each year thereafter including any option period granted.

EXHIBIT C
Insurance Requirements

1. Auditor shall obtain, provide, and maintain policies of insurance as specified below.
 - A. **General Liability Insurance.** Auditor 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.** Auditor shall maintain automobile insurance covering bodily injury and property damage for all activities of Auditor 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.** Auditor shall maintain professional liability insurance that covers the Services in the minimum amount of \$5,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before June 1, 2017 and Auditor shall maintain continuous coverage through a period of no less than five years after expiration or termination of this Agreement.
 - D. **Workers' Compensation/Employer's Liability Insurance.** Auditor shall maintain workers' compensation insurance (statutory limits) and employer's liability insurance with limits of at least \$1,000,000.
2. The insurance policy or policies shall contain, or shall be endorsed to contain, the following provisions:
 - A. General liability policies shall provide or be endorsed to provide: (i) that the Indemnitees shall be additional insureds; and (ii) a waiver of subrogation in favor of additional insureds. This provision shall also apply to any excess/umbrella liability policies.
 - B. A severability of interests provision must apply for all additional insureds ensuring that Auditor'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, Auditor's insurance coverage shall be primary insurance as respects the Indemnitees. Any insurance or self-insurance maintained by the Indemnitees shall be excess of Auditor's insurance and shall not contribute with it.
 - E. The limits of insurance may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to

contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of each Indemnitee before the Indemnitee's own insurance or self-insurance shall be called upon to protect it as a named insured.

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

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

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

EXHIBIT D
Non-AIP Project Federal Requirements

1. General Civil Rights Provisions

Auditor 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 Auditor 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, Auditor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Auditor”) agrees as follows:

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

D. **Information and Reports:** Auditor 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, Auditor 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 Auditor'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 Auditor under the contract until Auditor complies; and/or
2. Cancelling, terminating, or suspending a contract, in whole or in part.

F. **Incorporation of Provisions:** Auditor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. Auditor 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 Auditor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, Auditor may request the Authority to enter into any litigation to protect the interests of the Authority. In addition, Auditor may request the United States to enter into the litigation to protect the interests of the United States.

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

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

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

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

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

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

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

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

3. Federal Fair Labor Standards Act

All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Auditor has full responsibility to monitor compliance to the referenced statute or regulation. Auditor 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. Auditor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Auditor 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). Auditor 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.

**BODY-WORN CAMERA SYSTEM
PURCHASE AND SERVICES AGREEMENT**
(Burbank-Glendale-Pasadena Airport Authority / Axon Enterprise, Inc.)

This Body-Worn Camera System Purchase and Services Agreement (“Agreement”) is dated April 19, 2021 for reference purposes and is executed by the Burbank-Glendale-Pasadena Airport Authority (“Authority”), a California joint powers agency, and Axon Enterprise, Inc. (“Vendor”), a Delaware corporation.

R E C I T A L S

A. The Authority owns and operates the Bob Hope Airport (commonly known as Hollywood Burbank Airport) (“Airport”) and desires to procure a complete body-worn camera system and associated services from Vendor.

B. Vendor represents that it is fully qualified to provide such a system and such associated services.

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. “Acceptance Certificate”: the Authority’s notice to Vendor memorializing acceptance of the Equipment.

B. “Cloud Services Description”: the list of cloud services set forth in the attached Exhibit H.

C. “Commencement Date”: April 20, 2021.

D. “Contract Administrator”: Edward Skvarna or a duly authorized designee.

E. “Equipment”: collectively, all cameras, equipment, peripherals, software, items, parts, and materials set forth in the Solution Description.

F. “Expiration Date”: May 31, 2026.

G. “Executive Director”: Frank R. Miller or a duly authorized designee.

H. “Fee Schedule: the fee schedule set forth in the attached Exhibit D.

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

J. “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.

K. “Insurance Requirements”: the insurance requirements set forth in the attached Exhibit F.

L. “Labor Code Requirements”: the Labor Code requirements set forth in the attached Exhibit G.

M. “Project Description”: the hardware specifications, software specifications, and service requirements set forth in the attached Exhibit A.

N. “Project Schedule”: the project schedule set forth in the attached Exhibit C.

O. “Proposal Remainder”: the portion of Vendor’s December 10, 2020 proposal set forth in the attached Exhibit E.

P. “Services”: collectively, all design, engineering, installation, training, maintenance, and cloud services set forth in the Project Description, the Solution Description, the Cloud Services Description, and the Proposal Remainder.

Q. “Solution Description”: the list of cameras, equipment, peripherals, software, items, parts, and materials set forth in the attached Exhibit B.

R. “Vendor MSPA”: excluding the “Axon Cloud Services Terms of Use Appendix” Vendor’s master services and purchasing agreement, Version 11.0, Release Date August 6, 2020 set forth in the attached Exhibit I.

2. Standard of Skill. Vendor warrants that it possesses the professional expertise and qualifications necessary to provide the Equipment and to perform the Services. Vendor shall perform the Services in a skillful, competent, and professional manner and in compliance with applicable laws. The acceptance of Vendor’s work by the Authority shall not operate as a release of Vendor from such standard of care and workmanship. Vendor shall possess all licenses, certifications, and governmental approvals necessary to perform this Agreement.

3. Inspections and Tests.

A. The Authority shall have the right to inspect and test the Equipment prior to acceptance. As part of such testing, the Authority may require Vendor, at Vendor’s sole expense, to fully demonstrate under real world conditions at the Airport, that any or all of the Equipment functions fully and properly as described in manufacturer’s documentation and specifications. If, upon inspection or testing, the Equipment or any portion thereof is found to be nonconforming, unsatisfactory, defective, of inferior quality or workmanship, or fails to meet the Product Description or the Solution Description, then, without prejudice to any other rights or remedies, the Authority may reject the Equipment or exercise any of its rights under Section 4 below. Upon acceptance of the Equipment, the Authority shall issue an Acceptance Certificate.

B. The inspection, failure to make inspection, acceptance of goods, or payment for goods or services shall not impair the Authority's right to reject nonconforming goods or services, irrespective of Authority's failure to notify Vendor of its rejection of nonconforming goods or revocation of acceptance thereof, or to specify with particularity any defect in nonconforming goods or services after rejection or acceptance thereof.

4. One Year Warranty.

A. Vendor warrants that, for a period of one year, or such longer period as provided by a manufacturer's warranty, from the date of issuance of the Acceptance Certificate: (i) the Equipment will be of merchantable quality and free from defects in design, engineering, material and workmanship; and (ii) the Services will be performed in a professional and workmanlike manner and in accordance with the highest industry standards and will be free from defects. The Acceptance Certificate shall be issued by the Authority within 48 hours of successful implementation and testing of Equipment, no later than June 1, 2021.

B. Vendor warrants that all of the Equipment will meet the Project Description, the Solution Description, and all applicable documentation and shall be fit for the purpose intended. The Authority's inspection, testing, approval or acceptance of any part or portion of the Equipment or the Services will not relieve Vendor of its obligations under this Section.

C. In the event of a breach of these warranties, immediately upon receipt of notice from the Authority, Vendor shall do the following at its sole expense as directed by the Authority:

1. Repair the defective Equipment;
2. Replace the defective Equipment with conforming Equipment; or
3. Re-perform any portion of the defective Services.

D. If the Authority selects repair or replacement, any defects will be remedied without cost to Authority (including the costs of removal, repair and replacement of the defective Equipment and the costs of reinstallation and testing of new Equipment). All such defective Equipment that is so remedied will be similarly warranted as stated above. In addition, Vendor will repair or replace other items of the Equipment which may have been damaged by such defects or the repairing of the same, all at its own expense.

E. Vendor also warrants that the Equipment is free and clear of all liens and encumbrances whatsoever, that Vendor has a good and marketable title to same, that Vendor owns or has a valid license for all of the proprietary technology and intellectual property incorporated within the Equipment, and that Vendor has full legal authority to convey all right, title, and interest in the Equipment to the Authority. Vendor shall indemnify, defend, and hold the Indemnitees harmless against any and all third party claims resulting from the breach or inaccuracy of any of the foregoing warranties.

F. In the event of a breach by Vendor of its obligations under this Section, the Authority will not be limited to the remedies set forth in this Section but will have all the rights

and remedies permitted by law, including all of the rights and remedies afforded under the Commercial Code.

5. Four Year Maintenance. After the warranty period specified in Section 4 above, Vendor shall repair or replace nonworking Equipment free of charge (including transportation, unpacking, inspection, re-packing, re-shipping and other expenses) beyond the rate specified in the Fee Schedule. Replacement products shall be delivered to the Airport within seven days of the initial notification.

6. Changes in the Work. The Authority, at any time, by a written order, and without notice to any surety, may make changes in the Equipment or the Services, including the Authority's requirements and specifications. If such changes affect the cost of the Equipment or time required for performance, an equitable adjustment will be made in the price or time for performance (or both) as agreed upon by the parties and memorialized in an amendment to this Agreement.

7. Prices. Unless expressly provided otherwise, all prices and fees specified in Fee Schedule are firm and shall not be subject to change without the written approval of the Executive Director. No extra charges of any kind will be allowed unless specifically agreed to in writing by the Executive Director. The total price shall include: (i) all federal, state, and local sales, use, excise, privilege, payroll, occupational, and other taxes applicable to the Equipment and the Services; and (ii) all charges for packing, freight, and insured transportation to the Airport.

8. Payments.

A. Vendor shall submit invoices to the Authority in accordance with the Fee Schedule. Terms of payment by the Authority are net 30 days after receipt of invoice. Payment of invoices shall not constitute acceptance of Equipment or the Services.

B. Payments otherwise due may be withheld by Authority on account of defective Equipment or Services not remedied; or liens, stop notices, or other claims filed; or reasonable evidence indicating probable filing of liens or other claims; or failure of Vendor to make payments properly to its subcontractor or for material or labor; or the failure of Vendor to perform any of its other obligations under the Agreement; or to protect Authority against any liability arising out of Vendor's failure to pay or discharge taxes or other obligations. If the causes for which payment is withheld are removed, the withheld payments will be made promptly. If any such causes are not removed within a reasonable period after written notice, then the Authority may remove them at Vendor's expense.

C. Final payment for delivery of the Equipment shall be made by the Authority upon completion of all of the following:

1. Written acceptance of the Equipment and the Services by the Authority.
2. Delivery of all drawings and specifications, if required by the Authority.

3. Delivery of executed full releases of stop notices and liens arising out of this Agreement.

4. Delivery of an affidavit listing all persons who might otherwise be entitled to file, claim, or maintain a lien or stop notice of any kind or character, and containing a declaration signed under penalty of perjury that all such persons have been paid in full.

D. If any person refuses to furnish an unconditional release or receipt in full, Vendor may, at its sole expense, furnish a bond or other security satisfactory to the Authority to indemnify the Authority against any claim, lien, or stop notice.

E. Acceptance by Vendor of the payment shall constitute a waiver, release, and discharge of any and all claims and demands of any kind or character which Vendor then has, or can subsequently acquire against the Authority, its successors and assigns, for or on account of any matter arising out of this Agreement, to the fullest extent permitted by law. However, provision of any such payment to Vendor by the Authority will not constitute a waiver, release, or discharge of any claims or demands which the Authority then has, or can subsequently acquire, against Vendor, its successors and assigns, for or on account of any matter arising out of this Agreement.

F. Vendor shall retain detailed records documenting all Equipment provided, Services performed, and fees invoiced to the Authority, relating to this Agreement, for not less than four years following expiration or termination of this Agreement.

9. Project Schedule. The time of Vendor's performance is of the essence in this Agreement. The Equipment will be delivered, and the Services will be performed, in accordance with the Project Schedule. Vendor shall immediately notify the Authority in writing any time any delivery or performance of Services is behind schedule or may not be completed on schedule.

10. Taxes.

A. Vendor shall timely pay all sales and use tax (including any value added or gross receipts tax imposed similar to a sales and use tax) imposed by any federal, state, or local taxing authority on the ultimate purchase price of the Equipment.

B. Vendor shall withhold, and require its subcontractors, where applicable, to withhold all required taxes and contributions of any federal, state or local taxing authority which is measured by wages, salaries or other remuneration of its employees or the employees of its subcontractors. Vendor shall deposit, or cause to be deposited, in a timely manner with the appropriate taxing authorities all amounts required to be withheld.

C. All other taxes, however denominated or measured, imposed upon the price of the Equipment, will be the responsibility of Vendor. In addition, all taxes assessed by any taxing jurisdiction based on Vendor property used or consumed in the provision of the Equipment such as and including ad valorem, use, personal property, and inventory taxes will be the responsibility of Vendor.

D. Vendor shall, upon written request, submit to the Authority written evidence of any filings or payments of all required taxes.

11. Independent Contractor. Vendor enters into this Agreement as an independent contractor and not as an employee of Authority. Vendor shall have no power by this Agreement to bind the Authority in any respect. Nothing in this Agreement shall be construed to be inconsistent with this relationship or status. All employees, agents, or subcontractors hired or retained by Vendor are employees, agents, or subcontractors of Vendor and not of the Authority. The Authority shall not be obligated in any way to pay any wage claims or other claims made against Vendor by any such employees, agents, or subcontractors or any other person resulting from performance of this Agreement.

12. Subcontracts. Vendor shall not subcontract the performance of any portion of the Services without the Authority's prior, written consent. This prohibition is not intended to preclude, and shall not be interpreted as precluding, Vendor from utilizing subcontractors identified in Vendor's proposal. Except for the Insurance Requirements, all subcontracts shall require that the subcontractor be bound by and subject to all of the terms and conditions of this Agreement. No subcontract or order will relieve Vendor of its obligations to the Authority, including Vendor's insurance and indemnification obligations. No subcontract or order will bind the Authority.

13. Title and Risk of Loss. The Authority will have title to, and risk of loss of: (i) all installed Equipment or partially installed portions of the Equipment upon delivery in undamaged and fully functional condition; and (ii) all materials delivered to and stored on the Airport which are intended to become a part of the Equipment. However, Vendor will be liable for any loss or damage to the Equipment or the materials caused by Vendor or its subcontractors, their agents or employees, and Vendor will replace or repair the Equipment or materials at its own cost to the complete satisfaction of the Authority. Notwithstanding the foregoing, in the event that the Authority has paid Vendor for all or a portion of the Equipment which remains in the possession of Vendor, then the Authority shall have title to, and the right to take possession of, such Equipment at any time following such payment. Risk of loss for any Equipment which remains in the possession of Vendor shall remain with Vendor until such Equipment, in undamaged and fully functional condition, has been delivered to the Airport or the Authority has taken possession thereof. Vendor will have all risk of loss or damage to Vendor's property used in the installation of the Equipment but which does not become a part of the Equipment, and to Vendor's property used in the performance of the Services.

14. Indemnification.

A. To the maximum extent permitted by law, Vendor shall defend, indemnify and hold the Indemnitees free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, in law or equity, for death or injury to any person and damage to any property, in any manner arising out of or incidental to any alleged or actual acts, omissions, negligence or willful misconduct of Vendor, its owners, officials, officers, employees, agents, or subcontractors, arising out of or in connection with the Services, use or maintenance of the Equipment, or the performance of this Agreement, including without limitation the payment of

all consequential damages and attorneys' fees and other related costs and expenses, except such loss or damage caused by the sole negligence or willful misconduct of the Authority.

B. Vendor's defense obligation for any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against the Indemnitees, shall be at Vendor's own cost, expense and risk. Vendor shall pay and satisfy any judgment, award or decree that may be rendered against the Indemnitees in any such suit, action or other legal proceeding. Vendor shall reimburse the Indemnitees, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

C. Vendor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the Indemnitees.

D. Vendor's obligations under this Section shall survive the expiration or termination of this Agreement.

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

16. Liens.

A. Vendor, subcontractors and suppliers will not make, file or maintain a mechanic's or other lien, or claim of any kind or character against the Equipment, or stop notice or lien against the Authority, for or on account of any labor, materials, fixtures, tools, machinery, equipment, or any other things furnished, or any other work done or performance given under, arising out of, or in any manner connected with this Agreement (such liens, claims and stop notices referred to as "Claims"). Vendor shall, and shall in all subcontracts require subcontractors and suppliers to, expressly waive and relinquish any and all rights which they now have, or may subsequently acquire, to file or maintain any Claim. Vendor, subcontractor and suppliers agree that this provision waiving the right of Claims is an independent covenant.

B. Vendor shall indemnify, defend, and hold the Authority harmless from and against any and all Claims that may be filed by a subcontractor, supplier or any other person or entity and Vendor will, at its own expense, defend any and all actions based upon such Claims and will pay all attorneys' fees and all costs and other expenses arising from such Claims.

17. Work Product Ownership.

A. Unless otherwise agreed upon in writing, all draft and final reports, documents, and other written material, and any and all images, ideas, concepts, designs including website designs, source code, object code, electronic data and files, and other media whatsoever created or developed by Vendor in the performance of, and as required by, this Agreement for the Authority's exclusive use (collectively, "Work Product") shall be considered to be "works made for hire" for the benefit of the Authority. All Work Product and any and all intellectual property rights arising from their creation, including all copyrights and other proprietary rights, shall be and remain the property of the Authority without restriction or limitation upon their use, duplication, or dissemination by the Authority upon final payment being made. Vendor shall not

obtain or attempt to obtain copyright protection as to any of the Work Product. Nothing in this Section shall be deemed to affect Vendor's intellectual property rights as they existed prior to execution of this Agreement.

B. Vendor hereby assigns to the Authority all rights of ownership to the Work Product, including any and all related intellectual property and proprietary rights that are not otherwise vested in the Authority pursuant to paragraph (A) above.

C. Vendor warrants and represents that it has secured all necessary licenses, consents, or approvals necessary to the production of the Work Product and provision of the Equipment, and that upon final payment, the Authority shall have full legal title to the Work Product and Equipment, and full legal authority and the right to use the Equipment and use and reproduce the Work Product for any purpose. Vendor shall defend, indemnify, and hold the Indemnitees harmless from any loss, claim, or liability in any way related to a claim that the Authority's use of any of the Work Product or any of the Equipment is violating federal, state or local laws, or any contractual provisions, or any rights or laws relating to trade names, licenses, franchises, copyrights, patents or other means of protecting intellectual property rights and interests in products, ideas or inventions. Vendor shall bear all costs arising from the use of patented, copyrighted, trade secret or trademarked documents, materials, equipment, devices or processes in connection with its provision of the Work Product and Equipment produced under this Agreement. In the event any use of any of the Work Product, Equipment, or other deliverables hereunder by the Authority is held to constitute an infringement and the use of any of the same is enjoined, Vendor, at its expense, shall: (a) secure for the Authority the right to continue using the Work Product, Equipment and other deliverables by suspension of any injunction, or by procuring a license or licenses for Authority; or (b) modify the Work Product, Equipment, and other deliverables so that they become non-infringing while remaining in compliance with the requirements of this Agreement. This covenant shall survive the expiration or termination of this Agreement.

18. Term.

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

B. Should Vendor at any time refuse or fail to deliver the Equipment or Services with promptness and diligence, or to perform any of its other obligations under the Agreement, the Authority may terminate Vendor's right to proceed with the delivery of the Equipment or performance of the Services by written notice to Vendor. In such event the Authority may obtain the Equipment or the Services by whatever method it may deem expedient, including the hiring of another contractor. In such case Vendor will not be entitled to receive any further payments. If the Authority's cost of obtaining the Equipment or the Services, including compensation for additional managerial and administrative services, will exceed the unpaid balance of this Agreement, then Vendor shall be liable for and shall pay the difference to the Authority.

C. The Authority may, at any time for its own convenience, terminate all or any portion of this Agreement and Vendor's right to proceed with the delivery of all or any portion of the Equipment or performance of the Services. Such termination will be effective in the manner

specified in the termination notice, will be without prejudice to any claims which the Authority may have against Vendor, and will not affect the obligations and duties of Vendor under this Agreement with respect to portions of the Agreement not terminated.

D. On receipt of a termination notice Vendor shall, with respect to the portion of this Agreement terminated, unless the notice states otherwise:

1. Immediately discontinue performance of such portion of the Agreement and the placing of orders for materials, equipment, facilities, and supplies otherwise required by the Agreement.

2. Unless otherwise directed by the Authority, make every reasonable effort to cancel all existing orders or contracts upon terms satisfactory to the Authority.

3. Deliver only such portions of the Equipment and perform only such portions of the Services which the Authority deems necessary to preserve and protect those portions of the work already in progress, and to protect material, plant and equipment at all project sites or in transit to the Authority.

E. Upon termination, Vendor shall be paid a pro rata portion of the compensation provided for in the Agreement for any Services satisfactorily completed and Equipment already delivered, including material and services for which it has made firm contracts which are not canceled, provided the Authority will be entitled to such material and services. Upon determination of the amount of such pro rata compensation, and provided Vendor is not then in breach, the Authority will promptly pay such amount to Vendor upon delivery by Vendor of the releases of liens and affidavit specified in Section 8 above.

19. Miscellaneous.

A. Labor Code Requirements. If the Services include a “public work” within the scope of the Prevailing Wage Law (Labor Code Section 1720 et seq.), then Vendor shall comply with the Labor Code Requirements.

B. Delivery of 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: Edward Skvarna, Chief of Police
E-mail: eskvarna@bur.org

Vendor

Axon Enterprise, Inc.
17800 N. 85th Street
Scottsdale, AZ 85255
Attn: Robert Driscoll, Vice President
E-mail: bobby@axon.com

With copy to:

Burbank-Glendale-Pasadena Airport Authority
2627 Hollywood Way
Burbank, CA 91505
Attn: Alisa DeHoyos, Sr. Manager, Procurement
E-mail: adehoyos@bur.org

C. Assignment or Transfer. Vendor shall not assign or transfer any interest in this Agreement whether by assignment or novation, without the prior written consent of the Authority, which will not be unreasonably withheld; provided, however, that claims for money due or to become due Vendor from the Authority under this Agreement may be assigned to a financial institution or to a trustee in bankruptcy, without such approval. Notice of any assignment or transfer, whether voluntary or involuntary, shall be furnished promptly to the Authority.

D. Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

E. Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege or service voluntarily given or performed by a party shall give the other party any contractual rights by custom, estoppel or otherwise.

F. Governing Law and Venue. This Agreement shall be governed by the laws of the State of California. Venue shall be in the County of Los Angeles, California.

G. Interpretation. The language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any party.

H. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the parties.

I. Authority to Enter Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right and authority to make this Agreement and bind each respective party.

J. Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

K. Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

L. Authority's Right to Employ Other Vendors. The Authority reserves its right to employ other contractors in connection with the Equipment.

M. Exhibits. Exhibits A through J are incorporated into this Agreement by reference. In the event of any material discrepancy, conflict, or inconsistency between the express provisions of this Agreement and the provisions of Exhibits A through I, the provisions of this Agreement shall prevail. In the event of any material discrepancy, conflict, or inconsistency between the express provisions of this Agreement and the provisions of Exhibit J, the provisions of Exhibit J shall prevail. Nothing in the Proposal or other Vendor-prepared document, including the Vendor MSPA, shall be deemed to supersede any provision any other Exhibit of this Agreement.


N. 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.


O. Entire Agreement. This Agreement (and the attached Exhibits) represents the entire and integrated contract between the parties regarding Vendor's delivery of the Equipment and performance of the Services. This Agreement supersedes all prior oral or written negotiations, representations and contracts related to such subject matter. 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.

Axon Enterprise, Inc.

DocuSigned by:

55DAE8B131A4424...
 Chairperson President Vice President

DocuSigned by:

D415764CEA3141D...
 Secretary Asst. Secretary
 Chief Finance Officer Asst. Treasurer

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

Burbank-Glendale-Pasadena Airport Authority

Ross Selvidge, Ph.D., President

Approved as to form:

Richards, Watson & Gershon
A Professional Corporation

EXHIBIT A
Project Description

(attached)

**BODY-WORN CAMERA (“BWC”) SYSTEM
HOLLYWOOD BURBANK AIRPORT**

PROJECT DESCRIPTION

I. Hardware Specifications

A. Camera

1. Forty-three cameras (41 to be used by sworn officers and 2 spare cameras).
2. Within industry standards for size and weight (Max 4.5 oz.).
3. Minimum 64GB camera unit internal storage.
4. Waterproof, shockproof case (Min. IP66-X8).
5. Mountable at center chest.
6. Multi-microphone audio capture.
7. Minimum video graphics array (VGA) resolution of 640 x 480 pixels.
8. Wide angle lens (Min. 135 degree horizontal x 100 degree vertical) (no “fish eye” lenses).
9. Retina Low Light capability sensitive to 0.1 lux or less.
10. 30 frames per second (FPS) recording speed.
11. LCD status screen indicating battery level and operating mode.
12. Ability to dock, charge and upload at a multiple bay docking station.
13. Audio or visual cues to alert user of activation.
14. One button for on/off.
15. -4 to 120 degrees F; (-20 to 50 Celsius) operational temperature range.
16. Tamper proof system.
17. Wireless upload capability.
18. Built-In secure WiFi, 4G or 5G.

19. Built-In GPS enabled camera to assist in locating a potentially disabled officer.
20. Ability to record - Resolution settings of 480p/720p/1080p/1296p.
21. Ingress Protection (IP) Rating of IP67 or greater.
22. Ability to Bluetooth pair with mobile devices.
23. Ability to live stream recorded events.
24. MIL-STD-810G certified.
25. Ability to integrate with a Records Management System (RMS) for tagging recorded incidents.
26. Ability to connect with any Windows 10 or newer computer system for download and maintenance.

B. Battery

1. 12 hours battery life.
2. Ability to record continuously for a minimum of 8 hours.
3. Ability to accommodate or deactivate Pre-Record/Pre-Event of at least 30 seconds.
4. AC and 12V DC charging options.

C. Preferred (Not Mandatory) Special Features

1. Automatic activation of camera upon officer drawing firearm from holster.
2. Automatic activation of camera upon officer activating conductive electroshock weapon on/off lever.
3. Automatic activation of camera when a gunshot is detected by the camera system.
4. Automatic activation of body worn cameras within a designated range of an incident providing multiple perspectives/views (i.e., if one camera is activated, all other cameras within range are automatically activated).

II. Software Specifications

- A. Ability to securely share digital evidence with other agencies or prosecutors

without creating copies or requiring data to leave Authority's domain of control.

- B. Ability for Authority personnel to produce copies with redacted video and audio while retaining original records.
- C. Ability for Authority personnel to add metadata to recorded events.
- D. Location search capability.

III. Data Storage Specifications

- A. Subscription/cloud based Software as a Service (SaaS) with acceptable data security provisions.
- B. Ability to control access to evidence based on pre-defined permissions and individuals.
- C. Ability to perform user search on multiple criteria (date, time, officer, device, location, etc.).
- D. Ability to set retention policies based on category-based events.
- E. Compliant with law enforcement Criminal Justice Information Services (CJIS) data protection and transport (i.e. SSL) standards. No external party-initiated connections will be allowed. The storage facility must be located within continental United States including data storage for disaster recovery (DR) solutions. [NOTE: For additional information on CJIS standards, please see <https://www.fbi.gov/services/cjis/cjis-security-policy-resource-center>.]
- F. Ability to manage and share digital evidence without requiring additional local storage infrastructure.
- G. 256-bit AES Encryption for in transit and in storage data.
- H. Audit log system which will track all system and user activity and ensure the tracking cannot be edited or deleted from the system.
- I. Off site, secure, cloud storage, unlimited storage capacity.
- J. Ability to store and support all major digital file formats: mpeg, pdf, doc, jpeg, etc.
- K. 24-hour access for Authority personnel to view or download the stored videos.
- L. 60-day period after contract expiration or termination for the Authority to download content.

- M. Ability to export audit trail along with video, including redactions in an industry standard format.
- N. Identified scope of audit trail.
- O. Identified data integrity.
- P. Ability to produce digitally authenticated duplicates.

IV. Service Requirements

A. Phone Support

- 1. 24-hour phone technical support.
- 2. Phone technical support shall be located in continental US.

B. Equipment Replacement

- 1. Hardware shall have a minimum useful service life of 2.5 to 3 years based on 12 hours per day in-service period.
- 2. Nonworking products shall be replaced free of charge (including transportation, unpacking, inspection, re-packing, re-shipping and other expenses) for the duration of the contract.
- 3. Replacement products shall be delivered to the Authority within 7 days of the initial notification.
- 4. In the event of any recall notice or technical service bulletin related to the system, a notice shall be sent to the Authority in a timely manner.

C. Training

- 1. On-airport implementation training for each system component.
- 2. Implementation training shall be adequate to equip a typical equipment operator with the ability to properly perform duties utilizing the equipment and shall include:
 - A. The mechanics of how to use the camera.
 - B. How and where to place and secure the camera.
 - C. How to charge the camera (in the field and office).
 - D. How to replace batteries (in the field and office) if needed.

- E. How to start and stop recording.
 - F. How to use annotation features.
 - G. How, when and where to download data.
 - H. Report generation.
 - I. What incidents to record or not record.
3. Furnish training manuals.
 4. On-airport “train-the-trainer” program for the operation and use of the equipment after the implementation training.
 5. On-airport training for maintenance, troubleshooting, and changing of components in need of minor repair.

EXHIBIT B
Solution Description

(attached)



I. HARDWARE SPECIFICATIONS

A. CAMERA

1. **Forty-three cameras (41 to be used by sworn officers and 2 spare cameras).**

Axon will provide the Authority with 43 Axon Body 3 cameras.

2. **Within industry standards for size and weight (Max 4.5 oz.).**

The size and weight of the Axon Body 3 camera is within industry standards.

The total weight of the Axon Body 3 is 6.9 oz., inclusive of all integrated fastenings for the standard RapidLock mount. The camera measures 1.03" (D1) X 1.19" (D2) x 2.6" (W) x 3.8" (H).

3. **Minimum 64GB camera unit internal storage.**

The Axon Body 3 has 64 GB of non-removable storage to house captured video files and the camera's operating system.

4. **Waterproof, shockproof case (Min. IP66-X8).**

The Axon Body 3 is extremely rugged, securely sealed, and water and shock resistant. The Axon Body 3 has an IEC 60529 IP67 ingress protection (IP) rating without requiring the use of a case. This IP rating means the device is dust-tight and highly resistant to water ingress when submerged at a depth of up to 1 meter for 30 minutes. Sensitive internal components are dependably protected against solid and liquid intrusions. Additionally, the camera has an IPX4 rating, which categorizes the device as being resistant to splashing water from any direction.

5. **Mountable at center chest.**

Whether your officers decide to mount their devices on a shirt, patrol vest, jacket, or belt, our easy-to-use mounting system—which includes an attachment piece built into the back of the device and an attachment receiver built into each mount—allows them to simply attach and lock the camera in a desired position and place including mounting at center chest.

6. **Multi-microphone audio capture.**

The camera is the recording device for both video and audio, with four (4) built-in microphones on different planes of the camera. An audio algorithm developed in partnership with Nokia dramatically improves the audio captured by the Axon Body 3 camera, compared to its predecessor.

We use sophisticated on-board audio processing (Nokia Ozo-based) to conduct wind noise reduction, calculate automatic gain control, and produce a high-quality stereo audio recording.

7. **Minimum video graphics array (VGA) resolution of 640 x 480 pixels.**

Axon Body 3 cameras have four configurable resolutions spanning 480p – 1080p.



- ▶ 480p: (848 x 480)
- ▶ 720p L: (1280 x 720 - recommended)
- ▶ 720p H: (1280 x 720)
- ▶ 1080p: (1920 x 1080)

8. Wide angle lens (Min. 135 degree horizontal x 100 degree vertical) (no “fish eye” lenses).

The Axon Body 3 utilizes a fixed-focus lens. The camera has a 146.4° diagonal field of view, a 125.2° horizontal field of view, and a 68.6° vertical field of view.

9. Retina Low Light capability sensitive to 0.1 lux or less.

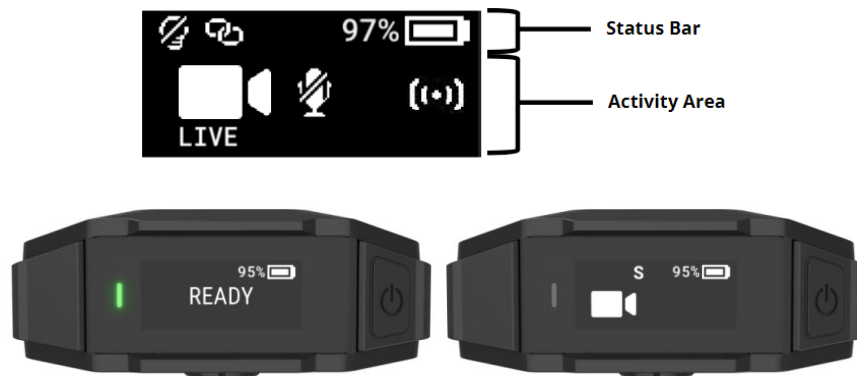
The Axon Body 3 utilizes advanced low-light technology and has a lux rating of < 0.1 lux to mimic the human eye in low light environments. This is important because a lux rating indicates low-light perception capability, which is the level of light required to see an object. Emulating this level of low-light perception when a video is captured allows agencies to leverage evidence that closely represents what an officer saw in the moment.

10. 30 frames per second (FPS) recording speed.

The Axon Body 3 records up to 30 frames per second (FPS).

11. LCD status screen indicating battery level and operating mode.

The camera display on top of the camera is divided into a Status Bar and Activity Area which indicates the battery level and operating mode.



12. Ability to dock, charge and upload at a multiple bay docking station.

There are two types of Axon Body 3 docking stations; a 1-bay and an 8-bay. The 8-bay docking station will allow the Authority to dock, charge, and upload multiple cameras at a single time.

13. Audio or visual cues to alert user of activation.

The Axon Body 3 camera provides visual (LEDs), audible (beeps), and haptic (vibration) feedback to indicate clearly the current mode of operation and alert the wearer of the



camera's status. Once recording is initiated, the camera will emit two short tones and two short vibrations to indicate the camera is in Recording mode. The Operation LED on the camera will also blink red and the word STARTING will appear on the Camera Display until replaced by the recording icon. At the start of an event and every 2 minutes during an event, the camera emits 2 short tones and 2 short vibrations.

When recording is stopped, the camera emits one long tone and vibrates once to indicate it has stopped recording and returned to Ready mode. The Operation LED on the camera will also blink green and the word SAVING will appear on the Camera Display until replaced by the word READY.

14. One button for on/off.

The Axon Body 3 has one button for on/off. To power on an Axon Body 3 camera, a user must press the Power button until a short vibration is felt.

To power off an Axon Body 3 Camera, a user must press and hold the Power button for 3 seconds.

15. -4 to 120 degrees F; (-20 to 50 Celsius) operational temperature range.

The Axon Body 3 cameras have an operating temperature range of -4°F to 122°F [-20°C to 50°C]. The Axon Body 3 can withstand extreme temperatures, which keeps crucial evidence safe and allows officers to rely on the camera's functionality in almost any environment throughout the year.

16. Tamper proof system.

While on the device, evidentiary video is protected from manipulation with AES 128 XTS full disk encryption.

As an additional layer of security, all Axon video data is securely stored on a solid-state, non-removable, embedded Multimedia Card (eMMC) inside the Axon device. eMMC storage media is populated directly on the circuit board, making it very difficult to access without destruction of the camera. In addition, the cameras provide several levels of physical and virtual security, described below. These three levels of physical and virtual security ensure the security of data even if the camera is lost or stolen, and helps you maintain proper chain of custody.

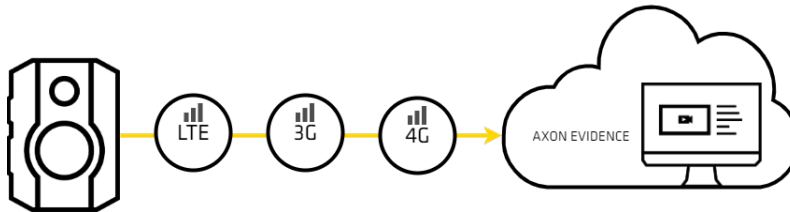
- ▶ **LEVEL 1: SECURED COMPARTMENT** – Axon assembles Axon Body 3 cameras with Torx screws, thus preventing access to the storage without proper tools.
- ▶ **LEVEL 2: EMMC STORAGE (EMBEDDED MULTIMEDIA CARD)** – eMMC storage is populated on the circuit board rather than using an SD card. Accessing and reading eMMC is difficult and would require destruction and/or modification of the circuit board. Videos cannot be deleted from the camera. Cameras will not natively mount into a Microsoft Windows operating system like a mass storage device such as a flash drive or external hard drive would.
- ▶ **LEVEL 3: NO PARTITION TABLE** – The storage media does not have a partition table and will show as an unreadable drive/ card (under any operating system).



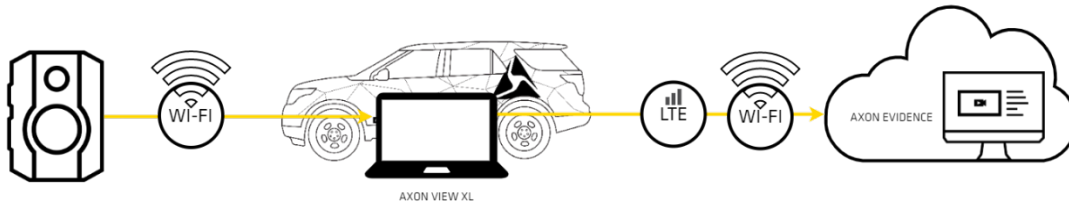
17. Wireless upload capability.

Axon supports the following wireless Axon Body 3 video upload methods.

- ▶ **PRIORITY EVIDENCE UPLOAD (VIA LTE)** – By leveraging the camera’s LTE connectivity, users can upload the most recently recorded piece of evidence on the camera to Axon Evidence. For example, if a camera is recording and an incident occurs that needs immediate review, a user can stop the recording, and push the footage directly to Axon Evidence. That piece of evidence can then be accessible in Axon Evidence and available to command staff for review.
- ▶ Please note that Priority Evidence Upload is only available for Axon Respond for Devices+ agencies.



- ▶ **EVIDENCE UPLOAD VIA WI-FI WITH AXON VIEW XL** – If Axon Fleet is currently installed in an agency’s patrol vehicle, the Axon Body 3 supports wireless upload (via Wi-Fi) by utilizing the in-car MDC.



Additionally, all Axon Docks support a Dock and Walk workflow. At the end of a shift, the officer can just insert their Axon camera into the Axon dock and video will automatically offload into the Axon Evidence DEMS system. At the same time, the dock will charge the camera, and the camera will check for operating system updates if needed. The dock only functions as an Ethernet adapter, an unmanaged network switch, and charger. This allows any Axon Body 3 camera to be docked in any Axon Body 3 dock, and still connect to your Axon Evidence account to upload video.

FUTURE UPLOAD METHODS

Axon plans to support the following wireless Axon Body 3 video upload method.

- ▶ **WI-FI UPLOAD AT THE STATION** – Axon is investigating Wi-Fi upload from a specific location (e.g., station). In the interim, the Axon Dock can be connected to any Wi-Fi/LTE router for easy upload.

18. Built-In secure WiFi, 4G or 5G.

Axon Body 3 cameras feature a Wi-Fi transmitter enabled with 802.11ac/b/g/n at 5 GHz and 2.4 GHz. Axon products are designed to use the most secure forms of wireless technology, while also considering power usage, battery life, and ease-of-use.



The Axon solution is unique in that the Axon Body 3 is a true 4G LTE-connected device with an embedded LTE modem.

When Wi-Fi Positioning is enabled on the Axon Body 3, certain data related to the use of the Axon Body 3 will be sent to our Wi-Fi positioning service provider to allow them to provide, maintain, and improve the services. Without this provider, the Axon Body 3 is unable to use Wi-Fi Positioning.

If you have any concerns in regard to privacy, you can have access to Axon's Cloud Services Privacy Policy for information related to all of our service providers, also referred to as sub-processors.

19. Built-In GPS enabled camera to assist in locating a potentially disabled officer.

The Axon Body 3 camera has an embedded Global Positioning System (GPS) chip that sources location data from the device, similar to a cell phone, and uses two technologies to determine camera location: Global Navigation Satellite System (GNSS) and Wi-Fi Positioning System (WPS).

GLOBAL NAVIGATION SATELLITE SYSTEM

GNSS refers to a constellation of satellites orbiting over the earth's surface and continuously transmitting signals that enable devices to triangulate location based on signal strength and time. The United States' GPS is the most popular, and as a result, GNSS is often just referred to as "GPS".

When an Axon Body 3 camera is recording, the device's GNSS receiver will communicate with orbiting satellites to determine approximate location. The Axon Body 3 camera determines position in the same manner as your smartphone or in-car navigation.

WI-FI POSITIONING SYSTEM

The second location technology Axon Body 3 utilizes is Wi-Fi positioning. Wi-Fi positioning uses Wi-Fi access points to determine a location based on Wi-Fi signal strength.

Wi-Fi positioning offers several benefits, including:

REDUCED TIME-TO-FIRST FIX – Under most circumstances, Wi-Fi positioning should provide a position fix in less than three seconds. However, this may be longer in very rural locations or if the Axon Body 3 is traveling at a high speed. Wi-Fi positioning assists the device's GNSS by giving the device an initial starting location for faster satellite acquisition.

INDOOR LOCATION – Wi-Fi positioning enables the camera to get a position fix in most indoor locations because the technology does not require satellite signals.

20. Ability to record - Resolution settings of 480p/720p/1080p/1296p.

Axon Body 3 cameras have four configurable resolutions spanning 480p – 1080p.

- ▶ 480p: (848 x 480)
- ▶ 720p L: (1280 x 720 – Recommended)
- ▶ 720p H: (1280 x 720)



- ▶ 1080p: (1920 x 1080)

21. Ingress Protection (IP) Rating of IP67 or greater.

The Axon Body 3 has an IEC 60529 IP67 ingress protection (IP) rating.

22. Ability to Bluetooth pair with mobile devices.

The Axon Body 3 utilizes Bluetooth Low Energy (BLE) 4.2 to pair with mobile devices.

Axon's solution includes free mobile applications that integrate with body-worn cameras to provide enhanced capture and management capabilities in the field. Both applications are available on Android and iOS operating systems.

- ▶ **AXON VIEW** is a mobile application that wirelessly connects with your Axon camera in the field allowing officers to add an evidentiary title, ID, or category. Officers can also review footage on their body-worn cameras in the field.
- ▶ **AXON CAPTURE** eliminates the need to carry three separate devices for photo, video, and audio recording. Instead, it builds upon the capabilities of smartphones. The application allows for the capture of digital evidence from the field, including photos, audio recordings, and video (for officers not wearing a body-worn camera).

AXON AWARE MOBILE APPLICATION

Axon's new Axon Aware mobile application was built to interface with our real-time technology, Axon Respond for Devices. The Axon Aware mobile application can provide the Authority with a secure and powerful tool to help your commanders and supervisors stay involved wherever they are. The mobile application can run on both iOS and Android devices, including tablets.

