



December 5, 2019

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

NOTICE is hereby given that a special meeting of the Legal, Government and Environmental Affairs Committee will be held Tuesday, December 10, 2019, at 9:00 a.m., in the Burbank Room of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, California 91505.

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

SPECIAL MEETING
OF THE
LEGAL, GOVERNMENT AND ENVIRONMENTAL AFFAIRS COMMITTEE

Burbank Room
Tuesday, December 10, 2019
9:00 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

Tuesday, December 10, 2019

1. Approval of Agenda
2. Public Comment
3. Approval of Minutes
 - a. November 4, 2019 **[See page 1]**
4. Items for Discussion
 - a. Consideration of TBI Airport Management Contract Extension Request
 - Staff report attached **[See page 3]**

Pursuant to direction given by the Commission on November 4, 2019, the Authority General Counsel has agendized this item for the Legal, Government and Environmental Affairs Committee to consider and make a recommendation on the following: (i) a request from TBI Airport Management, Inc., for a 10-year extension of the airport management services agreement; and (ii) any desirable changes to the Management Contract.
5. Items for Information
 - a. Committee Pending Items **[See page 6]**
6. Adjournment

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

MONDAY, NOVEMBER 4, 2019

A special meeting of the Legal, Government and Environmental Affairs Committee was called to order on this date in the Burbank Room, 2627 N. Hollywood Way, Burbank, California, at 11:24 a.m., by Chairman Wiggins.

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

ROLL CALL

Present: Commissioners Wiggins, Madison and Agajanian

Absent: None

Also Present: Staff: Frank Miller, Executive Director;
John Hatanaka, Senior Deputy Executive Director;
Sarah Paulson Sheehy, Senior Director of
Government and Public Affairs

Airport Authority Legislative Consultant
(via teleconference): Kristian Foy, Arnold and
Associates

Airport Authority Representative:
Kevin Ennis, Esq., Richard Watson Gershon

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

2. Public Comment There were no public speakers.

3. Approval of Minutes

a. October 21, 2019 Commissioner Wiggins moved approval of the minutes of the October 21, 2019, meeting. The minutes were approved (3-0).

4. Items for Information

a. State Legislative Update Via teleconference, Kristian Foy of Michael J. Arnold & Associates, the Authority's Sacramento legislative consultant, updated the Committee and answered various questions on current airport-related legislative issues which they have been monitoring.

5. Closed Session

The meeting did not recess to closed session.

6. Adjournment

There being no further business, the meeting was adjourned at 11:53 a.m.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
LEGAL, GOVERNMENT AND ENVIRONMENTAL AFFAIRS COMMITTEE
DECEMBER 10, 2019**

**CONSIDERATION OF TBI AIRPORT MANAGEMENT CONTRACT
EXTENSION REQUEST**

SUMMARY

Pursuant to direction given by the Commission on November 4, 2019, the Authority General Counsel (“General Counsel”) has agendaized this item for the Legal, Government and Environmental Affairs Committee (“Committee”) to consider and make a recommendation on the following: (i) a request from TBI Airport Management, Inc. (“TBI”) for a 10-year extension of the airport management services agreement (“Management Contract”); and (ii) any desirable changes to the Management Contract.

BACKGROUND

Since its acquisition of the Airport in 1978, the Authority has utilized an independent contractor for management services and personnel. Currently, this arrangement is structured through the Management Contract with TBI. That agreement has a 12-year base term expiring on June 30, 2020, and it affords the Authority one 10-year extension option. To exercise the extension option, the Authority must send a written notice to TBI on or before January 1, 2020. TBI has submitted a letter, attached as Exhibit A, requesting that the Commission exercise the extension option.

The Authority and TBI amended the current Management Contract in 2008, 2013, 2015, 2016, and 2017. The first amendment addressed severance payments for certain TBI personnel. The second amendment established a pool for the Authority’s reimbursement of unbudgeted legal fees incurred by TBI in the operation and management of the Airport. The third amendment added aircraft rescue and firefighting (“ARFF”) services to the scope of services and made associated contract revisions. The fourth amendment provided for the transition of the former Executive Director to the position of Director, Development Services. Finally, the fifth amendment revised the minimum staffing requirement for ARFF services and updated the lists of senior staff, additional management, and supervisory personnel.

On November 4, 2019, the Commission discussed TBI’s extension request and the establishment of a new ad hoc committee to work on this matter. Rather than form a new ad hoc committee, the Commission’s consensus was to have the Committee consider this matter and make a recommendation.

ALTERNATIVES

There are at least two alternatives that the Committee should consider. First, if the Committee does not desire to negotiate any changes to the Management Contract and is supportive of the extension request, then the Committee can recommend to the Commission that the General Counsel be authorized to issue TBI a written notice exercising the extension option. As the Management Contract does not specify TBI’s compensation for the

extension period, that amount would need to be negotiated and a contract amendment would have to be processed.

Second, if the Committee does desire to negotiate changes to the Management Contract, then the Committee can provide direction to the General Counsel on issues to be addressed. The General Counsel would then prepare a draft contract amendment for the Committee's consideration and would negotiate with TBI's counsel until the Committee is ready to make a recommendation to the Commission. At that point, the proposed contract amendment would be agendized for the Commission's consideration.

STAFF RECOMMENDATION

The General Counsel recommends that the Committee give direction on how it wishes to proceed in response to TBI's request for a 10-year extension of the Management Contract.

October 29, 2019

Attn.: Ray Adams, President
Burbank-Glendale-Pasadena Airport Authority
c/o Terence Boga, General Counsel
2627 Hollywood Way
Burbank, CA 91505

Re: Request for Extension of Contract with TBI Airport Management, Inc. (“TBI”)

Dear Mr. Adams:

The 12-year initial term of TBI’s airport management services agreement (“Management Contract”) with the Burbank-Glendale-Pasadena Airport Authority to operate and manage the Hollywood Burbank Airport expires on June 30, 2020. In accordance with the Third Amendment to the Management Contract, the Authority may authorize a 10-year extension of the initial term by submission of written notice to TBI on or before January 1, 2020 (the “Extension”).

TBI values its role as an operational partner to the Authority and is prepared to continue to provide its services under the Management Contract through the term of the Extension. We would appreciate the opportunity to continue to work with the Authority toward the further development and success of the Airport .

In order to be in the best position to plan for future operational needs under the Management Contract, TBI respectfully requests that the Authority exercise its option for the Extension and notify TBI of same as soon as reasonably practicable. If any further information would be helpful in evaluating this request, please do not hesitate to reach out to us.

Respectfully submitted,



John Green
Vice President and COO
TBI Airport Management, Inc.

**BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
LEGAL, GOVERNMENT AND ENVIRONMENTAL AFFAIRS COMMITTEE
DECEMBER 10, 2019**

COMMITTEE PENDING ITEMS

Future

1. Award of Contract - ANOMS Upgrade
2. Approval of Membership – Burbank Transportation Management Organization;
PSA with Steer Davies Gleave, Inc.