



June 3, 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, June 6, 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, Board Secretary  
Burbank-Glendale-Pasadena Airport Authority

REGULAR MEETING  
OF THE  
LEGAL, GOVERNMENT AND  
ENVIRONMENTAL AFFAIRS COMMITTEE

Burbank Room  
Monday, June 6, 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 auxillary aids or services, please call the Board Secretary at (818) 840-8840 at least 48 hours prior to the meeting.***

AGENDA

1. Approval of Agenda
2. Public Comment
3. Approval of Minutes

a. May 2, 2016

**[See page 1]**

4. Orangeline Development Authority (Eco-Rapid Transit)  
Annual Membership and Fifth Amended Joint Exercise of  
Powers Agreement

- Staff Report Attached

**[See page 3]**

***Staff seeks direction from the Committee regarding the Airport Authority's membership in OLDA and a recommendation for adoption of a resolution to approve OLDA's Fifth Amended JPA.***

5. Items for Discussion

a. State Legislative Update

***No staff report is attached. Via teleconference, the Authority's Sacramento legislative consultant, Michael Arnold, will brief the Committee on current airport-related issues at the state level. A Legislative Status Report is included in the Committee's agenda packets.***

b. Federal Legislative Update

***No staff report is attached. Via teleconference, Cliff Madison, the Authority's federal legislative consultant, will brief the Committee on national aviation issues.***

c. Metroplex Status

***[See page 26]***

***No staff report is attached. Staff will review with the Committee an April 21, 2016, conference call and a May 26, 2016, meeting with FAA staff regarding the planned outreach and implementation of the NextGen technology coined "Metroplex."***

d. Ground Access Improvements – Ownership Issues

***[See page 27]***

***No staff report is attached. Staff will review with the Committee recent concerns and developments in connection with the proposed Airport area ground access improvements.***

e. TNC Update

***No staff report is attached. Staff will update the Committee regarding a proposed final Airport Access and Facilities Use Agreement with the TNC operators which includes the establishment of a "geo-fence" and drop-off fee.***

6. Other Legal, Government and Environmental Matters

7. Closed Session

a. Conference with Real Property Negotiators  
(California Government Code Section 54956.8)

Property:	B-6 Adjacent Property (Part of the former Lockheed Plant B-6 Property located in the City of Burbank adjacent to the Bob Hope Airport and roughly bounded by Hollywood Way, parts of Cohasset Street (Los Angeles), and Winona Avenue)
Authority Negotiator:	Executive Director
Negotiating Party:	City of Burbank
Under Negotiation:	Price and Terms of Payment for the Sale, Exchange or Lease of Easements and Use Restrictions

b. Conference with Legal Counsel – Anticipated Litigation  
Significant Exposure to Litigation (California Government Code  
Section 54956.9(d)(2)): One potential case. Facts and Circumstances:  
FAA Runway Safety Area Determinations

c. Threat to Public Services or Facilities  
(California Government Code Section 54957(a))

Consultation with Director, Public Safety

d. Public Employee Appointment  
(California Government Code Section 54957(b))

Title: Executive Director

e. PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
(California Government code Section 54957(b))

1) Title: Executive Director

2) Title: Senior Deputy Executive Director

8. Adjournment

Subject to Approval

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

**MONDAY, MAY 2, 2016**

A regular meeting of the Legal, Government and Environmental Affairs Committee was called to order this date in the Burbank Room of the Burbank-Glendale-Pasadena Airport Authority, 2627 Hollywood Way, at 12:01 p.m., Burbank, California, by Commissioner Wiggins.

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

**ROLL CALL**

**Present:** Commissioners Wiggins and Quintero

**Absent:** Commissioner Madison

**Also Present:** Staff: John Hatanaka, Senior Deputy Executive Director; Mark Hardymont, Director, Government and Environmental Affairs; and Lucy Burghdorf, Director, Public Affairs and Communications

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

Marathon Communications, Inc.: Richard Lichtenstein, President, and James A. McDermott, Authority Consultant

1. **Approval of Agenda** The agenda was approved (2-0; one absent) as presented.
2. **Public Comment** There were no public speakers.
3. **Approval of Minutes**
  - a. **April 18, 2016** The minutes of the April 18, 2016, meeting were approved (2-0; one absent) as submitted by Staff.
4. **Items for Discussion**
  - a. **State Legislative Update** Due to the lateness of the hour, this item was deferred to a future Committee meeting. Staff, however, briefed the Committee on AB 2051 regarding the customer facility charge for rental cars.

Mr. Hatanaka left the meeting at 12:05 p.m. to return to the Finance and Administration Committee meeting after briefing the Legal, Government and Environmental Affairs Committee on AB 2051.

**b. Federal Legislative Update**

Due to the lateness of the hour, this item was deferred to a future Committee meeting.

**5. Items for Information**

**a. Letter to Los Angeles Metropolitan Transportation Authority**

Included in the agenda packet was a draft letter to the Los Angeles County Metropolitan Transportation Authority ("Metro") in support of extending full double-tracking on the Metrolink Ventura Line between Raymer and Bernson in the San Fernando Valley between Van Nuys and Chatsworth.

The Committee voted 2-0 (one absent) to recommend to the Commission that it authorize the Authority President to execute the letter for transmittal to Metro.

**b. Update: City of Burbank EV Charger Installation at Valet Center**

Staff updated the Committee on the installation of EV chargers at the Airport. Staff noted that, as part of the conditions of approval for the RITC (Regional Intermodal Transportation Center) project, the City of Burbank, through Burbank Water and Power, agreed to install a set of EV chargers in the valet parking facility and short-term parking structure.

Staff advised the Committee that the Airport's Engineering Department reports that, in discussions with the City of Burbank, the City indicated the installation of level two chargers will begin at the Valet Center in late June or early July 2016 with completion anticipated by the end of July 2016.

**6. Other Legal, Government and Environmental Matters**

This item was not discussed.

**7. Closed Session**

The meeting did not recess to closed session.

**8. Adjournment**

There being no further business, the meeting was adjourned at 12:10 p.m.

**STAFF REPORT PRESENTED TO THE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY  
LEGAL, GOVERNMENT AND  
ENVIRONMENTAL AFFAIRS COMMITTEE  
JUNE 6, 2016**

**ORANGELINE DEVELOPMENT AUTHORITY (ECO-RAPID TRANSIT)  
ANNUAL MEMBERSHIP AND  
FIFTH AMENDED JOINT EXERCISE OF POWERS AGREEMENT**

**SUMMARY**

Staff seeks a Legal, Government and Environmental Affairs Committee ("Committee") recommendation to the Commission regarding the Airport Authority's membership dues in the Orangeline Development Authority ("OLDA"), dba Eco-Rapid Transit, for the upcoming fiscal year. The Airport Authority's membership dues for this year include a 15% increase and are proposed to be \$28,384.30. Additionally, Staff seeks a Committee recommendation for adoption of a resolution (attached Exhibit A) to approve OLDA's Fifth Amended Joint Exercise of Powers Agreement ("Fifth Amended JPA"), attached as Exhibit B.