Some of the key features of the Axon Aware mobile application include:

- ▶ **AXON RESPOND FOR DEVICES MAP WITH LOCATION REPORTING DURING RECORDING** – While recording, Axon Body 3 cameras are shown on the map with green indicators. The camera sends location updates every five seconds using the GPS sensor in the camera. Location updates stop being sent when a camera stops recording, and the map indicator turns gray. The gray marker remains on the map for four hours.
- ▶ **VIEW LIVESTREAMS** – While an Axon Body 3 camera is recording, application users can start/end the livestream. The livestream shows the full name of the camera user, the camera's battery capacity, and an option to watch the stream in full screen mode. The latest alerts associated with the camera are displayed below the livestream window.
- ▶ **REAL-TIME ALERTS** – Axon Aware mobile app users will receive in

23. Ability to live stream recorded events.

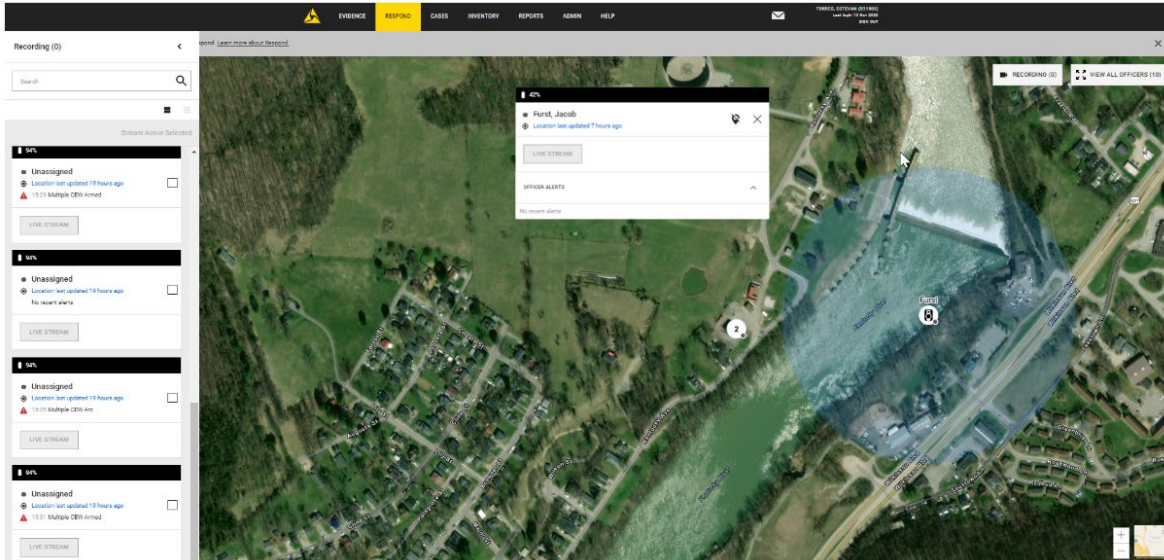
The Axon Body 3 camera integrates with real-time situational awareness technology (Axon Respond for Devices) that can be utilized to livestream video and audio, send alerts in real time, and offload critical evidence remotely.

While an Axon Body 3 is actively recording, livestreams can be viewed within Axon Evidence via the Respond tab. Once initiated, Axon Evidence users accessing the Respond tab via a



compatible web browser or mobile app can view a live map that shows both active and inactive camera users. As mentioned earlier, if a camera is recording, the remote user can simply click the desired camera icon to begin viewing a livestream.

The camera will communicate and stream over LTE connections without the need for a paired mobile phone or Wi-Fi network.



24. MIL-STD-810G certified.

The Axon Body 3 is tested to and passes MIL-STD-810G Test Methods for vibration, salt fog, and blowing dust resistance. The device operates normally in up to 95% humidity (non-condensing).

25. Ability to integrate with a Records Management System (RMS) for tagging recorded incidents.

Integrating your CAD or RMS system with Axon Evidence via Auto-Tagging automates the process of tagging videos with the complete, correct metadata. With Auto-Tagging, officers will no longer have to spend valuable time entering data after an incident, and supervisors will no longer have to search extensively for untagged or incorrectly tagged videos.

Auto-Tagging works by correlating the information created by CAD and RMS systems with Axon videos in Axon Evidence. This process automatically tags videos with the complete, correct metadata, ensuring greater accuracy of the information and increased efficiency, resulting in substantial time savings.

Automatic retention is accomplished through categorization mapping. Axon Evidence can apply ID, retention category, and event location information from event records to evidence files.



26. Ability to connect with any Windows 10 or newer computer system for download and maintenance.

Axon Evidence is compatible with Windows 10. Axon docks and body-worn cameras can connect to the Windows 10 system for download and maintenance.

B. BATTERY

1. 12 hours battery life.

Under normal usage, the Axon Body 3 camera is capable of providing approximately 12 hours of battery life.

Please note that the usage of an Axon Body 3's advanced functions (e.g., livestreaming) will result in greater battery consumption and reduce overall battery life. These functions can cause a battery to deplete faster than 12 hours when in the field.

2. Ability to record continuously for a minimum of 8 hours.

Under normal usage, the Axon Body 3 camera is capable of providing approximately 12 hours of battery life.

Please note that the usage of an Axon Body 3's advanced functions (e.g., livestreaming) will result in greater battery consumption and reduce overall battery life. These functions can cause a battery to deplete faster than 12 hours when in the field.

3. Ability to accommodate or deactivate Pre-Record/Pre-Event of at least 30 seconds.

Depending on agency settings, the pre-event buffer can capture up to two minutes (120 seconds) of video immediately preceding event recording and is configurable in 30-second increments. By default, the pre-event buffer is 30 seconds.

Audio recording can be disabled during buffered video recording to accommodate agency evidence collection policies. Audio recording is disabled for pre-event buffering by default.

4. AC and 12V DC charging options.

The Axon Body 3 can be charged using 12V, 110V, or USB. The sync cable included with purchase can be used directly with USB. The camera also comes with a wall adapter for 110V, and a car charger is available for 12V.

C. PREFERRED (NOT MANDATORY) SPECIAL FEATURES

1. Automatic activation of camera upon officer drawing firearm from holster.

Axon Signal is a technology that operates over Bluetooth Low Energy and activates Axon cameras within range via various triggers.

The Axon Signal products we offer today are the Axon Signal Vehicle Unit, Axon Signal Performance Power Magazine, and Axon Signal Sidearm. Whether you're driving your



vehicle, using a TASER smart weapon, or drawing a firearm, Axon Signal technology ensures vital footage is captured.

AXON SIGNAL SIDEARM

This easy-to-install smart sensor accessory attaches to the outside of most sidearm holsters and activates if a sidearm is removed from the holster. The action of drawing your weapon will trigger surrounding cameras to start the recording process, thus eliminating manual manipulation. That way, your officers can be confident truth and transparency are being upheld through video and audio documentation.

2. Automatic activation of camera upon officer activating conductive electroshock weapon on/off lever.

The Signal Performance Power Magazine (SPPM) is an accessory (battery) for X2 and X26P TASER conducted energy weapons (CEWs). The TASER 7, Axon's newest CEW, has this technology built in and does not require an accessory. Using Axon Signal technology, the SPPM activates Axon cameras when the CEW is armed, the trigger is pulled, or the arc is engaged.

3. Automatic activation of camera when a gunshot is detected by the camera system.

Gunshot detection is an AI-based feature included with Axon Body 3. The gunshot detection feature is based on officer weapon discharge; therefore, the intended range of activation is arm's length. The detection is based on embedded AI processing within the Axon Body 3 camera and will work to activate a recording.

Please note, this feature is currently in beta testing.

4. Automatic activation of body worn cameras within a designated range of an incident providing multiple perspectives/views (i.e., if one camera is activated, all other cameras within range are automatically activated).

Trigger activations via Axon Signal occur using the methods previously described: Axon Signal Vehicle Unit, Axon Signal Performance Power Magazine, and Axon Signal Sidearm. The beacons sent from the Signal products last for 30 seconds. If a non-recording configured camera encounters a beacon during that 30 seconds, it will be automatically activated. Using those methods, officers should not need their individual body-worn camera to activate another body-worn camera.

II. SOFTWARE SPECIFICATIONS

A. Ability to securely share digital evidence with other agencies or prosecutors without creating copies or requiring data to leave Authority's domain of control.

Axon Evidence provides the following methods for sharing files without creating copies or requiring data to leave the Authority's domain of control, each allowed or prohibited by a separate permission, enabling administrators to control access closely.



ACCESS LISTS

Access Lists control internal and external user access to evidence in Axon Evidence. Each piece of evidence has its own access list, so you can individually manage access as needed; you can also add users to the access lists of multiple evidence files at the same time. For internal users, you can also restrict access to one or more evidence files. For any Partner Axon Evidence agencies, you can prohibit the permission to share, or allow the user download only the file or reshare all.

You can set the period of time the selected users can access evidence under the 'Duration' dropdown. By default, the shared duration is 90 days; however, you can also manually enter specific number of days.

SHARING WITH PARTNER AGENCIES AND LEGAL PARTNERS

Axon Evidence makes it easy to share evidence and cases with other Axon Evidence agencies, as well as those utilizing Axon Evidence for Prosecutors. Since these external users already have Axon Evidence credentials, accessing the evidence shared is as easy as logging into the application. After you have added the evidence, you share the case with the trusted partner agencies that you choose.

The agencies with whom you share are partner agencies. Partner agencies only have access to data that you share with them via access lists. All unshared data remains completely unavailable to partner agencies.

When you share files with a partner agency, Axon Evidence sends a copy of the files and their associated metadata, which the agency can manage independently, with no effect on your evidence.

B. Ability for Authority personnel to produce copies with redacted video and audio while retaining original records.

Axon Evidence manages edits to videos through layers. The two bottom layers are the original video and audio. Those two layers are never tampered with or manipulated. When users apply markers, clips, or redaction, they exist in layers above the original content. The best way to imagine this would be to picture a translucent sheet over a picture or painting. Editing is simply drawing on the sheet, and then removing the sheet. This leaves you with an un-altered original image. When a user applies redaction to a video, all their actions are saved to an XML file, much like the translucent sheet. When the video is played back the sheet is layered back over the video. Even when a redacted video is exported from Axon Evidence, the video is created (encoded) on the fly and saved to the local hard drive.

The automatically generated title of a redacted video or clip contains both the original name and the word "redacted" or "clip" respectively. The title of the parent file will be displayed under the title of the copy as shown below.





When viewing a parent file, redactions, clips, or markers created from the file will be displayed below the Axon Evidence player.

C. Ability for Authority personnel to add metadata to recorded events.

Numerous metadata tags can be applied to evidentiary assets. These metadata fields are included in the searching interface to help you locate the evidence you need quickly and efficiently. ID, title, notes and tags are free text, user-defined values. Custom metadata fields will also be available to narrow search results on the advanced search page.

Axon Body 3 cameras capture metadata automatically with each video. The metadata is part of the file and transfers along with the video when offloaded to Axon Evidence. During the transfer, metadata is validated by SHA-2 hash tree functions to ensure integrity. Axon Evidence then logs metadata in the video's evidentiary audit trail.

The embedded metadata includes:

- ▶ **SOURCE** – This is the identifying information for the camera itself, including:
 - ▶ **DEVICE TYPE**
 - ▶ **DEVICE NAME**
 - ▶ **SERIAL NUMBER**
 - ▶ **UPLOADER**
- ▶ **TITLE** – *e.g.*, AXON Body 3 Video 2018-07-23 1654
- ▶ **DATE AND TIME** – Axon cameras capture the date and time (yyyy-mm-dd hrs:mins:secs) of the start and stop of a recording as metadata and embed it within the MP4 file.
- ▶ **LOCATION** – If location services are enabled, the body-worn camera will record time-series location data and embed it into the recording to generate a map of where the recording took place, so it can be displayed during playback on Axon Evidence.
- ▶ **METHOD OF ACTIVATION AND DEACTIVATION** – The camera tracks the methods by which a recording initiates, *e.g.*, pressing the Event button or Axon Signal activation, and terminates, *e.g.*, holding the Event button or camera power down.

Additionally, if an officer enters a custom ID, category, or title using the Axon View mobile application or Axon View XL MDT software program prior to upload to Axon Evidence, that information will transfer along with the video.

- ▶ **EVIDENCE ID** – The evidence ID is blank by default but can be set to the incident ID by the officer in the field using Axon View or Axon View XL.
- ▶ **CATEGORIES (IF APPLICABLE)** – An officer may assign categories to a video in the field via the Axon View mobile application or the interface in Axon Evidence.
- ▶ **TITLE** – The title of the video will include the device type, the date of the recording, and a sequential identifier by default. However, an officer may enter a custom title for a video in the field via the Axon View mobile application or the interface in Axon Evidence.



D. Location search capability.

The Evidence Map feature shows icons for any evidence with associated location information and basic features for finding and viewing a location on the map.

The screenshot displays the Evidence Map interface. At the top, there is a navigation bar with tabs for EVIDENCE, CASES, INVENTORY, REPORTS, ADMIN, and HELP. The EVIDENCE tab is active. Below the navigation bar, there are sub-tabs for ALL EVIDENCE, MY EVIDENCE, SHARED EVIDENCE, EVIDENCE MAP (which is highlighted), IMPORT EVIDENCE, and CITIZEN EVIDENCE. The main area is divided into two sections: search filters on the left and a map on the right. The search filters include:

- LOCATION:** A text input field for "Enter full address, city, or zip code" and a checkbox for "Redo search when map is moved".
- USER:** A text input field for "Enter name or badge ID".
- DATE:** Two date pickers for "Start" and "End".
- CATEGORY:** A dropdown menu for "Select categories".
- A "HIDE ADVANCED SEARCH" button.
- "RESET FILTERS" and "SEARCH" buttons.

 The map on the right shows a street view of an urban area with several blue evidence icons placed at various locations. A "REDO SEARCH IN THIS AREA" button is visible in the top right corner of the map. At the bottom of the interface, there is a row of action buttons: UPDATE ID, ADD CATEGORY, REASSIGN, REDACT, DOWNLOAD, MANAGE ACCESS, DELETE, RESTORE, and EXPORT.

LATITUDE AND LONGITUDE (GPS) REPORT INFORMATION

The Evidence Created Report lists all pieces of evidence and associated metadata including the latitude and longitude of the evidence and group of the evidence owner. This data can be easily sorted using an excel pivot table to extract information geographically from the GPS location. Alternatively, if your agency sets up groups to mirror the current location assignments of officers, you can run reports filtered by group to get information on specific time ranges such as total videos uploaded, gigabytes uploaded, active officers uploading videos in each group, and evidence shared from each group. The evidence map provides basic features for finding and viewing a location on the map. Many of these actions involve the map tool bar. From your search results, click the case and you can then export all information associated.

III. DATA STORAGE SPECIFICATIONS

A. Subscription/cloud based Software as a Service (SaaS) with acceptable data security provisions.

Axon Evidence is a fully managed software as a service (SaaS) offering. Axon Evidence has a dedicated Information Security team solely focused on keeping our digital evidence management solution secure and uncompromised. Our team remains vigilant in ensuring formal security practices are implemented and regularly assessed for continued effectiveness. These practices include but are not limited to access management, configuration management, vulnerability management, and security monitoring and response.



DATA PROTECTION

- ▶ **DATA IN TRANSIT** – Evidence data is encrypted during transfer: SSL with RSA 2048 bit key, 256-bit ciphers, TLS 1.2, Perfect Forward Secrecy.
- ▶ **DATA AT REST** – Evidence data is encrypted in storage: 256-bit Advanced Encryption Standard (AES-256).
- ▶ **ACCESS** – Axon Evidence supports Dual-Factor Authentication, IP Restrictions, and robust approval workflow when attempting to delete evidence data.
- ▶ **DATA INTEGRITY** – Evidence data is hashed (SHA) to ensure a robust chain of custody. Original evidence data is never changed. All modifications are handled by creating new, derivative files. Detailed audit logs track all evidence access. Evidence deletion is protected with an approval workflow and includes a 7-day remorse/recovery period.
- ▶ **DATA AVAILABILITY**– Axon Evidence is designed for maximum availability with redundant data centers and frequent encrypted evidence backups. Multiple data centers are used that meet federal and international standards (FedRAMP, FISMA, and ISO 27001).

SECURITY CERTIFICATIONS

Axon's compliance demonstrates our commitment to providing a trustworthy platform and offers customers a way to understand the controls that have been put in place to secure Axon Evidence and their data. Axon holds the following certifications for Axon Evidence.

- ▶ CJIS Compliant
- ▶ ISO/IEC 27001:2013 Certified - Information Security Management Standards
- ▶ ISO/IEC 27018:2014 Certified - Code of Practice for Protecting Personal Data in the Cloud
- ▶ CALEA Standard 17.5.4 Compliant
- ▶ SOC 2+ Report
- ▶ Cloud Security Alliance - CSA STAR Attestation (Level Two)
- ▶ Cloud Security Alliance - CSA STAR Self-Assessment (Level One)
- ▶ FedRAMP Joint Authorization Board (JAB) Provisional Authority to Operate (P-ATO) at the Moderate Impact Level (applicable only to the US Federal Region of Axon Evidence). Axon has achieved a FedRAMP Joint Authorization Board (JAB) Provisional Authority to Operate (P-ATO) at the Moderate Impact Level.

Axon's Compliance website (axon.com/trust/compliance) includes additional information on our security certifications as well as copies of certificates and compliance documentation.



B. Ability to control access to evidence based on pre-defined permissions and individuals.

Axon Evidence supports role-based authentication and authorization. Each user is assigned a role; roles determine user permissions. Permissions control levels of access to features and functions in Axon Evidence.

Administrators assign the roles and actions of all users and create individual user accounts with varying degrees of access, e.g., administrative accounts, basic user accounts, etc. Account administrators can customize the roles and authorization levels of each account user, or what they are permitted to do. This functionality was created to preserve chain of custody and to clarify what each user is permitted to do. You can copy the permission settings from an existing role to a new role using the duplicate function.

An unlimited number of roles can be supported and provide granular access permissions to allow you to configure the system to mirror the Authority's normal operating procedures. Administrators can also add and edit roles as needed.

Each of the following categories is expandable, enabling more granular permissions to be configured. Permissions are broken into several groups.

- ▶ **LOGIN** – these permissions deal with what systems the given Role has access to (Axon Evidence, Evidence Sync, Axon Capture, etc.).
- ▶ **USER ACCESS** – these permissions deal with what actions a user can take (edit account information, etc.).
- ▶ **ADMIN ACCESS** – these permissions deal with what administrative functions each Role has access to (add users, run reports, assign devices, etc.).
- ▶ **SEARCH ACCESS** – these permissions deal with search functionality such as searching for users, devices, evidence, etc.
- ▶ **EVIDENCE CREATION** – these permissions deal with uploading evidence from non-Axon sources to Axon Evidence.
- ▶ **EVIDENCE MANAGEMENT** – these permissions deal with all aspects of evidence management (e.g., view, edit, redact, download, access restricted).
- ▶ **Case Management** – these permissions deal with managing cases.
- ▶ **SHARED CASE** – these permissions grant access (and perform actions) to cases shared with them.
- ▶ **CITIZEN MANAGEMENT** – these permissions allow users to use certain functions of the Axon Citizen suite.
- ▶ **EMAIL NOTIFICATIONS** – these permissions deal with the email notifications that this Role would receive. (e.g., account lockout notification, upcoming deletion notifications).



C. Ability to perform user search on multiple criteria (date, time, officer, device, location, etc.).

The search functionality in Axon Evidence is designed to minimize the time spent by a user trying to locate a video file. The search interface consists of a simple layout, while still providing advanced searching capabilities, as well as additional controls for how search results are displayed. Search results are automatically updated as users enter filter information.

Users begin by providing specific criteria (metadata) such as ID, owner, date, etc. to filter the search results. Those filters are used to reduce the agency's entire catalog of evidence down to a short list of relevant evidence. In addition to standard metadata filters, Evidence Search supports filtering evidence by agency-specific custom metadata fields within the advanced search section.

EVIDENCE MAP SEARCH

The map icon used for an evidence file is determined by the evidence type. There are six icons that correspond to file types; video, audio, document, image, firing log and other.

Video



Audio



Document



Image



Firing Log



Other



You can pan by positioning the mouse pointer over the map and moving the mouse to the desired location. You can also zoom in or out by clicking the + and – icons on the map or use the wheel on your mouse.

The Evidence Map allows a user to search by an address, city, zip code, etc. and provides basic features for finding and viewing an evidence location on the map. The location field shows by default and you can also use advanced search to enter additional filters including user, date and category and narrow your results.

The screenshot displays the Evidence Map search interface. At the top, there are navigation tabs: ALL EVIDENCE, MY EVIDENCE, SHARED EVIDENCE, EVIDENCE MAP (selected), and IMPORT EVIDENCE. Below the tabs are search filters:

- LOCATION:** A text input field for "Enter full address, city, or zip code" and a checkbox for "Redo search when map is moved".
- USER:** A text input field for "Enter name or badge ID".
- DATE:** Two date pickers for "Start" and "End".
- CATEGORY:** A dropdown menu for "Select categories".

Below the filters are buttons for "HIDE ADVANCED SEARCH", "RESET FILTERS", and "SEARCH". To the right is a map showing a search area highlighted in red. The map includes a search bar, zoom controls, and a "REDO SEARCH IN THIS AREA" button. The map shows a street grid with labels like "DESERT VIEW" and "DVT".



D. Ability to set retention policies based on category-based events.

The Authority's system administrators can set a custom retention duration for each piece of evidence with the use of categories. The retention duration determines how long a file remains active in Axon Evidence and can be configured to remain in your system for as long as you desire. At the end of a file's retention duration, Axon Evidence initiates an automatic deletion process that includes notifications, a grace period for recovery, and restoration options. This process helps the Authority manage file storage and prevent inadvertent data loss.

E. Compliant with law enforcement Criminal Justice Information Services (CJIS) data protection and transport (i.e. SSL) standards. No external party- initiated connections will be allowed. The storage facility must be located within continental United States including data storage for disaster recovery (DR) solutions. [NOTE: For additional information on CJIS standards, please see <https://www.fbi.gov/services/cjis/cjis-security-policy-resource-center>.]

Axon acknowledges and abides by all aspects of the CJIS Security Addendum. CJIS Security Addendum Certification pages are maintained for each authorized Axon employee and are available to customers. Authorized Axon employees are available for state of residence and national fingerprint-based record checks at either the state or local level and are available to complete state specific security awareness training. Additionally, Axon adheres to the audit requirements of the FBI CJIS Security Policy.

Axon ensures that all content stored in Axon Evidence remains within the continental US. This includes any backup data, replication sites, and disaster recovery sites.

F. Ability to manage and share digital evidence without requiring additional local storage infrastructure.

Axon Evidence is a true end-to-end solution providing not only the application but also the infrastructure required to run it. With Axon Evidence, all you need to access your evidentiary information is an internet connection and standard web browser; no additional local storage infrastructure is required,

Axon Evidence can ingest assets from multiple sources, manage them simply with configurable metadata fields, retrieve them with an advanced search engine, automate access control and retention with intelligent workflow features, redact videos using powerful tools for FOIA requests, and collaborate effortlessly with other stakeholders using secure sharing features.

