



March 29, 2018

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

NOTICE is hereby given that a regular meeting of the Burbank-Glendale-Pasadena Airport Authority will be held Monday, April 2, 2018, at 9:00 a.m., in the Airport Skyroom of Hollywood Burbank Airport, 2627 Hollywood Way, Burbank, California 91505.

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



REGULAR COMMISSION MEETING

AGENDA

APRIL 2, 2018

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

Regular Meeting of Monday, April 2, 2018

9.00 A.M.

NOTE TO THE PUBLIC: *The Commission invites public comments on airport-related non-agenda matters during the Public Comment period. The Commission will receive public comments on agenda items as each item is reached. Members of the public are requested to observe the following decorum when attending or participating in meetings of the Commission:*

- *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 Commission during the Public Comment period, fill out a speaker request card and present it to the Commission's secretary.*
- *Limit public comments to five minutes, or such other period of time as may be specified by the presiding officer, and confine remarks to matters that are on the Commission's agenda for consideration or are otherwise within the subject matter jurisdiction of the Commission.*

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

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

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. PUBLIC COMMENT
5. CONSENT CALENDAR
 - a. Committee Minutes
(For Note and File)
 - 1) Operations and Development Committee
 - (i) February 20, 2018

[See page 1]

2) Finance and Administration Committee

(i) February 20, 2018

[See page 3]

b. Commission Minutes
(For Approval)

1) March 19, 2018

[See page 7]

c. January 2018 Treasurer's Report

[See page 14]

d. Third Amendment to the Wireless Communications
License Agreement Between Burbank-Glendale-Pasadena
Airport Authority and AWH Burbank Hotel LLC

[See page 37]

e. Annual Review and Adjustment of Noise Violation Fines

[See page 42]

6. ITEMS FOR COMMISSION APPROVAL

a. Contract Amendment– Authorization to Amend
Construction Contract G & S Mechanical USA, Inc.,
for Additional Modifications to Baggage Recapitalization
System Modification Project

[See page 44]

b. Award of Contract – Hangar 1A West Ramp Paving
Rehabilitation Project Number E17-22

[See page 49]

c. Award of Agreement – Purchase Order to Service Tracking
Systems, Inc., for Computerized Valet Parking System Upgrade

[See page 55]

d. Award of Agreement – Professional Service Agreement for
Maintenance and Search Engine Optimization for Replacement
Terminal Website (www.BURreplacementterminal.com)

[See page 64]

e. Award of Agreement - Substation Reimbursement Agreement;
Substation Capacity Assignment Agreement

[See page 66]

7. ITEMS FOR COMMISSION INFORMATION

a. Hollywood Burbank Airport Tower Banner Student Art Contest:
Presentation of Winning Entries

[No Staff Report]

b. Presentation: Terminal Concessions Update

[No Staff Report]

8. CLOSED SESSION

a. EXISTING CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(California Government Code Section 54956.9(d)(1))
Name of Case: Neal v. Burbank-Glendale-Pasadena Airport Authority
(WCAB Case No. ADJ10220357)

9. COMMISSIONER COMMENTS
(Updates and information items, if any)

10. ADJOURNMENT

COMMISSION NEWSLETTER
April 2, 2018

[Regarding agenda items]

5. CONSENT CALENDAR

(Consent Calendar items may be enacted by one motion. There will be no separate discussion on these items unless a Commissioner so requests, in which event the item will be removed from the Consent Calendar and considered in its normal sequence on the agenda.)

- a. COMMITTEE MINUTES. Approved minutes of the February 20, 2018, Operations and Development Committee; and February 20, 2018, Finance and Administration Committee are included in the agenda packet for information purposes.
- b. COMMISSION MINUTES. Draft minutes of the March 19, 2018, meeting are attached for the Commission's review and approval.
- c. TREASURER'S REPORT. The Treasurer's Report for January 2018 is contained in the agenda packet. At the March 19, 2018, meeting of the Finance and Administration Committee ("Committee"), the Committee voted (2-0) to recommend that the Commission note and file the report.
- d. THIRD AMENDMENT TO THE WIRELESS COMMUNICATIONS LICENSE AGREEMENT BETWEEN BURBAN-GLENDALE-PASADENA AIRPORT AUTHORITY AND AWH BURBANK HOTEL LLC. A staff report is included in the agenda packet. At the March 19, 2018, meeting of the Operations and Development ("Committee"), the Committee voted (2-0) to recommend that the Commission approve the proposed Third Amendment to the Wireless Communications License Agreement ("Agreement"), with AWH Burbank Hotel LLC, dba Los Angeles Marriott Burbank Airport ("Marriott"), to extend the term of the Agreement for an additional three year period, expiring on March 31, 2021, for the placement of certain radio equipment on the roof of the Marriott which supports the Burbank-Glendale-Pasadena Airport Authority's ("Authority") Interagency Communication Interoperability system at a cost of \$6,600 annually.
- e. ANNUAL REVIEW AND ADJUSTMENT OF NOISE VIOLATION FINES – A staff report is included in the agenda packet. At the March 12, 2018, special meeting of the Legal, Government and Environmental Affairs Committee ("Committee"), the Committee voted (2-0) to recommend to the Commission that it authorize Staff to increase the noise fines associated with certain restricted operations as detailed in Rules 8 and 9 as described, in accordance with the annual adjustment of noise violation fines required by Resolution No. 382.

6. ITEMS FOR COMMISSION APPROVAL

- a. CONTRACT AMENDMENT – AUTHORIZATION TO AMEND CONSTRUCTION CONTRACT G & S MECHANICAL USA, INC. FOR ADDITIONAL MODIFICATIONS TO BAGGAGE RECAPITALIZATION SYSTEM MODIFICATION PROJECT. A staff report is included in the agenda packet. At the March 19, 2018, meeting of the

Operations and Development Committee ("Committee"), the Committee voted (2–0) to recommend that the Commission approve a Change Order to the Construction Contract with G & S Mechanical USA, Inc., in the amount of \$131,920.08 for additional scope of work requested by the Transportation Security Administration for the Baggage Recapitalization Modification Project.

- b. **AWARD OF CONTRACT – HANGAR 1A WEST RAMP PAVING REHABILITATION PROJECT NUMBER E17-22.** A staff report is included in the agenda packet. At the March 19, 2018, meeting of the Operations and Development Committee ("Committee"), the Committee voted (2–0) to recommend to the Commission that it approve of the asphaltic concrete rehabilitation project of the area adjacent to Hangar 1A: (i) award a construction contract in the amount of \$129,648 to Geronimo Concrete; (ii) award in-house construction management service, field observation and security, for the not-to-exceed amount of \$10,000; and, (iii) establish a project contingency of \$7,000 which is approximately 5% of the project cost.
- c. **AWARD OF AGREEMENT – PURCHASE ORDER TO SERVICE TRACKING SYSTEMS, INC., FOR COMPUTERIZED VALET PARKING SYSTEM UPGRADE.** A staff report is included in the agenda packet. At the March 19, 2018, meeting of the Operations and Development Committee ("Committee"), the Committee voted (2–0) to recommend to the Commission that it authorize the issuance of a Purchase Order in the amount of \$178,782 to Service Tracking Systems Inc., for a proposed upgrade (copy attached) of the Computerized Valet Parking System, which provides the tracking and revenue controls for the Burbank-Glendale-Pasadena Airport Authority's valet parking operation at Hollywood Burbank Airport. Staff also seeks approval to issue a Purchase Order in the amount of \$17,308 for the Annual Licensing and Support Agreement for these upgrades
- d. **AWARD OF PROFESSIONAL SERVICES AGREEMENT FOR MAINTENANCE AND SEARCH ENGINE OPTIMIZATION FOR REPLACEMENT TERMINAL WEBSITE (WWW.BURREPLACEMENTTERMINAL.COM).** A staff report is included in the agenda packet. At the March 12, 2018, special meeting of the Legal, Government and Environmental Affairs Committee ("Committee"), the Committee voted (2–0) to recommend that the Commission approve an Award of Professional Services Agreement ("PSA") to Counterintuity, LLC for the maintenance and Search Engine Optimization of the replacement terminal website, www.BURreplacementterminal.com in the amount of \$1,950 per month, \$23,400 per year, totaling \$70,200 for a three-year period. In addition to the initial three-year period, the proposed PSA includes two (2) one-year options to extend, with a 5% escalation fee.
- e. **AWARD OF AGREEMENT – SUBSTATION REIMBURSEMENT AGREEMENT; SUBSTATION CAPACITY ASSIGNMENT AGREEMENT.** A staff report is included in the agenda packet. At the March 12, 2018, special meeting of the Legal, Government and Environmental Affairs Committee ("Committee"), the Committee voted (2–0) to recommend that the Commission approve: (i) a Substation Reimbursement Agreement with Burbank Industrial Investors ("BII"); and (ii) a Substation Capacity Assignment Agreement with BII and the City of Burbank.

7. ITEMS FOR COMMISSION INFORMATION

- a. **HOLLYWOOD BURBANK AIRPORT TOWER BANNER STUDENT ART CONTEST: PRESENTATION OF WINNING ENTRIES.** No staff report is attached. For the 11th consecutive year, the Authority held its Tower Banner Student Art Contest in the public high schools of Burbank, Glendale, and Pasadena, resulting in the selection of three student art compositions with an aviation theme, one from each district, which will be displayed on the façade of the Airport terminal tower in the coming year. This year's program began in the fall of 2017, when high school art students were invited to submit art based on the theme "Takeoff to a New Beginning." The school districts narrowed down the candidate submissions to three finalists in each district, which were then judged by the art commissions in their respective cities. The winners will be announced at the Authority meeting on April 2, and winning student artists and faculty members are expected to be present.
- b. **PRESENTATION: TERMINAL CONCESSIONS UPDATE.** No staff report attached. Staff will provide the Commission with an overview of the current terminal concession locations at Hollywood Burbank Airport. The information will also provide background on recent updates to existing leased spaces and the addition of new concession brands in the terminals within the past year.

Approved March 19, 2018

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

TUESDAY, FEBRUARY 20, 2018

A special meeting of the Operations and Development Committee was called to order on this date in the Airport Skyroom, 2627 Hollywood Way, Burbank, California, at 8:35 a.m., by Chairman Brown.

ROLL CALL

- Present:** Commissioners Brown and Devine;
Commissioner Tornek (arrived at 8:38 a.m.)
- Absent:** None
- Also Present:** Staff: Frank Miller, Executive Director;
John Hatanaka, Senior Deputy Executive Director;
Patrick Lammerding, Deputy Executive Director,
Planning and Development; Scott Kimball, Director,
Operations
- 1. Approval of Agenda** Commissioner Devine moved approval of the agenda. The agenda was approved (2-0, one absent).
- 3. Approval of the Minutes**
- a. February 1, 2018** Commissioner Devine moved approval of the minutes of the February 1, and February 5, 2018,
- b. February 5, 2018** meeting, seconded by Commissioner Brown. The minutes were approved (2-0, one absent).
- 4. Contract and Leases**
- a. Exercise of Second Extension Option Janitorial Service Agreement Diverse Facility Solution, Inc.** Staff requested an Operations and Development Committee recommendation to the Commission that it exercise the second of two one-year extension options contained in the Janitorial Service Agreement ("Service Agreement") between the Burbank-Glendale-Pasadena Airport Authority ("Authority") and Diverse Facility Solutions, Inc. ("DFS").
- The terms and conditions of the Service Agreement shall apply during the second one-year

extension period. During this period, Staff will also prepare a Request for Proposal for janitorial services to be issued prior to end of the calendar year.

Staff recommended that the Committee recommend to the Commission that it exercise the second of the two one-year extension options to the Services Agreement between the Authority and DFS.

