



October 11, 2018

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

NOTICE is hereby given that a regular meeting of the Operations and Development Committee will be held Monday, October 15, 2018, at 8:30 a.m., in the Airport Skyroom of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, California 91505.

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

REGULAR MEETING
OF THE
OPERATIONS AND DEVELOPMENT COMMITTEE
Airport Skyroom
Monday, October 15, 2018
8:30 A.M.

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

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

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



The following activities are prohibited:

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



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



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

AGENDA

1. Approval of Agenda

2. Public Comment

3. Approval of Minutes

a. September 17, 2018

[See page 1]

4. Contracts and Leases

a. Award of Professional Services Agreement for Airport Consumer Item Inspection Services to Universal Protection Service, LP dba Allied Universal and Approval of Inspection Services Reimbursement Agreement with MCS Burbank LLC and HG Burbank JV

- Staff Report Attached

[See page 5]

Staff seeks a Committee recommendation to the Commission for award of a Professional Services Agreement ("Agreement") to Universal Protection Service, LP dba as Allied Universal ("Allied") for Airport Consumer Item Inspection Services ("Services"). As part of this Agreement, Staff also seeks the Committee's recommendation to the Commission for approval of the Inspection Services Reimbursement Agreement ("Reimbursement Agreement") between MCS Burbank LLC ("MCS"), HG Burbank JV ("Hudson") and the Burbank-Glendale-Pasadena Airport Authority ("Authority").

The proposed agreement, copy attached, is for a two-year term with two one-year extension options available to the Commission at its discretion at a not-to-exceed contract price of \$321,485 for the initial two years calculated based upon the estimated hours. The cost of these services under the proposed Reimbursement Agreement will be fully reimbursed by MCS and Hudson.

As the parties' desire to initiate this service as soon as possible, subject to the recommendation of the Committee, this item has also been placed on the Commission's agenda for its meeting immediately following the Committee's meeting.

5. Items for Information

a. Metrolink Transportation Shuttle Services Update

- ***No Staff report attached. Staff will update the Committee on replacement transportation shuttle services to the Burbank Airport - North Metrolink Station.***

6. Adjournment

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

MONDAY, SEPTEMBER 17, 2018

A regular meeting of the Operations and Development Committee was called to order on this date in the Airport Skyroom, 2627 N. Hollywood Way, Burbank, California, at 8:31 a.m., by Chairman Brown.

ROLL CALL

- Present:** Commissioners Brown, Tornek and Devine
- Absent:** None
- Also Present:** Staff: Frank Miller, Executive Director; John Hatanaka, Senior Deputy Executive Director; Tom Lenahan, Fire Chief, Airport Fire Department; Tom Janowitz, Senior Manager Ground Access
1. **Approval of Agenda** There were no adjustments to the agenda.
 2. **Public Comment** There were no public speakers.
 3. **Approval of the Minutes**
 - a. **August 20, 2018** Commissioner Devine moved approval of the minutes of the August 20, 2018, meeting, seconded by Commissioner Tornek. The minutes were approved (3-0).
 4. **Contract and Leases**
 - a. **Award of Purchase Orders to Motorola Solutions for Replacement Public Safety Radio Equipment**

Staff reported that the Airport Fire Department has 12 Motorola 5000 portable radios originally acquired in 2005. These radios, due to their age, will no longer be supported by Motorola and will not be compatible with the Verdugo Dispatch radio system upgrade.

Staff proposed replacement portable radios that will meet the interoperability requirements compatible with the newly acquired SBA equipment and meets the Verdugo directive.

Additionally, Staff advised that the Communication Center relies on a radio consolette for the interoperability radio communications throughout the Airport. Current consolettes acquired in 2005 and have reached the end of their useful life. Motorola advised

that this equipment will no longer be supported. To maintain continuity with the Verdugo radio equipment upgrade, Staff recommends that this equipment also be replaced with equipment compatible with the Verdugo directive.

Conversion to the compatible radio equipment for the other operating departments including replacement mobile radios for vehicles will be planned for in future fiscal years.

