

THURSDAY, JULY 12, 2001

An adjourned meeting of the Council of the City of Burbank was called to order this date as a joint meeting with the City Councils of Glendale and Pasadena, at the Fire Training Center, 1845 North Ontario Street, Burbank, at 6:11 p.m., by Mr. Kramer, Mayor.

ROLL CALL

Present- - - - Burbank Council Members Golonski, Laurell, Murphy, Ramos and Kramer.  
Glendale Council Members Manoukian, Quintero, Weaver, Yousefian, and Gomez.  
Pasadena Council Members Haderlein (left at 8:10 p.m.), Holden (arrived at 7:15 p.m.) and Tyler.

Absent - - - - Burbank Council Members None.  
Glendale Council Members None.  
Pasadena Council Members Gordo, Little, Madison, Streator, and Bogaard.

Also Present - Burbank – Mr. Ovrom, City Manager; Mr. Barlow, City Attorney; Mr. Kirsch, Cutler & Stanfield, special legal counsel for the City; and Mrs. Sarquiz, City Clerk.  
Glendale – Mr. Starbird, City Manager; Mr. Howard, City Attorney; and Mrs. Twedt, City Clerk.  
Pasadena – Ms. Kurtz, City Manager; and Mr. Rasmussen, Assistant City Attorney.

Oral Communications Mayor Kramer called for oral communications at this time.

Citizen Comment Appearing to comment were Don Elsmore, supporting the Restore Our Airport Rights (ROAR) initiative; R. C. "Chappy" Czapiewski, supporting ROAR, and opposing the destruction of the Skunkworks buildings; Molly Hyman, supporting ROAR, and on concern that the Authority recently took action to approve an environmental study for a 300,000 square foot terminal; Stan Hyman, on the need for a curfew and cap on flights at the Airport and playing a tape recording of airplane sounds; Eileen Cobos, supporting ROAR and Measure B and on concern with safety and pollution related to the Airport; Mark Barton, on the need for a new terminal to be built; Peggy Nudo, supporting ROAR and stating her belief that without a curfew and cap on flights, Burbank home prices will be negatively impacted; Bill Orr, supporting ROAR noting the need for a cap on flights and a mandatory curfew; Margie Gee, opposing an expansion of the Airport; Ron Vanderford, supporting ROAR noting the need for a mandatory curfew and cap on flights, and noting concern with the Airport Authority's proposed size of the new terminal; Bob Etter, supporting ROAR; J.P. Kearney, on the need for a good safe Airport

noting concern it is not presently safe, and asking whether the three Council's have the Authority to require a mandatory curfew or is that a decision made by the Federal Aviation Administration (FAA); Howard Rothenbach, supporting ROAR; Marie Paino, opposing an Airport expansion and supporting ROAR; David Piroli, on concern with the actions of the Airport Authority noting it should be more responsible and accountable to the three City Councils; Carl Setty, opposing the creation of the Airport Authority noting his belief the City of Burbank should be in sole control of the Airport; Rose Prouser, stating the public was assured via the escrow agreement entered into between the City and the Airport Authority for the B-6 property that the property would be sold if an agreement had not been reached by now, and supporting ROAR; Frank Kaden, stating the Joint Powers Agreement should be dissolved and only Burbank should be in control of the Airport, and asking when the Airport will pay the City owed tax dollars; Mike Nolan, asking the three Councils to look at the history of the Airport, and stating Burbank's concerns over an enlarged terminal are legitimate; Alan McKay, supporting a curfew and cap on flights; Ted McConkey, stating Burbank residents want quality of life, and supporting ROAR particularly a cap on flights and a mandatory curfew; Ron Gordon, on concern that the volume of the microphones during this meeting is not adequate; Roy Wiegand, on the need for quality of life in Burbank, and supporting a curfew and cap on flights; Michael Moynhehan, stating the noise from the Airport is hard to live with, stating the people who live under the flight path should have a decision in the Airport future, and supporting ROAR; Kathy Miller, on concern with the noise from the Airport, and supporting a mandatory curfew and cap on flights noting the need for quality of life in Burbank; and Laverne Thomas, supporting ROAR, opposing the representation of outside counsel Peter Kirsch as he also represents Los Angeles Airport, and supporting a mandatory curfew and other restrictions on a new terminal.