**BACKGROUND**

Broadly, OLDA's goal is to pursue development of, and to obtain public and private funding for, the construction of a transit system that would help relieve traffic on Interstate 5 between Artesia and Palmdale. Besides the Airport Authority and the City of Glendale, OLDA membership consists of 11 cities along this route stretching from the Hollywood Burbank Airport in the north to Artesia in the south.

This proposed transit system would initially serve the so-called "Gateway Cities" south and east of downtown Los Angeles that rely heavily on Interstate 5 as it snakes through that part of Los Angeles County. It would run from Artesia to downtown Los Angeles, the so-called "West Santa Ana Branch" corridor, and would move passengers as rapidly as possible, use grade separation as appropriate, and be both environmentally friendly and energy-efficient.

The Airport Authority became a member OLDA in June 2010 with the anticipation of improved connectivity with the Gateway Cities region and extending north to include the Airport's catchment area. The Airport Authority's participation in OLDA has returned value; its efforts helped obtain funding for mitigation of traffic impacts caused by ongoing Interstate 5 construction.

In addition to being a member of OLDA, in March 2011 the Airport Authority executed a Memorandum of Understanding ("MOU") with OLDA to provide for OLDA's performance of Project Manager services for the Airport Authority's Ground Access Study funded with a federal STURAA grant.

**OLDA MEMBERSHIP**

At its April 13, 2016, meeting the OLDA Board of Directors authorized an across-the-board 15% increase in membership dues. Citing directly from the May 10, 2016, communication from OLDA Executive Director Mike Kodama:

"Last month Eco-Rapid Transit authorized a 15% increase in membership dues. Other than implementation of a station fee, this is the first time we have increased the membership dues since I became Executive Director in 2009. I have attached a copy of a spreadsheet that shows the new membership dues and a history of membership dues for the JPA.

"The board feels that the increase in membership dues is timely, especially since we have been able to secure project funds for both the north and south which have led to significant resources for our members throughout the corridor. In the north, this included the \$5.4 million Bob Hope Airport Ground Access project, a new Metrolink Station, pedestrian bridge<sup>1</sup> and \$26 million I-5 Traffic Management Plan. In the past few months, this includes an \$18 million allocation from Metro for planning in the West Santa Ana Branch corridor.

"Our board also feels it is timely due to the expected increase in activity related to the upcoming activities of the West Santa Ana Branch and the need to spend additional resources to not only secure planning, design and construction funds. We are ranked as one of the top two transit projects in Los Angeles with ridership that will rival the Blue Line (#1 ridership in the country). We are on the verge of securing capital funding—but must battle to secure these funds to finish planning and then start building the line within the next few years. In the north, there seems to be an opportunity to extend our line—into Glendale and Bob Hope Airport.

"Our current experience with Metro and the Expenditure Plan process for \$120 billion shows the importance of remaining diligent and fighting for our fair share of resources—not only for our project but also as members of Gateway Cities COG and the San Fernando Valley COG."

Subject to the availability of funding, OLDA will pursue the development of a light rail connection between the Airport and Union Station in Los Angeles with stops in Burbank and Glendale. However, given the uncertainty of future funding and the comparative success and more immediate potential for projects that OLDA is involved with that are associated with the West Santa Ana branch, Staff seeks direction whether the Airport Authority should continue its membership in OLDA or should withdraw from that agency. If the Committee recommends continuation of the membership, the Airport Authority's membership dues for this year will be \$28,384.30.

#### OLDA FIFTH AMENDED JPA

At its January 13, 2016, meeting the OLDA Board of Directors approved the Fifth Amended JPA. The Fifth Amended JPA does the following:

- Allows the city members to appoint alternate directors who are either city employees or residents. This provides the city members the same flexibility as the county members and the Airport Authority.

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<sup>1</sup> It should be noted that the Pedestrian Bridge project has been placed on "hold" by Metro due the absence of an entity able and/or willing to assume the ongoing operations and maintenance expenses of the improvements.



- Provides that, if the City of Artesia ceases to be a member, then OLDA's powers shall be exercised subject to the restrictions that apply to the City of Bell Gardens.

If the Committee recommends continuation of the Airport Authority's membership in OLDA, then Staff also seeks the Committee's recommendation for adoption of a resolution to approve OLDA's Fifth Amended JPA.

#### STAFF RECOMMENDATION

Staff seeks direction from the Committee regarding the Airport Authority's membership dues in the Orangeline Development Authority ("OLDA"), dba Eco-Rapid Transit, for the upcoming fiscal year; membership dues for this year are proposed to be \$28,384.30. Additionally, Staff seeks a Committee recommendation for adoption of a resolution to approve OLDA's Fifth Amended Joint Exercise of Powers Agreement ("Fifth Amended JPA").

**RESOLUTION NO. \_\_\_\_**

**A RESOLUTION OF THE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY COMMISSION  
APPROVING THE ORANGELINE DEVELOPMENT AUTHORITY  
FIFTH AMENDED JOINT EXERCISE OF POWERS AGREEMENT**

The Burbank-Glendale-Pasadena Airport Authority Commission finds, resolves and determines as follows:

**WHEREAS**, the Burbank-Glendale-Pasadena Airport Authority has already taken action to join the Orangeline Development Authority, dba Eco-Rapid Transit as a voting member;

**WHEREAS**, the Eco-Rapid Transit’s Board of Directors approved the Fifth Amended Joint Exercise of Powers Agreement (“Agreement”) on January 13, 2016, reflecting the authority’s revised Mission Statement;

**WHEREAS**, the Agreement adds authority for the city members to appoint Alternate Directors who are either city employees or residents and is no longer limited to other elected officials;

**WHEREAS**, the Agreement incorporates all previous amendments;

**WHEREAS**, the Agreement provides that, if the City of Artesia ceases to be a member, then the Orangeline Development Authority’s powers shall be exercised subject to the restrictions that apply to the City of Bell Gardens.

**THE COMMISSION DOES HEREBY FIND, RESOLVE AND ORDER AS FOLLOWS:**

Section 1. The Fifth Amended Joint Exercise of Powers Agreement, attached hereto as Exhibit “A,” is hereby approved as to form and content.