Staff recommended the Operations and Development Committee award two separate Purchase Orders to Motorola Solutions for: 1) replacement of the Airport Fire Department's 12 Motorola 5000 portable radios with 12 Motorola APX 8000 series radios in the amount of \$89,154.33; and 2) replace 8 Motorola APX Consolettes that provide radio communication for the Communication Center in amount of \$68,911.46.

Motion

Commissioner Tornek moved approval of Staff's recommendation, seconded by Commissioner Devine.

Motion Approved

The motion was approved unanimously (3-0).

This item has been placed on the Authority's agenda for its September 17, 2018, meeting immediately following the Committee's meeting.

b. Approval of Services Agreement with The Regents of the University of California on Behalf of the UCLA Center for Prehospital Care for EMT Continuing Education and Quality Improvement Services

Staff recommended to the Operations and Development Committee that it recommend to the Commission to approve a proposed three-year Services Agreement, with The Regents of the University of California on behalf of the UCLA Center for Prehospital Care ("UCLA"), for emergency medical technician ("EMT") continuing education and quality improvement at the initial annual rate of \$22,500, subject to a Consumer Price Index adjustment each year thereafter.

Staff reported that, UCLA is the leading emergency and prehospital academic center on the West Coast. For over 30 years, UCLA has provided state-of-the-art education to law enforcement, firefighters, EMTs, Paramedics, Registered Nurses, Medical Students, Medical Residents and Physicians.

Training will be done through a collaborative process where the EMS Educator regularly meets with the Airport Fire Department EMS Coordinator to discuss short-term and long-term department plans, performance on quality indicators, and educational strategies to provide informal discussions, formal continuing education sessions, field ride-along observation and the track quality indicators.

Motion

Commissioner Tornek moved approval of Staff's recommendation, seconded by Commissioner Devine.

Motion Approved

The motion was approved unanimously (3-0).

c. Award of Purchase Order for Replacement of Self-Parking License Plate Recognition ("LPR") Camera System Sentry Control Systems LLC

Staff reported that the self-parking operation utilizes the Skidata Parking and Revenue Control System ("PARCS"). In 2008, the Authority awarded the purchase and installation of the current Skidata PARCS to Sentry, the exclusive authorized Skidata PARCS System provider in the United States.

An integral revenue control feature of this system is the LPR cameras. The LPR cameras, management server, and associated hardware and software have now reached the end of their useful life.

The LPR camera system provides real time information to verify and match parking tickets to customers departing the lots.

Staff proposed acquiring new hardware and software for the LPR system. This proposed replacement hardware and software will support future parking programs such as the online parking reservation system.

Staff recommended an Operations and Development Committee recommendation to the Commission that it authorize the issuance of a Purchase Order in the amount of \$196,476 to Sentry Control Systems LLC for the replacement and upgrade of the self-parking. Appropriations for this project in the amount of \$200,000 are included in the Airport Authority's FY 2019 adopted budget.

Motion

Commissioner Tornek moved approval of Staff's recommendation, seconded by Commissioner Devine.

Motion Approved

The motion was approved unanimously (3-0).

5. Adjournment

There being no further business, the meeting adjourned at 8:50 a.m.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
OPERATIONS AND DEVELOPMENT COMMITTEE
OCTOBER 15, 2018**

**AWARD OF PROFESSIONAL SERVICES AGREEMENT
AIRPORT CONSUMER ITEM INSPECTION SERVICES
UNIVERSAL PROTECTION SERVICE LP
dba ALLIED UNIVERSAL AND
APPROVAL OF INSPECTION SERVICES REIMBURSEMENT AGREEMENT
WITH MCS BURBANK LLC AND HG BURBANK JV**

SUMMARY

Staff seeks a Committee recommendation to the Commission for award of a Professional Services Agreement ("Agreement") to Universal Protection Service LP dba Allied Universal ("Allied") for Airport Consumer Item Inspection Services ("Services"). As part of this Agreement, Staff also seeks the Committee's recommendation to the Commission for approval of the Inspection Services Reimbursement Agreement ("Reimbursement Agreement") between MCS Burbank LLC ("MCS"), HG Burbank JV ("Hudson") and the Burbank-Glendale-Pasadena Airport Authority ("Authority").