Motion

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

Motion Approved

The motion was approved (2-0, one absent).

5. Items for Discussion

**a. Continuation of Discussion –
NextGen Impacts**

Staff continued its discussion of the concerns presented by the Burbank Community residents at the special meeting of the Operations and Development Committee on February 1, 2018.

2. Public Comment

This item was taken out of order.

Burbank resident, Mike Nolan, thanked the Committee for its efforts in addressing the concerns of the Burbank Community residents and also acknowledged noticeable improvements since the Committees last meeting.

6. Adjournment

There being no further business, the meeting adjourned at 9:00 a.m.

Approved March 19, 2018

**MINUTES OF THE SPECIAL MEETING OF THE
FINANCE AND ADMINISTRATION COMMITTEE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**

TUESDAY, FEBRUARY 20, 2018

A special meeting of the Finance and Administration Committee was called to order this date in the Airport Skyroom, 2627 Hollywood Way, Burbank, California, at 10:05 a.m., by Chairman Gharpetian.

AB 23 Disclosure: The Deputy Executive Director, Finance and Administration announced that, as a result of the convening of this meeting of the Finance and Administration Committee, each Committee member is entitled to receive and shall be provided \$200.

ROLL CALL

Present:

Commissioners Gharpetian, Adams and Selvidge

Absent:

None

Also Present:

Staff: John Hatanaka, Senior Deputy Executive Director; Kathy David, Deputy Executive Director, Finance and Administration; David Kwon, Director of Financial Services; David Freedman, Director, Business Development and Administrative Services; Michael Johnston, Business Specialist, Business Property and Administrative Services

Columbia Investment Management:
James Wilkinson, Director, Institutional Relationship Management (via teleconference)

Macias Gini & O'Connell LLP:
James Godsey, Partner

1. Approval of Agenda

Chairman Gharpetian announced that Items 6 and 7 would be taken out of order to facilitate the schedules of the visitors scheduled to make presentations to the Committee.

**6. Presentation of FY 2017 Audited
Financial Statements and Analysis
of Financial Results**

James Godsey, Partner at Macias Gini & O'Connell LLP ("MGO") the Authority's independent auditor, provided the Committee with a summary of MGO's unmodified opinion and audit of the Authority's financial statements for FY 2017.

Motion

Commissioner Adams moved to recommend to the Commission that it note and file the FY 2017

Financial Statements and Analysis of Financial Results, seconded by Commissioner Selvidge.

Motion Approved

The motion was approved unanimously (3–0).

4. Treasurer's Report

a. December 2017

Staff presented the December 2017 Treasurer's Report which was included in the agenda packet.

The Committee accepted the Treasurer's Report and recommended it be forwarded to the Commission for note and file.

7. Items for Discussion

a. CMIA Quarterly Investment Portfolio Review

Staff introduced James Wilkinson, of Columbia Threadneedle Investments, the Authority's investment advisors. Mr. Wilkinson presented an update on the status of the Authority's Operating and Passenger Facility Charge Quarterly Investment Portfolio reports ending December 31, 2017.

5. Contracts and Leases

a. Eighth Amendment to Food and Beverage Lease and Concession Agreement – MCS Burbank LLC

Staff presented to the Committee to recommend for approval by the Commission, the Eighth Amendment ("Amendment") to the Lease and Concession Agreement ("Agreement") with the Authority's exclusive food and beverage concessionaire, MCS Burbank LLC ("MCS"). This Amendment proposes changes to the concession space in both Terminals A and B, and requires new improvements to the proposed spaces as well as adjustments to the Minimum Annual Guarantee ("MAG") from the concessionaire.

On December 31, 2000, the Authority entered into a new Lease and Concession Agreement with MCS for the operation of a food and beverage concession at the Airport. The original ten-year term of the Agreement was extended under the Second Amendment to June 30, 2013, and subsequent Amendments have extended the term to June 30, 2023.

MCS is a tenant in good standing and has performed over the MAG for the past few years. Under the terms of the Agreement, MCS pays the Authority the greater of MAG or a percentage of gross revenues (12% food and beverage/17% alcohol). The current

MAG is \$1,184,917.56 with a space rental requirement of \$284,072.10 annually.

Under the proposed Amendment the spaces that MCS utilizes would be adjusted to allow for the rebranding of locations to increase the variety of products MCS provides to the traveling public.

Under the new Amendment an additional 287 square feet of space for a "Guy Fieri Brew Pub" would be added adjacent to the existing "Guy Fieri Burger Joint" concession near gate A5.

MCS would rebrand the current post-security "Peet's Coffee" and bar concession to a "Guy Fieri Kitchen" restaurant and bar concept. This rebranding concept requires MCS to utilize an additional 312 square feet of space for the post-security restaurant and bar expansion.

The current 647 square-foot pre-security food and beverage concession has not performed to expectation. The proposed Amendment reduces the current Agreement by 647 square feet and converts it into ADA-compliant men's and family restroom facilities. MCS will incur all costs associated to build the pre-security restroom facilities in this location.

The proposed Amendment will generate an additional \$12,822.12 annually through an increase to the MAG and a reduction of \$892.00 annually to the space rent.

Motion

Commissioner Selvidge moved approval of the proposed Amendment; seconded by Commissioner Adams.

Motion Approved

The motion was approved unanimously (3-0).

8. Items for Information

a. Committee Pending items

Staff updated the Committee on future items. Staff requested a special Committee meeting for March 12, 2018, at 9:00 a.m., to discuss the pending budget and other pending items to which the Commissioners approved.

3. Approval of Minutes

a. February 5, 2018

Draft minutes of the February 5, 2018, Finance and Administration Committee were presented for review and approval.

Motion

Commissioner Selvidge moved approval of the minutes, seconded by Commissioner Adams.

Motion Approved

There being no objection, the minutes were unanimously approved (3-0).

2. Public Comment

There were no public speakers.

9. Other Contracts and Leases

There were no other contracts and leases to be discussed.

10. Adjournment

There being no further business, the meeting was adjourned at 11:02 a.m.

**MINUTES OF THE REGULAR MEETING OF THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**

MONDAY, MARCH 19, 2018

A regular meeting of the Burbank-Glendale-Pasadena Airport Authority was called to order this date in the Airport Skyroom, 2627 Hollywood Way, Burbank, California, at 10:00 a.m., by President Tornek.

1. ROLL CALL

Present: Commissioners Tornek, Brown, Adams, Madison and Selvidge

Absent: Commissioners Gharpetian, Sinanyan, Devine and Wiggins

Also Present: Staff: John Hatanaka, Senior Deputy Executive Director; Frank Miller, Executive Director, David Kwon, Director of Financial Services, Mark Hardymont, Director of Government and Environmental Affairs; Denis Carvill, Deputy Executive Director, Operations and Airline Relations; Nerissa Sugars, Manager, Air Service Development; Maggie Martinez, Manager, Noise and Environmental Compliance; Ed Skvarna, Director of Public Safety/Chief of Police, Airport Authority Police Department

Also present:

James Godsey, Partner, Macias Gini & O'Connell

2. PLEDGE OF ALLEGIANCE

Commissioner Madison led the assembly in the recitation of the Pledge of Allegiance to the Flag.

3. APPROVAL OF AGENDA

The agenda was approved as presented.

4. PUBLIC COMMENT

Mike Nolan, Burbank Resident, commented on the effects of NextGen.

Commissioner Tornek announced that there will be a special meeting of the Operations and Development Committee on Thursday, March 29, 2018, at 6:00 p.m. at the Buena Vista Library located at 300 N. Buena Vista Street to address public concerns regarding the issue of NextGen.

5. CONSENT CALENDAR

a. Committee Reports (For Noting and filing)

1) Operations and Development Committee

Approved minutes of the Operations and Development Committee special meeting for February 1, 2018, were included in the agenda packet for information purposes.

(i) February 1, 2018

2) Finance and Administration Committee

Approved minutes of the Finance and Administration Committee for February 5, 2018, were included in the agenda packet for information purposes.

(i) February 5, 2017

3) Legal, Government and Environmental Affairs Committee

Approved minutes of the Legal, Government and Environmental Affairs Committee for February 5, 2018, were included in the agenda packet for information purposes.

(i) February 5, 2018

b. Commission Minutes (For Approval)

Minutes of the February 20, 2018, special Commission meeting were included in the agenda packet for review and approval.

1) February 20, 2018

c. Treasurer's Report

1) December 2017

At the February 20, 2018, special meeting of the Finance and Administration Committee ("Committee"), the Committee voted unanimously (3-0) to recommend that the December 2017 Treasurer's report be noted and filed by the Commission.

MOTION

Commissioner Adams moved approval of the Consent Calendar; seconded by Commissioner Tornek.

MOTION APPROVED

There being no objection, the motion was approved (5-0, four absent).

AYES: Commissioners Adams, Brown
Tornek, Madison and Selvidge

NOES: None

ABSENT: Commissioners Gharpetian,
Sinanyan, Devine and Wiggins

6. ITEMS FOR COMMISSION APPROVAL

a. Award of Contract – Eighth Amendment to Lease and Concession Agreement - MCS LLC

Staff presented to the Commission a proposed Eighth Amendment (“Amendment”) to Lease and Concession Agreement with MCS LLC, the Authority’s exclusive food and beverage concessionaire. The proposed Amendment recommends changes to the concession space in both Terminals A and B, and requires new improvements to the proposed spaces, as well as adjustments to the Minimum Annual Guarantee (“MAG”) from the concessionaire.

Under the proposed Amendment, the spaces that MCS utilizes would be adjusted to allow for the rebranding of locations to increase the variety of products MCS provides to the traveling public.

In Terminal A, an additional 267 sq. ft. of space would be added for a 16-seat “Guy Fieri’s Brew Pub” adjacent to the existing Guy’s Burger Joint near Gate A5.

In Terminal B, MCS would rebrand the current post-security “Peet’s Coffee” and bar concession to a “Guy Fieri Kitchen” restaurant and bar concept. This rebranding concept requires MCS to utilize an additional 312 sq. ft. of space for the post-security restaurant and bar expansion, and would expand the current concession space into the current pre-security men’s restroom. This proposed remodel would also provide an additional 10 seats over the current bar concession.

The current 647 sq. ft. pre-security food and beverage concession would be converted into and ADA-compliant men’s and family restroom facilities at MCS’ expense.

MCS is a tenant in good standing and has performed over the MAG for the past few years.

At the February 20, 2018, special meeting of the Finance and Administration Committee ("Committee"), the Committee unanimously voted (3-0) to recommend that the Commission approve the proposed Eighth Amendment to the Lease and Concession Agreement with MCS Burbank LLC, and authorize the President to execute same.

MOTION

Commissioner Adams moved approval; seconded by Commissioner Selvidge.

MOTION APPROVED

There being no objection, the motion was approved (5-0, four absent).

AYES: Commissioners Adams, Brown
Tornek, Madison and Selvidge

NOES: None

ABSENT: Commissioners Gharpetian,
Sinanyan, Devine and Wiggins

**b. Right of Entry Permit and
Indemnity Agreement –
Los Angeles County
Metropolitan
Transportation Authority –
Hollywood Burbank
Airport – North Metrolink
Station**

Staff presented to the Commission and answered questions regarding a Right of Entry Permit and Indemnity Agreement ("Entry Agreement") with the Los Angeles County Metropolitan Transportation Authority ("Metro") for bus/shuttle access to the new Metrolink station at San Fernando and Hollywood Way. This new station is anticipated to open shortly.

As envisioned with Metro, the Airport Authority would provide the shuttle connection between the Airport and the new station. At present Staff is soliciting proposals from two local operators for a dedicated shuttle that would provide this route only service, meeting each scheduled train arrival.