Section 2. The Executive Director is authorized to execute the Fifth Amended Joint Exercise of Powers Agreement on behalf of the Authority and to forward the executed original to the Secretary of the Orangeline Development Authority.

Section 3. The Assistant Secretary of the Authority shall certify the adoption of this Resolution.

Adopted this \_\_\_\_ day of \_\_\_\_\_ 2016.

\_\_\_\_\_  
Frank Quintero, President  
Burbank-Glendale-Pasadena Airport Authority

ATTEST:

\_\_\_\_\_  
Terry Tornek, Secretary

**ORANGELINE DEVELOPMENT AUTHORITY**

**FIFTH AMENDED**

**JOINT EXERCISE OF POWERS AGREEMENT**

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**ORANGELINE DEVELOPMENT AUTHORITY  
FIFTH AMENDED JOINT EXERCISE OF POWERS AGREEMENT**

THIS FIFTH AMENDED JOINT EXERCISE OF POWERS AGREEMENT (this "Agreement"), is made and entered into by and between those public entities (collectively "Members") whose names are set forth on Exhibit A attached hereto who have authorized and executed this Agreement pursuant to Section 6500 et seq. of the California Government Code and other applicable law as of the 13<sup>th</sup> day of January, 2016

**W I T N E S S E T H**

WHEREAS, the Members are each authorized and empowered to plan, finance, acquire, and construct and operate transportation facilities and issue bonds to provide the funds therefore; and

WHEREAS, the Members are authorized and empowered to enter into public-private partnerships pursuant to which revenue-generating public accommodations, infrastructure, and services can be designed, funded, constructed, and operated; and

WHEREAS, the Act provides that two or more public agencies may by agreement jointly exercise any powers common to the parties to the agreement and may by that agreement create an entity which is separate from the parties to the agreement; and

WHEREAS, the parties to this Agreement have each determined that an agency for the joint exercise of their common powers shall be formed to exercise their respective powers for the purpose of establishing one or more public-private partnerships to plan, finance, acquire, construct and operate transportation facilities adjacent to or within the boundaries of the Members and

WHEREAS, the Members desire to amend this Agreement to permit any joint powers or other governmental or county agencies within the Sphere of Influence of the Orangeline, to become members of the Orangeline Development Authority; and

WHEREAS, by this Agreement, the Members desire to create and establish the Orangeline Development Authority for the purposes set forth herein and to exercise the powers described herein and as provided by law.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows:

ARTICLE I  
DEFINITIONS

Section 1.1 Definitions. For the purposes of this Agreement, the following words shall have the following meanings:

“Act” means the Joint Exercise of Powers Act of the State of California, California Government Code Sections 6500-6599.2, inclusive, as it now exists or may hereafter be amended.

“Agreement” means this Joint Exercise of Powers Agreement.

“Authority” means the Orangeline Development Authority.

“Board of Directors” or “Board” means the governing body of the Authority.

“Bonds” means bonds, notes or other obligations of the Authority issued pursuant to any provision of law which may be used by the Authority for the authorization and issuance of bonds, notes or other obligations.

“CEQA” means the California Environmental Quality Act, contained in the California Public Resources Code, Section 21000 et seq., together with the State CEQA Guidelines, 14 CCR §15000 et seq., as they now exist or may hereafter be amended.

“Director” means any person serving as the representative of a Member on the Board.

“Fiscal Year” means July 1<sup>st</sup> to and including the following June 30<sup>th</sup> or such other period as the Board may specify by resolution.

“Member” means a public agency that is a party to this Agreement.

“NEPA” means the National Environmental Policy Act, contained in 42 U.S.C. Section 4321 et seq., as it now exists or may hereafter be amended.

“Orangeline” or “Eco-Rapid Transit” means development of a transit system that moves as rapidly as possible, uses grade separation as appropriate, and is environmentally friendly and energy efficient. The system is designed to enhance and increase transportation options for riders of this region utilizing safe, advanced transit technology to expand economic growth and maximize ridership throughout Southern California.

“Orangeline Project” means the activities required to plan, put in place, maintain and maximize the benefits of, the Orangeline.

“Party” means a Member.

“Sphere of Influence” means an area that: 1) is within one mile of the right-of-way of the Orangeline; or 2) is within a distance of the right-of-way from which people will travel to use the



Orangeline as determined by the Board; or 3) is within an area that is directly or indirectly influenced by or has an influence upon the Orangeline as determined by the Board.

## ARTICLE II GENERAL PROVISIONS

Section 2.1 Creation of Authority. Pursuant to Section 6502 of the Act, there is hereby created a public entity separate and independent from the Parties hereto, to be known as the "Orangeline Development Authority."

(a) Within thirty (30) days after the effective date of this Agreement and after any amendment, the Authority shall cause a notice of such Agreement or amendment to be prepared and filed with the office of the California Secretary of State containing the information required by California Government Code Section 6503.5.

(b) Within ten (10) days after the effective date of this Agreement, the Authority shall cause a statement of the information concerning the Authority, its Members and Directors required by California Government Code Section 53051 to be filed with the office of the California Secretary of State and with the County Clerk of each county in which the Authority maintains an office, and within ten (10) days after any amendment which makes any change in the facts required to be stated pursuant to Subdivision (a) of such Section, a statement of such facts also shall be filed as provided therein.

Section 2.2 Purpose. The purpose of the Authority is to pursue its stated objective to use the common powers of its Members to pursue development of a transit system that moves as rapidly as possible, uses grade separation as appropriate, and is environmentally friendly and energy efficient.

## ARTICLE III POWERS

Section 3.1 General Powers. The Authority shall have the power in its own name to exercise any and all common powers of its Members reasonably related to the purposes of the Authority, including but not limited to the powers to:

(a) pursue development of a transit system that moves as rapidly as possible, uses grade separation as appropriate, and is environmentally friendly and energy efficient; and

(b) seek, receive and administer funding from any available public or private source, including grants or loans under any available federal, state and local programs for assistance in achieving the purposes of the Authority; and

(c) contract for the services of engineers, attorneys, planners, financial and other necessary consultants or entities; and