G. 256-bit AES Encryption for in transit and in storage data.

Axon Evidence uses strong encryption to protect evidence data in transit and at rest. CJIS-compliant cryptography has been implemented for Axon Evidence (FIPS 140-2 validated for data in transit and AES-256 of NSA's Suite B for data at rest).

DATA PROTECTION

- ▶ **DATA IN TRANSIT** - Evidence data is encrypted during transfer: SSL with RSA 2048 bit key, 256-bit ciphers, TLS 1.2, Perfect Forward Secrecy



- ▶ **DATA AT REST** - Evidence data is encrypted in storage: 256-bit Advanced Encryption Standard (AES-256)

H. Audit log system which will track all system and user activity and ensure the tracking cannot be edited or deleted from the system.

Detailed audit logs track all evidence access and activity. Each audit trail entry shows the date, time, user, and details of each action. You can view the entire audit log or a portion of an audit trail, limiting the report to actions that occurred between a specified timeframe. Audit Trails are available in PDF format, with the exception of the User Audit Trail and Device Audit Trail, which are available in both PDF and comma-separated values (CSV) format. Audit logs cannot be edited or altered, and Axon Evidence will never purge an audit log for any reason.

I. Off site, secure, cloud storage, unlimited storage capacity.

Axon Evidence is a cloud storage solution and by nature, highly scalable; your agency may acquire storage as needed without limit, in accordance with storage purchased.

J. Ability to store and support all major digital file formats: mpeg, pdf, doc, jpeg, etc.

Axon Evidence is source agnostic and can house virtually any video and audio file type (approximately 93% of all available codecs), as well as most digital document types including mpeg, pdf, doc, jpeg, etc. Online preview is only supported for PDF documents and supported audio and video formats.

K. 24-hour access for Authority personnel to view or download the stored videos.

Axon Evidence is a fully managed and hosted SaaS solution that is securely accessible online via any standard web browser, 24 hours a day, to view or download your stored videos.

Axon guarantees a minimum of 99.9% uptime for Axon Evidence. Apart from scheduled downtime, scheduled maintenance, and emergency maintenance, we will use commercially reasonable efforts to make Axon Evidence available 99.9% of the time 7 days per week on a 24-hour basis.

L. 60-day period after contract expiration or termination for the Authority to download content.

All digital evidence stored on Axon Evidence is owned by the Authority. Contracts are constructed to ensure that you retain all ownership of your data. Axon is a Data Processor of the Authority's content. The Authority controls and owns all right, title, and interest in and to the Authority's content and Axon obtains no rights to the Authority's content. The Authority is solely responsible for the uploading, sharing, withdrawal, management and deletion of the Authority's content.

In the event customer's access to Axon Cloud Services is terminated, Axon will not delete any customer content during the 90 days following termination. During this 90-day period, customer may retrieve customer content only if customer has paid all amounts due (there



will be no application functionality of the Axon Cloud Services during this 90-day period other than the ability for customer to retrieve customer content). Customer will not incur any additional fees if customer downloads customer content from Axon Cloud Services during this 90-day period. Axon has no obligation to maintain or provide any customer content after the 90-day period and will thereafter, unless legally prohibited, delete all Customer Content stored in Axon Cloud Services. Upon written request, Axon will provide written proof that all customer content has been successfully deleted and removed from Axon Cloud Services.

M. Ability to export audit trail along with video, including redactions in an industry standard format.

Detailed audit logs track all evidence access and activity. Each audit trail entry shows the date, time, user, and details of each action, including redaction activity. You can view the entire audit log or a portion of an audit trail, limiting the report to actions that occurred between a specified timeframe. Audit Trails are available in PDF format, with the exception of the User Audit Trail and Device Audit Trail, which are available in both PDF and comma-separated values (CSV) format. Videos, including redactions, can also be exported in an industry standard format. Users with permissions can include audit logs when downloading and sharing evidence by checking the “Include Audit Logs” check box.

N. Identified scope of audit trail.

The scope of audit trails provided within Axon Evidence include:

AGENCY AUDIT TRAIL

The Agency Audit Trail shows agency-wide changes to your Axon Evidence account. This report helps provide transparency on administrative actions across Axon Evidence. By displaying each action in detail, your agency is able to review who changed a setting, in order to understand the purpose and provide better accountability to each user. Only users with the “Edit Agency Settings permission” enabled can view the Agency Audit Trail.

USER AUDIT TRAIL

A User Audit Trail shows many of the activities performed by the user, changes to the user account and evidence-related user actions. In addition to evidence-related user actions, the User Audit Trail will show failed login attempts, when a user is locked out of their account due to multiple failed login attempts or when a user’s password has been reset or their account has been unlocked.

CASE AUDIT LOG

The audit trail entry for Cases shared with a partner agency group use the same audit trail format as Evidence that is shared with a partner agency group. When a Case is shared with a partner agency group, the Activity column of the audit trail will show the group name and agency (instead of listing each member of the group).



GROUP AUDIT TRAIL

The Group Audit Trail allows administrators to monitor the activity of groups within Axon Evidence and logs actions such as creating a group, adding or removing users from a group, changing permissions of a group, etc.

EVIDENCE AUDIT TRAIL

Original evidence data is never changed; all modifications are handled by creating new, derivative files. Evidence Audit trails are created for every evidence file and list all related actions, as well as associated metadata. The original data associated with a video is never changed; all modifications are handled by creating new, derivative files. To ensure chain of custody, evidentiary files can be verified for authenticity by matching the SHA-2 hash of the original file ingested in Axon Evidence to that of any copy created.

DEVICE AUDIT TRAIL

The Device Audit Trail shows events, actions, and changes for the selected camera. The audit information can be filtered to a particular date range or show the entire life of the camera. The Device Audit Trail can be used to audit actions performed on video while the file is still on the device (prior to upload). The audit information is available in both PDF and comma-separated values (CSV) format, with each event, action, or change shown on a different line in the audit trail.

AXON RESPOND FOR DEVICES AUDIT TRAIL

The Axon Respond for Devices audit trail consolidates all Axon Respond for Devices information, such as which users accessed the Axon Respond for Devices map or a livestream, into a single audit trail.

O. Identified data integrity.

Axon Evidence uses secure transfer methods to ensure data integrity across integrated systems. Axon Evidence transfers information via the Partner API—a secure API link that uses OAuth2/OpenID Connect access tokens for authentication and JSON Web Tokens for authorizations. Axon Evidence employs the SHA-2 256-bit hashing algorithm to verify incoming data. The application validates data integrity before and after upload, capturing all events in detailed audit trails.

P. Ability to produce digitally authenticated duplicates.

Once a video lives in Axon Evidence, it can be duplicated as desired. These duplicates are known as child assets. Unmodified child assets will pass the SHA-2 checksum throughout the lifetime of the asset. The SHA-2 cryptographic hash function is applied to each MP4 video, and functions as a digital fingerprint for each video captured. These checksums are then compared as part of the upload process to Axon Evidence to confirm that a file has not been compromised during the upload process. If a checksum mismatch occurs, the upload process is reinitiated.



IV. SERVICE REQUIREMENTS

A. PHONE SUPPORT

1. 24-hour phone technical support.

Axon has a full customer support division; live phone support is available 24 hours a day, seven days a week. For technical or Customer Support assistance, you may contact a customer service representative at 800.978.2737 (extension 4), or via email at support@axon.com. Online, email-based support and remote-location troubleshooting are included on an ongoing basis as part of your investment in the Axon Ecosystem.

2. Phone technical support shall be located in continental US.

Customer service and support is performed in-house at Axon headquarters in Scottsdale, AZ.

B. EQUIPMENT REPLACEMENT

1. Hardware shall have a minimum useful service life of 2.5 to 3 years based on 12 hours per day in-service period.

Axon cameras have a designed service life of approximately three years.

2. Nonworking products shall be replaced free of charge (including transportation, unpacking, inspection, re-packing, re-shipping and other expenses) for the duration of the contract.

Axon warrants that our law enforcement hardware products are free from defects in workmanship and materials for a period of one (1) year from the date of receipt. Axon-manufactured accessories are covered under a limited ninety-day warranty from the date of receipt. Non-Axon manufactured accessories are covered under the manufacturer's warranty.

THE TECHNOLOGY ASSURANCE PLAN (TAP)

Axon's quote includes the Axon Technology Assurance Plan (TAP). TAP for Axon body-worn cameras includes Axon's extended warranty for the five-year contract term, spare cameras, and two camera refreshes, at the two-and-a-half and five-year marks, free of charge.

Please see the Axon Master Services and Purchasing Agreement, which outlines the full terms and conditions of the standard manufacturer warranty, extended warranty, and Technology Assurance Plan.

3. Replacement products shall be delivered to the Authority within 7 days of the initial notification.

The Return Material Authorization (RMA) department is located at Axon Headquarters in Scottsdale, Arizona. The RMA department prioritizes returned products for analysis and/or repair on a first-in-first-out (FIFO) basis, based on the severity of the complaint (or unless otherwise requested by the agency). The general turn-around-time for a full resolution is



less than 30 calendar days from receipt of the returned product. Axon has provided two spare cameras within the contract which the Authority is able to use during repair or replacement.

Axon provides agencies with the ability to manage RMA requests within Axon Evidence. Authorized users will be able to create, update, save, submit, and track device returns for their agency in one place. Axon Evidence Device Return Service is integrated with FedEx and return shipping labels are provided at no extra charge. RMAs may also be generated at returns.axon.com, although return shipping labels are not available via this method.

Upon receipt of the item(s), the RMA department will conduct a failure analysis investigation to determine the root cause of the issue and repair the item if possible. It is at Axon's sole discretion to repair or replace a device as identified in the original manufacturer warranty and/or the extended warranty policy.

INITIATING A RETURN WITH AXON DEVICE MANAGER

If a user has the Return Administration permission activated within Axon Evidence, they can initiate the return of a device using the Axon Device Manager app. If this permission is active, a Return option will appear when the Axon Device Manager app is open, and the device is scanned or tapped. Once recognized, the user can enter the return information for the selected devices.

4. In the event of any recall notice or technical service bulletin related to the system, a notice shall be sent to the Authority in a timely manner.

Axon agrees to notify the Authority of any recalls or technical service bulletins within a timely manner.

C. TRAINING

1. On-airport implementation training for each system component.

Axon can help the Authority improve your Axon investment with comprehensive implementation support and training. The Axon Professional Services team consists of a group of highly skilled individuals with in-depth knowledge of all Axon products, Axon Evidence functionality, and our line of TASER smart weapons. Our professional services managers focus entirely on on-site and off-site training. Our experienced team can train everyone, regardless of their role.

2. Implementation training shall be adequate to equip a typical equipment operator with the ability to properly perform duties utilizing the equipment and shall include:

- A. The mechanics of how to use the camera.**
- B. How and where to place and secure the camera.**
- C. How to charge the camera (in the field and office).**
- D. How to replace batteries (in the field and office) if needed.**
- E. How to start and stop recording.**



- F. How to use annotation features.**
- G. How, when and where to download data.**
- H. Report generation.**
- I. What incidents to record or not record.**

Axon can provide training to address the functions above listed in A-I. Axon recommends a train-the-trainer model, which tends to be the most effective training style for our law enforcement customers to properly implement the solution and retain information for later sharing.

This model enables the Authority to train officers based on their schedules and availability. As more Axon users are added to the program, those trainers can provide the same level of training at no additional cost to you.

INSTALL, CONFIGURE AND TEST YOUR SYSTEM

During this phase of the implementation process, Axon's Professional Services team will assist with the following tasks:

- ▶ System Set-Up and Configuration
- ▶ Configure categories & custom roles
- ▶ Troubleshoot IT issues

TRAIN THE FIRST WAVE

An initial, limited number of key users should be trained. The size of this contingent depends on agency size or size of the planned full deployment. These officers will serve a number of roles, including final confirmation of system functionality and performance. They will likely provide useful feedback on any localized issues that had not been previously identified. They will provide a demonstration and information platform for their co-workers/future user officers. They typically become a resource when newer users are activated and require training or assistance.

This administrator is the starting point for defining security settings, creating custom roles and setting permissions, adding users, reassigning devices, creating categories and setting retention policies, and several of the other administrative features of the Axon Evidence services. Axon Evidence requires two-factor authentication for all system administration access.

Our team will provide step-by-step explanations and assistance for the agency's configuration of security, roles & permissions, categories & retention, and other specific settings for Axon Evidence. Administrators should attend all the training sessions that are decided upon. We will then provide Axon instructor training to educate instructors who can support the agency's subsequent training needs.

START SMALL, TEST, ASSESS, CORRECT, AND THEN GO BIG

Axon can help the Authority deploy key users and make sure the way you've configured your system integrates smoothly into your workflow. We can also help assess readiness based on



evaluation and feedback and make any necessary adjustments. Once you've taken these steps, you're ready to schedule the rest of your user training.

END - U S E R T R A I N I N G

During on-site training, our Professional Services team will provide the Authority with training documentation, which can be used in future training sessions.

EXHIBIT C
Project Schedule

(attached)

ID	Task Name	Duration	Start	Finish	Predecessors	Resource Names
1	Burbank Airport PD - CA	5 days	Mon 5/24/21	Fri 5/28/21		
2	Configuration Tasks	5 days	Mon 5/24/21	Fri 5/28/21		BAPD,AXON
3	Site survey for Dock installation, test bandwidth	1 day	Mon 5/24/21	Mon 5/24/21		BAPD,AXON
4	Dock registration and configuration	1 day	Tue 5/25/21	Tue 5/25/21	3	AXON
5	Install and test Axon Docks	1 day	Wed 5/26/21	Wed 5/26/21	3,4	BAPD,AXON
6	Create user accounts in Evidence.com	2 hrs	Mon 5/24/21	Mon 5/24/21		AXON
7	Inventory, assign, test all Axon devices	1 day	Tue 5/25/21	Tue 5/25/21	6	BAPD,AXON
8	Draft video police created	5 days	Mon 5/24/21	Fri 5/28/21		BAPD
9	Record/upload test video	1 hr	Tue 5/25/21	Tue 5/25/21		BAPD,AXON
10	Install AXON Mobile Apps (Done at the time of training)	1 day	Mon 5/24/21	Mon 5/24/21		BAPD,AXON
11	Install MDT Application (SYNC) (Done at the time of training)	1 day	Mon 5/24/21	Mon 5/24/21		BAPD,AXON
12	Draft Deployment Plan created	2 days	Mon 5/24/21	Tue 5/25/21		BAPD,AXON
13	EVIDENCE.COM Training	1 day	Thu 5/27/21	Thu 5/27/21	12	BAPD,AXON
14	Evidence.com Configuration Meeting	1 hr	Thu 5/27/21	Thu 5/27/21		BAPD,AXON
15	Train The Trainer	2 hrs	Thu 5/27/21	Thu 5/27/21	12	AXON
16	Evidence.com Super User Training Session 1	1 hr	Thu 5/27/21	Thu 5/27/21	12	AXON
17	Evidence Tech Training	3 hrs	Thu 5/27/21	Thu 5/27/21	12	AXON
18	Burbank Airport PD Go Live Complete	1 day	Fri 5/28/21	Fri 5/28/21		
19	Post Deployment Meeting	2 hrs	Fri 5/28/21	Fri 5/28/21		BAPD,AXON
20						
21						
22						
23	+					

EXHIBIT D
Fee Schedule

(attached)



**BODY-WORN CAMERA ("BWC") SYSTEM
HOLLYWOOD BURBANK AIRPORT
PROJECT NUMBER AP20-01**

**ATTACHMENT B
FEE SCHEDULE**

ONE-TIME COSTS - HARDWARE

Hardware costs include cameras, mounting components, recharging docking stations, and any and all other physical hardware and equipment needed for integration of the proposed BWC system. Include a delivery cost quote (do not estimate).*

Product No.	Product Description	Qty.	Unit Price	Extended Price
ONE-TIME COSTS - Hardware				
73202	AXON BODY 3 - NA10	41	499.00	20,459.00
74210	AXON BODY 3 - 8 BAY DOCK	5	1,495.00	7,475.00
74211	AXON BODY 3 1 BAY DOCK	1	200.00	200.00
70033	WALL MOUNT BRACKET, ASSY.	5	43.90	219.50
75015	SIGNAL SIDEARM KIT	41	249.00	10,209.00
73202	AXON BODY 3 NA10 SPARES	2	0.00	0.00
				0.00
74028	WING CLIP MOUNT, AXON RAPIDLOCK	2	0.00	0.00
	Total for items listed on attached sheet	0	0.00	0.00
	Sub Total			38,562.50
	Delivery*			0.00
	Sales Tax-10.25%			3,952.86
	Total One-Time Costs - Hardware			\$42,515.16

ONE-TIME COSTS - SOFTWARE, LICENSES AND STORAGE COSTS

Costs shall include all software fees and initial/start up per user subscription costs or licenses or fees, and storage/access costs, presented in an itemized fashion.

Product No.	Product Description	Qty.	Unit Price	Extended Price
ONE-TIME COSTS - Software and Licenses				
87063	TECH ASSURANCE PLAN CAMERA WARRANTY YEAR 1	41	336.00	13,776.00
87062	TECH ASSURANCE PLAN 8 BAY DOCK WARRANTY YEAR 1	5	354.00	1,770.00
87061	TECH ASSURANCE PLAN 1 BAY DOCK WARRANTY YEAR 1	1	114.00	114.00
73830	UNLIMITED EVIDENCE.COM STORAGE YEAR 1	41	288.00	11,808.00
73841	EVIDENCE.COM BASIC LICENSE YEAR 1	36	180.00	6,480.00
73837	EVIDENCE.COM PRO LICENSE YEAR 1	4	468.00	1,872.00
73865	RESPOND PAYMENT YEAR 1	41	108.00	4,428.00
87063	TECH ASSURANCE PLAN CAMERA WARRANTY SPARES	2	0.00	0.00
	SALES TAX ON TECH ASSURANCE PLANS YEAR 1	1	1,887.08	1,887.08
	Total for items listed on attached sheet	1	0.00	0.00
				0.00
	Total One-Time Costs - Software and Licenses			\$42,135.08



ONE-TIME COSTS - PROFESSIONAL SERVICES

Professional Services costs include project management by role description. Include the number of hours needed to successfully implement the program and the loaded hourly rate, inclusive of any and all G&A, OH&P, travel and subsistence fees and taxes.

Product No.	Product Description	Qty.	Unit Price	Extended Price
ONE-TIME COSTS - Professional Services				
85144	AXON STARTER	1	2,750.00	2,750.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
Total One-Time Costs - Professional Services				\$2,750.00

TOTAL ONE-TIME COSTS \$87,400.24

RECURRING COSTS

Recurring costs include renewal annual software subscriptions, license fees, end of program fees (close-out and return of equipment) and any other costs for Year 2 through 5 of the Service Agreement.

Product No.	Product Description	Qty.	Unit Price	Extended Price
RECURRING COSTS - Maintenance and Support				
87063	TECH ASSURANCE PLAN CAMERA WARRANTY YEAR 2	41	336.00	13,776.00
87062	TECH ASSURANCE PLAN 8 BAY DOCK WARRANTY YEAR 2	5	354.00	1,770.00
87061	TECH ASSURANCE PLAN 1 BAY DOCK WARRANTY YEAR 2	1	114.00	114.00
73830	UNLIMITED EVIDENCE.COM STORAGE YEAR 2	41	288.00	11,808.00
73841	EVIDENCE.COM BASIC LICENSE YEAR 2	36	180.00	6,480.00
73837	EVIDENCE.COM PRO LICENSE YEAR 2	4	468.00	1,872.00
73865	RESPOND PAYMENT YEAR 2	41	108.00	4,428.00
	Total for items listed on attached sheet	1	120,744.00	120,744.00
	SALES TAX FOR TECH ASSURANCE PLANS YEAR 2	1	1,805.18	1,805.18
	SALES TAX FOR TECH ASSURANCE PLANS YEAR 3	1	1,805.18	1,805.18
	SALES TAX FOR TECH ASSURANCE PLANS YEAR 4	1	1,805.18	1,805.18
	SALES TAX FOR TECH ASSURANCE PLANS YEAR 5	1	1,805.18	1,805.18
				0.00

TOTAL YEARS 2-5 RECURRING COSTS \$167,412.72

TOTAL PROGRAM PRICE

FIVE YEAR PROGRAM PRICE \$254,812.96

EXHIBIT E
Proposal Remainder

(attached)

**BODY-WORN CAMERA
("BWC") SYSTEM
HOLLYWOOD BURBANK
AIRPORT PROJECT NUMBER
AP20-01**

**BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY**

Submitted By: Axon Enterprise, Inc.

17800 North 85th Street

Scottsdale, AZ 85255

Phone: 800.978.2737

Fax: 480.991.0791

December 10, 2020

ORIGINAL



AXON ENTERPRISE, INC.
17800 NORTH 85TH STREET
SCOTTSDALE, AZ 85255



December 10, 2020

Alisa DeHoyos
Sr. Manager, Procurement
Burbank-Glendale-Pasadena Airport Authority
2627 Hollywood Way
Burbank, CA 91505

DEAR MS. DEHOYOS:

Outfitting Burbank-Glendale-Pasadena Airport Authority's (Authority) officers with a rugged and reliable body-worn camera (BWC) solution should be a top priority. The system you choose should be designed to help demonstrate the Authority's ongoing commitment to transparency, ensure the accountability of your members, increase the public's trust in the Authority's officers, and protect your members from unjustified complaints of misconduct. Especially when considering the heightened chances of a lawsuit—or the depletion of valuable time and resources when conducting an investigation—if a BWC is not present at the time of an event.

That is why Axon Enterprise, Inc. (Axon) believes the Authority should implement our Axon Body 3 BWC and digital evidence management system (DEMS), Axon Evidence, specifically created for law enforcement. Let us provide you with the solutions to help capture, manage, and store your evidence, so you can focus on protecting the truth.

Axon has partnered with more than 7,500 agencies around the world to deliver innovative hardware and software solutions built for the public safety sector. With a dedicated research and development department and budget, we are focused on supporting our current technology and improving it for the future.

