

(Bill No. 140829)

AN ORDINANCE

Amending Section 18-201 of The Philadelphia Code, entitled "Leases of Airport Facilities," by requiring Ground Handling Service providers under service contracts with air carriers, including subcontractors providing such services, who are operating at Philadelphia International Airport to secure labor peace agreements to minimize the risk of service disruptions and lost revenue to the City generated from enplanements.

WHEREAS, The City of Philadelphia has a strong proprietary interest in protecting the substantial revenues it receives from the efficient operations of air carrier transportation at the Philadelphia International Airport ("the Airport") and the volume of passenger enplanements at the Airport; and

WHEREAS, The poor working conditions of contractor employees who perform Ground Handling Services at the Airport has elevated the risk of strikes, boycotts and other forms of service disruptions due to labor disputes among these employees which directly threatens the critical volume-based revenues the City receives from efficient operations at the Airport; and

WHEREAS, A requirement that air carriers who lease Airport terminal space from the City retain only those Ground Handling Service contractors who have a proper Labor Peace Agreement in effect to ensure the continuity of such services at the Airport effectively protects the City against any loss of volume-based revenues the City receives from Airport operations by preventing labor disputes among these employees; now, therefore

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Section 18-201 of The Philadelphia Code is hereby amended to read as follows:

§ 18-201. Leases of Airport Facilities.

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- (7) All lease and use agreements the City enters into with any air carrier operating at Philadelphia International Airport, including any amendments, extensions or renewals thereof, shall contain provisions which provide the following commitments to ensure uninterrupted services:
 - (a) The air carrier shall require that any service contractor it retains to provide Ground Handling Services, as defined in subparagraph (b), at Philadelphia International Airport shall secure a Labor Peace Agreement with any labor organization representing, or seeking to represent, the employees of such contractor which shall be in effect on or before the effective date of the air carrier's service agreements for such Ground Handling Services; and
 - (b) Ground Handling Services shall include, but not be limited to: fueling services; loading and unloading of passengers, baggage and freight; passenger services; assisting in processing of passengers and crew; furnishing and operating ground transportation and equipment in support of aircraft operations; aircraft cleaning and lavatory services; deicing of aircraft and equipment; aircraft maintenance services; security services for aircraft, ramp, gate and terminal facilities and operations; and cleaning services of ramp and gate areas; and
 - (c) A Labor Peace Agreement for purposes of this provision shall be a collective bargaining agreement, or other written agreement as defined under 29 U.S.C. § 185, between Ground Handling Services contractor and a labor organization which represents or is seeking to represent for purposes of collective bargaining the employees of such Ground Handling Services contractor. The Labor Peace Agreement shall contain terms prohibiting the labor organization and its members, and in the case of a collective bargaining agreement, the employees covered by the agreement, from engaging in picketing, strikes, work stoppages, boycotts or any other forms of interference with, or disruptions to, Ground Handling Services during the duration of the air carrier's service agreement with such Ground Handling Services contractor; and
 - (d) If the employees of the Ground Handling Services contractor at Philadelphia International Airport are not represented by a labor organization, the Ground Handling Service contractor's requirement to secure a Labor Peace Agreement shall be effective only upon written notice from a labor organization indicating that it is seeking to represent the employees of the Ground Handling Service contractor who are performing Ground Handling Service work at Philadelphia International Airport; and
 - (e) If, after a good faith effort, the Ground Handling Service contractor and the labor organization representing, or seeking to represent its employees are unable to reach agreement on the terms of a Labor Peace Agreement, either side

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may request final and binding arbitration to resolve their dispute. If the parties cannot promptly agree upon an arbitrator, either party may request a panel of arbitrators from the American Arbitration Association, all of whom shall be members of the National Academy of Arbitrators. Each party shall strike one member of the panel and the remaining Arbitrator shall, after hearing from the parties, fashion the terms of a Labor Peace Agreement similar to those occurring in the private sector that provides means to expeditiously and without labor disruption resolve disputes. The Ground Handling Service contractor fulfills its obligations under this provision upon agreeing to enter into the Labor Peace Agreement as fashioned by the Arbitrator; and

- (f) The air carrier shall require that any tier of subcontractor retained for the performance of Ground Handling Services shall also be subject to the requirement of this provision to secure a Labor Peace Agreement; and
- (g) To lessen the administrative burden on the Department of Commerce or the City, a Ground Handling Service contractor, any tier of subcontractor, or labor organization representing, or seeking to represent, the employees of such Ground Handling Services contractor or subcontractor, shall have a private right of action in any court of competent jurisdiction to compel arbitration under the terms of this provision.

Explanation:

[Brackets] indicate matter deleted. *Italics* indicate new matter added.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on December 11, 2014. The Bill was Signed by the Mayor on January 15, 2015.

Michael A. Decker

Michael & Decker

Chief Clerk of the City Council