(d) make and enter into any other contracts; and

- (e) employ agents, officers and employees; and
- (f) acquire, lease, construct, own, manage, maintain or dispose of (subject to the limitations herein) any buildings, works or improvements, as needed to achieve the purposes of the Authority; and
- (g) acquire, hold, manage, maintain, or dispose of any other property by any lawful means, including without limitation gift, purchase, eminent domain, lease, lease-purchase, license or sale, as needed to achieve the purposes of the Authority; and
- (h) incur all authorized debts, liabilities, and obligations, including issuance and sale of bonds, notes, certificates of participation, bonds authorized pursuant to the Marks-Roos Local Bond Pooling Act of 1985, California Government Code Sections 6584 et seq. (as it now exists or may hereafter be amended) or any other legal authority common to the Members and such other evidences of indebtedness described in Section 3.2(a)(6) of this Agreement, subject to the limitations herein; and
- (i) receive gifts, contributions and donations of property, funds, services and other forms of financial or other assistance from any persons, firms, corporations and governmental entities; and
- (j) sue and be sued in its own name; and
- (k) seek the adoption or defeat of any federal, state or local legislation or regulation necessary or desirable to accomplish the stated purposes and objectives of the Authority; and
- (l) adopt rules, regulations, policies, bylaws and procedures governing the operation of the Authority; and
- (m) to invest any money in the treasury pursuant to California Government Code Section 6505.5 that is not required for the immediate necessities of the Authority, as the Authority determines is advisable, in the same manner and upon the same conditions as local agencies, pursuant to Section 53601 of the California Government Code as it now exists or may hereafter be amended; and
- (n) to carry out and enforce all the provisions of this Agreement; and
- (o) exercise all other powers not specifically mentioned herein, but common to Members, and authorized by California Government Code Section 6508.

Section 3.2 Specific Powers.

(a) Financial.

- (1) Annual Budget. The Board shall adopt an annual budget for the ensuing fiscal year by a two-thirds (2/3) vote of the Board.

(2) **Accounts.** All funds will be placed in object accounts and the receipt, transfer, or disbursement of such funds shall be accounted for in accordance with the generally accepted accounting principles applicable to governmental entities, with strict accountability of all funds. All revenues, expenditures and status of bank accounts and investments shall be reported to the Board as frequently as the Board shall direct and, in any event, not less than annually, pursuant to procedures established by the Board.

(3) **Expenditures Within Approved Annual Budget.** All expenditures within the limitations of the approved annual budget shall be made upon approval of the Executive Director in accordance with the rules, policies and procedures adopted by the Board. However, no expenditure shall be made for the purpose of purchasing or otherwise acquiring real property without prior approval of the Board by the representatives of not less than two-thirds (2/3) of the Members. No expenditures in excess of those budgeted shall be made without the approval of an amended annual budget by the Board pursuant to paragraph (1) of this Section.

(4) **Disbursements.** Warrants shall be drawn upon the approval and written order of the Board and the Board shall requisition the payment of funds only upon approval of claims, disbursements and other requisitions for payment in accordance with this Agreement and other rules, regulations, policies and procedures adopted by the Board.

(5) **Audit.** The records and accounts of the Authority shall be audited annually by an independent certified public accountant and copies of such audit report shall be filed with the State Controller, the County Auditor in each county in which a Member is located, and shall be provided to each Member no later than fifteen (15) days after receipt of such audit reports by the Authority. In any fiscal year during which the Authority has gross revenues of less than \$250,000 the Board may, in its discretion, dispense with such an audit, and instead rely on such other financial review by the Authority's staff or other reviewers as the Board shall deem prudent.

(6) **Securities.** The Authority may use any statutory power available to it under the Act and any other applicable laws of the State of California, whether heretofore or hereinafter enacted or amended, for issuance and sale of any revenue bonds or other evidences of indebtedness necessary or desirable to finance the exercise of any power of the Authority, and may borrow from any source including, without limitation, the federal government, for these purposes.

(7) **Liabilities.** The debts, liabilities and obligations of the Authority shall be the debts, liabilities and obligations of the Authority alone, and not of the Members, although a Member may separately contract for, or assume responsibility for, specific debts, liabilities or obligations of the Authority, as authorized by California Government Code Section 6508.1.

(8) **Hold Harmless and Indemnification.** To the fullest extent permitted by law, each Member agrees to save, indemnify, defend and hold harmless the Authority and all other Parties from any liability, claims, suits, actions, arbitration proceedings,

administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys fees and costs, court costs, interest, defense costs, and expert witness fees, where the same arise out of, or are any way attributable in whole or in part, to negligent acts or omissions of the indemnifying Party or its employees or agents, except when acting within the scope of their authority as employees or agents of the Authority. Where the Authority, or its Parties, in their capacities as Members or agents or employees of the Authority, are held liable for injuries to persons or property, including death, the liability of each Party for contribution or indemnification for such injuries shall be determined by agreement among the Parties or a court of competent jurisdiction, and the Party responsible for liability to the others will indemnify the other Parties to this Agreement for the percentage of liability determined as set forth therein. In the event of liability imposed upon the Authority, or any of its Parties, for injury or death which is caused by the negligent or wrongful act or omission of any Party in the performance of this Agreement, the contribution of the Party or Parties not directly responsible for such negligent or wrongful act or omission shall be limited to one hundred dollars (\$100). The Party or Parties directly responsible for such negligent or wrongful acts or omissions shall defend, indemnify and hold the Authority and all other Parties harmless from any liability arising out of such wrongful act or omission.

In no event, however, shall the indemnification of an employee or former employee of the Authority or Member exceed that provided in California Government Code Article 4 of Chapter 1 of Part 2 of Division 3.6, beginning with Section 825, as it now exists or may hereafter be amended.

- (b) **Condemnation.** The Authority shall have the power to exercise any available eminent domain power of its Members, upon approval of (i) two-thirds (2/3) of the entire membership of the Board, and (ii) the concurrence of the governing body of any Member(s) within the boundaries of which the real property is to be acquired.
- (c) **Parkland Maintenance.** The Authority shall maintain all parkland and open space installed or constructed within the right-of-way of the Orangeline.
- (d) **Manner of Exercise.** For purposes of California Government Code Section 6509, the powers of the Authority shall be exercised subject to the restrictions upon the manner of exercising such powers as are imposed upon the City of Artesia, a general law city, provided, however, that if the City of Artesia shall fail or cease to be a Member, then the Authority shall be restricted in the exercise of its powers in the same manner as the City of Bell Gardens, a general law city.
- (e) **Compliance with CEQA and NEPA.** The Authority shall comply with all requirements of CEQA and NEPA as a condition precedent to its commitment to carry out any obligation under this Agreement for which such compliance is required. However, the execution of this Agreement does not constitute a project or approval of any commitment to carry out any project as those terms are used in CEQA and NEPA.

(f) Contributions. Individual Members may contribute funds, personnel and equipment to the Authority in furtherance of the purposes of the Authority set forth herein. Pursuant to Government Code Sections 6504, 6512.1 and related provisions, the Authority is empowered after the issuance of bonds or receipt of funds from any other source, to reimburse such Members for such contributions.