Introductory  
Comments by  
Cities

Glendale Mayor Gomez said this meeting provided the cities with an unprecedented opportunity to discuss issues of great interest to each City. He said each City arrived at this meeting with no pre-conceived agenda, and recognizes the value of discussion and what it may bring for the future. He further said that cooperation is not unknown to these three cities noting that together, the cities operate the Verdugo Fire Communications Center, have mutual aid agreements for Fire

and Police emergencies, and recently embarked on talks to discuss the possibility of a Joint Powers Agency to bring power at lower rates to the residents. He concluded by stating that he is hopeful that the success the cities have had with other joint projects will continue with the Airport issue.

Pasadena Council Member Tyler read a statement from Pasadena Mayor Bogaard which thanked the City of Burbank for setting this meeting. The letter also noted the success of the Joint Powers Agreement entered over 20 years ago but noted there were a number of challenges facing the Airport including: the need for a modern and convenient terminal; the importance of greater safety for passengers and for all persons on and near the Airport; the desire to have a plan that accommodates increased passenger demand over the years; and, the insistence on the part of the City of Burbank, that the impacts of noise, traffic and pollution be managed in some equitable way. The letter said that the Pasadena Council feels a responsibility as one of three partners to address and to help resolve the issues. The letter concluded by expressing Pasadena's interest in the steps that are appropriate to be pursued hereafter and further suggested that the three cities should consider a meeting of this kind on an annual basis.

Presentation by  
the City of  
Burbank

Council Member Golonski discussed that Burbank proposed this meeting because Burbank believes that the Airport dispute can and should be resolved if the three cities can reach consensus on several key policy issues.

He began the presentation with some brief historical notes. He said the Airport was created by a Joint Powers Agreement (JPA) among the three cities noting it is believed that the intent of the JPA was to preserve public accountability. He said the original JPA envisioned that the City Councils would set policy and the Airport Authority would run the day-to-day details of the Airport. He then noted that the Authority was formally established as a separate entity purely for legal reasons so that the cities would not be liable for the Authority's bonds in the event it defaulted.

As further proof of the cities' intent that the three councils would be accountable for Airport policy, Mr. Golonski said that for most of its history, many of the members of the Airport's Commission have been City Council Members from the three cities. He then noted that just as the cities have faced in the past, today the cities are faced with some

important policy questions which call for giving clear direction to the Authority.

Next, he discussed that the dispute over the new terminal has resulted in more than a dozen lawsuits over the last five years and a number of attempts to negotiate a compromise that would meet everyone's needs. Then in mid-1999, when the Authority was faced with the possibility that it would never be allowed to buy the B-6 property and would almost certainly lose tens of millions of dollars if it did not reach a deal with Burbank, he said the Framework for Settlement was negotiated by two of Burbank's Council Members and three Airport Authority Members. He noted that the Framework for Settlement, like prior efforts, ultimately proved unsuccessful.

Although it was unsuccessful in the end, he said the Framework for Settlement called for the Authority and Burbank to execute a series of agreements which were entered into by the parties in November 1999. He then noted that in order for all parties to understand where we are today, he would need to provide a brief description of the series of agreements called the Title Transfer Agreements. He explained that the Transfer Agreements divided the B-6 property into two parts known as the adjacent and trust property respectively. He said the Authority received title to the adjacent property and the trust property has been held by a trust. He noted that the Agreements prohibited the Authority from using either parcel without Burbank's approval and included a deadline of May 2000 for reaching a final agreement on a new terminal. After that deadline, he said the Agreements required the Authority to sell the B-6 property.

Mr. Golonski then discussed several recent events that have made the need for a negotiated resolution increasingly important. First, because the City and Authority were unable to reach a final agreement by the deadline set out in the Framework, he said the Authority has been marketing the B-6 property for sale. He noted that the Authority determines the timing, terms and price, and there is no deadline for concluding that sale. Second, he said the Authority has started preparing a whole new Environmental Impact Report (EIR) for another terminal site, one Burbank believes is far inferior in all respects to the B-6 site. He noted that the Authority's decision to prepare a new EIR is significant because, in discussions about implementing the Framework, one of the most contentious issues was the legal need for updating the old EIR before a terminal could be built. Third, he said the Part 161 Study has been undertaken by the

Authority and they have publicly stated that it is to be completed and submitted to the Federal Aviation Authority (FAA) by September. He noted that the likelihood that the FAA will approve a mandatory curfew would, in Burbank's view, be greatly enhanced if the three cities and Authority reached a consensus on a deal for a new terminal. In addition, for the study to be credible and to enhance the probability that the FAA will approve it, he said it would be very helpful for the cities to have a consensus on the objectives of this Study.