As envisioned with Metro, the Airport Authority would provide the shuttle connection between the Airport and the new station. At present, Staff is soliciting proposals from two local operators for a dedicated shuttle that would provide this route only service.

The Airport Authority was the beneficiary of a Surface Transportation and Uniform Relocation

Assistance Act ("STURAA") grant from the Federal Highway Administration. Metro's commitment to construct a new Metrolink Station at Hollywood Way was a leading factor in a series of three Commission resolutions authorizing the transfer of approximately \$2.7 million of the STURAA funds to Metro to help offset construction costs of the new station.

At the February 20, 2018, special meeting of the Legal, Government and Environmental Affairs Committee ("Committee"), the Committee voted (2-0) to recommend that the Commission approve the Entry Agreement with Metro and authorize the Executive Director to execute the contract on the Airport Authority's behalf.

MOTION

Commissioner Brown moved approval; seconded by Commissioner Adams.

MOTION APPROVED

There being no objection, the motion was approved (5-0, four absent).

AYES: Commissioners Adams, Brown
Tornek, Madison and Selvidge

NOES: None

ABSENT: Commissioners Gharpetian,
Sinanyan, Devine and Wiggins

**c. Presentation of FY 2017
Financial Statements and
Analysis of Financial
Results**

At the February 20, 2018, Finance and Administration Committee special meeting, the Committee voted unanimously (3-0) to recommend to the Commission that it note and file the FY 2017 financial statements and other audit reports.

Staff introduced James Godsey, Partner, Macias Gini & O'Connell LLP, the Authority's external auditor, who provided a brief overview of the audits of the Airport Authority's financial statements. Mr. Godsey stated that all audit opinions are unmodified and conducted in accordance with Generally Accepted Auditing Standards and Government Auditing Standards.

MOTION

Commissioner Brown moved approval to note and file the audit reports; seconded by Commissioner Adams.

MOTION APPROVED

There being no objection, the motion was approved (5-0, four absent).

AYES: Commissioners Adams, Brown
Tornek, Madison and Selvidge

NOES: None

ABSENT: Commissioners Gharpetian,
Sinanyan, Devine and Wiggins

**7. ITEMS FOR COMMISSION
INFORMATION**

a. Airline Schedule Analysis

Staff reported schedule change notices were received from Alaska Airlines, American Airlines, Delta Airlines, United Airlines, and Southwest Airlines; Alaska Airlines will be adding one weekly round-trip flight to San Jose on Saturday, while also eliminating two weekly round-trip flights to Portland; American will be adding six weekly round-trip flights to Phoenix and changing its Saturday morning departure from 6:50 a.m. to 9:46 a.m.; Delta Airlines will be making an equipment adjustment with a larger CRJ-900 aircraft; United will be adding five weekly round-trip flights to Denver; and Southwest Airlines made a seasonal adjustment by adding four round-trip flights per week.

After incorporating all schedule adjustments, this results in an increase of 4,666 weekly seats or a 3.5% increase from the prior schedule.

**b. January 2018
Passenger/Cargo and
Regional Airport
Passenger Statistics**

Staff presented an update on the January 2018 passenger/cargo and regional airport passenger statistics.

**c. January 2018 Parking
Revenue Statistics**

Staff presented an update on the January 2018 parking revenue statistics.

**d. January 2018
Transportation Network
Company ("TNC")
Summary of Activities**

Staff updated the Commission on Transportation Network Company ("TNC") activities for the month of January 2018.

**e. Ground Transportation
Analysis**

Staff presented a statistical analysis of the impact of various modes of ground transportation at the airport.

8. COMMISSIONER COMMENTS

Commissioner Tornek requested staff to update the Commission on the FAA required Triennial Airport Emergency Plan Full-Scale Exercise which took place at Hollywood Burbank Airport on March 14, 2018.

Staff reported that first responders from across northern Los Angeles County, including local firefighters, police departments and mental health professionals, tested their response to a simulated aircraft engine fire at the Airport. The exercise tested interagency communication and response capabilities, as well as the Airport's readiness in case of a real incident.

Staff will update the Commission upon completion of the Exercise Evaluation process.

9. ADJOURNMENT

There being no further business, the meeting was adjourned at 11:13 a.m.

Terry Tornek, President

Ray Adams, Secretary

Date

Date



April 2, 2018

Burbank-Glendale-Pasadena Airport Authority
2627 Hollywood Way
Burbank, CA 91505

Dear Commissioners:

The attached report, covering the month of January 2018, fulfills the legal requirements of the California Code and our Investment Policy. Based on projected income and expenses, as well as investment liquidity, there will be sufficient funds available to meet the needs of the Airport Authority for the six month period following the date of the attached report.

Sincerely,

[To be signed]

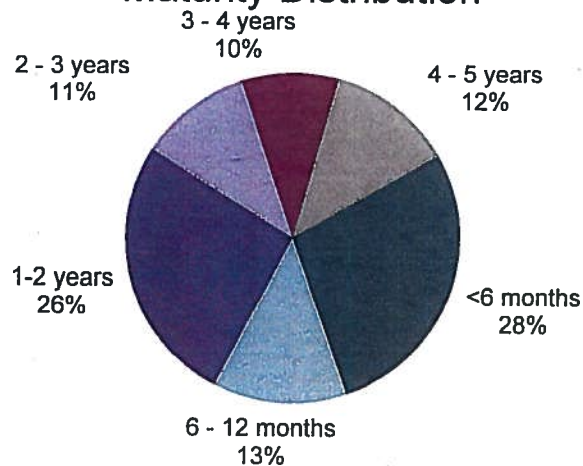
Ross Selvidge, Ph.D.
Treasurer

Attachments

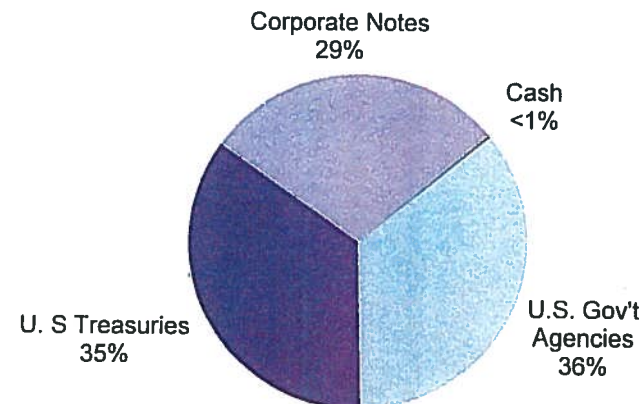
Operating Portfolio Investment Guidelines Conformance as of January 31, 2018

	Legal Max Maturity	Actual Max Maturity	Policy Maximum	Policy Actual
U.S. Gov Agencies	5 Years	4.18 Years	70%	36%
Corporate Notes	5 Years	4.62 Years	30%	29%
LAIF	N/A	N/A	\$20 mil	N/A
Bankers Acceptances	6 Months	N/A	15%	N/A
Negotiable Certificates of Deposit	5 Years	N/A	15%	N/A
Non-Negotiable Certificates of Deposit	5 Years	N/A	15%	N/A
Commercial Paper	270 Days	N/A	15%	N/A
Repurchase Agreements	1 Year	N/A	10%	N/A
Money Market Fund	N/A	N/A	15%	<1%
U.S. Gov Securities (Treasuries)	5 Years	4.67 Years	No Limit	35%

Maturity Distribution



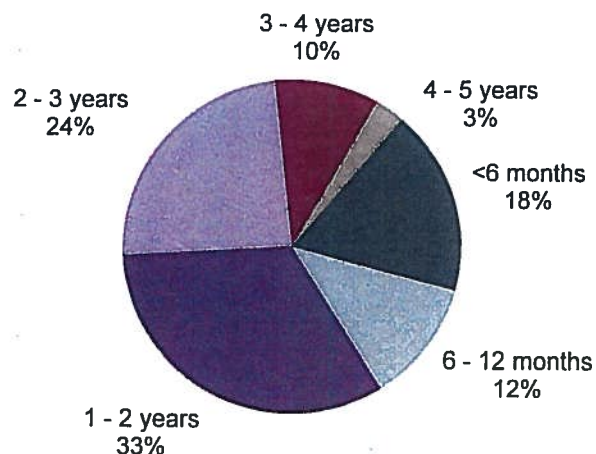
Sector Allocation



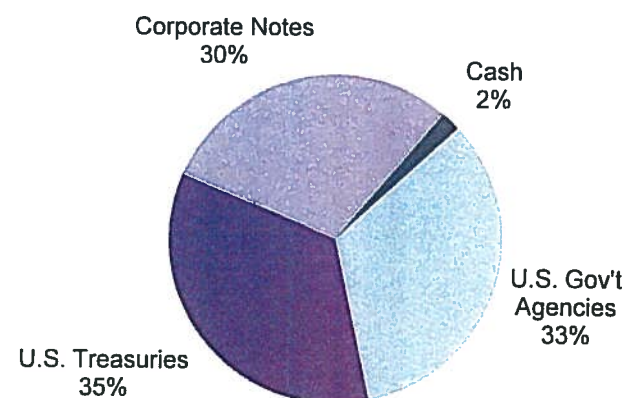
PFC Portfolio Investment Guidelines Conformance as of January 31, 2018

	Legal Max Maturity	Actual Max Maturity	Policy Maximum	Policy Actual
U.S. Gov Agencies	5 Years	3.83 Years	70%	33%
Corporate Notes	5 Years	4.33 Years	30%	30%
LAIF	N/A	N/A	\$20 mil	N/A
Bankers Acceptances	6 Months	N/A	15%	N/A
Negotiable Certificates of Deposit	5 Years	N/A	15%	N/A
Non-Negotiable Certificates of Deposit	5 Years	N/A	15%	N/A
Commercial Paper	270 Days	N/A	15%	N/A
Repurchase Agreements	1 Year	N/A	10%	N/A
Money Market Fund	N/A	N/A	15%	2%
U.S. Gov Securities (Treasuries)	5 Years	4.00 Years	No Limit	35%

Maturity Distribution



Sector Allocation



Burbank-Glendale-Pasadena Airport Authority - Operating Account
Statement of Investments
As of 01/31/18