(g) Expulsion. A Party may be expelled from the Authority for violation of this Agreement, upon a vote of three-fourths (3/4) of the entire membership of the Board (excluding the vote of the Party to be expelled), after the Board has given thirty (30) days' written notice to the Party to be expelled of the Authority's intention to expel that Member if the violations of this Agreement identified in the notice are not cured or, if the cure cannot by its nature be completed within thirty (30) days, commenced within that notice period and diligently pursued to completion. Any Party that fails to execute any amendment to this Agreement within thirty (30) days after execution by the last Member required for approval of such amendment by Section 5.1 of this Agreement, shall be deemed to be expelled on the thirty-first (31st) day after such execution.

Expulsion of a Party shall not relieve the expelled Party of any liabilities imposed upon or incurred by the Party pursuant to this Agreement prior to the effective date of such expulsion. However, such expulsion shall result in the forfeiture of all rights and claims of the expelled Party to any repayment of contributions or advances or other distribution of funds or property after withdrawal, including distribution in the event of termination of the Authority. The Members agree that the liquidated damages provided by this paragraph are necessary and appropriate because the furtherance of the Orangeline Project is a complex venture, which will require sustained, collective effort over a period of years. If a Member fails to fulfill its commitment to the other Members to accomplish the mission of constructing, developing and maintaining the Orangeline, there will be real and substantial injury to the success of the project and to the other Members, which injury is necessarily difficult to quantify. Accordingly, the Members agree the provision of this paragraph and of paragraph (h) below constitute an appropriate measure of the damages an early withdrawal will cause.

(h) Withdrawal. Any Party may withdraw from the Authority at any time, for any reason, by giving written notice to the Board of its intention to do so thirty (30) days prior to the effective date of that withdrawal.

Withdrawal of a Party, however, shall not relieve it of any liabilities imposed upon by this Agreement or voluntarily incurred by the Party pursuant to Paragraph 3.7(a)(7) of this Agreement prior to the effective date of such withdrawal, and such withdrawal shall result in the forfeiture of all rights and claims of the withdrawing Party to any repayment of contributions or advances or other distribution of funds or property after withdrawal, including distribution in the event of termination of the Authority.

(i) Termination of Authority.

(1) Causes. The Authority shall terminate, and its assets be distributed in accordance with the provisions of this Agreement, upon the unanimous vote of its Members or at such time as there shall be only one Member remaining.

(2) Limitations

a. No termination of the Authority shall occur until all of its debts, liabilities, and obligations, including issuance and sale of bonds, notes, certificates of participation and other evidences of indebtedness described in Section 3.2(a)(6) of this Agreement are paid or adequate provision for such payment is made in accordance with the resolution of the Authority authorizing issuance and sale thereof.

b. No termination of the Authority shall occur which constitutes or will necessary cause a material breach of any contract or agreement entered into by the Authority.

c. No termination of the Authority shall occur which adversely affects the operation, repair, maintenance, improvement or administration of any facility then owned, leased, permitted, licensed or otherwise controlled by the Authority.

d. No termination of the Authority shall occur which is prohibited by law.

(3) Distribution of Funds and Property. Upon termination of the Authority, any remaining funds, property or other assets of the Authority, following discharge of all debts, liabilities and obligations of the Authority, shall be distributed to the Members for any un-reimbursed advances, contributions or in-lieu contributions made or given to the Authority by such Members, and then distributed to all Members in proportion to the contributions to the Authority by the Members. Alternatively, the Board, by a vote of 2/3 of its entire membership, may distribute the assets of the Authority to another public or private non-profit agency capable of using the assets of the Authority for the benefit of the public.

## ARTICLE IV

### ORGANIZATION

Section 4.1 Members. The Members of the Authority shall be the Members described in the introductory paragraph of this Agreement, and any public agency whose territory lies within the Sphere of Influence of the Orangeline, and which is subsequently added as a Member by approval of the agency's governing body and by the Board of Directors, and which has executed this Agreement and all subsequent amendments, and has not withdrawn nor been expelled thereafter.

(a) Admitting Eligible Public Entities.

(1) Eligible public entities whose names are set forth on Exhibit A to this Agreement ("Eligible Public Entities") shall become Members by 1) adopting this Agreement by a majority vote of the legislative body of the Eligible Public Entity and 2) executing this Agreement and 3) paying in full all dues owed for the then current fiscal year.

(2) Dues shall be established annually by the Board. The dues to be paid by Los Angeles County and Orange County (the "Counties") will be based upon the number of Directors the Counties appoint, with separate dues to be paid for each Director appointed, up to a total of three per County. The Counties, in their sole discretion, may appoint fewer than three Directors and subsequently increase their representation by one or more additional Directors contingent only on payment in full of all dues for the then current fiscal year at the time that any additional Director commences representation of the County. The dues to be paid by the City of Los Angeles will be based upon the number of Directors the City of Los Angeles appoints, with separate dues to be paid for each Director appointed, up to a total of six. The City of Los Angeles, in its sole discretion, may appoint fewer than six Directors and subsequently increase its representation by one or more additional Directors contingent only on payment in full of all dues for the then current fiscal year at the time that any additional Director commences representation of the City of Los Angeles.. An Eligible Public Entity may be admitted regardless of whether it adopted and signed this Agreement before or after the Effective Date of the last amended Agreement. No vote of the Board of Directors shall be required to admit an Eligible Public Entity.

#### Section 4.2 Board

##### (a) Composition

(1) The Board shall consist of one person designated as a Director by each of a maximum of three Supervisorial Districts of each County choosing to participate, one person designated as a Director by the Mayor of the City of Los Angeles and one person designated by each of a maximum of five Council Districts of the City of Los Angeles choosing to participate and one person designated as a Director by the governing body of each of the remaining Members, as well as non-voting representatives of the California Department of Transportation, Southern California Association of Governments, Los Angeles County Metropolitan Transportation Authority and the Orange County Transportation Authority, and other agencies as determined by the Board. Each Member shall also appoint one or more Alternate Directors.