The proposed agreement, copy attached, is for a two-year term with two one-year extension options available to the Commission at its discretion at a not-to-exceed contract price of \$321,485 for the initial two years calculated based upon the estimated hours. The cost of these services under the proposed Reimbursement Agreement will be fully reimbursed by MCS and Hudson.

As the parties' desire to initiate this service as soon as possible, subject to the recommendation of the Committee, this item has also been placed on the Commission's agenda for its meeting immediately following the Committee's meeting.

BACKGROUND

All items and/or equipment of the respective vendors and concessionaires that are sold, consumed or used during the course of their respective businesses beyond the terminal security checkpoint are subject to inspection for any prohibited items. The proposed Services to be provided by Allied Universal meets the regulatory compliance requirements of the Transportation Security Administration ("TSA") for the inspection of these items. Specifically, TSA's requires the proposed services address the following:

- (i) All consumer items, defined as any merchandise and/or consumables that are for sale and/or use by screened passengers within the Sterile Area, are to be screened for prohibited items; and

- (ii) The contracted security personnel are to be held responsible to conduct the inspection of all consumer items and allow entry into the Terminal Sterile Area to only those holders of an approved Security Identification Badge.

Currently, TSA provides the inspection screening of consumer items and authorized employees at the respective terminal security checkpoint. Inspections conducted at the security checkpoints impacts TSA resources, time and space from ticketed passengers going through the security screening process. As passenger traffic has increased over the past two fiscal years, the window of time available to screen the concessionaires' goods and equipment has been shrinking, which has resulted in either a shortage of merchandise and consumables or a delay in passengers obtaining merchandise or services from the concessionaires. With forecasts indicating additional air service as well as increases in passenger activity, TSA resources allocated to the screening of consumer goods will be further reduced, impacting concessionaires' delivery of goods and increasing wait times at the security checkpoints.

To address the situation, Staff held discussions with representatives of TSA, the concessionaires, and Allied Universal. It was determined by the parties that the removal of consumer item inspections from the security checkpoint and the implementation of separate Services would ensure operational efficiency at the checkpoints while meeting the security inspection requirements. Additionally, this would allow the concessionaires to time their respective deliveries to provide a higher number of goods to passengers without obstructing the flow of the security checkpoints. Further discussions were held with representatives of MCS and Hudson, which resulted in the proposed Reimbursement Agreement, specifying the Services be performed 16 hours per day with MCS responsible for 69% of the cost and Hudson 31%.

BUDGET IMPACT

This item was not included in the appropriations of the adopted FY 2019 budget. However, there will be no budget impact as the cost of the Services will be fully reimbursed by MCS and Hudson per the terms of the proposed Reimbursement Agreement during the term of the Agreement.

SCHEDULE IMPACT

If approved, Allied Universal will implement the Services immediately.

RECOMMENDATION

Staff recommends that the Committee recommend to the Commission that it approve a Professional Services Agreement with Allied Universal and the Inspection Services Reimbursement Agreement with MCS and Hudson for the Airport Consumer Item Inspection Services and authorize the President to execute the same.

**PROFESSIONAL SERVICES AGREEMENT
(Burbank-Glendale-Pasadena Airport Authority / Allied Universal)**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is dated October __, 2018 for reference purposes and is executed by the Burbank-Glendale-Pasadena Airport Authority ("Authority"), a California joint powers agency, and Universal Protection Service, LP d.b.a. Allied Universal Security Services ("Consultant"), a California limited partnership.

RECITALS

A. The parties have executed an October 13, 2017 Professional Services Agreement ("2017 Agreement") to provide for Consultant's performance of airport security and traffic control services at the Bob Hope Airport (commonly known as Hollywood Burbank Airport) ("Airport"). The parties now desire to provide for Consultant's performance of airport consumer item inspection services at the Airport.

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": Commander Allen Schmitt or a duly authorized designee.

B. "Contract Amount": \$321,484.80.

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

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

G. "Rate Schedule": the rate schedule set forth in the attached Exhibit C.

H. "Services": the Statement of Work set forth in the attached Exhibit A.

2. Services.

A. Consultant 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. The Services are subject to change, depending on changes to federal and Authority procedures, regulations and requirements. Any addition or deletion of tasks or posts will result in an equitable adjustment to the Contract Amount as determined by mutual agreement of the parties.