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff. Mat. Date	Par Value	Purchase Cost	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
01/31/18	Columbia Treasury Reserves	097101307	0.000	01/31/18	01/31/18	\$ 468,492	\$ 468,492	\$ 468,492	\$ -	0.00%	0	0.22%
05/06/16	Apple Inc	037833AP5	1.691	05/06/19	02/06/18	1,200,000	1,196,747	1,204,327	7,580	1.81%	6	0.56%
12/23/13	FNMA Benchmark Notes	3135G0TG8	0.875	02/08/18	02/08/18	6,000,000	5,904,390	5,999,256	94,866	1.49%	8	2.81%
05/26/17	QualComm Inc	747525AQ6	1.886	05/20/20	02/20/18	850,000	850,915	852,816	1,901	2.10%	20	0.40%
08/07/15	Fifth Third Bank	31677QAV1	1.450	02/28/18	02/28/18	1,000,000	996,120	999,708	3,588	1.83%	28	0.47%
03/02/16	Johnson & Johnson	478160BW3	1.751	03/01/19	03/01/18	1,500,000	1,502,346	1,504,782	2,436	1.76%	29	0.71%
11/18/15	Exxon Mobil Corp	30231GAL6	1.305	03/06/18	03/06/18	700,000	701,862	699,635	(2,227)	1.83%	34	0.33%
04/28/16	American Express Credit Corp	0258M0DY2	2.624	09/14/20	03/14/18	1,000,000	1,007,630	1,018,133	10,503	2.15%	42	0.48%
03/20/17	Citigroup Inc	17325FAB4	1.966	03/20/19	03/20/18	450,000	450,000	450,837	837	1.96%	48	0.21%
04/19/16	FFCB	3133EEZ52	1.591	03/22/18	03/22/18	5,000,000	4,986,879	5,001,445	14,566	1.34%	50	2.34%
09/07/16	Coca-Cola Company (The)	191216BA7	1.150	04/01/18	04/01/18	1,450,000	1,452,871	1,448,701	(4,170)	1.69%	60	0.68%
12/08/14	General Electric Capital Corp	36962G6X7	2.405	04/02/18	04/02/18	1,690,000	1,707,900	1,691,580	(16,320)	1.85%	61	0.79%
01/21/16	Oracle Corporation	68389XAR6	2.300	01/15/19	04/15/18	1,170,000	1,173,824	1,176,194	2,370	1.82%	74	0.55%
07/08/15	Wells Fargo & Company	94974BFK1	2.374	04/23/18	04/23/18	1,500,000	1,502,735	1,502,084	(651)	1.76%	82	0.70%
06/27/16	FHLB	3130A4GJ5	1.125	04/25/18	04/25/18	1,520,000	1,530,579	1,518,802	(11,777)	1.46%	84	0.71%
09/25/15	Boeing Co	097023BE4	0.950	05/15/18	05/15/18	944,000	938,314	941,719	3,405	1.79%	104	0.44%
03/11/14	Merck & Co Inc	58933YAG0	1.300	05/18/18	05/18/18	1,350,000	1,339,553	1,347,971	8,418	1.80%	107	0.63%
06/29/16	Chevron Corp	166764AE0	1.718	06/24/18	05/24/18	900,000	908,865	899,546	(9,319)	1.84%	113	0.42%
12/03/14	Treasury Note	912828VE7	1.000	05/31/18	05/31/18	13,010,000	12,972,601	12,987,638	15,037	1.52%	120	6.09%
08/05/15	FHLMC	3137EABP3	4.875	06/13/18	06/13/18	5,500,000	6,011,095	5,564,493	(446,602)	1.65%	133	2.61%
07/06/15	Southern California Gas Company	842434CN0	1.550	06/15/18	06/15/18	1,175,000	1,182,360	1,172,282	(10,078)	2.17%	135	0.55%
04/19/16	Treasury Note	912828XK1	0.875	07/15/18	07/15/18	7,750,000	7,762,715	7,724,321	(38,394)	1.61%	165	3.62%
04/19/16	FNMA Benchmark Notes	3135G0E33	1.125	07/20/18	07/20/18	4,125,000	4,145,873	4,114,457	(31,416)	1.69%	170	1.93%
07/06/15	Nevada Power Company	641423BW7	6.500	08/01/18	08/01/18	1,050,000	1,189,265	1,073,742	(115,523)	1.92%	182	0.50%
08/07/15	3M Company	88579YAP6	1.375	08/07/18	08/07/18	900,000	898,398	897,422	(976)	1.93%	188	0.42%
12/18/15	Berkshire Hathaway Finance Corp	084664BY6	2.000	08/15/18	08/15/18	1,550,000	1,577,051	1,550,195	(26,856)	1.97%	196	0.73%
08/18/15	Treasury Note	912828RE2	1.500	08/31/18	08/31/18	6,400,000	6,482,133	6,392,000	(90,133)	1.72%	212	3.00%
04/19/16	FNMA	3135G0E58	1.125	10/19/18	10/19/18	6,569,000	6,578,874	6,537,088	(41,786)	1.81%	261	3.06%
12/24/15	Simon Property Group LP	828807CQ8	2.200	02/01/19	11/01/18	950,000	961,032	950,319	(10,713)	2.16%	274	0.45%
11/03/15	Microsoft Corporation	594918BF0	1.300	11/03/18	11/03/18	650,000	649,898	646,664	(3,234)	1.99%	276	0.30%
04/13/16	Commonwealth Edison Company	202795JC5	2.150	01/15/19	12/15/18	1,000,000	1,018,088	999,611	(18,477)	2.19%	318	0.47%
09/25/15	Manufacturers & Traders Trust Co	55279HAE0	2.300	01/30/19	12/30/18	1,000,000	1,013,451	1,001,184	(12,267)	2.18%	333	0.47%
12/01/15	Treasury Note	912828A75	1.500	12/31/18	12/31/18	500,000	503,516	498,129	(5,387)	1.91%	334	0.23%
06/10/16	John Deere Capital Corp	24422ETE9	1.950	01/08/19	01/08/19	1,200,000	1,222,064	1,198,986	(23,078)	2.04%	342	0.56%
07/01/15	Treasury Note	912828SD3	1.250	01/31/19	01/31/19	4,000,000	4,003,594	3,972,656	(30,938)	1.94%	365	1.86%

Burbank-Glendale-Pasadena Airport Authority - Operating Account

Statement of Investments

As of 01/31/18

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff. Mat. Date	Par Value	Purchase Cost	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
01/14/16	IBM Corp	459200HT1	1.950	02/12/19	02/12/19	1,150,000	1,164,229	1,147,511	(16,718)	2.16%	377	0.54%
02/26/16	Cisco Systems Inc	17275RAE2	4.950	02/15/19	02/15/19	1,050,000	1,156,947	1,079,142	(77,805)	2.23%	380	0.51%
06/30/16	Treasury Note	912828P53	0.750	02/15/19	02/15/19	5,000,000	5,008,984	4,938,072	(70,912)	1.96%	380	2.31%
01/21/15	Union Pacific Corporation	907818DW5	2.250	02/15/19	02/15/19	1,050,000	1,078,576	1,050,312	(28,264)	2.22%	380	0.49%
07/11/16	JP Morgan Chase & CO	46625HQU7	1.850	03/22/19	02/22/19	1,900,000	1,921,250	1,890,187	(31,063)	2.31%	387	0.89%
09/15/14	Unitedhealth Group Inc	91324PCB6	1.625	03/15/19	03/15/19	720,000	706,025	714,149	8,124	2.36%	408	0.33%
12/07/15	FHLMC	3137EACA5	3.750	03/27/19	03/27/19	6,000,000	6,332,700	6,117,804	(214,896)	2.02%	420	2.87%
04/16/16	Lowes Companies Inc	548661DL8	1.150	04/15/19	04/15/19	1,000,000	998,565	988,472	(10,093)	2.12%	439	0.46%
09/12/14	Public Service Electric And Gas	74456QBG0	1.800	06/01/19	05/01/19	1,129,000	1,122,407	1,120,243	(2,164)	2.39%	455	0.52%
12/08/14	Target Corporation	87612EBB1	2.300	06/26/19	06/26/19	1,005,000	1,027,143	1,005,955	(21,188)	2.23%	511	0.47%
11/01/16	Treasury Note	912828WW6	1.625	07/31/19	07/31/19	2,600,000	2,646,008	2,583,289	(62,719)	2.06%	546	1.21%
03/17/15	FNMA Bench	3135G0ZG1	1.750	09/12/19	09/12/19	4,500,000	4,545,910	4,473,041	(72,869)	2.13%	589	2.10%
11/20/17	FHLB	3130A9EP2	1.000	09/26/19	09/26/19	2,500,000	2,465,175	2,454,538	(10,637)	2.12%	603	1.15%
10/30/16	Honeywell International Inc	438516BJ4	1.400	10/30/19	10/30/19	250,000	249,803	246,189	(3,614)	2.29%	637	0.12%
04/01/16	Treasury Note	912828F62	1.500	10/31/19	10/31/19	3,905,000	3,970,134	3,864,400	(105,734)	2.11%	638	1.81%
11/07/16	Procter & Gamble Company	742718EG0	1.900	11/01/19	11/01/19	1,325,000	1,348,771	1,316,456	(32,315)	2.28%	639	0.62%
05/26/15	Arizona Public Service Company	040555CR3	2.200	01/15/20	12/15/19	1,000,000	1,006,693	993,021	(13,672)	2.57%	683	0.47%
01/19/16	Treasury Note	912828G95	1.625	12/31/19	12/31/19	4,250,000	4,326,504	4,209,366	(117,138)	2.14%	699	1.97%
11/01/17	Treasury Note	912828UF5	1.125	12/31/19	12/31/19	2,800,000	2,771,125	2,747,458	(23,667)	2.13%	699	1.29%
04/21/16	Pepsico Inc	713448BN7	4.500	01/15/20	01/15/20	1,300,000	1,445,831	1,352,707	(93,124)	2.37%	714	0.63%
04/28/17	FNMA	3135G0A78	1.625	01/21/20	01/21/20	4,725,000	4,743,801	4,675,888	(67,913)	2.17%	720	2.19%
04/25/16	Medtronic Inc	585055BG0	2.500	03/15/20	03/15/20	1,200,000	1,241,267	1,200,560	(40,707)	2.48%	774	0.56%
05/08/15	United Technologies Corporation	913017BR9	4.500	04/15/20	04/15/20	1,150,000	1,283,710	1,198,983	(84,727)	2.50%	805	0.56%
05/11/17	Intel Corp	458140AZ3	1.850	05/11/20	05/11/20	1,000,000	999,620	990,540	(9,080)	2.28%	831	0.46%
03/08/16	Public Service Company of Colorado	744448CD1	3.200	11/15/20	05/15/20	1,080,000	1,135,784	1,096,799	(38,985)	2.62%	835	0.51%
05/04/17	State Street Corporation	857477AS2	2.550	08/18/20	08/18/20	1,150,000	1,174,001	1,150,606	(23,395)	2.53%	930	0.54%
02/21/17	Ace InA Holdings Inc	00440EAT4	2.300	11/03/20	10/03/20	1,000,000	1,000,960	992,338	(8,622)	2.59%	976	0.46%
04/21/16	Travelers Cos Inc	89417EAG4	3.900	11/01/20	11/01/20	900,000	984,933	928,854	(56,079)	2.68%	1005	0.44%
11/01/17	Treasury Note	912828PC8	2.625	11/15/20	11/15/20	8,000,000	8,211,250	8,072,620	(138,630)	2.29%	1019	3.78%
01/12/18	FHLMC Reference Bond	3137EAEK1	1.875	11/17/20	11/17/20	4,000,000	3,968,800	3,953,680	(15,120)	2.30%	1021	1.85%
12/19/17	Metlife Inc	59156RAX6	4.750	02/08/21	02/08/21	1,000,000	1,071,340	1,058,785	(12,555)	2.71%	1104	0.50%
11/10/17	Praxair Inc	74005PAY0	4.050	03/15/21	03/15/21	404,000	429,143	420,456	(8,687)	2.68%	1139	0.20%
01/25/18	Bank of New York Mellon Corp	06406FAA1	2.500	04/15/21	04/15/21	1,000,000	995,270	992,130	(3,140)	2.76%	1170	0.46%
12/05/16	PNC Bank NA	6935REW4	2.150	04/29/21	03/30/21	1,200,000	1,185,804	1,177,369	(8,435)	2.76%	1154	0.55%
10/05/17	Florida Power Corporation	341099CP2	3.100	08/15/21	05/15/21	705,000	728,709	715,018	(13,691)	2.68%	1200	0.34%

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Statement of Investments
As of 01/31/18

