



August 12, 2016

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

NOTICE is hereby given that a regular meeting of the Legal, Government and Environmental Affairs Committee will be held Monday, August 15, 2016, at 10:30 a.m. (or immediately following the conclusion of the regular Airport Authority meeting), in the Burbank Room of the Bob Hope Airport, 2627 Hollywood Way, Burbank, California 91505.

The items to be discussed are listed on the attached agenda.

Sue Loyd, Assistant Board Secretary
Burbank-Glendale-Pasadena Airport Authority

REGULAR MEETING
OF THE
LEGAL, GOVERNMENT AND
ENVIRONMENTAL AFFAIRS COMMITTEE

Burbank Room
Monday, August 15, 2016
10:30 A.M. or Immediately Following
the Conclusion of the
Regular Airport Authority Meeting

NOTE TO THE PUBLIC: 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 Bob Hope Airport (2627 Hollywood Way, Burbank) in the administrative office during normal business hours.

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

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

A G E N D A

1. Approval of Agenda
2. Public Comment
3. Approval of Minutes
 - a. July 11, 2016 **[See page 1]**
4. Contracts and Leases
 - a. Airport Access and Facilities Use Agreement
Class VIII Operators (Transportation Network Companies)
 - Staff Report Attached **[See page 5]**

At the November 2, 2015, meeting of the Airport Authority, the Commission approved the Interim Airport Access and Facilities Use Agreement Class VIII Operators for transportation network

companies as well as authorization for the Executive Director to execute or terminate Interim Agreements with TNCs on the Authority's behalf. Staff seeks a recommendation from the Committee to the Commission on a revised draft form of Airport Access and Facilities Use Agreement Class VIII Operators, a copy of which is attached, and authorization for the Executive Director to execute same.

5. Closed Session

a. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of Litigation (California Government Code Section 54956.9(d)(4)): two potential cases

b. THREAT TO PUBLIC SERVICES OR FACILITIES
(California Government Code Section 54957(a))

Consultation with Director, Public Safety

6. Adjournment

Subject to Approval

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

MONDAY, JULY 11, 2016

A special meeting of the Burbank-Glendale-Pasadena Airport Legal, Governmental and Environmental Affairs Committee was called to order on this date in the Airport Skyroom of the Authority, 2627 Hollywood Way, Burbank, California, at 11:48 a.m., by Chairman Wiggins.

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

ROLL CALL

Present: Commissioners Wiggins and Quintero.

Absent: Commissioner Madison

Also Present: Staff: Dan Feger, Executive Director; John Hatanaka, Senior Deputy Executive Director (arrived at 11:58 a.m.); Lucy Burghdorf, Director of Public Affairs and Communications; David Freedman, Director, Business Development and Administrative Services; Nerissa Sugars, Marketing and Business Development Specialist; and Rachel Warecki, Public Relations and Social Media Specialist

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

Airport Authority Consultant: Gail M. Goldman of Gail M. Goldman Associates, LLC

1. Approval of Agenda The agenda was approved as presented.

2. Public Comment There were no public speakers.

3. Approval of Minutes

a. June 20, 2016 Draft minutes for the June 20, 2016, Legal, Governmental and Environmental Affairs Committee meeting were presented for approval.

Motion Commissioner Quintero moved approval of the minutes, seconded by Commissioner Wiggins.

Motion Approved

The minutes were approved (2-0; one absent).

4. Contracts and Leases

a. RITC Art Panels Project

Staff presented to the Committee proposed recommendations from the Authority's art consultant, Gail M. Goldman, LLC, to satisfy the City of Burbank Art in Public Places requirement for the Regional Intermodal Transportation Center ("RITC") at the Airport.

The recommendations include specific physical materials and resources needed for the production and installation of six art panels on existing tube steel structures on the Hollywood Way side of the RITC and the commission of one artist who will design the images that appear on each panel.

One of the City of Burbank's ("City") conditions of approval for the RITC is that the entire project is subject to the requirements of the Art in Public Places program with a minimum investment calculated by the City of Burbank of \$377,198.

The Authority has spent approximately \$180,000 on the components that make up the six steel structures on which the panels will be placed, at approximately \$30,000 per panel. The City has yet to agree if it is going to credit the cost of those structures as part of the Art in Public Places program.

The Authority had previously committed to providing each of the cities of Burbank, Glendale and Pasadena with a \$50,000 stipend for the completion of one art column each that would reflect the respective cities for a total of \$150,000 for the three columns. The art consultant, however, recommended that one artist design all of the images with input from the three cities, with a consolidation of the funds.

Ms. Goldman has estimated the cost of providing art on the six columns to be approximately \$315,000 in total. Subject to the City's agreeing that the requirement can be met, in part, by the contribution of the structures and the balance by the applied art of \$180,000, in total, this would equal \$495,000.

Staff suggested that presentations be made to each of the three city councils to ensure there is an understanding and concurrence that each city will not receive a stipend to provide art for its respective column and that all funds will be combined.

Staff also suggested that a presentation be made to each cities' Art Commission so that there is a collaborative effort and one thematic type of artwork on the columns.

Motion

Commissioner Quintero moved that the Committee recommend to the Commission that it concur with the recommendations made by the Authority's art consultant regarding the selection of art media/materials, the number of art columns to be covered, and the go-ahead to begin a selection process for an artist. The motion was seconded by Commissioner Wiggins.

Motion Approved

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

b. IMG College, LLC, Marketing Agreement

Staff presented to the Committee a proposed one-year marketing agreement with IMG College, LLC ("IMG") which would allow the Authority to maintain an advertising presence at the Rose Bowl Stadium while the Airport's marketing plan is being further developed. IMG is the marketing representative for both the Rose Bowl Operating Company and UCLA.