At this point, Council Member Murphy discussed that Burbank feels it is the obligation of the City Councils to be accountable to the voters when setting policy on the Airport. She said that in 1977, the policy questions the cities faced concerned the survival of the Airport, which is no longer in doubt. But instead, she said, today the cities must set policies for what kind of Airport is wanted for the future.

Next, she said that it is Burbank's belief that the possible construction of a new terminal requires the cities to once again give guidance to the Authority on how to address the impacts of the Airport on its neighbors. She noted that the three cities created the Airport Authority to administer and operate the Airport. She further noted that neither the JPA nor California law allows the cities to delegate their policymaking role to the Authority. She then said that the fact that the cities need to give policy guidance to the Authority does not mean that the Authority has no role to play. In fact, she said the commission has important expertise to bring to the table, expertise that has been gained through years of experience for many of the commissioners. For that reason, she said Burbank believes the Authority should help the cities as the parties turn big-picture policy objectives into the practical reality of an agreement. Further she said that in addition to the mutual obligation to provide policy guidance, there's a practical reason for the City Councils to develop a consensus on the Airport policy issues. She noted that if the cities and Authority can approach the FAA collectively it would be hard for them to ignore the collective consensus.

Mrs. Murphy then outlined the following ten policy principles that the Burbank City Council believes can form the basis for moving forward on the Airport:

1. The Burbank-Glendale-Pasadena Airport is an important economic and transportation asset for this region.

2. The Airport Authority was intended to be, and should always be, maintained as a partnership among the three cities.
3. The existing terminal should be relocated.
4. The most desirable location for the relocated terminal is the former Lockheed B-6 property.
5. An FAA approved mandatory 10:00 p.m. to 7:00 a.m. curfew must be implemented before a relocated terminal is built.
6. The relocated terminal should have 14 gates and be large enough to meet current building code, safety, Americans with Disabilities Act, and generally accepted space requirements.
7. There must be an enforceable limit on future growth at the Airport to provide neighbors a degree of certainty on what the future impact will be on their quality of life.
8. Burbank should be compensated for tax revenues attributable to the value of the Airport property.
9. The taxpayers of Burbank should not bear the burden of providing infrastructure to accommodate the Airport; the cost of any such infrastructure should be borne by the Authority.
10. All commitments by the Authority and the cities must be enforceable.

She then said that Burbank believes it will be important for the cities to find consensus on the broad principles. In order to reach that consensus, she said Burbank was recommending that the three Mayors or a representative of each Council form a policy group to oversee working out the important details. Meanwhile, she said the cities should seek input from all interested stakeholders, from our residents and neighbors in Los Angeles, users of the Airport, to our respective members of Congress and State-elected Officials. Then, once we have received that input, she said Burbank believes that our three cities and the Authority will be in a position to present a proposal to the FAA that will carry with it the endorsement of all the policy makers.

In conclusion, Mrs. Murphy said that Burbank is deeply grateful to the Glendale and Pasadena City Councils for taking the time tonight to work on developing effective policies on the Airport. She noted that Burbank believes that with the help of Glendale and Pasadena this long-running dispute can be resolved, but only if all three City Councils are willing to provide clear policy guidance to their respective Airport Commissioners.

Input by the  
Airport  
Commission

Dios Marrero, Executive Director, Burbank-Glendale-Pasadena Airport began by stating that one of the difficult parts of his job is to try to bring some reality and sanity into a situation caught between demands by local residents for legitimate noise relief, promises made by local officials that perhaps are not always attainable, demand for aviation services that are generated by the economic development policies of the three cities, other cities in this region including the City of Los Angeles, and national policy; and he stated that all of those conflicting demands are difficult to reconcile.

On behalf of the Authority and on behalf of Authority President Holden, he said the Authority offers the following comments.

He said the Authority respectfully has a very different point of view than that which has been presented this evening by the City of Burbank regarding the underlying premises and conclusions of the presentation. He then outlined the summary of the areas where there is a different point of view.