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff. Mat. Date	Par Value	Purchase Cost	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
12/23/16	Federal Home Loan Banks	3130AABG2	1.875	11/29/21	11/29/21	7,000,000	6,925,456	6,856,038	(69,418)	2.44%	1398	3.21%
01/23/17	Pfizer Inc	717081DZ3	2.200	12/15/21	12/15/21	1,500,000	1,498,845	1,476,467	(22,378)	2.63%	1414	0.69%
01/23/17	Comcast Corporation	20030NBV2	1.625	01/15/22	12/15/21	1,500,000	1,437,900	1,436,220	(1,680)	2.77%	1414	0.67%
06/23/17	FHLMC	3137EADB2	2.375	01/13/22	01/13/22	4,500,000	4,613,235	4,487,328	(125,907)	2.45%	1443	2.10%
02/03/17	Treasury Note	912828H86	1.500	01/31/22	01/31/22	1,700,000	1,665,766	1,639,437	(26,329)	2.44%	1461	0.77%
02/21/17	Walt Disney Co	25468PCT1	2.550	02/15/22	02/15/22	1,200,000	1,207,588	1,192,452	(15,136)	2.72%	1476	0.56%
04/17/17	BB&T Corp	05531FAX1	2.750	04/01/22	03/01/22	1,000,000	1,009,059	995,025	(14,034)	2.88%	1490	0.47%
09/28/17	FHLB	313378CR0	2.250	03/11/22	03/11/22	4,000,000	4,059,139	3,957,256	(101,883)	2.53%	1500	1.85%
05/18/17	Federal National Mortgage Association	3135G0T45	1.875	04/05/22	04/05/22	4,500,000	4,502,731	4,389,980	(112,751)	2.49%	1525	2.06%
10/03/17	Home Depot Inc	437076BG6	2.625	06/01/22	05/01/22	650,000	661,333	646,540	(14,793)	2.76%	1551	0.30%
09/25/17	Caterpillar Financial Services	14913QAA7	2.400	06/06/22	06/06/22	718,000	720,491	705,497	(14,994)	2.83%	1587	0.33%
08/01/17	Treasury Note	912828XQ8	2.000	07/31/22	07/31/22	1,300,000	1,309,851	1,273,200	(36,651)	2.49%	1642	0.60%
09/25/17	National Rural Utilities Coop	63743HEQ1	2.300	09/15/22	08/15/22	1,000,000	995,979	975,513	(20,466)	2.87%	1657	0.46%
10/03/17	Treasury Note	912828W9	1.875	09/30/22	09/30/22	9,000,000	8,976,444	8,749,668	(226,776)	2.51%	1703	4.10%
Subtotal						\$198,537,492	\$200,823,019	\$197,704,774	\$ (3,118,245)	2.06%	621	92.64%
Local Agency Investment Fund (LAIF)						15,738,487	15,738,487	15,708,482	(30,005)	1.35%	179	7.36%
Subtotal						\$214,275,979	\$216,561,506	\$213,413,256	\$ (3,148,250)	2.01%	588	100.00%
Operating Bank Balance						3,668,086						
TOTAL						\$220,229,592						

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Statement of Purchases - Maturities - Sales
As of 01/31/18

PURCHASES

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Prepaid Interest
01/12/18	FHLMC Reference Bond	3137EAEK1	1.875	11/17/20	4,000,000.00	99.22000	\$ 3,968,800.00	\$ (12,708.33)
01/25/18	Bank of New York Mellon Corp	06406FAA1	2.500	04/15/21	1,000,000.00	99.52700	995,270.00	(7,222.22)
							-	
							-	
							-	
							-	
							-	
TOTAL PURCHASES					\$ 5,000,000.00		\$ 4,964,070.00	\$ (19,930.55)

MATURITIES

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Gain / (Loss)
04/19/16	FHLMC Reference Notes	3137EADN6	0.750	01/12/18	\$ 3,750,000.00	99.94800	\$ 3,748,050.00	\$ 1,950.00
05/06/14	Bank of New York Mellon Corp	06406HCE7	1.300	01/25/18	1,000,000.00	99.29625	992,962.50	7,037.50
							-	-
							-	-
							-	-
TOTAL MATURITIES					\$ 4,750,000.00		\$ 4,741,012.50	\$ 8,987.50

SALES / REDEMPTIONS

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Sale Date	Par Value	Sale Price	Sale Amount	Purchase Cost	Gain / (Loss)
								\$ -		\$ -
								-		-
								-		-
								-		-
								-		-
TOTAL SALES						\$ -		\$ -	\$ -	\$ -

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Earnings Report
01/01/18-01/31/18

Type of Investment	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned	
FIXED INCOME										
FHLMC Reference Notes	NOTE	0.750	01/12/18	13,203.13	14,062.50	-	-	859.37	-	859.37
Bank of New York Mellon Corp	NOTE	1.300	01/25/18	5,633.33	6,500.00	-	-	866.67	-	866.67
FNMA Benchmark Notes	NOTE	0.875	02/08/18	20,854.16	-	-	25,229.16	4,375.00	2,127.75	6,502.75
Fifth Third Bank	NOTE	1.450	02/28/18	4,873.62	-	-	6,081.94	1,208.32	131.54	1,339.86
Exxon Mobil Corp	NOTE	1.305	03/06/18	2,918.13	-	-	3,679.38	761.25	(67.46)	693.79
FFCB	NOTE	1.591	03/22/18	2,173.44	6,737.68	-	2,209.97	6,774.21	579.40	7,353.61
Coca-Cola Company (The)	NOTE	1.150	04/01/18	4,168.75	-	-	5,558.34	1,389.59	(152.85)	1,236.74
General Electric Capital Corp	NOTE	2.405	04/02/18	10,272.53	8,832.13	-	3,386.55	1,946.15	(541.97)	1,404.18
Wells Fargo & Company	NOTE	2.374	04/23/18	5,811.46	7,637.92	-	890.43	2,716.89	(89.51)	2,627.38
FHLB	NOTE	1.125	04/25/18	3,135.00	-	-	4,560.00	1,425.00	(482.33)	942.67
Boeing Co	NOTE	0.950	05/15/18	1,145.91	-	-	1,893.25	747.34	181.02	928.36
Merck & Co Inc	NOTE	1.300	05/18/18	2,096.24	-	-	3,558.75	1,462.51	155.25	1,617.76
Treasury Note	NOTE	1.000	05/31/18	11,437.37	-	-	22,517.30	11,079.93	782.46	11,862.39
FHLMC	NOTE	4.875	06/13/18	13,406.25	-	-	35,750.00	22,343.75	(17,787.46)	4,556.29
Southern California Gas Company	NOTE	1.550	06/15/18	809.45	-	-	2,327.16	1,517.71	(273.93)	1,243.78
Chevron Corp	NOTE	1.718	06/24/18	300.65	-	-	1,589.15	1,288.50	(388.25)	900.25
Treasury Note	NOTE	0.875	07/15/18	31,326.43	33,906.25	-	3,184.56	5,764.38	(482.40)	5,281.98
FNMA Benchmark Notes	NOTE	1.125	07/20/18	20,753.91	23,203.13	-	1,417.97	3,867.19	(687.77)	3,179.42
Nevada Power Company	NOTE	6.500	08/01/18	28,437.49	-	-	34,125.00	5,687.51	(4,159.43)	1,528.08
3M Company	NOTE	1.375	08/07/18	4,950.00	-	-	5,981.25	1,031.25	44.50	1,075.75
Berkshire Hathaway Finance Corp	NOTE	2.000	08/15/18	11,711.11	-	-	14,294.44	2,583.33	(899.66)	1,683.67
Treasury Note	NOTE	1.500	08/31/18	32,618.79	-	-	40,839.78	8,220.99	(2,309.02)	5,911.97
FNMA	NOTE	1.125	10/19/18	14,780.25	-	-	20,938.69	6,158.44	403.46	6,561.90
Microsoft Corporation	NOTE	1.300	11/03/18	1,361.38	-	-	2,065.56	704.18	2.54	706.72
Treasury Note	NOTE	1.500	12/31/18	20.72	-	-	662.98	642.26	(96.79)	545.47
John Deere Capital Corp	NOTE	1.950	01/08/19	11,245.00	11,700.00	-	1,495.00	1,950.00	(713.29)	1,236.71
Commonwealth Edison Company	NOTE	2.150	01/15/19	9,913.89	10,750.00	-	955.55	1,791.66	(566.04)	1,225.62
Oracle Corporation	NOTE	2.300	01/15/19	4,915.80	5,798.12	-	1,270.86	2,153.18	(115.38)	2,037.80
Manufacturers & Traders Trust Co	NOTE	2.300	01/30/19	9,647.23	11,500.00	-	63.89	1,916.66	(374.85)	1,541.81
Treasury Note	NOTE	1.250	01/31/19	20,923.91	25,000.00	-	138.12	4,214.21	(85.04)	4,129.17
Simon Property Group LP	NOTE	2.200	02/01/19	8,708.33	-	-	10,450.00	1,741.67	(357.85)	1,383.82
IBM Corp	NOTE	1.950	02/12/19	8,658.54	-	-	10,527.29	1,868.75	(404.58)	1,464.17
Cisco Systems Inc	NOTE	4.950	02/15/19	19,635.00	-	-	23,966.25	4,331.25	(3,056.13)	1,275.12
Treasury Note	NOTE	0.750	02/15/19	14,164.40	-	-	17,323.37	3,158.97	(290.12)	2,868.85

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Earnings Report
01/01/18-01/31/18

Type of Investment		Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned
Union Pacific Corporation	NOTE	2.250	02/15/19	8,925.00	-	-	10,893.76	1,968.76	(687.25)	1,281.51
Johnson & Johnson	NOTE	1.751	03/01/19	2,261.23	-	-	4,522.47	2,261.24	(69.50)	2,191.74
Unitedhealth Group Inc	NOTE	1.625	03/15/19	3,445.00	-	-	4,420.00	975.00	258.80	1,233.80
Citigroup Inc	NOTE	1.966	03/20/19	270.25	-	-	1,007.31	737.06	-	737.06
JP Morgan Chase & CO	NOTE	1.850	03/22/19	9,666.26	-	-	12,595.42	2,929.16	(676.34)	2,252.82
FHLMC	NOTE	3.750	03/27/19	58,750.00	-	-	77,500.00	18,750.00	(10,891.13)	7,858.87
Lowes Companies Inc	NOTE	1.150	04/15/19	2,427.78	-	-	3,386.11	958.33	40.16	998.49
Apple Inc	NOTE	1.691	05/06/19	3,157.26	-	-	4,905.03	1,747.77	92.10	1,839.87
Public Service Electric And Gas	NOTE	1.800	06/01/19	1,693.50	-	-	3,387.00	1,693.50	90.00	1,783.50
Target Corporation	NOTE	2.300	06/26/19	321.05	-	-	2,247.29	1,926.24	(509.91)	1,416.33
Treasury Note	NOTE	1.625	07/31/19	17,680.71	21,125.00	-	116.71	3,561.00	(1,423.39)	2,137.61
FNMA Bench	NOTE	1.750	09/12/19	23,843.75	-	-	30,406.25	6,562.50	(913.80)	5,648.70
FHLB	NOTE	1.000	09/26/19	6,597.22	-	-	8,680.56	2,083.34	1,568.70	3,652.04
Honeywell International Inc	NOTE	1.400	10/30/19	593.05	-	-	884.72	291.67	5.48	297.15
Treasury Note	NOTE	1.500	10/31/19	10,032.18	-	-	15,048.27	5,016.09	(1,543.70)	3,472.39
Procter & Gamble Company	NOTE	1.900	11/01/19	4,195.83	-	-	6,293.75	2,097.92	(663.98)	1,433.94
Treasury Note	NOTE	1.625	12/31/19	190.78	-	-	6,104.97	5,914.19	(1,837.29)	4,076.90
Treasury Note	NOTE	1.125	12/31/19	87.02	-	-	2,784.53	2,697.51	1,133.07	3,830.58
Arizona Public Service Company	NOTE	2.200	01/15/20	10,144.45	11,000.00	-	977.78	1,833.33	(174.29)	1,659.04
Pepsico Inc	NOTE	4.500	01/15/20	26,975.00	29,250.00	-	2,600.00	4,875.00	(3,292.48)	1,582.52
FNMA	NOTE	1.625	01/21/20	34,125.00	38,390.63	-	2,132.81	6,398.44	(573.78)	5,824.66
Medtronic Inc	NOTE	2.500	03/15/20	8,833.33	-	-	11,333.33	2,500.00	(884.28)	1,615.72
United Technologies Corporation	NOTE	4.500	04/15/20	10,925.00	-	-	15,237.50	4,312.50	(2,441.44)	1,871.06
Intel Corp	NOTE	1.850	05/11/20	2,569.44	-	-	4,111.11	1,541.67	10.55	1,552.22
QualComm Inc	NOTE	1.886	05/20/20	1,869.95	-	-	3,250.16	1,380.21	(26.00)	1,354.21
State Street Corporation	NOTE	2.550	08/18/20	10,833.96	-	-	13,277.71	2,443.75	(608.12)	1,835.63
American Express Credit Corp	NOTE	2.624	09/14/20	1,311.75	-	-	3,570.90	2,259.15	(165.74)	2,093.41
Travelers Cos Inc	NOTE	3.900	11/01/20	5,850.00	-	-	8,775.00	2,925.00	(1,581.68)	1,343.32
Ace InA Holdings Inc	NOTE	2.300	11/03/20	3,705.56	-	-	5,622.22	1,916.66	(22.12)	1,894.54
Public Service Company of Colorado	NOTE	3.200	11/15/20	4,416.00	-	-	7,296.00	2,880.00	(1,126.98)	1,753.02
Treasury Note	NOTE	2.625	11/15/20	27,265.19	-	-	45,248.62	17,983.43	(6,189.90)	11,793.53
FHLMC Reference Bond	NOTE	1.875	11/17/20	-	-	12,708.33	15,833.33	3,125.00	458.37	3,583.37
Metlife Inc	NOTE	4.750	02/08/21	18,868.06	-	-	22,826.39	3,958.33	(1,895.66)	2,062.67
Praxair Inc	NOTE	4.050	03/15/21	4,817.70	-	-	6,181.20	1,363.50	(625.71)	737.79
Bank of New York Mellon Corp	NOTE	2.500	04/15/21	-	-	7,222.22	7,361.11	138.89	8.40	147.29