In June 2013, the Commission entered into a three-year agreement with IMG which included signage and production costs at a cost of \$300,000 annually, which expired June 30, 2016.

The proposed agreement is for approximately \$65,000 which includes production expenses associated with the preparation and installation of signs at the Rose Bowl Stadium and an additional \$5,000 for design and printing of a Hollywood Burbank Airport specific promotion piece for distribution at the Stadium. This promotion piece would be in the form of a postcard or placard to be distributed by Stadium staff to vehicles parked at the Stadium during one of the athletic events, which constitutes approximately 32,000 vehicles.

Staff advised the Airport will continue its designations "Proud Sponsor of UCLA Athletics" and "Official Airport of the Rose Bowl Stadium." The

agreement also includes three (3) fixed, year-round Stadium signs, exposure on ten (10) field-level LED signs during UCLA football games, a permanent presence on the Rose Bowl Stadium website, including print publications; one social media promotion; and one pre-recorded, 30-second radio spot to promote the Airport that will be aired in all UCLA football games on AM-570.

Staff recommended that the Committee recommend to the Commission that it approve the proposed one-year marketing agreement with IMG, authorize staff to issue a purchase order for an amount not to exceed \$65,000 and provide up to an additional \$5,000 for promotional material to be distributed at the Stadium, and authorize the Authority President to execute the agreement.

Motion

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

Motion Approved

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

6. Adjournment

There being no further business, the meeting was adjourned at 12:15 p.m.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
LEGAL, GOVERNMENT AND
ENVIRONMENTAL AFFAIRS COMMITTEE
AUGUST 15, 2016**

**AIRPORT ACCESS AND FACILITIES USE AGREEMENT
CLASS VIII OPERATORS
(TRANSPORTATION NETWORK COMPANIES)**

SUMMARY

At the November 2, 2015, meeting of the Airport Authority ("Authority"), the Commission approved the Interim Airport Access and Facilities Use Agreement Class VIII Operators ("Interim Agreement") for transportation network companies ("TNC") as well as authorization for the Executive Director to execute or terminate Interim Agreements with TNCs on the Authority's behalf. Staff seeks a recommendation from the Legal, Government and Environmental Affairs Committee to the Commission on a revised draft form of Airport Access and Facilities Use Agreement Class VIII Operators ("Revised Agreement"), a copy of which is attached, and authorize the Executive Director to execute same.

BACKGROUND

On September 19, 2013, the California Public Utilities Commission issued Decision 13-09-45, which adopted rules and regulations for TNCs. That decision defines a TNC as an organization that provides prearranged transportation services for compensation using an online-enabled application or platform to connect passengers with drivers using their personal vehicles. The decision established numerous safety and regulatory requirements for TNCs, including a prohibition on conducting operations on airport property without authorization by the airport owner.

In 2014 the Legislature enacted AB 2293 to amend the Passenger Charter-party Carriers' Act (Public Utilities Code Section 5351, et. seq.) to establish liability insurance coverage requirements for TNCs and their drivers. These requirements became effective on July 1, 2015.

The current Interim Agreement authorizes TNCs access to the Airport to pick-up passengers in the designated "TNC Pick-Up Area" on the north side of the entry lane of the ground floor of the short-term parking structure. TNCs are assessed a fee for picking up passengers at the applicable parking rate of \$3.00 for the first 30 minutes. The Interim Agreement currently allows TNC passengers to be dropped off at the curb in front of the terminal without charge.

Staff has drafted the form of a Revised Agreement that will continue to allow TNCs to drop off at the curb in front of the terminal with passenger pick-up occurring in the "TNC Pick-Up Area" in the short-term parking structure. Effective with the Revised Agreement, the Authority will begin to assess fees for drop-offs. The initial drop-off fee will be the same rate that is applied for a pick-up which is currently \$3.00 per transaction. Fees for pick-ups and drop-offs are subject to change with notice to the TNCs. The Revised Agreement also

imposes a requirement that each TNC establish a defined geo-fence around the specified southeast quadrant terminal area of the Airport to track the activity of its driver partners. Furthermore, the Revised Agreement includes a self-reporting requirement. Each TNC that currently operates at the Airport (Uber, Lyft, and Wingz) has been given an opportunity to review and comment on the Revised Agreement. With minor exceptions, staff believes it has addressed the TNCs' comments in the Revised Agreement.

DETAILS

Key components of the Revised Agreement are as follows:

- Term: Three years with option to be renewed annually thereafter based on performance with 90 days' notice prior to the Expiration Date.
- Use: Provides TNCs access to the Airport for authorized commercial activities at approved designated areas.
- Geofence: Each TNC must establish a "geo-fence" that will monitor transactions at the Airport and verify payment of fees and compliance with the Agreement.
- Fee: Three dollars for each pick-up and each drop-off.
- Rules: Provides for the unloading at terminal curbside and loading at designated TNC Pick-Up Area in short-term parking structure. Vehicles must display trade dress while on Airport premises.

IMPACT ON REVENUE

The average number of passenger pick-ups has been counted at approximately twenty per hour based on several spot checks undertaken at different dates and times. Assuming a one to one ratio for drop-offs and pick-ups, the estimated monthly gross revenue based on 40 transactions per hour at \$3.00 per transaction for 18 hours which is \$64,800, or \$777,600 annually. Approximately half of this amount represents an increase in revenue generated by assessment of a drop off fee.

STAFF RECOMMENDATION

Staff seeks a Legal, Government and Environmental Affairs Committee recommendation to the Commission that it approves the revised form of Airport Access and Facilities Use Agreement Class VIII Operators for TNCs and authorizes the Executive Director to execute same with each TNC.