(2) All Directors shall be current members of the governing body of their appointing Member with the exception of the Directors of the Counties, the City of Los Angeles and the Burbank-Glendale-Pasadena Airport Authority. The Directors and Alternate Directors from the Counties and the City of Los Angeles shall be employed by or reside in the Supervisorial District or Los Angeles City Council District by whom they were appointed. The Directors and Alternate Directors from the Burbank-Glendale-Pasadena Airport Authority shall be employed by the Authority or reside within the territorial jurisdiction of the airport authority. The Alternate Directors from the remaining City Members shall be employed by or reside in the City by whom they were appointed. Directors and Alternate Directors shall serve during the pleasure of their respective appointing authorities and during that pleasure shall hold office for a period of one year, concurrent with the

Authority's fiscal year, and thereafter until their successors are selected and qualified (unless a Director or Alternate Director ceases to qualify for service, as by loss of elective office). Any vacancy caused by a Director or Alternate Director ceasing to serve on the body which appointed him or her or otherwise shall be filled in the same manner as the original appointment. Nothing in this Agreement shall bar the reappointment of a Director or an Alternate Director to successive terms provided that the Director or Alternate Director continues to be qualified to serve.

(b) Compensation and Expense Reimbursement

All Directors and Alternate Directors on the Board shall receive a stipend per meeting attended as the Member's voting representative upon a vote of the Board to authorize such stipends. Each Director and Alternate Director on the Board shall be reimbursed for reasonable and necessary expenses actually incurred in the conduct of the Authority's business, pursuant to an expense reimbursement policy established by the Board prior to such expenses being incurred.

(c) Voting

(1) Required Vote. All actions of the Board shall be by vote of the representatives of a majority of Directors or Alternate Directors present and voting, except as otherwise specifically provided herein.

(2) Proxy and Absentee Votes. Directors and Alternate Directors may not cast proxy or absentee votes. Each Director shall have an equal vote. Each Alternate Director shall have one vote only during the absence of the Director for whom he or she serves as an Alternate Director.

(d) Political Reform Act

Directors and Alternate Directors shall be considered "public officials" within the meaning of the Political Reform Act of 1974, as amended, and its regulations, for purposes of financial disclosure, conflict of interest and other requirements of such Act and regulations, subject to a contrary opinion or written advice of the California Fair Political Practices Commission. The Authority shall adopt a conflicts of interest code in compliance with the Political Reform Act.

(e) Levine Act

Directors and Alternate Directors are "officials" within the meaning of California Government Code Section 84308 et seq., commonly known as the "Levine Act," and subject to the restrictions of such act on the acceptance, solicitation or direction of contributions.

(f) Principal Office

The principal office of the Authority shall be established or moved to any place in Los Angeles County or Orange County by resolution of the Board.



(g) Meetings

(1) Time and Place. The Board shall meet at the principal office of the Authority, or at such other place designated by the Board if notice is provided in the manner of notice of an adjourned meeting under the Ralph M. Brown Act, California Government Code Section 54950 et seq. The time and place of regular meetings of the Board shall be designated by resolution adopted by the Board. Notice shall be furnished to each Member at least three (3) days prior to the next meeting. At least one regular meeting shall be held each year.

(2) Call and Conduct. All meetings of the Board shall be called and conducted in accordance with the provisions of the Ralph M. Brown Act and other applicable law.

(h) Quorum

Directors representing more than 50% of the members shall constitute a quorum of the Board required to conduct the business of the Authority.

(i) Rules

The Board may adopt from time to time rules and regulations for the conduct of meetings of the Board and of the affairs of the Authority consistent with this Agreement and other applicable law.

(j) Minutes

The Secretary of the Authority shall cause minutes of all meetings of the Board to be drafted and mailed to each Member promptly after each such meeting. Upon approval by the Board, such minutes shall become a part of the official public records of the Authority.

(k) Officers

(1) Chair and Vice-Chair. The Board shall select a Chair and Vice-Chair from among its Directors.

(2) Secretary. The Board shall appoint a Secretary from the Directors or the officers or employees of the Authority or a Member.

(3) Treasurer and Auditor. The Board shall appoint an officer or employee of the Authority or an officer or employee of a Member to hold the offices of Treasurer and Auditor of the Authority. Such offices may be held by separate officers or employees or may be combined and held by one such officer or employee, as provided by the Board. Such person or persons shall possess the powers and duties of, and shall perform all Treasurer and Auditor functions for the Authority, including those required or authorized by California Government Code Sections 6505, 6505.5, and 6505.6.

(4) Executive Director. The Board shall appoint an Executive Director, which appointment shall require the approval of two-thirds (2/3) of its entire membership. The Executive Director may be an officer or employee of a Member, and shall have full authority and responsibility to implement the purposes and objectives of the Authority, subject only to the general authority of the Board.

(5) Terms. The Chair, Vice-Chair, Secretary, Treasurer and Auditor shall serve during the pleasure of the Board and during that pleasure shall hold office for a period of one year, concurrent with the Authority fiscal year, and thereafter until their successors are selected and qualified (unless the Chair or Vice-Chair should cease to be a member of the Board). The appointment of such persons by the Board shall be evidence that the position of an officer, employee, or agent of the Authority is compatible with those of an officer, employee or agent of any Member.

(6) Additional Officers. The Board may appoint any additional officers deemed necessary or desirable. Such additional officers also may be officers or employees of a Member or of the Authority.

a. Bonding Requirements. The officers or persons designated to have charge of, handle, or have access to any funds or property of the Authority shall be so designated and empowered by the Board. Each such officer or person shall be required to file an official bond with the Authority in an amount established by the Board. Should the existing bond or bonds of any such officer or persons be extended to cover the obligations provided herein, said bond shall be the official bond required herein. The premiums on any such bonds attributable to the coverage required herein shall be appropriate expenses of the Authority.

b. Status of Officers and Employees. All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, workmen's compensation, and other benefits which apply to the activity of officers, agents, or employees of the Authority when performing their respective functions within the territorial limits of a Member shall apply to them to the same degree and extent while engaged in the performance of any of their functions and duties under the provisions of this Agreement and Chapter 5 of Division 7 of Title 1 of the California Government Code, commencing with Section 6500. However, none of the officers, agents or employees appointed by the Board shall be deemed to be employed by any of the Members or to be subject to any of the requirements of such Members by reason of their employment by the Authority.

c. Committees.

(i) Creation. The Board may by resolution create permanent or ad hoc committees to give advice to the Board of Directors on such matters as may be referred to such committee by the Board. Qualified persons shall be appointed to such committees by the Board and each such appointee shall serve at the pleasure of the Board.

(ii) Meetings. All regular, adjourned and special meetings of such committees shall be called and conducted in accordance with the applicable requirements of the Ralph M. Brown Act, Government Code Section 54950 et. seq., as it now exists or may hereafter be amended, and all other applicable law.

## ARTICLE V

### MISCELLANEOUS

Section 5.1 Amendments. This Agreement may be amended with the approval of not less than three-fourths (3/4) of all Members; provided, however, that no amendment may be made which would adversely affect the interests of the owner or owners of bonds, letters of credit or other financial obligations of the Authority without the consent of that owner or owners.