With the implementation of our solution, Axon can offer the Authority:

- ▶ Reliable hardware, including cameras, docks, and accessories, as well as complimentary mobile applications
- ▶ A comprehensive DEMS that makes sharing, managing, and redacting evidence simple
- ▶ Technical support focused on customer success pre- and post-deployment

If you have any questions regarding our proposal, pricing, or products, please contact Senior Proposal Manager Amy Rodriguez by phone at 480.515.6336, or by email at arodriguez@axon.com. We look forward to working with the Authority to implement our robust BWC program.

Sincerely,

A handwritten signature in blue ink, appearing to read "R Driscoll".

Robert Driscoll
VP, Associate General Counsel and Assistant Corporate Secretary

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2. FIRM BACKGROUND

a. Legal name and physical business street address.

Axon's legal name is Axon Enterprise, Inc. Our headquarters is located at:
17800 N. 85th Street
Scottsdale, AZ 85255

b. Number of years in business under the business name set forth in the proposal; current number of employees.

Axon has been operating as Axon Enterprise Inc. for nearly 4 years. On April 5, 2017, **TASER International, Inc.** changed its corporate identity to **Axon Enterprise, Inc.** (NASDAQ: AAXN) to reflect a broader solution set that expands beyond conducted energy weapons to include cameras, mobile devices, and advanced technology solutions for law enforcement.

As of Q3 2020, Axon employs 1,633 total Domestic and International employees (1,403 Domestic + 230 International)

c. Include a brief description of the organization's history, capabilities, resources, structure, ownership, size and services.

Since 1993, Axon Enterprise, Inc. (Axon) has been committed to delivering safe, secure solutions for law enforcement, militaries, and citizens. From our humble beginning as TASER International, Inc. to now, we have worked diligently to develop a network of TASER smart weapons, body-worn cameras and in-car, and industry-leading cloud-based evidence management software to help accomplish a singular goal—to protect life. Over this time, we have partnered with more than 7,500 law enforcement agencies to deploy tailored solutions designed to preserve transparency and truth. With 11 offices based in Arizona, Washington, North Carolina, Australia, Canada, Finland, Germany, India, the Netherlands, the United Kingdom, and Vietnam, Axon's team of more than 1,500 employees continue to define smarter policing through the development of industry-leading technology solutions. Axon is a C Corporation incorporated in Delaware and is publicly traded on the NASDAQ stock exchange (AAXN). Axon Enterprise, Inc. is not a subsidiary of another firm or company. Axon is the direct or indirect parent company of several entities across the globe.

Axon creates connected technologies for truth in public safety. Building on a history of innovation in policing, our hardware and software solutions are designed specifically for law enforcement. Axon is not just a collection of individual technologies; it is a cohesive ecosystem. Every product works together, built by the same team of engineers, and supported by the same technicians.

As the sole manufacturer, Axon products including our cameras and TASER CEWs are manufactured at our corporate headquarters in Scottsdale, Arizona. The manufacturing area consists of automated, semi-automated, and manual processes with a direct labor workforce of approximately 1,600 employees, plus additional manufacturing, engineering, equipment maintenance, and production control personnel. Body-worn cameras are produced on four dedicated product lines in our 60,000 square foot manufacturing and warehouse space.



Because our solutions are deployed by thousands of law enforcement agencies across the globe, we are experienced in the development of technology at scale and put a great deal of emphasis on improving our end user's ease of use. By demonstrating a large investment in research and development—with expenses reaching \$100.7 million, \$76.9 million, and \$55.4 million in 2019, 2018, and 2017, respectively—we are committed to identifying improvements and developing new and innovative solutions.

PROPOSED SOLUTIONS FOR THE AUTHORITY

To help bring the Authority to the forefront of technology as it relates to law enforcement, Axon is proposing a solution comprised of the following components.

- ▶ Axon Body 3 Cameras and Mounts
- ▶ Axon Docks
- ▶ Axon Mobile Applications
- ▶ Axon Evidence
- ▶ Implementation and Training

AXON BODY 3 - SEE TRUTH IN THE MOMENT

Axon Body 3 isn't just a camera: it's a rugged communications beacon front and center on every call. Featuring enhanced low-light performance, reduced motion blur, and an LTE connection that enables real-time features like live streaming, Axon Body 3 provides officers with more support in the moment. Advanced audio algorithms designed to capture and prioritize certain sounds in any environment, combined with advanced imaging capabilities, result in better audio and video evidence wherever you are.

AXON RESPOND FOR DEVICES REAL-TIME TECHNOLOGY

Picture this—an officer is in a foot chase away from their vehicle, losing certainty of their exact whereabouts during a life-or-death situation. With our new Axon Respond for Devices situational awareness technology, an officer need not worry about where a pursuit may take them because they can now stay connected wherever they are with alerts sent to Axon Evidence. These alerts can then allow supervisors to locate and provide officers support in the moment. Axon Respond for Devices focuses on providing real-time awareness and is truly a game-changing new platform that will continue to include advanced capabilities as your needs evolve.

SIMPLE, STREAMLINED OPERATION

Take back time with simpler device operation and program management. With time-saving features like rapid recharge and offload, you can leverage your camera as an AI-powered personal assistant that integrates with our other solutions and limits your administrative burden.

LOOKING BEYOND THE CAMERA

Your cameras and storage mechanisms are just two smaller elements of a broader landscape. With Axon, you're buying into a connected network of solutions with a focus on



future improvement. Enhanced evidence management tools—like new in-app redaction and transcription functionality, easy and secure data flow between your systems, and the use of algorithms to assist with evidence review and training—are all consolidated and available for our Axon Evidence users. Axon isn't just a collection of individual technologies, it's a comprehensive network connecting people, devices, and applications in a solution tailored for the current and future needs of the Authority.

A SMARTER, HARDER-WORKING DEMS

Axon Evidence is at the core of Axon's network, and with its easy to use interface, managing and storing your data can happen all in one place. With robust cases functionality, redaction capabilities, intuitive sharing workflows, and a complimentary prosecutor platform, our cloud-based DEMS is packed with features that will only improve over time.

A SECURE AXON NETWORK

For your officers to do their job with confidence, we need to ensure that the devices, software, and services we supply are reliable and secure. When we build new hardware or software, the focus isn't just on functionality—we also make it a top priority your information is tightly guarded, thus giving you confidence in the integrity and security of the evidence you capture and store.

The following features and measures are taken to secure our products and services:

- ▶ Vulnerability identification and remediation
- ▶ Security monitoring and response
- ▶ Advanced protections
- ▶ Reporting potential security issues and vulnerabilities

JOINING FORCES THROUGH AXON'S ECOSYSTEM

We've long made the priorities of law enforcement our own, and your challenges ours to solve. When you partner with Axon, you're partnering with a team of product experts, security professionals, engineers, technology specialists, and former law enforcement personnel. We are dedicated to pushing the boundaries of technology and are committed to delivering on those efforts, to offer law enforcement the solutions needed to help make the world a safer place.

By becoming a part of the Axon Ecosystem made up of connected devices and apps, the Authority can better position itself to protect fellow officers and the communities you serve.

Our mission to protect life and truth in the field, at the station, and in the courtroom is unwavering, and we are prepared to join forces with you, to keep your officers and community safe.



d. The case name and number, state, and judicial district, of any presently ongoing litigation involving Respondent's provision of body-worn camera equipment and/or services to any public entity in the United States, including a summary of the issues and case status. "Ongoing litigation" means any court case that does not have a final disposition.

Axon has had no product liability or contract litigation concerning our body-worn camera (BWC) offerings, and there are no issues of federal, state, or municipal noncompliance.

On January 3, 2020, the FTC filed an enforcement action (No. D9389) alleging Axon's May 2018 acquisition of Viewu LLC was anticompetitive and adversely affected the BWC and digital evidence management systems (DEMS) market for "large metropolitan police departments." Axon is aggressively defending the matter. Axon denies the FTC's allegations, believes the BWC and DEMS market is more competitive than ever, and that its purchase of Viewu—a significantly financially distressed company—prevented major disruption of BWC programs at numerous agencies. The case is presently stayed while the Ninth Circuit court of appeals (No. 20-15662) considers Axon's constitutional claims against the FTC. If the FTC is ultimately successful, Axon may be required to divest Viewu and other assets that will not interfere with Axon's ability to perform under any contract.

3. RELEVANT EXPERIENCE AND FIRM QUALIFICATIONS

Axon has included all of the information requested in this section below. Due to the page limit, we did not include the list of specific requirements provided within the RFP.

OUR BODY-WORN CAMERA EXPERIENCE

Since 2012, Axon has developed and manufactured multiple generations of body-worn cameras—including Axon Flex 2, Axon Body 2, and Axon Body 3—and delivered approximately 492,000 devices to law enforcement worldwide. During this time, our engineers and product managers have expanded our product lines to include first-person point of view cameras designed to imitate the human eye, as well as devices equipped with real-time awareness capabilities such as access to livestreams and real-time officer location and alerts.

To date, the largest purchase of body-worn cameras was made by the London Metropolitan Police Service in London, UK in the amount of approximately 22,000 devices. In the U.S., the largest purchase of body-worn cameras was made by the Los Angeles Police Department in the amount of approximately 7,500 devices. Axon is responsible for the manufacturing and fulfillment of these orders, including ongoing support for each body-worn camera program after delivery and throughout the life of contracts.

CASE STUDIES

Agencies across the world have deployed our body-worn camera solution to help solve prominent issues in their communities. Axon is proud to share the following case study



summaries with the Authority to highlight customer success after implementing our cameras.

LAS VEGAS METROPOLITAN POLICE DEPARTMENT // New Findings from a Randomized Controlled Trial

The year-long study examined 416 officers—218 of whom donned Axon body-worn cameras—to see the effects on use-of-force complaints against officers. The study found that officers wearing a body-worn camera saw a 37% reduction in use-of-force complaints, an 8% increase in citations issued, and a 6% increase in arrests made.

QUEENSLAND POLICE SERVICE // Fighting Domestic Violence with Body-Worn Cameras

This study looked at the effects of body-worn cameras being worn by officers responding to the scene of domestic and family violence (DFV) incidents. The study found a 22% projected increase in reported assaults, a 60% to 70% decrease in police summary hearings, and more than 21,000 evidence files captured by our cameras relating to DFV.

THOUGHT LEADERSHIP

Axon is committed to improving our body-worn camera technology over time and has developed a team of subject matter experts, engineers, and product managers dedicated to researching and developing innovative ways to improve our devices. The following articles highlight our experience in these areas.

[The Making of Axon Body 3: Connected Camera](#)

[The Making of Axon Body 3: Big Decisions on Display](#)

[The Making of Axon Body 3: Adventures in Audio](#)

[The Making of Axon Body 3: Video Magic in Tampere, Finland](#)

REFERENCES

Axon has provided the following references for similar projects completed within the last five years.

BEGIN CONFIDENTIAL INFORMATION

[Redacted content]



[REDACTED]

END CONFIDENTIAL INFORMATION

REPRESENTATIVE LIST OF LARGEST BWC CLIENTS

Axon is dedicated to providing hardware and software solutions to law enforcement agencies throughout the nation and is proud to work with the following clients to implement the technology used to help increase workflow efficiencies, reduce incidents, and protect the truth. Some of our largest body-worn camera and DEMS customers include:

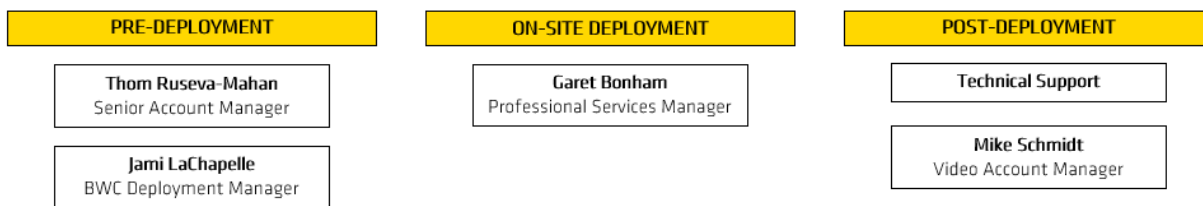
- ▶ London Metropolitan Police Service, London UK
- ▶ Victoria Police Service, Australia
- ▶ Los Angeles, CA Police Department
- ▶ Charlotte-Mecklenburg, NC Police Department
- ▶ Fort Worth, TX Police Department
- ▶ Dallas, TX Police Department
- ▶ San Diego, CA Police Department
- ▶ Baltimore City, MD Police Department
- ▶ Baltimore County, MD Police Department
- ▶ Memphis, TN Police Department
- ▶ Washington, DC Metropolitan Police Department
- ▶ Denver, CO Police Department
- ▶ Cincinnati, OH Police Department
- ▶ Atlanta, GA Police Department



4. PROJECT ORGANIZATION AND KEY PERSONNEL

Respondent shall (i) provide an organization chart showing all names, titles and roles of individuals who will be assigned to this project; (ii) identify key members of the project team; and (iii) highlight each team member's role and explain the relevance of his/her expertise and experience as it relates to this project. Include location where each team member is based.

To fulfill these requirements, Axon has included the following organizational chart along with roles of the individuals assigned. We have provided resumes for key personnel beginning on page 54 within the Appendix section. All key personnel are located in Scottsdale, AZ.



RESPONSIBILITIES OF ALL KEY PERSONNEL

SENIOR ACCOUNT MANAGER, THOM RUSEVA-MAHAN – Responsible for all sales-related activity and will be your main point of contact for the contract execution.

BWC DEPLOYMENT MANAGER, JAMI LACHAPELLE – Coordinate scheduling of the body-worn camera and Axon Evidence services.

PROFESSIONAL SERVICES MANAGER, GARET BONHAM – Main point of contact during implementation and responsible for overseeing the project, as well as the system's delivery

TECHNICAL SUPPORT DEPARTMENT – Offers 24/7/365 support for all Axon hardware and software

VIDEO ACCOUNT MANAGER, MIKE SCHMIDT – Has comprehensive knowledge of your solution and its components and is available to offer support and escalate issues and concerns as needed

Respondent shall designate a project manager. The project manager shall have at least five years' experience in managing or leading similar implementation projects with municipal, state or federal law enforcement agencies.

Axon will designate a project manager for implementation of the Authority's body-worn camera solution. The assigned project manager, Garet Bonham, has more than five years' experience leading implementation projects with municipal, state, or federal enforcement agencies.



Respondent shall demonstrate the availability of all key staff of the proposed project team and estimated percentage of time each is committed to the project. Personnel assigned to the project shall not be changed during the duration of the project without the advance written approval of the Authority.

Axon will provide the Authority with a team of experienced professionals to ensure an efficient deployment of your Axon camera and Axon Evidence program.

This team will dedicate 100% of their time to the Authority when on site and will not be changed during the duration of the project without the advanced written approval of the Authority.

Respondent shall provide resumes (limited to one page per person) of all project team members and other key personnel anticipated to be assigned to the Authority, including any professional licenses and/or registration information, appropriate certifications or other similar, pertinent credentials.

We have provided the resumes for key personnel beginning on page 54 within the Appendix section. Gareth Bonham will serve as project manager for the implementation of the Authority's body-worn camera solution.

Respondent shall identify all subcontractors (if applicable) it intends to use and the relevant experience and qualifications of such subcontractor, including each firm's physical street location address, license information, other relevant credentials, background information supporting Respondent's decision to utilize the identified subcontractor, and the nature and percentage of the overall scope of work that each subcontractor will perform.

We (Axon) are the sole manufacturer of the Axon, Axon Evidence, and TASER product lines and do not require subcontracting outside entities for this opportunity.

Respondent shall not employ or engage any person to work on this project who is a convicted felon, or who has been convicted of any "cyber"-related crime or any crime involving theft of public property, within the last 10 years.

Axon does not employ or engage any person who is a convicted felon or has been convicted of any cyber-related crime or any crime involving theft of public property within the last 10 years.

At a minimum, all personnel are screened for qualification and must submit to and successfully pass a background check and drug screening as a condition of employment at Axon. Some positions require education verification, credit history, and state-level checks. In addition, a subset of the Axon Engineering group with potential access to data stored in customers' instances of Axon Evidence are required to obtain additional fingerprint-based FBI background checks at the national level and in all applicable states.

5. PROPOSED TECHNICAL APPROACH

For the convenience of the Authority, Axon has provided a response to your RFP requirements in the following format.

****Note For reference - Content is located in Exhibit B - Solution Description**



POTENTIAL IMPLEMENTATION RISKS

Some potential problems that could be encountered during implementation along with their solutions have been provided on the following page.

- ▶ **AGENCY NETWORK CAPABILITIES** – With regard to risk assessment and mitigation, our Professional Services team and Axon’s Sales Engineering team can assist the Authority with calculating exact network impact and develop ways to reduce network impact. Axon’s sales engineers will work in collaboration with the Authority’s IT department to assess what current bandwidth is available and what else may be needed to guarantee a smooth rollout and implementation.
- ▶ **TRAINING TIME** – A professional services manager will remain on-site during implementation.
- ▶ **SECURITY OF DATA** – Axon Evidence is hosted by an industry-leading Infrastructure as a Service (IaaS) provider delivering secure, scalable, and durable computing and storage resources. Axon Evidence inherits the resiliency advantages of IaaS providers and layers additional redundancies and security on top of the IaaS resources.

3. Furnish training manuals.

Prior to implementation, the Authority will be given access to documentation in an electronic format. Training guides, user manuals and product documents are separated into folders by topic. All materials are the Authority’s to access and use for future training or as needed.

CONTINUING EDUCATION WITH AXON ACADEMY

We recognize the importance of providing robust training resources to supplement the use of our technologies. Axon Academy is a Web-based learning management system containing a wide variety of instructional resources and product-specific training courses broken into short, single-topic videos and tutorials. Educational opportunities for new and existing users are accessible from Axon Academy, and administrators can assign training courses to specific users based on roles. To meet different learning styles, Axon Academy offers the Authority a range of assets, including podcasts, e-learning modules, simulations, and video.

Please visit axon.com/training for more details.

4. On-airport “train-the-trainer” program for the operation and use of the equipment after the implementation training.

Axon’s implementation includes the train-the-trainer program that can be performed on site at the airport. This model enables the Authority to train officers based on their schedules and availability. As more Axon users are added to the program, those trainers can provide the same level of training at no additional cost to you.



5. On-airport training for maintenance, troubleshooting, and changing of components in need of minor repair.

As part of implementation, Axon can provide training for the Authority on basic device troubleshooting and repair while on-site. Axon has a full customer support division; live phone support is available 24 hours a day, seven days a week. For technical or Customer Support assistance, you may contact a customer service representative at 800.978.2737 (extension 4), or via email at support@axon.com. Online, email-based support and remote-location troubleshooting are included on an ongoing basis as part of your investment in the Axon Ecosystem.

PROBLEM IDENTIFICATION AND RESOLUTION

Our Customer Service and Support team will attempt to isolate malfunctioning components by guiding customers through troubleshooting steps either via phone, email, or remote support. Once isolated, the problem component can be replaced, sent in for repair, or have new operating system/firmware applied, depending on the component and the cause of the malfunction

6. PROPOSED FEES

[Redacted content]

****Note For reference - Content is located in Exhibit D - Fee Schedule**



7. SAMPLE BODY-WORN CAMERA SYSTEM PURCHASE AGREEMENT

Axon objects to language in the sample agreement and have provided our exceptions below.



17800 N 85TH STREET
SCOTTSDALE, ARIZONA 85255
AXON.COM

December 7, 2020

Burbank-Glendale-Pasadena Airport Authority
Attention: Alisa DeHoyos, Sr. Manager, Procurement
2627 Hollywood Way
Burbank, CA 91505

RE: Requested Exceptions to Request for Proposal for Body-Worn Camera ("BWC") System Hollywood Burbank Airport

Dear Ms. DeHoyos:

Please find below Axon Enterprise, Inc.'s (Axon) exceptions to the above-referenced solicitation. Axon is open to further discussions regarding requested changes, and it reserves the right to negotiate the terms and conditions attached to the solicitation.

1. Addition of Axon's Terms and Conditions.

Axon respectfully requests that its Master Services and Purchasing Agreement be incorporated as an exhibit into the final contract award. Axon agrees to negotiate with the Authority on these terms and conditions.

2. Attachment C – Sample Purchase Agreement. Section 4(A).

Axon respectfully requests that this section be amended, in relevant part, as follows: Vendor warrants that, for a period of one year, or such longer period as provided by a manufacturer's warranty, from the date of ~~final-written-acceptance receipt~~ by the Authority.

3. Attachment C – Sample Purchase Agreement. Section 4(C)(3).

Axon respectfully requests that this section be removed as it does not provide refunds.

4. Attachment C – Sample Purchase Agreement. Section 17.

Axon respectfully requests that this section be amended to limit "Work Product" to items developed in the course of this Agreement for the Authority's sole and exclusive use.

Best regards,

Alissa McDowell
Senior Corporate Counsel
amcdowell@axon.com
480.905.2038

TASER INTERNATIONAL IS NOW AXON ENTERPRISE



8. CLOUD-BASED AGREEMENT

**Note For reference - Content is located in Exhibit I - Vendor MSPA



EXHIBIT F Insurance Requirements

1. Vendor shall take out and maintain:
 - A. Commercial General Liability Insurance, of at least \$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury and property damage, at least as broad as Insurance Services Office Commercial General Liability most recent Occurrence Form CG 00 01;
 - B. Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, of at least \$1,000,000 per accident for bodily injury and property damage, at least as broad as most recent Insurance Services Office Form Number CA 00 01 covering automobile liability, Code 1 (any auto);
 - C. Workers' Compensation in compliance with applicable statutory requirements and Employer's Liability Coverage of at least \$1,000,000 per occurrence; and
 - D. Product Liability and/or Errors and Omissions (professional liability) Insurance covering such Equipment and/or deliverables, with limits of not less than \$1,000,000 per occurrence. If a claims made policy is used, then it shall be endorsed to provide an extended reporting period of not less than three (3) years.
 - E. Cyber liability: \$2,000,000 per occurrence providing protection against claims and liabilities arising from: (i) errors and omissions in connection with maintaining security of Agency Content (as defined in the Cloud Services Description); (ii) data breach including theft, destruction, and/or unauthorized use of Agency Content; (iii) identity theft including bank charges assessed; and (iv) violation of privacy rights due to a breach of Agency Content.
2. Except for errors and omissions and workers compensation coverage, the policies required under this Section shall be endorsed to name the Authority, its officials, officers, employees, agents or volunteers as additional insureds. Such policies shall contain a provision stating that Vendor's policy is primary insurance and that any insurance, self-insurance or other coverage maintained by the Indemnites shall not be called upon to contribute to any loss, and shall contain, or be endorsed with, a waiver of subrogation in favor of the Indemnites. The limits set forth herein shall apply separately to each insured against whom any claim is made or suit is brought, except with respect to the limits of liability. Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage available to a primary, named insured shall be provided to the parties required to be named as additional insured pursuant to this Agreement.
3. All insurance required under this Section is to be placed with insurers with a current

A.M. Best's rating no less than A:VII, licensed to do business in California, and satisfactory to the Authority.