C. 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.

D. 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 October 16, 2018 and shall remain in full force and effect until October 31, 2020 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 thirty 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 30 days prior written notice to the other party.

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 the Rate Sheet. In no event shall the compensation payable to Consultant under this Agreement exceed the Contract Amount.

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. Indemnification.

A. Consultant 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") to the extent resulting from the acts or omissions of Consultant or its subcontractors in connection with this Agreement.

B. Without limiting the generality of the preceding, Consultant shall reimburse the Authority in full for any fines, levies, or assessments (collectively, "Civil Penalty") levied upon the Authority by the Transportation Security Administration or other agency as a result of a negligent or willful misconduct act or omission of Consultant in connection with the Services. Consultant shall remit payment within 30 days following final adjudication of any such Civil Penalty. If remittance is not timely made by Consultant, then the Authority may deduct the

amount of the unreimbursed Civil Penalty from amounts payable to Consultant under this Agreement.

C. Consultant's obligations under this section shall apply, without limitation, to Liabilities and Civil Penalties that partially involve active or passive negligence by the Authority. However, Consultant's obligations under this section shall not apply to Liabilities and Civil Penalties 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. Consultant'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 or Civil Penalties.

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. 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.

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

Authority
Burbank-Glendale-Pasadena Airport Authority
2627 Hollywood Way
Burbank, CA 91505
Attn: Commander Allen Schmitt
E-mail: ASchmitt@bur.org

Consultant
Allied Universal
1551 N. Tustin Avenue, Suite 650
Santa Ana, CA 92705
Attn: Steve Claton, Pres., Southwest Reg.
E-mail: Steve.Claton@aus.com

13. 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. This prohibition is not intended to preclude, and shall not be interpreted as precluding, Consultant from utilizing subcontractors identified in Consultant's proposal for the Services. Any attempt by Consultant to assign, transfer or subcontract any rights, duties or obligations in violation of this prohibition shall be void.

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

construction providing for interpretation against the party who causes the uncertainty to exist or against the party who drafted the disputed language.

15. **Exhibits.** Exhibits A through D are incorporated into this Agreement by reference. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of Exhibits A through C, the provisions of this Agreement shall prevail. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of Exhibit D, the provisions of Exhibit D shall prevail.

16. **Incorporation of Mandatory Language.** Each and every provision required by law to be inserted in this Agreement shall be deemed to be inserted and this Agreement shall be read and enforced as though such provision were included. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon request of either party this Agreement shall promptly be amended to make such insertion or correction.

17. **Entire Agreement.** This Agreement is supplemental to, and does not amend or otherwise affect, the 2017 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.

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

Allied Universal Security Services



Steve Claton, President

Burbank-Glendale-Pasadena Airport Authority

Zareh Sinanyan, President

Approved as to form:

Richards, Watson & Gershon
A Professional Corporation

EXHIBIT A
Statement of Work

(attached)

**INSPECTION SERVICES REIMBURSEMENT AGREEMENT
(Burbank-Glendale-Pasadena Airport Authority / MCS Burbank / HG Burbank JV)**

THIS INSPECTION SERVICES REIMBURSEMENT AGREEMENT ("Agreement") is dated October 1, 2018 for reference purposes and is executed by the Burbank-Glendale-Pasadena Airport Authority ("Authority"), a California joint powers agency, MCS Burbank, LLC ("MCS"), a Nevada limited liability company, and HG Burbank JV ("HG"), a California general partnership comprised of Hudson Group Retail, LLC, a Delaware limited liability company, and Stewart Manhattan Investments, Inc., a California corporation.