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Earnings Report
01/01/18-01/31/18

Type of Investment	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned	
PNC Bank NA	NOTE	2.150	04/29/21	4,443.33	-	-	6,593.33	2,150.00	273.88	2,423.88
Florida Power Corporation	NOTE	3.100	08/15/21	8,256.34	-	-	10,077.58	1,821.24	(547.13)	1,274.11
Federal Home Loan Banks	NOTE	1.875	11/29/21	11,666.67	-	-	22,604.17	10,937.50	1,312.02	12,249.52
Pfizer Inc	NOTE	2.200	12/15/21	1,466.67	-	-	4,216.67	2,750.00	19.67	2,769.67
FHLMC	NOTE	2.375	01/13/22	49,952.44	53,437.50	-	5,609.46	9,094.52	(2,119.69)	6,974.83
Comcast Corporation	NOTE	1.625	01/15/22	11,239.58	12,187.50	-	1,083.33	2,031.25	1,057.32	3,088.57
Treasury Note	NOTE	1.500	01/31/22	10,671.19	12,750.00	-	70.44	2,149.25	585.82	2,735.07
Walt Disney Co	NOTE	2.550	02/15/22	11,560.00	-	-	14,110.00	2,550.00	(126.90)	2,423.10
FHLB	NOTE	2.250	03/11/22	27,500.00	-	-	35,000.00	7,500.00	(1,107.38)	6,392.62
BB&T Corp	NOTE	2.750	04/01/22	6,875.00	-	-	9,166.67	2,291.67	(154.08)	2,137.59
Federal National Mortgage Association	NOTE	1.875	04/05/22	20,156.25	-	-	27,187.50	7,031.25	(46.64)	6,984.61
Home Depot Inc	NOTE	2.625	06/01/22	1,421.88	-	-	2,843.75	1,421.87	(206.54)	1,215.33
Caterpillar Financial Services	NOTE	2.400	06/06/22	1,196.67	-	-	2,632.67	1,436.00	(44.35)	1,391.65
Treasury Note	NOTE	2.000	07/31/22	10,880.43	13,000.00	-	71.82	2,191.39	(167.34)	2,024.05
National Rural Utilities Coop	NOTE	2.300	09/15/22	7,730.56	-	-	9,647.22	1,916.66	68.53	1,985.19
Treasury Note	NOTE	1.875	09/30/22	43,114.70	-	-	57,486.26	14,371.56	400.54	14,772.10
Subtotal			\$ 910,791.57	\$ 356,768.36	\$ 19,930.55	\$ 888,152.13	\$ 314,198.37	\$ (65,935.30)	\$ 248,263.07	
CASH EQUIVALENTS										
Blackrock Liquidity Funds			-	430.44	-	-	430.44	-	430.44	
BOA Temp Overnight Deposit			-	0.48	-	-	0.48	-	0.48	
Cash Interest (MISC)			-	-	-	-	-	-	-	
Subtotal			\$ -	\$ 430.92	\$ -	\$ -	\$ 430.92	\$ -	\$ 430.92	
LAIF										
Local Agency Investment Fund			39,082.53	39,082.53	-	15,156.52	15,156.52	-	15,156.52	
TOTAL			\$ 949,874.10	\$ 396,281.81	\$ 19,930.55	\$ 903,308.65	\$ 329,785.81	\$ (65,935.30)	\$ 263,850.51	

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Statement of Investments
As of 01/31/18

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff Mat. Date	Par Value	Purchase Cost	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
01/31/18	Columbia Treasury Reserves	097101307	0.000	01/31/18	01/31/18	\$ 553,436	\$ 553,436	\$ 553,436	\$ -	0.00%	0	1.88%
05/06/16	Apple Inc	037833AP5	1.334	05/06/19	02/06/18	143,000	142,668	143,516	848	1.81%	6	0.49%
07/07/14	FNMA Benchmark Notes	3135G0TG8	0.875	02/08/18	02/08/18	1,000,000	986,045	999,876	13,831	1.49%	8	3.40%
05/24/17	Qualcomm Inc	747525AQ6	1.886	05/20/20	02/20/18	150,000	150,161	150,497	336	2.10%	20	0.51%
05/31/17	US Bank NA/Cincinnati OH	90331HNE9	1.612	05/24/19	02/24/18	250,000	250,000	250,154	154	1.88%	24	0.85%
12/29/16	Fifth Third Bank	31677QAV1	1.450	02/28/18	02/28/18	200,000	199,584	199,942	358	1.83%	28	0.68%
03/02/16	Johnson & Johnson	478160BW3	1.751	03/01/19	03/01/18	160,000	160,136	160,510	374	1.76%	29	0.55%
10/28/15	Exxon Mobil Corp	30231GAL6	1.305	03/06/18	03/06/18	150,000	150,773	149,922	(851)	1.83%	34	0.51%
03/20/17	Citigroup Inc	17325FAB4	1.965	03/20/19	03/20/18	250,000	250,000	250,465	465	1.96%	48	0.85%
09/07/16	Coca-Cola Company (The)	191216BA7	1.150	04/01/18	04/01/18	175,000	175,346	174,843	(503)	1.69%	60	0.59%
01/21/15	General Electric Capital Corp	36962G6X7	2.405	04/02/18	04/02/18	185,000	186,693	185,173	(1,520)	1.85%	61	0.63%
01/21/16	Oracle Corporation	68389XAR6	2.300	01/15/19	04/15/18	175,000	175,728	175,926	198	1.82%	74	0.60%
10/05/15	Wells Fargo & Company	94974BFK1	2.374	04/23/18	04/23/18	225,000	225,823	225,313	(510)	1.76%	82	0.77%
06/25/16	FHLB	3130A4GJ5	1.125	04/25/18	04/25/18	555,000	559,246	554,563	(4,683)	1.46%	84	1.89%
09/25/15	Boeing Co	097023BE4	0.950	05/15/18	05/15/18	94,000	93,432	93,773	341	1.79%	104	0.32%
07/09/14	Merck & Co Inc	58933YAG0	1.300	05/18/18	05/18/18	150,000	148,778	149,775	997	1.80%	107	0.51%
06/29/16	Chevron Corp	166764AE0	1.718	06/24/18	05/24/18	150,000	151,136	149,924	(1,212)	1.84%	113	0.51%
02/18/15	Treasury Note	912828VE7	1.000	05/31/18	05/31/18	825,000	825,248	823,582	(1,666)	1.52%	120	2.80%
09/25/14	FHLMC	3137EABP3	4.875	06/13/18	06/13/18	750,000	834,773	758,795	(75,978)	1.65%	133	2.58%
04/21/16	Southern California Gas Company	842434CN0	1.550	06/15/18	06/15/18	175,000	175,894	174,595	(1,299)	2.17%	135	0.59%
02/29/16	Nevada Power Company	641423BW7	6.500	08/01/18	08/01/18	115,000	127,818	117,600	(10,218)	1.92%	182	0.40%
06/30/16	3M Company	88579YAP6	1.375	08/07/18	08/07/18	100,000	101,129	99,714	(1,415)	1.93%	188	0.34%
12/18/15	Berkshire Hathaway Finance Corp	084664BY6	2.000	08/15/18	08/15/18	165,000	167,603	165,021	(2,582)	1.97%	196	0.56%
12/10/15	Treasury Note	912828RE2	1.500	08/31/18	08/31/18	800,000	809,246	799,000	(10,246)	1.72%	212	2.72%
12/24/15	Simon Property Group LP	828807CQ8	2.200	02/01/19	11/01/18	152,000	153,346	152,051	(1,295)	2.16%	274	0.52%
01/21/16	Microsoft Corporation	5594918BF0	1.300	11/03/18	11/03/18	100,000	100,032	99,487	(545)	1.99%	276	0.34%
08/04/16	Caterpillar Financial Services	14912L6M8	1.800	11/13/18	11/13/18	135,000	137,086	134,704	(2,382)	2.08%	286	0.46%
04/13/16	Commonwealth Edison Company	202795JC5	2.150	01/15/19	12/15/18	115,000	117,094	114,955	(2,139)	2.19%	318	0.39%
11/16/15	Treasury Note	912828A75	1.500	12/31/18	12/31/18	600,000	604,953	597,755	(7,198)	1.91%	334	2.03%
09/25/15	BB&T Corp	05531FAQ6	2.250	02/01/19	01/02/19	110,000	111,642	109,952	(1,690)	2.29%	336	0.37%
06/30/16	John Deere Capital Corp	24422ETE9	1.950	01/08/19	01/08/19	160,000	163,115	159,865	(3,250)	2.04%	342	0.54%
04/01/15	Treasury Note	912828SD3	1.250	01/31/19	01/31/19	900,000	905,625	893,848	(11,777)	1.94%	365	3.04%
01/14/16	IBM Corp	459200HT1	1.950	02/12/19	02/12/19	110,000	111,065	109,762	(1,303)	2.16%	377	0.37%
02/26/16	Cisco Systems Inc	17275RAE2	4.950	02/15/19	02/15/19	150,000	164,276	154,163	(10,113)	2.23%	380	0.52%

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Statement of Investments
As of 01/31/18