4. Prior to commencing performance, Vendor shall furnish the Authority with original certificates of insurance and endorsements effecting coverage required by the Agreement. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms supplied or approved by the Authority. All certificates and endorsements must be received and approved by the Authority before performance commences. The Authority reserves the right to review complete, certified copies of all required insurance policies, at any time.
5. All subcontractors shall meet these requirements before commencing work. In addition, Vendor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of these requirements.
6. Vendor shall ensure that third party shippers contracted by Vendor have adequate insurance coverage in amounts sufficient to provide for complete replacement of the shipped Equipment.

EXHIBIT G

Labor Code Requirements

1. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Services are on file at the Airport and will be made available to any interested party on request. By initiating any Work, Vendor acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Vendor shall post such rates at each job site covered by this Agreement.
2. Vendor shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. Vendor shall, as a penalty paid to the Authority, forfeit \$200 for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by Vendor or by any subcontractor.
3. Vendor shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Vendor and each subcontractor to (1) keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776, (2) certify and make such payroll records available for inspection as provided by Section 1776, and (3) inform the Authority of the location of the records. Vendor has 10 days in which to comply subsequent to receipt of a written notice requesting these records, or as a penalty to the Authority, Vendor shall forfeit \$100 for each day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due.
4. Vendor and each subcontractor shall comply with and be bound by the provisions of Labor Code Section 1771.4(a)(3), which requires that each contractor and each subcontractor shall furnish the records specified in Section 1776 directly to the Labor Commissioner at least monthly, in a format prescribed by the Labor Commissioner.
5. Vendor acknowledges that eight hours labor constitutes a legal day's work. Vendor shall comply with and be bound by Labor Code Section 1810. Vendor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. Vendor shall, as a penalty paid to the Authority, forfeit \$25 for each worker employed in the performance of the Services by Vendor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code Section 1815, work performed by employees of the Contractor in excess of eight hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of eight hours per day at not less than 1.5 times the basic rate of pay.

6. Vendor shall comply with and be bound by the provisions of Labor Code Sections 1777.5, 1777.6 and 1777.7 and California Code of Regulations Title 8, Section 200 et seq. concerning the employment of apprentices on public works projects. Vendor shall be responsible for compliance with these Sections for all apprenticeable occupations. Before commencing the Services, Vendor shall provide the Authority with a copy of the information submitted to any applicable apprenticeship program. Within 60 days after concluding work, Vendor and each of its subcontractors shall submit to the Authority a verified statement of the journeyman and apprentice hours performed under this Agreement.
7. Vendor shall not perform work with any subcontractor that has been debarred or suspended pursuant to California Labor Code Section 1777.1 or any other federal or state law providing for the debarment of contractors from public works. Vendor and subcontractors shall not be debarred or suspended throughout the duration of this Agreement pursuant to Labor Code Section 1777.1 or any other federal or state law providing for the debarment of contractors from public works. If Vendor or any subcontractor becomes debarred or suspended during the duration of this Agreement, Vendor shall immediately notify the Authority.
8. In accordance with Labor Code Sections 1725.5 and 1771.1, no contractor or subcontractor shall be qualified to bid on, be listed in a bid, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, unless currently registered and qualified to perform public work pursuant to Section 1725.5.
9. The Services are subject to compliance monitoring and enforcement by the DIR. Vendor shall post job site notices, as prescribed by regulation.
10. Labor Code Sections 1860 and 3700 provide that every contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of Labor Code Section 1861, by signing this Agreement, Vendor certifies as follows:

“I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the Work of this contract.”

EXHIBIT H

Cloud Services Description

1. Definitions.

- A. “Agency”: the Burbank-Glendale-Pasadena Airport Authority.
- B. “Agency Content”: data uploaded into, ingested by, or created in Cloud Services (“Services” sometimes herein) within Agency’s tenant, including media or multimedia uploaded into Cloud Services by Agency. Agency Content includes Evidence but excludes Non-Content Data.
- C. “Cloud Services”: Axon Cloud Services including the data storage specifications set forth in the Solution Description.
- D. “Evidence”: media or multimedia uploaded into Axon Evidence as “evidence” by Agency. Evidence is a subset of Agency Content.
- E. “Non-Content Data”: data, configuration, and usage information about Agency’s Cloud Services tenant, Axon Devices and client software, and users that is transmitted or generated when using Axon Devices. Non-Content Data includes data about users captured during account management and customer support activities. Non-Content Data does not include Agency Content.
- F. “Personal Data” means any information relating to an identified or identifiable natural person. An identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

2. Access.

- A. Upon Axon granting Agency a subscription to Cloud Services, Agency may access and use Cloud Services to store and manage Agency Content. Agency may not exceed more end users than the Quote specifies.
- B. Where an authorized user is required to “click through” or otherwise accept or be made subject to any online terms and conditions in accessing or using the Services, such terms and conditions are not binding and shall have no force or effect as to the Services or this Agreement.
- C. Axon agrees that the level of uptime availability of the Service shall not be less than 99.9% (“Guaranteed Uptime Availability”) during any 30 consecutive day period, where 100% equals the maximum availability uptime, not including scheduled periods of maintenance or unavailability due to communication failures beyond Axon’s reasonable control. Failure to maintain the Guaranteed Uptime Availability during any two or more 30 day periods shall constitute a breach of this Agreement. Axon shall provide no less than 10 days’ prior, written

notice of any scheduled maintenance that could adversely affect Agency's use of the Cloud Services.

D. Upon Agency's written request, Axon shall provide Agency with a copy of its annual American Institute of Certified Public Accountants Service Organization Control (SOC) 1 type 2 report and SOC 2 type 2 report (for all Trust Services Principles), or successor form of SOC reports.

E. Axon will use its best efforts, but not less than commercially reasonable efforts, to ensure that no computer viruses, worms, malware, or similar items (collectively, a "Virus") are introduced into Agency's computing and network environment by the Services, and that, where it transfers a Virus to Agency through the Services, it shall reimburse Agency the actual, documented cost incurred by Agency to remove and/or recover from the Virus, including the costs of persons employed by Agency to perform such services.

3. Agency Owns Agency Content.

Agency controls and owns all right, title, and interest in Agency Content. Except as outlined herein, Axon obtains no interest in Agency Content, and Agency Content are not business records of Axon. Agency is solely responsible for uploading, sharing, managing, and deleting Agency Content. Axon will have limited access to Agency Content solely for providing and supporting Cloud Services to Agency and Agency end users.

4. Security.

A. Axon will implement commercially reasonable and appropriate measures to secure Agency Content against accidental or unlawful loss, access or disclosure. Axon will maintain a comprehensive information security program to protect Cloud Services and Agency Content including logical, physical access, vulnerability, risk, and configuration management; incident monitoring and response; encryption of uploaded digital evidence; security education; and data protection. At all times during the term hereof, Axon agrees to comply with the most current Federal Bureau of Investigation Criminal Justice Information Services Security Policy and any and all Addendums thereto.

B. Notwithstanding the foregoing, and without limiting Axon's obligation of confidentiality herein, Axon shall be responsible for establishing, maintaining, and providing a written description to Agency of, a data privacy and information technology security program, including physical, technical, administrative, and organizational safeguards, that is designed to: (a) ensure the security and confidentiality of the Agency Content; (b) protect against any anticipated threats or hazards to the security or integrity of the Agency Content; (c) protect against unauthorized disclosure, access to, or use of the Agency Content; (d) ensure the proper disposal of Agency Content; and, (e) ensure that all employees, and authorized agents, and subcontractors of Axon, if any, comply with all of the foregoing. The information technology security program shall incorporate data security safeguards that are compliant with, or are substantially similar to those comprising NIST FIPS-140-3. In no case shall the safeguards of Axon's data privacy and information security program used to protect Agency Content be less stringent than the safeguards used by Axon for its own data.

C. In the event of any act, error or omission, negligence, misconduct, or breach that permits any unauthorized access to, or that compromises or is suspected to compromise the security, confidentiality, or integrity of Agency Content or the physical, technical, administrative, or organizational safeguards put in place by Axon that relate to the protection of the security, confidentiality, or integrity of Agency Content, Axon shall, as applicable: (a) notify Agency as soon as practicable but no later than twenty-four (24) hours of becoming aware of such occurrence; (b) cooperate with Agency in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by Agency; (c) in the case of personally identifiable information (“PII”), at Agency’s sole election, (i) notify the affected individuals who comprise the PII as soon as practicable but no later than is required to comply with applicable law including, but not limited to, the provisions of California Civil Code Section 1798.82, or, in the absence of any legally required notification period, within five (5) calendar days of the occurrence; or, (ii) reimburse Agency for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twelve (12) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) without limiting Axon’s obligations of indemnification as further described in this Agreement, indemnify, defend, and hold harmless Agency for any and all claims and liabilities, including reasonable attorneys’ fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from Agency in connection with the occurrence up to the limits of Axon’s Cyber Liability policy required herein; (g) be responsible for recreating lost Agency Content as reasonably required by Agency and without charge to Agency; and, (h) provide to Agency a detailed plan within ten (10) calendar days of the occurrence describing the measures Axon will undertake to prevent a future occurrence. This Section shall survive the termination of this Agreement.

5. Agency Responsibilities.

A. Agency is responsible for (a) ensuring Agency owns Agency Content; (b) ensuring no Agency Content or Agency end user’s use of Agency Content or Cloud Services violates this Agreement or applicable laws; and (c) maintaining necessary computer equipment and Internet connections for use of Cloud Services. If Agency becomes aware of any violation of this Agreement by an end user, Agency will immediately terminate that end user’s access to Cloud Services.

B. Agency will also maintain the security of end user names and passwords and security and access by end users to Agency Content. Agency is responsible for ensuring the configuration and utilization of Cloud Services meet applicable Agency regulation and standards. Agency may not sell, transfer, or sublicense access to any other entity or person. Agency shall contact Axon immediately if an unauthorized party may be using Agency’s account or Agency Content, or if account information is lost or stolen.

6. Privacy.

A. Axon will not disclose Agency Content or information about Agency except as compelled by a court or administrative body or required by law or regulation. If Axon receives a disclosure request for Agency Content, Axon will give Agency notice, unless legally prohibited from doing so, to allow Agency to file an objection with the court or administrative body. Agency agrees to allow Axon reasonable access to certain information from Agency to (a) perform troubleshooting services upon request or as part of regular diagnostic screening; (b) enforce this Agreement or policies governing the use of Axon Evidence; or (c) perform analytic and diagnostic evaluations of the systems.

B. Axon is provided a limited license to access Agency Content for the sole and exclusive purpose of providing the Services, including a license to collect, process, store, generate, and display Agency Content only to the extent necessary in the providing of the Services. Axon shall: (a) keep and maintain Agency Content in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Agreement and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose Agency Content solely and exclusively for the purpose of providing the Services, such use and disclosure being in accordance with this Agreement, and applicable law; (c) allow access to Agency Content only to those employees and authorized agents of Axon who are directly involved with and responsible for providing the Cloud Services; and, (d) not use, sell, rent, transfer, distribute, or otherwise disclose or make available Agency Content, or any form of aggregated or anonymized data derived from Agency Content or from Agency's use of the Cloud Services, for Axon's own purposes or for the benefit of anyone other than Agency without Agency's prior written consent.

7. Axon Body 3 Wi-Fi Positioning.

Axon Body 3 cameras offer a feature to enhance location services where GPS/GNSS signals may not be available, for instance, within buildings or underground. Agency administrators can manage their choice to use this service within the administrative features of Cloud Services. If Agency chooses to use this service, Axon must also enable the usage of the feature for Agency's Cloud Services tenant. Agency will not see this option with Cloud Services unless Axon has enabled Wi-Fi Positioning for Agency's Cloud Services tenant. When Wi-Fi Positioning is enabled by both Axon and Agency, Non-Content and Personal Data will be sent to Skyhook Holdings, Inc. ("Skyhook") to facilitate the Wi-Fi Positioning functionality. Data controlled by Skyhook is outside the scope of the Cloud Services Privacy Policy and is subject to the Skyhook Services Privacy Policy.

8. Storage.

For Axon Unlimited Device Storage subscriptions, Agency may store unlimited data in Agency's Axon Evidence account only if data originates from Axon Capture or the applicable Axon Device. Axon may charge Agency additional fees for exceeding purchased storage amounts. Axon shall immediately notify Agency if and when Agency has reached eighty percent (80%) of Agency's then-current data storage maximum. Axon may place Agency Content that Agency has not viewed or accessed for 6 months into archival storage. Agency Content in

archival storage will not have immediate availability and may take up to 24 hours to access.

9. Location of Storage.

Axon may transfer Agency Content to authorized third-party subcontractors for storage. Axon will determine the locations of data centers for storage of Agency Content. For United States agencies, Axon will ensure all Agency Content stored in Cloud Services remains within the United States. Ownership of Agency Content remains with Agency. Any and all cloud based storage used in the performance of the Services shall comply with ISO/IEC 27001 through 27018, as applicable. Notwithstanding Axon's use of any such third party providers, Axon shall remain primarily responsible for performance of this Agreement.

10. Suspension.

A. Axon may temporarily suspend Agency's or any end user's right to access or use any portion or all of Cloud Services immediately upon notice, if Agency or end user's use of or registration for Cloud Services may (a) pose a security risk to Cloud Services or any third-party; (b) adversely impact Cloud Services, the systems, or content of any other customer; (c) subject Axon, Axon's affiliates, or any third-party to liability; or (d) be fraudulent.

B. Agency remains responsible for all fees incurred through suspension. Axon will not delete Agency Content because of suspension, except as specified in this Agreement.

11. Cloud Services Warranty.

Axon disclaims any warranties or responsibility for data corruption or errors before Agency uploads data to Cloud Services.

12. Axon Records.

A. Axon Records is the software-as-a-service product that is generally available at the time Agency purchases an OSP 7 bundle. During Agency's Axon Records Subscription Term, Agency will be entitled to receive Axon's Update and Upgrade releases on an if-and-when available basis.

B. An "Update" is a generally available release of Axon Records that Axon makes available from time to time. An "Upgrade" includes (i) new versions of Axon Records that enhance features and functionality, as solely determined by Axon; and/or (ii) new versions of Axon Records that provide additional features or perform additional functions. Upgrades exclude new products that Axon introduces and markets as distinct products or applications.

C. New or additional Axon products and applications, as well as any Axon professional services needed to configure Axon Records, are not included. If Agency purchases Axon Records as part of a bundled offering, the Axon Record subscription begins on the later of the (1) start date of that bundled offering, or (2) date Axon provisions Axon Records to Agency.

13. Cloud Services Restrictions.

Agency and Agency end users (including employees, contractors, agents, officers, volunteers, and directors), may not, or may not attempt to:

A. Copy, modify, tamper with, repair, or create derivative works of any part of Cloud Services.

B. Reverse engineer, disassemble, or decompile Cloud Services or apply any process to derive any source code included in Cloud Services, or allow others to do the same.

C. Access or use Cloud Services with the intent to gain unauthorized access, avoid incurring fees or exceeding usage limits or quotas.

D. Use trade secret information contained in Cloud Services, except as expressly permitted in this Agreement.

E. Access Cloud Services to build a competitive device or service or copy any features, functions, or graphics of Cloud Services.

F. Remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon's or Axon's licensors on or within Cloud Services.

G. Use Cloud Services to store or transmit infringing, libelous, or other unlawful or tortious material; to store or transmit material in violation of third-party privacy rights; or to store or transmit malicious code.

14. After Termination.

Axon will not delete Agency Content for 90-days following termination. There will be no functionality of Cloud Services during these 90-days other than the ability to retrieve Agency Content. Agency will not incur additional fees if Agency downloads Agency Content from Cloud Services during this time. Axon has no obligation to maintain or provide Agency Content after these 90-days and will thereafter, unless legally prohibited, delete all Agency Content in compliance with NIST standard SP800-88. Upon request, Axon will provide written proof that Axon successfully deleted and fully removed all Agency Content from Cloud Services.

15. Post-Termination Assistance.

Axon will provide Agency with the same post-termination data retrieval assistance that Axon generally makes available to all customers. Requests for Axon to provide additional assistance in downloading or transferring Agency Content, including requests for Axon's data egress service, will result in additional fees and Axon will not warrant or guarantee data integrity or readability in the external system.

16. Compliance with All Laws.

In providing the Services, the Axon shall comply with any and all applicable local, State and federal laws, statutes, standards, policies, and regulations including, but not limited to, the Americans with Disabilities Act, the Stored Communications Act, 18 U.S.C. Sections 2701 through 2712, Civil Code Sections 1798.80 through 1798.84, and the California Consumer Privacy Act, Civil Code Section 1798.100, et seq.

17. Survival.

Upon expiration or termination of this Agreement, the following sections in this Exhibit will survive: Agency Owns Agency Content, Privacy, Storage, Cloud Services Warranty, and Cloud Services Restrictions.

EXHIBIT I
Vendor Master Services & Purchasing Agreement

(attached)



8. CLOUD-BASED AGREEMENT



Master Services and Purchasing Agreement

This Master Services and Purchasing Agreement ("**Agreement**") is between Axon Enterprise, Inc., a Delaware corporation ("**Axon**"), and the agency on the Quote ("**Agency**"). This Agreement is effective as of the later of the (a) last signature date on this Agreement or (b) signature date on the Quote ("**Effective Date**"). Axon and Agency are each a "**Party**" and collectively "**Parties**". This Agreement governs Agency's purchase and use of the Axon Devices and Services detailed in the Quote Appendix ("**Quote**"). It is the intent of the Parties that this Agreement act as a master agreement governing all subsequent purchases by Agency for the same Axon products and services in the Quote, and all such subsequent quotes accepted by Agency shall be also incorporated into this Agreement by reference as a Quote. The Parties therefore agree as follows:

1 **Definitions.**

"**Axon Cloud Services**" means Axon's web services for Axon Evidence, Axon Records, Axon Dispatch, and interactions between Evidence.com and Axon Devices or Axon client software. Axon Cloud Service excludes third-party applications, hardware warranties, and my.evidence.com.

"**Axon Device**" means all hardware provided by Axon under this Agreement.

"**Quote**" means an offer to sell and is only valid for devices and services on the quote at the specified prices. Any terms within Agency's purchase order in response to a Quote will be void. Orders are subject to prior credit approval. Changes in the deployment estimated ship date may change charges in the Quote. Shipping dates are estimates only. Axon is not responsible for typographical errors in any offer by Axon, and Axon reserves the right to cancel any orders resulting from such errors.

"**Services**" means all services provided by Axon under this Agreement, including software, Axon Cloud Services, and professional services.

2 **Term.** This Agreement begins on the Effective Date and continues until all subscriptions hereunder have expired or have been terminated ("**Term**").

All subscriptions including Axon Evidence, Axon Fleet, Officer Safety Plans, Technology Assurance Plans, and TASER 7 plans begin after shipment of the applicable Axon Device. If Axon ships the Axon Device in the first half of the month, the start date is the 1st of the following month. If Axon ships the Axon Device in the second half of the month, the start date is the 15th of the following month. For purchases solely of Axon Evidence subscriptions, the start date is the Effective Date. Each subscription term ends upon completion of the subscription stated in the Quote ("**Subscription Term**").

Upon completion of the Subscription Term, the Subscription Term will automatically renew for an additional 5 years ("**Renewal Term**"). For purchase of TASER 7 as a standalone, Axon may increase pricing to its then-current list pricing for any Renewal Term. For all other purchases, Axon may increase pricing on all line items in the Quote up to 3% at the beginning of each year of the Renewal Term. New devices and services may require additional terms. Axon will not authorize services until Axon receives a signed Quote or accepts a purchase order, whichever is first.

3 **Payment.** Axon invoices upon shipment. Payment is due net 30 days from the invoice date. Payment obligations are non-cancelable. Agency will pay invoices without setoff, deduction, or withholding. If Axon sends a past due account to collections, Agency is responsible for collection and attorneys' fees.

4 **Taxes.** Agency is responsible for sales and other taxes associated with the order unless Agency provides Axon a valid tax exemption certificate.

5 **Shipping.** Axon may make partial shipments and ship Axon Devices from multiple locations. All shipments are FOB shipping point via common carrier. Title and risk of loss pass to Agency upon Axon's delivery to the common carrier. Agency is responsible for any shipping charges in the Quote.

6 **Returns.** All sales are final. Axon does not allow refunds or exchanges, except warranty returns or as provided by state or federal law.

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Master Services and Purchasing Agreement

7

Warranty.

7.1 Hardware Limited Warranty. Axon warrants that Axon-manufactured Devices are free from defects in workmanship and materials for 1 year from the date of Agency's receipt, except Signal Sidearm, which Axon warrants for 30 months from the date of Agency's receipt. Axon warrants its Axon-manufactured accessories for 90-days from the date of Agency's receipt. Used conducted energy weapon ("CEW") cartridges are deemed to have operated properly. Extended warranties run from the expiration of the 1-year hardware warranty through the extended warranty term. Non-Axon manufactured Devices are not covered by Axon's warranty. Agency should contact the manufacturer for support of non-Axon manufactured Devices.