RECITALS

- A. The Authority owns and operates the Bob Hope Airport (commonly known as Hollywood Burbank Airport) ("Airport").
- B. The Authority and MCS have executed a December 31, 2000 Lease and Concession Agreement ("MCS Agreement") to provide for MCS' operation of a food and beverage sales concession at the Airport.
- C. The Authority and HG have executed an April 20, 2015 Concession and Lease Agreement ("HG Agreement") to provide for HG's operation of a news, gifts, and specialty retail concession at the Airport.
- D. MCS and HG have requested that the Authority retain an independent contractor, at their cost, to provide airport consumer item inspections for their respective concessions. MCS and HG specifically have requested that such inspection services be performed 16 hours per day, and have agreed to a 69%-31% cost sharing with MCS being responsible for 11 hours per day and HG being responsible for 5 hours per day.
- E. In response to this request, concurrently with the execution of this Agreement, the Authority is executing an October 1, 2018 Professional Services Agreement with Universal Protection Service, LP d.b.a. Allied Universal ("Allied Universal Agreement") for performance of such inspection services.

NOW, THEREFORE, the parties agree as follows:

- 1. **Term.** The term of this Agreement shall remain in effect for the duration of the Allied Universal Agreement (including any extensions of such contract) and until MCS and HG have remitted all reimbursements required by Section 2 below.
- 2. **Reimbursement.** On a monthly basis, the Authority shall separately invoice MCS and HG (consistent with the cost sharing specified in Recital D above) for reimbursement of the Authority's payments under the Allied Universal Agreement for airport consumer item inspection services during the prior calendar month. MCS and HG shall remit the reimbursement within 30 days of the invoice date.

3. 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.

MCS
MCS Burbank LLC
350 S. Grand Ave., 25th Fl.
Los Angeles, CA 90071-1503
Attn: Steve Mora
E-mail: Steve@mcsburbank.com

HG
HG Burbank JV
One Meadowland Plaza, Ninth Floor
East Rutherford, NJ 07073
Attn: Jeffrey Martin
E-mail: Jfmartin@hudsongroup.com

Authority
Burbank-Glendale-Pasadena Airport Authority
2627 Hollywood Way
Burbank, CA 91505
Attn: David Kwon
E-mail: Dkwon@bur.org


4. Litigation. In the event that any 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.

5. Entire Agreement. This Agreement is supplemental to, and does not amend or otherwise affect, contracts previously executed by the parties including the MCS Agreement and the HG Agreement. 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.

MCS Burbank, LLC



Vice President

HG BURBANK JV



Regional Vice President

Burbank-Glendale-Pasadena Airport Authority

Zareh Sinanyan, President

Approved as to form:

Richards, Watson & Gershon
A Professional Corporation



AIRPORT CONSUMER ITEMS INSPECTIONS

Statement of Work

The Statement of Work ("SOW") is a general guide and is not intended to be a complete list of all work necessary for the airport consumer items inspections. The days, locations and times of each post identified below may vary.

The Authority has identified the following two locations and/or posts on the Airport that are to be used for the inspection of consumer items into the Sterile Area of the Airport.

1. Terminal A – A2 Bypass
2. Terminal B – B5 Bypass

The SOW will require the tasks identified below, but may be subject to change, depending on changes to procedures, regulations and requirements. (Any such addition or deletion of tasks or posts will result in an equitable adjustment to the not-to-exceed contract value via written contract amendment.)

1. The Transportation Security Administration (TSA) and the Airport require that all consumer items entering into the Sterile Area do not contain any prohibited items.
2. Consumer items are identified as any merchandise and consumables that are for sale and/or use by screened passengers within the Sterile Area.
3. It is the responsibility of the security personnel approved by the Airport to conduct the inspection of all consumer items and to allow entry to only approved Badge holders into the Sterile Area after the inspection.

All posts and/or locations operate in a highly regulated security environment, and the Contractor's staff will be responsible for duties related to securing the Airport against threats and following procedures in order to comply with security regulations. Failure to perform the duties required could lead to noncompliance penalties from the Authority and/or the TSA.

In order to ensure that duties performed meet expectations, the Authority requires that the Service Provider's staff assigned to the Airport have the following skills and capabilities:

1. Ability to maintain situational awareness in a dynamic airport environment by being aware of one's surroundings at all times.
2. Fluency in the English language.
3. Ability to learn/retain/exercise all Authority policies and procedures.
4. Ability to sit or stand for extended periods of time.
5. Ability to ensure that Sensitive Security Information ("SSI") is not given to those without a need to know.
6. Ability to pass a criminal history background check in order to be badged at the Airport.
7. Ability to maintain the Authority's customer service standards.
8. High School Diploma or equivalent.