First, he said that the proposition that the three cities acting in concert will guarantee achievement of structurally unachievable noise relief for this community and thereby permit a new terminal to be built is misguided and unproven. He noted the experience following the negotiation of the Framework for Settlement Agreement when the City and Authority representatives joined together and went to Washington D.C. to ascertain whether certain noise relief measures could be achieved, proved unsuccessful because there were a number of issues of National policy that proved to be over arching.

He said the second thing that concerns the Authority is that the action by the three cities in concert actually begins to undermine the insulation from liability which was one of the original intents of the JPA. He said that what is being proposed this evening is tantamount to an amendment to the JPA and if that is the intent of the cities, then that is the proper mechanism to pursue.

Mr. Marrero further discussed that the Airport Authority was created as an independent agency to insulate all three cities from liabilities associated with noise lawsuits, liabilities

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associated with the financial operations of the Airport and, probably most important of all, liability from aircraft accidents. He said the Authority faces significant liability exposure by the very nature of its operations and the founders of the Authority at the time wanted an arm's length relationship to insulate all three cities from that liability.

Next, he discussed the environment in which the Authority operates. He said the Authority is both a creature of local government and National policy and the environment in which it operates is one where there has been nation-wide gridlock in the approval of aviation projects in this country which has caused tremendous concern in Washington. As a result, he said there is national priority in Congress to expand aviation capacity and the national preference for addressing noise concerns is the reduction of aircraft engine emissions. He noted that this is the national policy being formulated and developed by the FAA and Congress, and well-intentioned attempts to achieve local restrictions runs full counter to those national policies and national preferences.

He further discussed that the Airport suffers from the local economic development policies of local legislative bodies who generate demand for air service. He said the Airport does not know if it will grow, and if it does grow at all, it will be because it mirrors local agency development policies and population growth. He noted that the Airport is a recipient of growth not a generator of growth. He then said the Airport believes that with or without a terminal building, whatever growth the cities' policies generate will occur and that's a reality that the cities need to be cognizant of.

Mr. Marrero then pointed out the following fundamental policy differences between the two agencies. He said that Burbank's approach to the management of the Airport is that the Airport can and should limit aviation activity regardless of the demand and thus, no terminal building should be built without a guaranteed curfew, growth limits and noise restrictions. However, he said the Airport operates under different principles. He said they see their role as a short, medium haul aviation facility responsive to the local demand for air service that the cities generate. He further said that they believe they should pursue all available means to mitigate noise impacts consistent with FAA policies and available technology.

At this point, he discussed that at the time of the creation of



the JPA, one of the specific provisions was that the Authority shall "diligently pursue all reasonable avenues available to ensure that the adverse effects of noise are being mitigated to the greatest extent reasonably possible". He said the Authority is asked to pursue this principle and cited the following examples of measures they have taken to mitigate noise impacts: the Authority has ramped up the home insulation program to up to 300 homes per year and a \$10 million investment in the sound insulation of homes as well as the securing of \$66 million in federal money for the program; the Authority has tripled fines for nighttime noise violators; and, the Authority has spent a million dollars to date on a Part 161 Study, and received federal approval to spend over \$140 million in noise programs over a ten-year period through a Part 150 Study.

Mr. Marrero concluded by stating that, in the Authority's view, the 10 principles presented by the City of Burbank guarantee that no replacement terminal will ever be built and no safety solution will be found. In terms of future courses of action, he said the Authority will complete the 161 Study, and plan to incorporate some of Burbank's proposed restrictions. Further, he said the City of Burbank and Airport Authority should appoint new representatives to initiate discussions over the terms of the B-6 project and, pending resolution of the B-6 project issue, if there is a resolution, the Authority is pursuing development of alternate options for a replacement terminal building on the theory that safety has to be addressed at this Airport. And, he noted, the Authority will continue to meet demand, act responsibly, and act in the public interest both in terms of noise and safety.

Discussion of  
Principles and  
Future Actions

Pasadena Council Member and Airport Authority President Holden, said the Authority is pleased to have the opportunity to recognize that the three City Councils are interested in what is going on at the Airport. He said the Airport is clearly a valuable asset for the cities, particularly Burbank and as such Burbank has to deal with impacts the other cities do not. He said the Authority is prepared to work with the Burbank City Council's representatives to immediately begin discussions and negotiations on the points outlined by all parties this evening. He noted the importance of reaching an agreement and moving forward with the terminal project.