7.2 Claims. If Axon receives a valid warranty claim for an Axon manufactured Device during the warranty term, Axon's sole responsibility is to repair or replace the Device with the same or like Device, at Axon's option. A replacement Axon Device will be new or like new. Axon will warrant the replacement Axon Device for the longer of (a) the remaining warranty of the original Axon Device or (b) 90-days from the date of repair or replacement.

If Agency exchanges a device or part, the replacement item becomes Agency's property, and the replaced item becomes Axon's property. Before delivering a Axon Device for service, Agency must upload Axon Device data to Axon Evidence or download it and retain a copy. Axon is not responsible for any loss of software, data, or other information contained in storage media or any part of the Axon Device sent to Axon for service.

7.3 Spare Axon Devices. Axon may provide Agency a predetermined number of spare Axon Devices as detailed in the Quote ("**Spare Axon Devices**"). Spare Axon Devices will replace broken or non-functioning units. If Agency utilizes a Spare Axon Device, Agency must return to Axon, through Axon's warranty return process, any broken or non-functioning units. Axon will repair or replace the unit with a replacement Axon Device. Upon termination, Axon will invoice Agency the MSRP then in effect for all Spare Axon Devices provided. If Agency returns the Spare Axon Devices to Axon within 30 days of the invoice date, Axon will issue a credit and apply it against the invoice.

7.4 Limitations. Axon's warranty excludes damage related to: (a) failure to follow Axon Device use instructions; (b) Axon Devices used with equipment not manufactured or recommended by Axon; (c) abuse, misuse, or intentional damage to Axon Device; (d) force majeure; (e) Axon Devices repaired or modified by persons other than Axon without Axon's written permission; or (f) Axon Devices with a defaced or removed serial number.

7.4.1 To the extent permitted by law, the above warranties and remedies are exclusive. Axon disclaims all other warranties, remedies, and conditions, whether oral, written, statutory, or implied. If statutory or implied warranties cannot be lawfully disclaimed, then such warranties are limited to the duration of the warranty described above and by the provisions in this Agreement.

7.4.2 Axon's cumulative liability to any Party for any loss or damage resulting from any claim, demand, or action arising out of or relating to any Axon Device or Service will not exceed the purchase price paid to Axon for the Axon Device, or if for Services, the amount paid for such Services over the 12 months preceding the claim. Neither Party will be liable for direct, special, indirect, incidental, punitive or consequential damages, however caused, whether for breach of warranty or contract, negligence, strict liability, tort or any other legal theory.

8 Statement of Work. Certain Axon Devices and Services, including Axon Interview Room, Axon Channel Services, and Axon Fleet, may require a Statement of Work that details Axon's Service deliverables ("**SOW**"). In the event Axon provides an SOW to Agency, Axon is only responsible to perform Services described in the SOW. Additional services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in fees or schedule. The SOW is incorporated into this Agreement by reference.

9 Axon Device Warnings. See www.axon.com/legal for the most current Axon Device warnings.

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Master Services and Purchasing Agreement

- 10 **Design Changes.** Axon may make design changes to any Axon Device or Service without notifying Agency or making the same change to Axon Devices and Services previously purchased by Agency.
- 11 **Bundled Offerings.** Some offerings in bundled offerings may not be generally available at the time of Agency's purchase. Axon will not provide a refund, credit, or additional discount beyond what is in the Quote due to a delay of availability or Agency's election not to utilize any portion of an Axon bundle.
- 12 **Insurance.** Axon will maintain General Liability, Workers' Compensation, and Automobile Liability insurance. Upon request, Axon will supply certificates of insurance.
- 13 **Indemnification.** Axon will indemnify Agency's officers, directors, and employees ("Agency Indemnitees") against all claims, demands, losses, and reasonable expenses arising out of a third-party claim against an Agency Indemnitee resulting from any negligent act, error or omission, or willful misconduct by Axon under this Agreement, except to the extent of Agency's negligence or willful misconduct, or claims under workers compensation.
- 14 **IP Rights.** Axon owns and reserves all right, title, and interest in Axon devices and services and suggestions to Axon, including all related intellectual property rights. Agency will not cause any Axon proprietary rights to be violated.
- 15 **IP Indemnification.** Axon will indemnify Agency Indemnitees against all claims, losses, and reasonable expenses from any third-party claim alleging that the use of Axon Devices or Services infringes or misappropriates the third-party's intellectual property rights. Agency must promptly provide Axon with written notice of such claim, tender to Axon the defense or settlement of such claim at Axon's expense and cooperate fully with Axon in the defense or settlement of such claim. Axon's IP indemnification obligations do not apply to claims based on (a) modification of Axon Devices or Services by Agency or a third-party not approved by Axon; (b) use of Axon Devices and Services in combination with hardware or services not approved by Axon; (c) use of Axon Devices and Services other than as permitted in this Agreement; or (d) use of Axon software that is not the most current release provided by Axon.
- 16 **Agency Responsibilities.** Agency is responsible for (a) Agency's use of Axon Devices; (b) breach of this Agreement or violation of applicable law by Agency or an Agency end user; and (c) a dispute between Agency and a third-party over Agency's use of Axon Devices.
- 17 **Termination.**
- 17.1 **For Breach.** A Party may terminate this Agreement for cause if it provides 30 days written notice of the breach to the other Party, and the breach remains uncured at the end of 30 days. If Agency terminates this Agreement due to Axon's uncured breach, Axon will refund prepaid amounts on a prorated basis based on the effective date of termination.
- 17.2 **By Agency.** If sufficient funds are not appropriated or otherwise legally available to pay the fees, Agency may terminate this Agreement. Agency will deliver notice of termination under this section as soon as reasonably practicable.
- 17.3 **Effect of Termination.** Upon termination of this Agreement, Agency rights immediately terminate. Agency remains responsible for all fees incurred before the effective date of termination. If Agency purchases Axon Devices for less than the manufacturer's suggested retail price ("MSRP") and this Agreement terminates before the end of the Term, Axon will invoice Agency the difference between the MSRP for Axon Devices received and amounts paid towards those Axon Devices. Only if terminating for non-appropriation, Agency may return Axon Devices to Axon within 30 days of termination. MSRP is the standalone price of the individual Axon Device at the time of sale. For bundled Axon Devices, MSRP is the standalone price of all individual components.
- 18 **Confidentiality.** "Confidential Information" means nonpublic information designated as confidential or, given the nature of the information or circumstances surrounding disclosure, should reasonably be understood to be confidential. Each Party will take reasonable measures to avoid disclosure, dissemination,

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or unauthorized use of the other Party's Confidential Information. Unless required by law, neither Party will disclose the other Party's Confidential Information during the Term and for 5-years thereafter. Axon pricing is Confidential Information and competition sensitive. If Agency is required by law to disclose Axon pricing, to the extent allowed by law, Agency will provide notice to Axon before disclosure. Axon may publicly announce information related to this Agreement.

19 General.

19.1 Force Majeure. Neither Party will be liable for any delay or failure to perform due to a cause beyond a Party's reasonable control.

19.2 Independent Contractors. The Parties are independent contractors. Neither Party has the authority to bind the other. This Agreement does not create a partnership, franchise, joint venture, agency, fiduciary, or employment relationship between the Parties.

19.3 Third-Party Beneficiaries. There are no third-party beneficiaries under this Agreement.

19.4 Non-Discrimination. Neither Party nor its employees will discriminate against any person based on race; religion; creed; color; sex; gender identity and expression; pregnancy; childbirth; breastfeeding; medical conditions related to pregnancy, childbirth, or breastfeeding; sexual orientation; marital status; age; national origin; ancestry; genetic information; disability; veteran status; or any class protected by local, state, or federal law.

19.5 Export Compliance. Each Party will comply with all import and export control laws and regulations.

19.6 Assignment. Neither Party may assign this Agreement without the other Party's prior written consent. Axon may assign this Agreement, its rights, or obligations without consent: (a) to an affiliate or subsidiary; or (b) for purposes of financing, merger, acquisition, corporate reorganization, or sale of all or substantially all its assets. This Agreement is binding upon the Parties respective successors and assigns.

19.7 Waiver. No waiver or delay by either Party in exercising any right under this Agreement constitutes a waiver of that right.

19.8 Severability. If a court of competent jurisdiction holds any portion of this Agreement invalid or unenforceable, the remaining portions of this Agreement will remain in effect.

19.9 Survival. The following sections will survive termination: Payment, Warranty, Axon Device Warnings, Indemnification, IP Rights, and Agency Responsibilities.

19.10 Governing Law. The laws of the state where Agency is physically located, without reference to conflict of law rules, govern this Agreement and any dispute arising from it. The United Nations Convention for the International Sale of Goods does not apply to this Agreement.

19.11 Notices. All notices must be in English. Notices posted on Agency's Axon Evidence site are effective upon posting. Notices by email are effective on the sent date of the email. Notices by personal delivery are effective immediately. Contact information for notices:

Axon: Axon Enterprise, Inc.
Attn: Legal
17800 N. 85th Street
Scottsdale, Arizona 85255
legal@axon.com

Agency:
Attn:
Street Address
City, State, Zip
Email

19.12 Entire Agreement. This Agreement, including the Appendices and any SOW(s), represents the entire agreement between the Parties. This Agreement supersedes all prior agreements or understandings, whether written or verbal, regarding the subject matter of this Agreement. This



Agreement may only be modified or amended in a writing signed by the Parties.

Each representative identified below declares they have been expressly authorized to execute this Agreement as of the date of signature.

Axon Enterprise, Inc.

Agency

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

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Axon Cloud Services Terms of Use Appendix

1 **Definitions.**

"Agency Content" is data uploaded into, ingested by, or created in Axon Cloud Services within Agency's tenant, including media or multimedia uploaded into Axon Cloud Services by Agency. Agency Content includes Evidence but excludes Non-Content Data.

"Evidence" is media or multimedia uploaded into Axon Evidence as 'evidence' by an Agency. Evidence is a subset of Agency Content.

"Non-Content Data" is data, configuration, and usage information about Agency's Axon Cloud Services tenant, Axon Devices and client software, and users that is transmitted or generated when using Axon Devices. Non-Content Data includes data about users captured during account management and customer support activities. Non-Content Data does not include Agency Content.

"Personal Data" means any information relating to an identified or identifiable natural person. An identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

2 **Access.** Upon Axon granting Agency a subscription to Axon Cloud Services, Agency may access and use Axon Cloud Services to store and manage Agency Content. Agency may not exceed more end users than the Quote specifies. Axon Air requires an Axon Evidence subscription for each drone operator. For Axon Evidence Lite, Agency may access and use Axon Evidence only to store and manage TASER CEW and TASER CAM data ("**TASER Data**"). Agency may not upload non-TASER Data to Axon Evidence Lite.

3 **Agency Owns Agency Content.** Agency controls and owns all right, title, and interest in Agency Content. Except as outlined herein, Axon obtains no interest in Agency Content, and Agency Content are not business records of Axon. Agency is solely responsible for uploading, sharing, managing, and deleting Agency Content. Axon will have limited access to Agency Content solely for providing and supporting Axon Cloud Services to Agency and Agency end users.

4 **Security.** Axon will implement commercially reasonable and appropriate measures to secure Agency Content against accidental or unlawful loss, access or disclosure. Axon will maintain a comprehensive information security program to protect Axon Cloud Services and Agency Content including logical, physical access, vulnerability, risk, and configuration management; incident monitoring and response; encryption of uploaded digital evidence; security education; and data protection. Axon agrees to the Federal Bureau of Investigation Criminal Justice Information Services Security Addendum.

5 **Agency Responsibilities.** Agency is responsible for (a) ensuring Agency owns Agency Content; (b) ensuring no Agency Content or Agency end user's use of Agency Content or Axon Cloud Services violates this Agreement or applicable laws; and (c) maintaining necessary computer equipment and Internet connections for use of Axon Cloud Services. If Agency becomes aware of any violation of this Agreement by an end user, Agency will immediately terminate that end user's access to Axon Cloud Services.

Agency will also maintain the security of end user names and passwords and security and access by end users to Agency Content. Agency is responsible for ensuring the configuration and utilization of Axon Cloud Services meet applicable Agency regulation and standards. Agency may not sell, transfer, or sublicense access to any other entity or person. Agency shall contact Axon immediately if an unauthorized party may be using Agency's account or Agency Content, or if account information is lost or stolen.

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- 6** **Privacy.** Axon will not disclose Agency Content or information about Agency except as compelled by a court or administrative body or required by law or regulation. If Axon receives a disclosure request for Agency Content, Axon will give Agency notice, unless legally prohibited from doing so, to allow Agency to file an objection with the court or administrative body. Agency agrees to allow Axon access to certain information from Agency to (a) perform troubleshooting services upon request or as part of regular diagnostic screening; (b) enforce this Agreement or policies governing the use of Axon Evidence; or (c) perform analytic and diagnostic evaluations of the systems.
- 7** **Axon Body 3 Wi-Fi Positioning.** Axon Body 3 cameras offer a feature to enhance location services where GPS/GNSS signals may not be available, for instance, within buildings or underground. Agency administrators can manage their choice to use this service within the administrative features of Axon Cloud Services. If Agency chooses to use this service, Axon must also enable the usage of the feature for Agency's Axon Cloud Services tenant. Agency will not see this option with Axon Cloud Services unless Axon has enabled Wi-Fi Positioning for Agency's Axon Cloud Services tenant. When Wi-Fi Positioning is enabled by both Axon and Agency, Non-Content and Personal Data will be sent to Skyhook Holdings, Inc. ("**Skyhook**") to facilitate the Wi-Fi Positioning functionality. Data controlled by Skyhook is outside the scope of the Axon Cloud Services Privacy Policy and is subject to the Skyhook Services Privacy Policy.
- 8** **Storage.** For Axon Unlimited Device Storage subscriptions, Agency may store unlimited data in Agency's Axon Evidence account only if data originates from Axon Capture or the applicable Axon Device. Axon may charge Agency additional fees for exceeding purchased storage amounts. Axon may place Agency Content that Agency has not viewed or accessed for 6 months into archival storage. Agency Content in archival storage will not have immediate availability and may take up to 24 hours to access.
- 9** **Location of Storage.** Axon may transfer Agency Content to third-party subcontractors for storage. Axon will determine the locations of data centers for storage of Agency Content. For United States agencies, Axon will ensure all Agency Content stored in Axon Cloud Services remains within the United States. Ownership of Agency Content remains with Agency.
- 10** **Suspension.** Axon may temporarily suspend Agency's or any end user's right to access or use any portion or all of Axon Cloud Services immediately upon notice, if Agency or end user's use of or registration for Axon Cloud Services may (a) pose a security risk to Axon Cloud Services or any third-party; (b) adversely impact Axon Cloud Services, the systems, or content of any other customer; (c) subject Axon, Axon's affiliates, or any third-party to liability; or (d) be fraudulent.
- Agency remains responsible for all fees incurred through suspension. Axon will not delete Agency Content because of suspension, except as specified in this Agreement.
- 11** **Axon Cloud Services Warranty.** Axon disclaims any warranties or responsibility for data corruption or errors before Agency uploads data to Axon Cloud Services.
- 12** **Axon Records.** Axon Records is the software-as-a-service product that is generally available at the time Agency purchases an OSP 7 bundle. During Agency's Axon Records Subscription Term, Agency will be entitled to receive Axon's Update and Upgrade releases on an if-and-when available basis.

An "**Update**" is a generally available release of Axon Records that Axon makes available from time to time. An "**Upgrade**" includes (i) new versions of Axon Records that enhance features and functionality, as solely determined by Axon; and/or (ii) new versions of Axon Records that provide additional features or perform additional functions. Upgrades exclude new products that Axon introduces and markets as distinct products or applications.

New or additional Axon products and applications, as well as any Axon professional services

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needed to configure Axon Records, are not included. If Agency purchases Axon Records as part of a bundled offering, the Axon Record subscription begins on the later of the (1) start date of that bundled offering, or (2) date Axon provisions Axon Records to Agency.

- 13** **Axon Cloud Services Restrictions.** Agency and Agency end users (including employees, contractors, agents, officers, volunteers, and directors), may not, or may not attempt to:
- 13.1** copy, modify, tamper with, repair, or create derivative works of any part of Axon Cloud Services;
 - 13.2** reverse engineer, disassemble, or decompile Axon Cloud Services or apply any process to derive any source code included in Axon Cloud Services, or allow others to do the same;
 - 13.3** access or use Axon Cloud Services with the intent to gain unauthorized access, avoid incurring fees or exceeding usage limits or quotas;
 - 13.4** use trade secret information contained in Axon Cloud Services, except as expressly permitted in this Agreement;
 - 13.5** access Axon Cloud Services to build a competitive device or service or copy any features, functions, or graphics of Axon Cloud Services;
 - 13.6** remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon's or Axon's licensors on or within Axon Cloud Services; or
 - 13.7** use Axon Cloud Services to store or transmit infringing, libelous, or other unlawful or tortious material; to store or transmit material in violation of third-party privacy rights; or to store or transmit malicious code.
- 14** **After Termination.** Axon will not delete Agency Content for 90-days following termination. There will be no functionality of Axon Cloud Services during these 90-days other than the ability to retrieve Agency Content. Agency will not incur additional fees if Agency downloads Agency Content from Axon Cloud Services during this time. Axon has no obligation to maintain or provide Agency Content after these 90-days and will thereafter, unless legally prohibited, delete all Agency Content. Upon request, Axon will provide written proof that Axon successfully deleted and fully removed all Agency Content from Axon Cloud Services.
- 15** **Post-Termination Assistance.** Axon will provide Agency with the same post-termination data retrieval assistance that Axon generally makes available to all customers. Requests for Axon to provide additional assistance in downloading or transferring Agency Content, including requests for Axon's data egress service, will result in additional fees and Axon will not warrant or guarantee data integrity or readability in the external system.
- 16** **U.S. Government Rights.** If Agency is a U.S. Federal department or using Axon Cloud Services on behalf of a U.S. Federal department, Axon Cloud Services is provided as a "commercial item," "commercial computer software," "commercial computer software documentation," and "technical data", as defined in the Federal Acquisition Regulation and Defense Federal Acquisition Regulation Supplement. If Agency is using Axon Cloud Services on behalf of the U.S. Government and these terms fail to meet the U.S. Government's needs or are inconsistent in any respect with federal law, Agency will immediately discontinue use of Axon Cloud Services.
- 17** **Survival.** Upon any termination of this Agreement, the following sections in this Appendix will survive: Agency Owns Agency Content, Storage, Axon Cloud Services Warranty, and Axon Cloud Services Restrictions.



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Professional Services Appendix

- 1 **Utilization of Services.** Agency must use professional services as outlined in the Quote and this Appendix within 6 months of the Effective Date.
- 2 **Body-Worn Camera Starter Service (BWC Starter).** BWC Starter includes advance remote project planning and configuration support and one day of on-site Services and a professional services manager to work closely with Agency to assess Agency's deployment and determine which Services are appropriate. If Agency requires more than 1 day of on-site Services, Agency must purchase additional on-site Services. The BWC Starter options include:

<p>System set up and configuration (Remote Support)</p> <ul style="list-style-type: none"> • Instructor-led setup of Axon View on smartphones (if applicable) • Configure categories & custom roles based on Agency need • Troubleshoot IT issues with Axon Evidence and Axon Dock ("Dock") access
<p>Dock configuration</p> <ul style="list-style-type: none"> • Work with Agency to decide the ideal location of Dock setup and set configurations on Dock • Authenticate Dock with Axon Evidence using "Administrator" credentials from Agency • Does not include physical mounting of docks
<p>Axon instructor training (Train the Trainer) Training for Agency's in-house instructors who can support Agency's Axon camera and Axon Evidence training needs after Axon's has fulfilled its contracted on-site obligations</p>
<p>End user go-live training and support sessions</p> <ul style="list-style-type: none"> • Assistance with device set up and configuration • Training on device use, Axon Evidence, and Evidence Sync
<p>Implementation document packet Axon Evidence administrator guides, camera implementation guides, network setup guide, sample policies, and categories & roles guide</p>

- 3 **Out of Scope Services.** Axon is only responsible to perform the professional services described in the Quote and this Appendix. Any additional professional services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in the charges or schedule.
- 4 **Delivery of Services.** Axon personnel will work Monday through Friday, 8:30 a.m. to 5:30 p.m., except holidays. Axon will perform all on-site tasks over a consecutive timeframe. Axon will not charge Agency travel time by Axon personnel to Agency premises as work hours.
- 5 **Access Computer Systems to Perform Services.** Agency authorizes Axon to access relevant Agency computers and networks, solely for performing the Services. Axon will work to identify as soon as reasonably practicable resources and information Axon expects to use and will provide an initial itemized list to Agency. Agency is responsible for and assumes the risk of any problems, delays, losses, claims, or expenses resulting from the content, accuracy, completeness, and consistency of all data, materials, and information supplied by Agency.
- 6 **Site Preparation.** Axon will provide a hardcopy or digital copy of current user documentation for the Axon Devices ("**User Documentation**"). User Documentation will include all required environmental specifications for the professional Services and Axon Devices to operate per the Axon Device User Documentation. Before installation of Axon Devices (whether performed by Agency or Axon), Agency must prepare the location(s) where Axon Devices are to be installed ("**Installation Site**") per the environmental specifications in the Axon Device User Documentation.

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Following installation, Agency must maintain the Installation Site per the environmental specifications. If Axon modifies Axon Device User Documentation for any Axon Devices under this Agreement, Axon will provide the update to Agency when Axon generally releases it. If Axon modifies Axon Device User Documentation for any Axon Devices under this Agreement, Axon will provide the update to Agency when Axon generally releases it

- 7 **Acceptance.** When Axon completes professional Services, Axon will present an acceptance form ("**Acceptance Form**") to Agency. Agency will sign the Acceptance Form acknowledging completion. If Agency reasonably believes Axon did not complete the professional Services in substantial conformance with this Agreement, Agency must notify Axon in writing of the specific reasons for rejection within 7 calendar days from delivery of the Acceptance Form. Axon will address the issues and re-present the Acceptance Form for signature. If Axon does not receive the signed Acceptance Form or written notification of reasons for rejection within 7 calendar days of delivery of the Acceptance Form, Axon will deem Agency to have accepted the professional Services.
- 8 **Agency Network.** For work performed by Axon transiting or making use of Agency's network, Agency is solely responsible for maintenance and functionality of the network. In no event will Axon be liable for loss, damage, or corruption of Agency's network from any cause.