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff Mat. Date	Par Value	Purchase Cost	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
11/01/16	Treasury Note	912828P53	0.750	02/15/19	02/15/19	500,000	498,164	493,807	(4,357)	1.96%	380	1.68%
01/21/15	Union Pacific Corporation	907818DW5	2.250	02/15/19	02/15/19	165,000	168,822	165,049	(3,773)	2.22%	380	0.56%
07/11/16	JP Morgan Chase & CO	46625HQU7	1.850	03/22/19	02/22/19	240,000	242,332	238,760	(3,572)	2.31%	387	0.81%
09/15/14	Unitedhealth Group Inc	91324PCB6	1.625	03/15/19	03/15/19	100,000	98,472	99,187	715	2.36%	408	0.34%
08/31/16	FHLMC	3137EACA5	3.750	03/27/19	03/27/19	400,000	428,344	407,854	(20,490)	2.02%	420	1.39%
04/20/16	Lowe's Companies Inc	548661DL8	1.150	04/15/19	04/15/19	140,000	139,491	138,386	(1,105)	2.12%	439	0.47%
09/12/14	Public Service Electric And Gas	74456QBG0	1.800	06/01/19	05/01/19	124,000	123,022	123,038	16	2.39%	455	0.42%
01/21/15	Target Corporation	87612EBB1	2.300	06/26/19	06/26/19	135,000	138,583	135,128	(3,455)	2.23%	511	0.46%
07/29/16	Treasury Note	912828WW6	1.625	07/31/19	07/31/19	800,000	817,703	794,858	(22,845)	2.06%	546	2.70%
01/28/15	FNMA Bench	3135G0ZG1	1.750	09/12/19	09/12/19	990,000	1,004,663	984,069	(20,594)	2.13%	589	3.35%
06/23/17	FHLB	3130A9EP2	1.000	09/26/19	09/26/19	1,000,000	990,820	981,815	(9,005)	2.12%	603	3.34%
10/30/16	Honeywell International Inc	438516BJ4	1.400	10/30/19	10/30/19	150,000	149,882	147,713	(2,169)	2.29%	637	0.50%
04/01/16	Treasury Note	912828F62	1.500	10/31/19	10/31/19	610,000	620,175	603,658	(16,517)	2.11%	638	2.05%
11/07/16	Procter & Gamble Company	742718EG0	1.900	11/01/19	11/01/19	175,000	178,140	173,872	(4,268)	2.28%	639	0.59%
05/26/15	Arizona Public Service Company	040555CR3	2.200	01/15/20	12/15/19	150,000	150,301	148,953	(1,348)	2.57%	683	0.51%
09/02/16	National Rural Utilities Coop	637432NC5	2.000	01/27/20	12/27/19	150,000	151,841	148,683	(3,158)	2.45%	695	0.51%
01/11/16	Treasury Note	912828G95	1.625	12/31/19	12/31/19	960,000	975,537	950,821	(24,716)	2.14%	699	3.24%
09/26/16	Treasury Note	912828UF5	1.125	12/31/19	12/31/19	700,000	697,922	686,865	(11,057)	2.13%	699	2.34%
12/14/15	Pepsico Inc	713448BN7	4.500	01/15/20	01/15/20	140,000	153,849	145,676	(8,173)	2.37%	714	0.50%
04/05/17	FNMA	3135G0A78	1.625	01/21/20	01/21/20	1,100,000	1,103,600	1,088,567	(15,033)	2.17%	720	3.70%
09/02/16	PNC Funding Corp	693476BJ1	5.125	02/08/20	02/08/20	165,000	182,818	173,213	(9,605)	2.58%	738	0.59%
05/18/17	FHLB	313378J77	1.875	03/13/20	03/13/20	875,000	884,363	868,758	(15,605)	2.22%	772	2.96%
04/25/16	Medtronic Inc	585055BG0	2.500	03/15/20	03/15/20	200,000	204,756	200,093	(4,663)	2.48%	774	0.68%
05/30/17	Treasury Note	912828W63	1.625	03/15/20	03/15/20	550,000	552,156	543,769	(8,387)	2.17%	774	1.85%
05/18/15	United Technologies Corporation	913017BR9	4.500	04/15/20	04/15/20	150,000	166,595	156,389	(10,206)	2.50%	805	0.53%
09/25/15	American Express Credit Corp	0258M0DT3	2.375	05/26/20	04/25/20	150,000	151,913	149,197	(2,716)	2.61%	815	0.51%
10/25/16	FHLMC Reference Notes	3137EADR7	1.375	05/01/20	05/01/20	1,350,000	1,339,018	1,325,823	(13,195)	2.19%	821	4.51%
05/11/17	Intel Corp	458140AZ3	1.850	05/11/20	05/11/20	150,000	149,943	148,581	(1,362)	2.28%	831	0.51%
03/08/16	Public Service Company of Colorado	744448CD1	3.200	11/15/20	05/15/20	150,000	156,290	152,333	(3,957)	2.62%	835	0.52%
10/02/17	Manufacturers & Traders Trust Co	55279HAN0	2.050	08/17/20	07/17/20	250,000	250,163	246,547	(3,616)	2.61%	898	0.84%
05/04/17	State Street Corporation	524144AS2	2.550	08/18/20	08/18/20	175,000	178,652	175,092	(3,560)	2.53%	930	0.60%
09/29/17	FHLB	3130ACE26	1.375	09/28/20	09/28/20	1,000,000	991,915	977,109	(14,806)	2.29%	971	3.32%
02/21/17	Ace InA Holdings Inc	00440EAT4	2.300	11/03/20	10/03/20	150,000	150,144	148,851	(1,293)	2.59%	976	0.51%
04/21/16	Travelers Cos Inc	89417EAG4	3.900	11/01/20	11/01/20	100,000	109,437	103,206	(6,231)	2.68%	1005	0.35%

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Statement of Investments
As of 01/31/18

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff Mat. Date	Par Value	Purchase Cost	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
10/27/17	Treasury Note	912828PC8	2.625	11/15/20	11/15/20	1,525,000	1,564,256	1,538,843	(25,413)	2.29%	1019	5.24%
01/25/18	Metlife Inc	59156RAX6	4.750	02/08/21	02/08/21	150,000	159,602	158,818	(784)	2.71%	1104	0.54%
11/10/17	Praxair	74005PAY0	4.050	03/15/21	03/15/21	56,000	59,485	58,281	(1,204)	2.68%	1139	0.20%
01/25/18	Bank of New York Mellon Corp	06406FAA1	2.500	04/15/21	04/15/21	200,000	199,054	198,426	(628)	2.76%	1170	0.68%
01/24/18	Treasury Note	912828Q78	1.375	04/30/21	04/30/21	600,000	583,406	581,860	(1,546)	2.35%	1185	1.98%
10/02/17	Florida Power Corporation	341099CP2	3.100	08/15/21	05/15/21	150,000	155,102	152,132	(2,970)	2.68%	1200	0.52%
12/23/16	Treasury Note	912828WR7	2.125	06/30/21	06/30/21	400,000	402,187	396,768	(5,419)	2.37%	1246	1.35%
12/23/16	Federal Home Loan Banks	3130AABG2	1.875	11/29/21	11/29/21	950,000	938,992	930,462	(8,530)	2.44%	1398	3.17%
01/23/17	Pfizer Inc	717081DZ3	2.200	12/15/21	12/15/21	225,000	224,532	221,470	(3,062)	2.63%	1414	0.75%
01/23/17	Comcast Corporation	20030NBV2	1.625	01/15/22	12/15/21	250,000	239,789	239,370	(419)	2.77%	1414	0.81%
02/03/17	Treasury Note	912828H86	1.500	01/31/22	01/31/22	550,000	538,354	530,406	(7,948)	2.44%	1461	1.80%
02/21/17	Walt Disney Co	25468PCT1	2.550	02/15/22	02/15/22	175,000	176,106	173,899	(2,207)	2.72%	1476	0.59%
10/03/17	Home Depot Inc	437076BG6	2.625	06/01/22	05/01/22	150,000	152,590	149,202	(3,388)	2.76%	1551	0.51%
Subtotal						\$ 29,552,436	\$ 29,862,211	\$ 29,388,114	\$ (474,097)	2.08%	608	100.00%
PFC Bank Balance							561					
TOTAL							\$ 29,862,772					

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Statement of Purchases - Maturities - Sales
As of 01/31/18

PURCHASES								
Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Prepaid Interest
01/24/18	Treasury Note	912828Q78	1.375	04/30/21	\$ 600,000.00	97.23438	\$ 583,406.25	\$ (1,959.94)
01/25/18	Arizona Public Service Company	040555CR3	2.200	01/15/20	25,000.00	99.49500	24,873.75	(21.39)
01/25/18	Bank of New York Mellon Corp	06406FAA1	2.500	04/15/21	200,000.00	99.52700	199,054.00	(1,444.44)
01/25/18	Comcast Corporation	20030NBV2	1.625	01/15/22	50,000.00	96.14000	48,070.00	(31.60)
01/25/18	Medtronic Inc	585055BG0	2.500	03/15/20	40,000.00	100.15900	40,063.60	(372.22)
01/25/18	Metlife Inc	59156RAX6	4.750	02/08/21	150,000.00	106.40100	159,601.50	(3,384.38)
01/25/18	Pfizer Inc	717081DZ3	2.200	12/15/21	25,000.00	98.74700	24,686.75	(67.22)
01/25/18	Public Service Company of Colorado	744448CD1	3.200	11/15/20	35,000.00	101.83200	35,641.20	(230.22)
01/26/18	Federal Home Loan Banks	3130AABG2	1.875	11/29/21	200,000.00	98.23290	196,465.80	(625.00)
TOTAL PURCHASES					\$ 1,325,000.00		\$ 1,311,862.85	\$ (8,136.41)

MATURITIES								
Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Gain / (Loss)
07/09/14	Bank Of New York Mellon Corp	06406HCE7	1.300	01/25/18	\$ 125,000.00	99.13160	\$ 123,914.50	\$ 1,085.50
							-	-
							-	-
							-	-
							-	-
TOTAL MATURITIES					\$ 125,000.00		\$ 123,914.50	\$ 1,085.50

SALES / REDEMPTIONS / DELIVERS										
Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Sale Date	Par Value	Sale Price	Sale Amount	Purchase Cost	Gain / (Loss)
								\$ -		\$ -
								-		-
								-		-
								-		-
						\$ -		\$ -	\$ -	\$ -