Burbank Council Member Murphy asked the City Attorney to

respond to Mr. Morrero's representation that the cities are opening themselves to liability. In response, Mr. Barlow said that the fact of the matter is that all three cities are liable for the Airport, but the JPA says the liability and debts are assumed by the Airport Authority and nothing discussed this evening or at future meetings will change that provision.

Glendale Council Member Quintero apologized to Burbank for the Airport problems and then discussed his belief that the Airport Authority in the past has been arrogant in its actions and representation. He noted that many Glendale residents are concerned with their quality of life related to Airport operations. He then said that he is stunned by the Airport Executive Director's presentation which said that if the three cities can agree to a set of principles they will be legally liable for Airport operations.

Burbank Council Member Golonski said that the three cities have an opportunity to discuss and reach consensus on major principles regarding the Airport but noted that nobody believes that if some agreement is reached, all principles will be approved by all interested parties, including the federal government. He then noted his belief that if the cities willingly participate in a resolution and set policy direction, there is some true hope to resolve this issue; otherwise, there will be no resolution.

Glendale Council Member Weaver discussed the difficulty he had in obtaining information from Glendale's Airport Authority Commissioners when first elected to office and noted the research he independently conducted to better understand the issues. He noted his belief that many of the demands of Burbank such as a mandatory curfew, increased penalties for violations, and cap on flights are not obtainable. He then said that the three cities have contributed to an increase in the demand at the Airport. He asked the Burbank City Council to respond to what it is they need specifically beyond an Airport 150 Study to resolve the issues. Lastly, he stated his belief that the proposed plans from the Airport Authority were mainly to accommodate public space and amenities, not Airport operations.

Burbank Council Member Laurell said the Airport was one of the main reasons he ran for public office. He noted the importance of being reasonable, rational and upholding the quality of life of the constituents he represents in this matter. Lastly, he said that although it would be difficult to reach

consensus between the three cities and the Airport Authority in this matter, it was still a worthwhile venture for the parties to try and work together to find a solution that could jointly be presented to the federal government.

Glendale Council Member Yousefian discussed the importance of the Airport (i.e. revenues to the cities) but noted a resolution would take a long time to reach. He said that he would like to see the parties discuss what other matters can be pursued to decrease noise and pollution noting concern with what will happen to these issues if the Part 150 Study fails to meet Burbank's demands. Lastly, he said he generally has few problems with the principles presented this evening by Burbank, needs clarification on several of them, but feels it is important for all parties to work together to discuss the principles.

Pasadena Council Member Haderlein said the big question is whether the issues be resolved between the City of Burbank and the Authority, or should all three cities work together to try and resolve the issues. He said the City of Burbank, the Airport Authority and the FAA have decision making rights in this issue and noted that the more cities involved in the resolution may be more helpful to finding an end result.

Glendale Council Member Manoukian said that a unified approach would be helpful in presenting a resolution to the FAA and thus supported the cities working together to reach a consensus.

Burbank Council Member Ramos said she was supportive of the three cities working together to find consensus to present a unified approach to the FAA. She then noted the importance of quality of life for Burbank residents.

Glendale Council Member Weaver noted the need to allow the Airport Commissioners to run the Airport and if they are not conducting themselves in an appropriate manner, they should be replaced by their respective Councils.

Pasadena Council Member Tyler said that in general he was supportive of the three cities working together to address the issues but noted concern with the implication of some of the specific principles and what they might actually accomplish in resolving the issues.

Burbank Mayor Kramer said he was supportive of the Councils working together to try and resolve the issues.

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Pasadena Council Member/Airport Authority President Holden asked what role the cities envision the Airport Authority playing should the three cities agree to form a committee to work together to achieve consensus on a policy directive that would be imposed upon the Authority.

Following discussion, the three City Councils and Airport Authority agreed to discuss the feasibility of appointing representatives of their respective bodies to work together to find a policy directive related to the future of the Airport.

Adjournment      There being no further business to come before the Council the meeting was adjourned at 8:16 p.m.

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Judie Sarquiz, City Clerk

APPROVED AUGUST 21, 2001

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Mayor of the Council  
of the City of Burbank