Additionally, the Contractor's Airport Security Supervisors will be required to ensure that the following responsibilities are met:

1. Central point of contact with the Authority available on a 24/7 basis for emergency response.
2. Ensure that locations and posts are staffed adequately by properly uniformed guards.
3. Ensure that all daily Consumer Items Inspection Logs are completed in accordance with established procedures and are turned in to the Airport Security Coordinator ("ASC") on a monthly basis.
4. Provide necessary corrective actions and ensure adequate training is given to employees.
5. Provide the Authority with applicable information to support annual TSA security-related audits.

The Service Provider must also provide the following for its staff as applicable:

1. Authority-approved log books for their posts.
2. Any necessary equipment to ensure the safe and efficient operation of the staff.
3. Any initial and recurrent training as required by the Authority that includes and is not limited to the following topics:
 - a. Airport organization familiarization
 - b. Consumer Items Inspections
4. All training expenses are the responsibility of the Service Provider and all training must be pre-approved by the Authority.
5. All uniforms and supplies necessary for the staff to perform their job responsibilities.

Current locations / posts and their hours of operations are identified below. These hours and posts are to be used as a general guide and are subject to change, which may include additional locations and/or modified hours and/or staffing levels. Additionally, coverage and hours may be adjusted based on anticipated needs during peak travel periods, holidays, or as needed to ensure adequate coverage of location and/or post. Any such addition or deletion of posts will result in an equitable adjustment to the not-to-exceed contract value via written contract amendment.)

Location/Post	# of Guards	Hours of Operation	Hours /Day	Posted Hours	Days/Week	Hours/Year
<i>Terminal A – A2 Bypass</i>	1	8 Hours a day	8	4:30 AM – 1:30 PM	7 days a week	2,912 Hrs/Yr
<i>Terminal A – A2 Bypass</i>	1	4 Hours a day	4	6:00 PM – 10:00 PM	7 Days a week	1,456 Hrs/Yr
<i>Terminal B – B5 Bypass</i>	1	4 Hours a day	4	4:30 AM – 1:30 PM	7 days a week	1,456 Hrs/Yr

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 of this Agreement and Consultant shall maintain continuous coverage through a period of no less than three years after expiration or termination of this Agreement.
 - D. **Excess Liability Insurance.** Consultant shall maintain excess liability insurance that covers the Services in the minimum amount of \$2,000,000.
 - E. **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. Approval shall not be unreasonably withheld upon Consultant demonstration of financial capacity to carry such deductibles and self-insured retentions. At the option of the Authority, Consultant shall provide a financial guarantee of its parent company guaranteeing payment of losses and related investigations, claim administration, and defense expenses up to the amount of policy self-insured retentions and deductibles.

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
Rate Sheet**

(attached)



Price Structure

Allied Universal is pleased to present the following all inclusive billing rates for providing service to the Hollywood Burbank Airport for Consumer Items Inspections.

Notes to Pricing

Changes in statutory costs will be billed as incurred to reflect changes in markups to Allied Universal. Bill rates are not inclusive of sales tax. Pricing will increase every November 1st to match the following year's pricing.

Post Location and Hours: One officer per shift, 7 days a week, 365 days a year. Terminal A from 4:30 am to 1:00 pm (8 hours a day with a ½ hour lunch break) and 6 pm to 10 pm (4 hours a day) for a total of 12 hours a day. Terminal B from 4:30 am to 8:30 am (4 hours a day). A total of 112 hours per week.

YEAR	Hourly Pay Rate	Hourly Bill Rate	Overtime Rate	Holiday Rate	Number of Employees
2018 PRICING	\$15	\$24.00	\$36.00	\$36.00	6
2019 PRICING	\$16.50	\$26.40	\$39.60	\$39.60	6
2020 PRICING	\$18.00	\$28.80	\$43.20	\$43.20	6
2021 PRICING	\$19.50	\$31.20	\$49.92	\$49.92	6
2022 PRICING	\$21.00	\$33.60	\$50.40	\$50.40	6

Thank you,

Yalda Assef

Branch Manager

Allied Universal

EXHIBIT D
Non-AJP 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.