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Technology Assurance Plan Appendix

If Technology Assurance Plan ("TAP") or a bundle including TAP is on the Quote, this appendix applies.

- 1 **TAP Warranty.** The TAP warranty is an extended warranty that starts at the end of the 1-year Hardware Limited Warranty.
- 2 **Officer Safety Plan.** If Agency purchases an Officer Safety Plan ("OSP"), Agency will receive the deliverables detailed in the Quote. Agency must accept delivery of the TASER CEW and accessories as soon as available from Axon.
- 3 **OSP 7 Term.** OSP 7 begins after Axon ships the Axon Body 3 or TASER 7 hardware to Agency. If Axon ships in the first half of the month, OSP 7 starts the 1st of the following month. If Axon ships in the second half of the month, OSP 7 starts the 15th of the following month ("**OSP 7 Term**").
- 4 **TAP BWC Upgrade.** If Agency has no outstanding payment obligations and purchased TAP, Axon will provide Agency a new Axon body-worn camera ("**BWC Upgrade**") as scheduled in the Quote. If Agency purchased TAP Axon will provide a BWC Upgrade that is the same or like Axon Device, at Axon's option. Axon makes no guarantee the BWC Upgrade will utilize the same accessories or Axon Dock.
- 5 **TAP Dock Upgrade.** If Agency has no outstanding payment obligations and purchased TAP, Axon will provide Agency a new Axon Dock as scheduled in the Quote ("**Dock Upgrade**"). Accessories associated with any Dock Upgrades are subject to change at Axon discretion. Dock Upgrades will only include a new Axon Dock bay configuration unless a new Axon Dock core is required for BWC compatibility. If Agency originally purchased a single-bay Axon Dock, the Dock Upgrade will be a single-bay Axon Dock model that is the same or like Axon Device, at Axon's option. If Agency originally purchased a multi-bay Axon Dock, the Dock Upgrade will be a multi-bay Axon Dock that is the same or like Axon Device, at Axon's option.
- 6 **Upgrade Delay.** Axon may ship the BWC and Dock Upgrades as scheduled in the Quote without prior confirmation from Agency unless the Parties agree in writing otherwise at least 90 days in advance. Axon may ship the final BWC and Dock Upgrade as scheduled in the Quote 60 days before the end of the Subscription Term without prior confirmation from Agency.
- 7 **Upgrade Change.** If Agency wants to change Axon Device models for the offered BWC or Dock Upgrade, Agency must pay the price difference between the MSRP for the offered BWC or Dock Upgrade and the MSRP for the model desired. If the model Agency desires has an MSRP less than the MSRP of the offered BWC Upgrade or Dock Upgrade, Axon will not provide a refund. The MSRP is the MSRP in effect at the time of the upgrade.
- 8 **Return of Original Axon Device.** Within 30 days of receiving a BWC or Dock Upgrade, Agency must return the original Axon Devices to Axon or destroy the Axon Devices and provide a certificate of destruction to Axon including serial numbers for the destroyed Axon Devices. If Agency does not return or destroy the Axon Devices, Axon will deactivate the serial numbers for the Axon Devices received by Agency.
- 9 **Termination.** If Agency's payment for TAP, OSP, or Axon Evidence is more than 30 days past due, Axon may terminate TAP or OSP. Once TAP or OSP terminates for any reason:
 - 9.1 TAP and OSP coverage terminate as of the date of termination and no refunds will be given.
 - 9.2 Axon will not and has no obligation to provide the Upgrade Models.
 - 9.3 Agency must make any missed payments due to the termination before Agency may purchase any future TAP or OSP.

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Axon Aware Appendix

This Axon Aware Appendix applies to both Axon Aware and Axon Aware Plus.

- 1 **Axon Aware Subscription Term.** If Agency purchases Axon Aware as part of a bundled offering, the Axon Aware subscription begins on the later of the (1) start date of that bundled offering, or (2) date Axon provisions Axon Aware to Agency.

If Agency purchases Axon Aware as a standalone, the Axon Aware subscription begins the later of the (1) date Axon provisions Axon Aware to Agency, or (2) first day of the month following the Effective Date.

The Axon Aware subscription term will end upon the completion of the Axon Evidence Subscription associated with Axon Aware.

- 2 **Scope of Axon Aware.** The scope of Axon Aware is to assist Agency with real-time situational awareness during critical incidents to improve officer safety, effectiveness, and awareness. In the event Agency uses Axon Aware outside this scope, Axon may initiate good-faith discussions with Agency on upgrading Agency's Axon Aware to better meet Agency's needs.

- 3 **Axon Body 3 LTE Requirements.** Axon Aware is only available and usable with an LTE enabled body-worn camera. Axon is not liable if Agency utilizes the LTE device outside of the coverage area or if the LTE carrier is unavailable. LTE coverage is only available in the United States, including any U.S. territories. Axon may utilize a carrier of Axon's choice to provide LTE service. Axon may change LTE carriers during the Term without Agency's consent.

- 4 **Axon Fleet 3 LTE Requirements.** Axon Aware is only available and usable with a Fleet 3 system configured with LTE modem and service. Agency is responsible for providing LTE service for the modem. Coverage and availability of LTE service is subject to Agency's LTE carrier.

- 5 **Axon Aware Service Limitations.** Agency acknowledges that LTE service is made available only within the operating range of the networks. Service may be temporarily refused, interrupted, or limited because of: (a) facilities limitations; (b) transmission limitations caused by atmospheric, terrain, other natural or artificial conditions adversely affecting transmission, weak batteries, system overcapacity, movement outside a service area or gaps in coverage in a service area and other causes reasonably outside of the carrier's control such as intentional or negligent acts of third parties that damage or impair the network or disrupt service; or (c) equipment modifications, upgrades, relocations, repairs, and other similar activities necessary for the proper or improved operation of service.

With regard to Axon Body 3, Partner networks are made available as-is and the carrier makes no warranties or representations as to the availability or quality of roaming service provided by carrier partners, and the carrier will not be liable in any capacity for any errors, outages, or failures of carrier partner networks. Agency expressly understands and agrees that it has no contractual relationship whatsoever with the underlying wireless service provider or its affiliates or contractors and Agency is not a third-party beneficiary of any agreement between Axon and the underlying carrier.

- 6 **Termination.** Upon termination of this Agreement, or if Agency stops paying for Axon Aware or bundles that include Axon Aware, Axon will end Aware services, including any Axon-provided LTE service.

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EXHIBIT J
Non-AIP Project Federal Requirements

1. General Civil Rights Provisions

Vendor 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 Vendor and subtier Vendors 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, Vendor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Vendor”) agrees as follows:

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

D. Information and Reports: Vendor 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 Vendor is in the exclusive possession of another who fails or refuses to furnish the information, Vendor 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 Vendor'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 Vendor under the contract until Vendor complies; and/or
2. Cancelling, terminating, or suspending a contract, in whole or in part.

F. Incorporation of Provisions: Vendor 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. Vendor 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 Vendor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, Vendor may request the Authority to enter into any litigation to protect the interests of the Authority. In addition, Vendor 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, Vendor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Vendor") 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 Vendors, 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. Vendor has full responsibility to monitor compliance to the referenced statute or regulation. Vendor 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. Vendor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Vendor 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). Vendor 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.

PROFESSIONAL SERVICES AGREEMENT
(Burbank-Glendale-Pasadena Airport Authority / ADK Consulting, Inc.)

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is dated February 18, 2020 for reference purposes and is executed by the Burbank-Glendale-Pasadena Airport Authority (“Authority”), a California joint powers agency, and ADK Consulting, Inc., a Florida Corporation (“Consultant”).

RECITALS

- A. The Authority is the owner and operator of the Bob Hope Airport and desires to retain Consultant as an independent contractor to perform an organizational governance structure study.
- B. Consultant represents that it is fully qualified to perform such services by virtue of its experience and training.

NOW, THEREFORE, the parties agree as follows:

1. Definitions. For purposes of this Agreement, in addition to the definitions set forth above, the following definitions shall apply:

- A. “Authority President”: Ray Adams.
- B. “Consultant Proposal”: Consultant’s January 27, 2020 proposal attached as Exhibit A.
- C. “Contract Amount”: Forty-three thousand dollars (\$43,000) (inclusive of travel reimbursements).
- D. “Federal Requirements” the federal requirements set forth in the attached Exhibit C, which requirements are applicable to projects not funded by an Airport Improvement Program grant from the Federal Aviation Administration.
- E. “Indemnitees”: the Authority, TBI Airport Management USA, and the respective officers, agents, employees and volunteers of each such entity.
- F. “Insurance Requirements”: the insurance requirements set forth in the attached Exhibit B.

2. Consultant’s Services.

- A. The nature, scope, and level of the specific services to be performed by Consultant are as set forth in the Consultant Proposal.
- B. The services shall be performed in a timely, regular basis in accordance with Exhibit A and the instruction of the Authority President. Time is of the essence in the performance of this Agreement.

C. All services rendered by Consultant shall be provided in accordance with all applicable rules, regulations and other laws of the Authority and any federal, state or local governmental agency having jurisdiction at the time service is rendered.

D. Consultant shall perform all work to the professional standards of the industry and in a manner reasonably satisfactory to the Authority. Consultant shall refer any decisions that must be made by the Authority to the Authority President.

E. In the event any claim is brought against the Authority relating to Consultant's services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation that the Authority might require.

3. Term. This Agreement shall commence upon execution and shall remain in effect until the services have been satisfactorily completed by Consultant unless earlier terminated as provided herein.

4. Compensation.

A. The Authority agrees to compensate Consultant, and Consultant agrees to accept as full satisfaction for the Scope of Work, according to the fee schedule set forth in the Consultant Proposal.

B. Consultant shall submit invoices to the Authority as specified in the Consultant Proposal. Within 30 calendar days of receipt of each invoice, the Authority shall pay all undisputed amounts on the invoice. The Authority shall not withhold applicable taxes or other authorized deductions from the payments, and Consultant shall pay all required taxes on the payments.

5. Independent Contractor Status. Consultant is, and shall at all times remain as to the Authority, an independent contractor. Consultant shall have no power to incur any debt, obligation, or liability on behalf of the Authority or to act otherwise on behalf of the Authority as an agent. Neither the Authority nor any of its officers, employees, agents or volunteers shall have control over the conduct of Consultant except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it is in any manner an employee of the Authority.

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

7. Confidentiality. Consultant shall preserve the confidentiality of all data, documents, discussion or other information that is developed or received by it or that is provided for performance of this Agreement. Consultant shall not disclose such information without the prior written authorization of the Authority President. Upon request, all Authority data shall be returned to the Authority at the expiration or termination of this Agreement. Consultant's covenant under this section shall survive the expiration or termination of this Agreement.

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

9. Indemnification. Consultant shall hold harmless and indemnify the Indemnitees from all claims arising out of, pertaining to, or relating to the negligent acts or omissions of Consultant or any of its officers, employees, or subconsultants, in the performance of this Agreement, except for such loss or damage arising from the negligence or willful misconduct of the Indemnitees as determined by final arbitration, court decision or agreement of the parties.

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

11. Termination. Each party shall have the right to terminate this Agreement at any time for any reason on seven calendar days written notice to the other party. In the event of termination, the Authority shall pay Consultant for services satisfactorily rendered to the last working day this Agreement is in effect.

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

13. 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 (b) 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 pursuant to the provisions of this section.

AUTHORITY:

Burbank-Glendale-Pasadena Airport Authority
2627 N. Hollywood Way
Burbank, CA 91505
Attn: Ray Adams, President

CONSULTANT:

ADK Consulting, Inc.
PO Box 330906
Atlantic Beach, FL 32233
Attn: Doug R. Kuelzman, President

14. Assignability. Consultant shall not assign, transfer or subcontract any interest in this Agreement or the performance of any of his obligations without the Authority President's prior written consent. Any attempt by Consultant to assign, transfer or subcontract any rights, duties or obligations shall be void.

15. Litigation. In the event that either party shall commence legal action to enforce or interpret the provisions of 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.

16. Exhibits. Exhibits A through C are incorporated in this Agreement by reference. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of Exhibit 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.

17. Incorporation of Mandatory Language. Each and every provision of law and clause 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 application of either party this Agreement shall promptly be amended to make such insertion or correction.

18. Entire Agreement. This Agreement, and the attached Exhibit, represents the entire and integrated contract between the Authority and Consultant for an organization governance structure study. This Agreement supersedes all prior oral or written negotiations, representations and contracts related to such subject matter. This Agreement may not be amended, nor any provision or breach waived, except in a writing that is signed by the parties and that expressly refers to this Agreement.


TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Agreement by signing below.

Burbank-Glendale-Pasadena
Airport Authority



Ray Adams, President

ADK Consulting, Inc.


 Chairman President Vice President
 Secretary Asst. Secretary
 Chief Finance Officer Asst. Treasurer

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

Approved as to form:



Richards, Watson & Gershon
A Professional Corporation

EXHIBIT A
Consultant Proposal

(attached)



Organizational Governance Structure Evaluation & Consulting

Burbank-Glendale-Pasadena Airport Authority

January 27, 2020

ADK Consulting & Executive Search
PO Box 330906
Atlantic Beach, FL 32233
Phone: 904-536-8102
Email: doug@adkexecutivesearch.com



P.O. Box 330906 • Atlantic Beach, FL 32233 • 904-536-8102 • adkconsulting@msn.com

Organizational Governance Structure Evaluation & Consulting Burbank-Glendale-Pasadena Airport Authority (BGPAA)

ADK Overview

ADK incorporated in 2003 in Jacksonville, Florida with a focus on providing executive search recruitment and consulting services to the aviation industry with an initial focus that specialized in airport related recruitment and consulting. Today, ADK is considered to be the largest search firm in the U.S. airport industry based on the total number of searches performed annually for airports.

Due to continued requests from our clients, board members and others in the aviation industry, we expanded our services to be more inclusive and broader-based throughout the aviation industry sector. This includes our HR Solutions services, a robust consulting service for organizational and human resources consulting.

The testimony for any organization, such as ADK, is the success and repeat business that has been achieved between them and their clients. At ADK, we are honored by the number of high profile clients who call on us repeatedly to fill their vacancies and/or provide additional consulting services.

The ADK Team, with 15 professionals and 3 administrative support staff, has decades of experience in executive recruitment, human resources solutions, strategic/business management, publicly elected board experience, organizational management, and compensation studies, just to name a few.

Scope of Work for BGPAA

Organizations are constantly changing due to external and internal factors that are most often beyond their control. There are fluctuations and changes in financial markets, competition, industry regulations, business strategies, leadership, company culture and staff. The best organizations understand that for long-term health and effectiveness, it is beneficial to conduct periodic reviews and assessments to identify and understand critical issues that influence the growth and success of their organization as well as mitigate risk.

One of the issues being discussed is the relationship between the Burbank-Glendale-Pasadena Airport Authority (BGPAA) and TBI Airport Management, Inc. (TBI) who manages the airport under a long term contract with the Authority. A discussion has begun regarding the reporting relationship between TBI's Executive Director and the Authority. The question is...should the Executive Director be an employee of the Authority reporting directly to the Board or continue the current structure as a TBI employee?

If selected, our review will develop a framework for evaluating this potential and focus attention on the Authority's business priorities in order to improve the effectiveness of the organization and create positive change where and when needed. We will focus our efforts on governance and expectations, communications, challenges (real or imagined), and what issues, pro and con, could be expected under either scenario. In other words, a SWOT analysis.



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ADK does not anticipate financial liabilities, legal fees, etc. becoming a prominent issue of this study as this is a management contract with TBI, not a P3 investment. The only currently visible financial work would be a renegotiation of the TBI management contract if that is the path chosen by BGPAA as a result of this study..

If our study uncovers unanticipated issues involving financial or legal matters that would have a potential fiscal impact on the Authority, the Board will have to engage additional assistance from both a legal and financial feasibility point of view. We have consulting associates in the industry that do that kind of work and we could assist the Board upon request.

Process Phase 1

Section 1 – Approach/Methodology

This section describes the approach used to review and evaluate the current governance structure at the Hollywood Burbank Airport (BUR) and the relationship with TBI. It also identifies the method used to develop a proposed reorganizational alignment if that is a result of the evaluation that meets the objectives of BGPAA and TBI.

Section 2 – Background Research & Input

This section will provide a review of background information regarding the existence and the level of quality of policies, procedures, programs, and systems currently in place that the Executive Director is responsible for developing and implementing. This information would be provided by conversations, surveys, and in-depth interviews with Board members, BUR senior staff, and TBI senior executives responsible for the execution and implementation of the BUR agreement. A SWOT analysis will also be conducted.

Section 3 – Outcomes from Research & Input

This section includes the results of input from surveys, input from the CEO, staff and department heads.

Section 4 – Peer Review

Typically, for a study like this, we would include a group of peer CEOs/Executive Directors selected from airports of similar size, some larger, some smaller, to review the BUR information, and to share ideas and information from their airports and their personal experience. However, in this scenario, we do not know of any airports with a similar airport management agreement.



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Section 5 – Recommendations

This section describes our recommendation to the Authority along with the purpose, value, impacts and implementation of any proposed changes. Included in this section are recommendations that touch on the policies, procedures, programs and systems to provide opportunities for best practices. These recommendations were principally derived from the SWOT analysis, and the Authority, Executive Director, and Departmental staff discussions.

Section 6 – Implementation Plan

This final section provides an implementation plan including a timeline of proposed key dates for any changes that may be recommended.

Appendix

The appendix includes forms, surveys, and support information used in the evaluation process.

Process Phase 2

As indicated in the Scope of Work above, we do not anticipate a detailed financial or legal audit will be required; however, unknowns not anticipated and specific additional work may be warranted or requested by the Board. If that is the case, and upon request, ADK will prepare a Scope of Work for this additional requirement and obtain pricing estimates on behalf of the Board.

Compensation

The expectations of the proposal are that, if selected, ADK would be awarded a time and materials agreement that would be based on agreed fees payable in three installments for specific categories of personal related to the scope of work contracted.

As a time and materials agreement, the monetary amount will be based upon agreed hourly billing rates, actual time, and actual travel related and study expenses. An estimate of time and expenses we believe would be expended for this project is:

ADK Team	Hourly Rate	Estimated Hrs.	Estimated Total
Client Manager:	\$225.00	12 hours	\$2,700
Project Manager:	\$175.00	104 hours	\$18,200
Assistant Project Manager:	\$150.00	76 hours	\$11,400
Research Director:	\$125.00	16 hours	\$2,000
Administrative Manager	\$90.00	12 hours	\$1,080
Estimated Total Fee			\$35,380



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Travel to be billed at actual cost. An estimate of the travel expenses is based on:

- 1 week (5 days including air travel) initial meeting with Board for interviews and staff interviews. Two people (Project Manager and Assistant Project Manager) @ \$ 3000.00 each = \$6000.00
- 2 days, including air travel, for Project Manager to present to the Board = \$1500

Estimated travel expenses = **\$7500.00**

The only miscellaneous expenses anticipated would be the actual printing, binding, and shipping of the report if requested by the Board. ADK will always make its deliverables available electronically.

General Information

Company Address and Contact Information

Mailing Address:

Douglas R. Kuelpman
ADK Consulting, Inc.
PO Box 330906
Atlantic Beach, FL 32233

UPS or Federal Express Deliveries:

Douglas R. Kuelpman
ADK Consulting, Inc.
802 Providence Island Ct.
Jacksonville, FL 32225

Douglas Kuelpman – President / CEO

Phone: (904) 536-8102

Fax: (904) 5827-8398

Email: doug@adkexecutivesearch.com

Annell Kuelpman – Chair / Chief Operating Officer

Phone: (904) 536-8104

Email: annell@adkexecutivesearch.com

Blake Astran, J.D. – Vice President - Business Operations

Phone: (240) 338-4800

Email: blake@adkexecutivesearch.com

EXHIBIT B
Insurance Requirements

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

A. General Liability Insurance. Consultant shall maintain commercial general liability insurance in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage.

B. Automobile Liability Insurance. Consultant shall maintain automobile insurance covering bodily injury and property damage for all activities of Consultant arising out of or in connection with the Services, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

C. Professional Liability (Errors and Omissions) Insurance. Consultant shall maintain professional liability insurance that covers the Services in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the Commencement Date and Consultant shall maintain continuous coverage through a period of no less than three years after expiration or termination of this Agreement.

D. Workers' Compensation/Employer's Liability Insurance. Consultant shall maintain workers' compensation insurance (statutory limits) and employer's liability insurance with limits of at least \$1,000,000.

2. The insurance policy or policies shall contain, or shall be endorsed to contain, the following provisions:

A. General liability policies shall provide or be endorsed to provide: (i) that the Indemnitees shall be additional insureds; and (ii) a waiver of subrogation in favor of additional insureds. This provision shall also apply to any excess/umbrella liability policies.

B. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

C. The coverage shall contain no special limitations on the scope of protection afforded to the Indemnitees.

D. For any claims related to this Agreement, Consultant's insurance coverage shall be primary insurance as respects the Indemnitees. Any insurance or self-insurance maintained by the Indemnitees shall be excess of Consultant's insurance and shall not contribute with it.

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

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

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

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

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

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

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

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

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

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

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

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

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

EXHIBIT C
Non-AIP Federal Requirements

1. General Civil Rights Provisions

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

2. Civil Rights – Title VI Assurance

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

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

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

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

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

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

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

F. Incorporation of Provisions: Consultant will include the provisions of paragraphs 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. Consultant will take action with respect to any subcontract or procurement as the Authority or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if Consultant becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, Consultant may request the Authority to enter into any litigation to protect the interests of the Authority. In addition, Consultant may request the United States to enter into the litigation to protect the interests of the United States.

G. During the performance of this contract, Consultant, for itself, its assignees, and successors in interest (hereinafter referred to as the "Consultant") 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. Consultant has full responsibility to monitor compliance to the referenced statute or regulation. Consultant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

4. Occupational Safety and Health Act

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