Section 5.2 Notice. Any notice required to be given or delivered by any provision of this Agreement shall be personally delivered or deposited in the U.S. Mail, registered or certified, postage prepaid, addressed to the Members at their addresses as reflected in the records of the Authority, and shall be deemed to have been received by the Member to which the same is addressed upon the earlier of receipt or seventy-two (72) hours after mailing.

Section 5.3 Attorney's Fees. In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing party in such litigation or other proceeding shall be entitled to an award of its actual and reasonable attorney's fees, costs and expenses incurred in the proceeding.

Section 5.4 Successors. This Agreement shall be binding upon and inure to the benefit of any successor of a Member.

Section 5.5 Assignment and Delegation. No Member may assign any rights or delegate any duties under this Agreement without the unanimous written consent of all other Members and any attempt to make such an assignment shall be null and void for all purposes.

Section 5.6 Counterparts. This Agreement may be executed in one (1) or more counterparts, all of which together shall constitute a single agreement, and each of which shall be an original for all purposes.

Section 5.7 Severability. Should any part, term or provision of this Agreement be decided by any court of competent jurisdiction to be illegal or in conflict with any applicable law, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, or provisions of this Agreement shall not be affected thereby and to that end the parts, terms and provisions of this Agreement are severable.

Section 5.8 Integration. This Agreement represents the full and entire Agreement among the Members with respect to the matters covered herein.

Section 5.9 Execution. The legislative bodies of the Members each have authorized execution of this Agreement, as evidenced by the respective signatures attested below.

---

By:

(date)

ATTEST:

By:

(Seal)

APPROVED AS TO FORM:

By:

## EXHIBIT A

Burbank-Glendale-Pasadena  
Airport Authority

City of Anaheim

City of Artesia

City of Bell

City of Bell Gardens

City of Bellflower

City of Buena Park

City of Burbank

City of Cerritos

City of Commerce

City of Compton

City of Cudahy

City of Cypress

City of Downey

City of Fullerton

City of Garden Grove

City of Glendale

City of Hawaiian Gardens

City of Huntington Beach

City of Huntington Park

City of Irvine

City of La Habra

City of La Mirada

City of La Palma

City of Lakewood

City of Lancaster

City of Long Beach

City of Los Alamitos

City of Los Angeles

City of Lynwood

City of Montebello

City of Maywood

City of Norwalk

City of Orange

City of Palmdale

City of Paramount

City of Pasadena

City of Pico Rivera

City of San Fernando

City of Santa Ana

City of Santa Clarita

City of Santa Fe Springs

City of Seal Beach

City of South Gate

City of Stanton

City of Tustin

City of Vernon

City of Westminster

City of Whittier

County of Los Angeles

County of Orange



U.S. Department  
of Transportation  
Federal Aviation  
Administration

Western-Pacific Region  
Office of the Regional Administrator

P O. Box 92007  
Los Angeles, CA 90009

RECEIVED

MAR 28 2016

MAR 31 2016

Mr. Dan Feger  
Executive Director  
Burbank Bob Hope Airport  
Burbank-Glendale-Pasadena Airport Authority  
2627 N. Hollywood Way, Burbank, CA 91505

BURBANK-GLENDALE-PASADENA  
AIRPORT AUTHORITY

Dear Mr. Feger:

The Federal Aviation Administration (FAA) continues to work within the National Environmental Policy Act (NEPA) process on the FAA Southern California Metroplex Project. We are currently reviewing the comments received on the Draft Environmental Assessment and updating the document as necessary. This process is expected to continue at least through the summer of 2016. A decision on the proposed project will be made thereafter.

I am asking several of the airports within the project area to work with the FAA over the next several months to prepare for whatever decision is made on the proposed project. I would like to invite the leadership in your organizations that you believe may be responding to your surrounding communities about SoCal Metroplex. I believe establishing better lines of communications and sharing of information will benefit your organizations and better prepare everyone on whatever decision is made on the proposed project.

I am requesting that you have your staff join us on a telephone conference scheduled Thursday, April 21, 2016 at 9:00am to 10:00am. The phone bridge is 888-335-6670, passcode 146729. During the phone conference we plan to give you a better understanding of our process and set a schedule for future meetings.

If you have any questions, please contact me or Tamara Swann, Deputy Regional Administrator, at (310) 725-3550.

Sincerely,

Glen A. Martin  
Regional Administrator



May 26, 2016

Ms. Jeanet B. Owens  
Executive Officer, Regional Rail  
Los Angeles County Metropolitan  
Transportation Authority  
One Gateway Plaza, Mail Stop: 99-17-5  
Los Angeles, CA 90012-2952

Re: Close Out of Study Portion of FHWA STURAA Grant

Dear Ms. Owens:

Attached please find all of the requested forms associated with the Burbank-Glendale-Pasadena Airport Authority's use of a Federal Highway Administration (FHWA) Surface Transportation Uniform Relocation Assistance Act (STURAA) grant in connection with the preparation of a Ground Access Study for the Hollywood Burbank Airport.

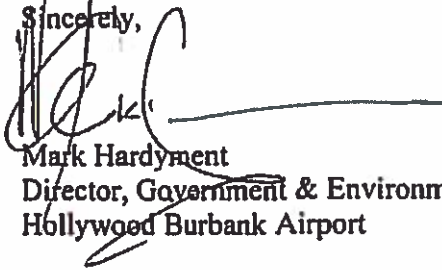
With the submittal of these forms this formally concludes the Airport Authority's Ground Access Study efforts under this grant and brings to a close our use of the funding provided under this Grant. Based upon agreement between the Airport Authority and Metro staff at a meeting yesterday, from this point forward Metro will assume responsibility for any further FHWA grant closure requirements and will provide the Airport Authority with a separate Memorandum of Understanding detailing the responsibilities of the parties.

It should be noted that the Airport Authority's Ground Access Study, which was most recently estimated to cost \$2,222,678, was completed under budget at a cost of \$2,084,844.06, resulting in a savings of \$137,833.94. In addition to the two prior resolutions which authorized the reallocation of approximately \$2.6M in STURAA grant funding to Metro for the construction of the Hollywood Way/San Fernando Metrolink platform, these additional funds can be made available to Metro for construction, however, we will need for Metro to inform the Airport Authority of what will be required to effect this additional transfer and it further underscores the Airport Authority's lack of available funding to perform any additional Study related functions, administrative or otherwise.

Jeanet Owens  
LA County Metropolitan Transportation Authority  
May 27, 2016  
Page 2

Should you have any questions regarding this matter please call me at (818) 565-1329.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark Hardyment', with a long horizontal line extending to the right.

Mark Hardyment  
Director, Government & Environmental Affairs  
Hollywood Burbank Airport

cc: Dan Feger, Executive Director





May 18, 2016

Ms. Jeanet B. Owens  
Executive Officer, Regional Rail  
Program Management  
Los Angeles County Metropolitan  
Transportation Authority  
One Gateway Plaza, Mail Stop: 99-17-5  
Los Angeles, CA 90012-2952

Via Email and US Mail  
OwensJ@metro.net

Re: Empire Avenue Pedestrian Bridge

Dear Ms. Owens:

In response to our teleconference on Wednesday, May 11, 2016, you indicated that the Los Angeles County Metropolitan Transportation Authority ("Metro") had placed a "hold" on the Pedestrian Bridge Project connecting the existing Metrolink/Amtrak train platform to the elevated moving sidewalk that connects to the Airport and/or Regional Intermodal Transportation Center ("RITC"). This action was required unless and until a resolution could be reached as to how future operations and maintenance ("O&M") expenses would be shared by the stakeholders for the Station. Confirming the position that Mark Hardyment communicated to you previously and what was reiterated in our call, as detailed further below, Federal Aviation Administration ("FAA") Grant Agreement Assurances prohibit the Airport Authority ("Authority"), owner and operator of the Hollywood Burbank Airport ("Airport") from participating in a number of activities, specifically revenue diversion to other agencies where the facilities in question are not located on Airport property.

As I stated in my letter to you dated May 13, 2016 regarding a similar concern relative to the proposed new Metrolink Station on the Antelope Valley Line, FAA Grant Agreement Assurances prohibit the Airport Authority from participating in cost allocation of facilities located off-airport. Airport expenditures for ground access projects must be consistent with the requirements of Title 49, United States Code 47107 and, specifically, federal Grant Assurance 25. Grant Assurance 25, entitled Airport Revenue, in essence requires that Airport revenue only be spent on capital or operating costs of the Airport. I will direct you to my earlier letter for a pertinent case example.

Given the above, and the fact that the bridge will not be owned by the Airport and will only connect to Airport property means that the Airport cannot commit revenue to operation and maintenance expenses associated with the off-airport pedestrian bridge.

Jeanet Owens  
LA County Metropolitan Transportation Authority  
May 18, 2016  
Page 2

Should you wish to discuss this matter further please contact either Mark Hardyment or myself at (818) 840-8840.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Feger", with a horizontal line extending from the end of the signature.

Dan Feger  
Executive Director

cc: BGPAA Commissioners  
Mark Hardyment, Director of Government & Environmental Affairs



May 13, 2016

Ms. Jeanet B. Owens  
Executive Officer, Project Management  
& Program Management  
Los Angeles County Metropolitan  
Transportation Authority  
One Gateway Plaza, Mail Stop: 99-17-5  
Los Angeles, CA 90012-2952

Via Email and US Mail  
OwensJ@metro.net

Re: Hollywood Way/San Fernando Metrolink Station

Dear Ms. Owens:

In response to our conversation yesterday morning, you indicated that the Los Angeles County Metropolitan Transportation Authority ("Metro") has placed a "hold" on the Hollywood Way/San Fernando Road Metrolink Station ("Station") unless a resolution could be reached as to how future operations and maintenance ("O&M") expenses would be shared by the stakeholders for the Station. Confirming the position that Mark Hardyment communicated to you previously and as detailed further below, Federal Aviation Administration ("FAA") Grant Agreement Assurances prohibit the Airport Authority ("Authority"), owner and operator of the Bob Hope Airport ("Airport") from participating in a number of activities, specifically revenue diversion to other agencies where the facilities in question are not located on Airport property.

As was confirmed in yesterday's call, the Authority has previously taken actions to provide nearly \$2.6M of its Federal Highway Administration Surface Transportation Uniform Relocation Assistance Act ("STURAA") grant to be used by Metro. That Commission action included adoption of two resolutions authorizing the reallocation of those funds to Metro for both the design and implementation of this Station. Furthermore, from early in our discussions with Metro, the Authority has committed to provide the transportation of passengers between the Airport terminal and the Station. This is a service that is limited to the transportation of passengers between these two points, is consistent with Metro's "Plane to Train" connectivity goals, and is estimated to cost the Authority upwards of \$250,000 annually to meet approximately 30 northbound and southbound trains each day.

As referenced above, FAA Grant Agreement Assurances prohibit the Airport Authority from participating in cost allocation of facilities located off-airport. Specifically, Airport expenditures for ground access projects must be consistent with the requirements of Title 49, United States Code 47107 and, specifically, federal Grant Assurance 25.

Jeanet B. Owens  
LA County Metropolitan Transportation Authority  
May 13, 2016  
Page 2

Grant Assurance 25, entitled Airport Revenue, in essence requires that Airport revenue only be spent on capital or operating costs of the Airport.

Perhaps the best current guidance on the requirements of Assurance 25 is the U.S. Department of Transportation Office of Inspector General Audit Report on the use of airport revenue for the Bay Area Rapid Transit ("BART") District extension to San Francisco International Airport ("SFO").<sup>1</sup> That audit stated that federal law required that in order for SFO funds to be used for the BART "project", the project conform with all three of the following requirements:

- (1) BART fixed facilities and operating system for the project be owned by SFO;
- (2) The facilities and operating system be located on SFO property with guaranteed continued SFO access; and
- (3) Costs benefiting both BART and the SFO be prorated on a reasonable basis.

Given the above, the facts that the Metrolink "station" will not be owned by the Airport and will not be located on Airport property means that the Airport cannot commit revenue to that Metrolink station.

In conclusion, the Authority strongly believes that this important connectivity enhancement needs to be constructed, and the Authority has stepped up to the plate by providing the STURAA grant and a commitment to provide passenger transportation to the terminal. We appreciate your willingness to look at the design in an effort to identify aspects that either or both are leading to your cost overrun or may contribute to higher anticipated O&M expenses. To that end, we suggest replacing the awning structure contained in the current design with one more akin to what is currently in use at the Chatsworth Station.

These issues can be discussed in greater detail in the meeting on May 26<sup>th</sup>. Should you have any questions, please do not hesitate to contact me or Mark Hardyment.

Sincerely,

  
Dan Feger  
Executive Director

cc: BGPAA Commissioners  
Mark Hardyment

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<sup>1</sup> Furthermore, the BART extension was an overall 9.5 mile extension of which the FAA prohibited SFO participation on the 8.7 mile "off-airport" portion. What was conditionally approved was an "on-airport" 0.8 mile segment, and the proration for costs was made on this 0.8 mile segment.