Burbank-Glendale-Pasadena Airport Authority - PFC Account

Earnings Report

01/01/18-01/31/18

Type of Investment	Type	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned
FIXED INCOME										
Bank Of New York Mellon Corp	NOTE	1.300	01/25/18	704.16	812.50	-	-	108.34	-	108.34
FNMA Benchmark Notes	NOTE	0.875	02/08/18	3,475.70	-	-	4,204.86	729.16	337.87	1,067.03
Fifth Third Bank	NOTE	1.450	02/28/18	974.72	-	-	1,216.39	241.67	29.64	271.31
Exxon Mobil Corp	NOTE	1.305	03/06/18	625.32	-	-	788.44	163.12	(27.03)	136.09
Coca-Cola Company (The)	NOTE	1.150	04/01/18	503.13	-	-	670.84	167.71	(18.45)	149.26
General Electric Capital Corp	NOTE	2.405	04/02/18	1,124.50	966.83	-	370.72	213.05	(48.99)	164.06
Wells Fargo & Company	NOTE	2.374	04/23/18	871.73	1,145.69	-	133.56	407.52	(44.68)	362.84
FHLB	NOTE	1.125	04/25/18	1,144.69	-	-	1,665.00	520.31	(193.74)	326.57
Boeing Co	NOTE	0.950	05/15/18	114.10	-	-	188.53	74.43	18.10	92.53
Merck & Co Inc	NOTE	1.300	05/18/18	232.92	-	-	395.41	162.49	21.73	184.22
Treasury Note	NOTE	1.000	05/31/18	725.27	-	-	1,427.88	702.61	(37.09)	665.52
FHLMC	NOTE	4.875	06/13/18	1,828.13	-	-	4,875.00	3,046.87	(2,150.82)	896.05
Southern California Gas Company	NOTE	1.550	06/15/18	120.55	-	-	346.60	226.05	(34.52)	191.53
Chevron Corp	NOTE	1.718	06/24/18	50.11	-	-	264.86	214.75	(57.08)	157.67
Nevada Power Company	NOTE	6.500	08/01/18	3,114.58	-	-	3,737.50	622.92	(444.47)	178.45
3M Company	NOTE	1.375	08/07/18	550.00	-	-	664.58	114.58	(44.75)	69.83
Berkshire Hathaway Finance Corp	NOTE	2.000	08/15/18	1,246.66	-	-	1,521.66	275.00	(83.16)	191.84
Treasury Note	NOTE	1.500	08/31/18	4,077.35	-	-	5,104.97	1,027.62	(323.14)	704.48
Microsoft Corporation	NOTE	1.300	11/03/18	209.44	-	-	317.78	108.34	(0.95)	107.39
Caterpillar Financial Services	NOTE	1.800	11/13/18	324.00	-	-	526.50	202.50	(76.40)	126.10
Treasury Note	NOTE	1.500	12/31/18	24.86	-	-	795.58	770.72	(133.65)	637.07
John Deere Capital Corp	NOTE	1.950	01/08/19	1,499.33	1,560.00	-	199.34	260.01	(103.73)	156.28
Commonwealth Edison Company	NOTE	2.150	01/15/19	1,140.10	1,236.25	-	109.89	206.04	(65.40)	140.64
Oracle Corporation	NOTE	2.300	01/15/19	735.28	867.24	-	190.08	322.04	(32.19)	289.85
Treasury Note	NOTE	1.250	01/31/19	4,707.88	5,625.00	-	31.08	948.20	(142.45)	805.75
BB&T Corp	NOTE	2.250	02/01/19	1,031.26	-	-	1,237.50	206.24	(48.57)	157.67
Simon Property Group LP	NOTE	2.200	02/01/19	1,393.34	-	-	1,672.00	278.66	(50.81)	227.85
IBM Corp	NOTE	1.950	02/12/19	828.21	-	-	1,006.96	178.75	(28.83)	149.92
Cisco Systems Inc	NOTE	4.950	02/15/19	2,805.00	-	-	3,423.76	618.76	(419.15)	199.61
Treasury Note	NOTE	0.750	02/15/19	1,416.44	-	-	1,732.34	315.90	68.08	383.98
Union Pacific Corporation	NOTE	2.250	02/15/19	1,402.50	-	-	1,711.90	309.40	(101.34)	208.06
Johnson & Johnson	NOTE	1.751	03/01/19	241.20	-	-	482.39	241.19	(4.01)	237.18
Unitedhealth Group Inc	NOTE	1.625	03/15/19	478.47	-	-	613.89	135.42	28.24	163.66

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Earnings Report
01/01/18-01/31/18

Type of Investment	Type	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned
Citigroup Inc	NOTE	1.965	03/20/19	150.14	-	-	559.62	409.48	-	409.48
JP Morgan Chase & CO	NOTE	1.850	03/22/19	1,221.01	-	-	1,591.00	369.99	(74.04)	295.95
FHLMC	NOTE	3.750	03/27/19	3,916.67	-	-	5,166.67	1,250.00	(917.28)	332.72
Lowes Companies Inc	NOTE	1.150	04/15/19	339.89	-	-	474.05	134.16	17.48	151.64
Apple Inc	NOTE	1.334	05/06/19	376.24	-	-	721.93	345.69	9.12	354.81
US Bank NA/Cincinnati OH	NOTE	1.612	05/24/19	425.48	-	-	772.57	347.09	-	347.09
Public Service Electric And Gas	NOTE	1.800	06/01/19	186.00	-	-	372.00	186.00	15.50	201.50
Target Corporation	NOTE	2.300	06/26/19	43.13	-	-	301.87	258.74	(77.29)	181.45
Treasury Note	NOTE	1.625	07/31/19	5,440.22	6,500.00	-	35.92	1,095.70	(507.43)	588.27
FNMA Bench	NOTE	1.750	09/12/19	5,245.62	-	-	6,689.38	1,443.76	(319.55)	1,124.21
FHLB	NOTE	1.000	09/26/19	2,638.89	-	-	3,472.22	833.33	338.75	1,172.08
Honeywell International Inc	NOTE	1.400	10/30/19	355.84	-	-	530.83	174.99	3.30	178.29
Treasury Note	NOTE	1.500	10/31/19	1,567.13	-	-	2,350.69	783.56	(241.14)	542.42
Procter & Gamble Company	NOTE	1.900	11/01/19	554.17	-	-	831.25	277.08	(87.69)	189.39
Treasury Note	NOTE	1.625	12/31/19	43.10	-	-	1,379.00	1,335.90	(370.88)	965.02
Treasury Note	NOTE	1.125	12/31/19	21.76	-	-	696.13	674.37	76.31	750.68
Arizona Public Service Company	NOTE	2.200	01/15/20	1,268.05	1,375.00	21.39	146.66	232.22	(8.26)	223.96
Pepsico Inc	NOTE	4.500	01/15/20	2,905.00	3,150.00	-	280.00	525.00	(285.71)	239.29
FNMA	NOTE	1.625	01/21/20	7,944.44	8,937.50	-	496.53	1,489.59	(110.86)	1,378.73
National Rural Utilities Coop	NOTE	2.000	01/27/20	1,283.33	1,500.00	-	33.34	250.01	(47.36)	202.65
PNC Funding Corp	NOTE	5.125	02/08/20	3,359.01	-	-	4,063.70	704.69	(447.46)	257.23
FHLB	NOTE	1.875	03/13/20	4,921.88	-	-	6,289.06	1,367.18	(276.73)	1,090.45
Medtronic Inc	NOTE	2.500	03/15/20	1,177.78	-	372.22	1,888.89	338.89	(101.73)	237.16
Treasury Note	NOTE	1.625	03/15/20	2,666.44	-	-	3,431.80	765.36	(65.10)	700.26
United Technologies Corporation	NOTE	4.500	04/15/20	1,425.00	-	-	1,987.50	562.50	(296.21)	266.29
FHLMC Reference Notes	NOTE	1.375	05/01/20	3,093.75	-	-	4,640.63	1,546.88	296.52	1,843.40
Intel Corp	NOTE	1.850	05/11/20	385.42	-	-	616.67	231.25	1.58	232.83
Qualcomm Inc	NOTE	1.886	05/20/20	330.00	-	-	573.56	243.56	(4.59)	238.97
American Express Credit Corp	NOTE	2.375	05/26/20	346.36	-	-	643.22	296.86	(43.93)	252.93
Manufacturers & Traders Trust Co	NOTE	2.050	08/17/20	1,907.64	-	-	2,334.72	427.08	(4.85)	422.23
State Street Corporation	NOTE	2.550	08/18/20	1,648.65	-	-	2,020.52	371.87	(92.54)	279.33
FHLB	NOTE	1.375	09/28/20	3,552.08	-	-	4,697.92	1,145.84	224.79	1,370.63
Travelers Cos Inc	NOTE	3.900	11/01/20	650.00	-	-	975.00	325.00	(175.73)	149.27
Ace InA Holdings Inc	NOTE	2.300	11/03/20	555.83	-	-	843.33	287.50	(3.31)	284.19

Burbank-Glendale-Pasadena Airport Authority - PFC Account

Earnings Report

01/01/18-01/31/18

Type of Investment	Type	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned
Public Service Company of Colorado	NOTE	3.200	11/15/20	470.21	-	230.22	1,013.33	312.90	(114.71)	198.19
Treasury Note	NOTE	2.625	11/15/20	5,197.43	-	-	8,625.52	3,428.09	(1,094.45)	2,333.64
Metlife Inc	NOTE	4.750	02/08/21	-	-	3,384.38	3,423.96	39.58	(17.63)	21.95
Praxair	NOTE	4.050	03/15/21	667.80	-	-	856.80	189.00	(86.73)	102.27
Bank of New York Mellon Corp	NOTE	2.500	04/15/21	-	-	1,444.44	1,472.22	27.78	1.68	29.46
Treasury Note	NOTE	1.375	04/30/21	-	-	1,959.94	2,119.48	159.54	97.53	257.07
Treasury Note	NOTE	2.125	06/30/21	23.48	-	-	751.38	727.90	(41.10)	686.80
Florida Power Corporation	NOTE	3.100	08/15/21	1,756.67	-	-	2,144.17	387.50	(117.46)	270.04
Federal Home Loan Banks	NOTE	1.875	11/29/21	1,250.00	-	625.00	3,067.70	1,192.70	131.69	1,324.39
Pfizer Inc	NOTE	2.200	12/15/21	195.56	-	67.22	632.50	369.72	3.07	372.79
Comcast Corporation	NOTE	1.625	01/15/22	1,498.61	1,625.00	31.60	180.55	275.34	143.75	419.09
Treasury Note	NOTE	1.500	01/31/22	3,452.45	4,125.00	-	22.79	695.34	198.02	893.36
Walt Disney Co	NOTE	2.550	02/15/22	1,685.84	-	-	2,057.71	371.87	(18.51)	353.36
Home Depot Inc	NOTE	2.625	06/01/22	328.13	-	-	656.25	328.12	(47.15)	280.97
Subtotal				\$ 118,193.06	\$ 39,426.01	\$ 8,136.41	\$ 130,560.33	\$ 43,656.87	\$ (8,750.06)	\$ 34,906.81
CASH EQUIVALENTS										
Blackrock Liquidity Funds				-	2,041.75	-	-	2,041.75	-	2,041.75
BOA Temp Overnight Deposit				-	-	-	-	-	-	-
Subtotal				\$ -	\$ 2,041.75	\$ -	\$ -	\$ 2,041.75	\$ -	\$ 2,041.75
TOTAL				\$ 118,193.06	\$ 41,467.76	\$ 8,136.41	\$ 130,560.33	\$ 45,698.62	\$ (8,750.06)	\$ 36,948.56

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS MONTH AND SEVEN MONTH ENDED JANUARY 31, 2018 & 2017

Monthly Performance					January 2018	Fiscal YTD Performance (July 2017 - January 2018)				
Actual \$ Jan 2018	Budget Jan 2018	Actual \$ Prior Year Jan 2017	Note	Variance Actual Vs. Budget		Actual \$ Fiscal YTD	Fiscal YTD Budget	Actual \$ Prior Year Fiscal YTD	Note	Variance Actual Vs. Budget
					OPERATING ACTIVITY					
					CASH RECEIPTS FROM OPERATIONS					
\$359,949	\$317,500	\$363,511	(2)	\$42,449	Landing/Fuel Fees	\$2,534,753	\$2,222,500	\$2,335,979	(2)	\$312,253
1,590,947	1,470,134	1,590,936	(3)	120,813	Parking Fees	12,071,043	11,071,943	11,778,848	(3)	999,100
1,228,555	929,501	609,876	(4)	299,054	Rental Receipts - Terminal Building	7,609,021	6,585,292	6,690,252	(4)	1,023,729
1,061,034	954,767	1,025,313	(5)	106,267	Rental Receipts - Other Buildings	7,440,658	6,683,369	6,727,155	(5)	757,289
263,730	178,750	138,026	(6)	84,980	Ground Transportation	1,593,209	1,251,250	505,847	(6)	341,959
21,461	38,333	87,590	(7)	(16,872)	Other Receipts	612,946	268,333	516,728	(7)	344,613
409,428	220,833	173,726	(8)	188,595	Investment Receipts - Treasurer/Other Interest Earned	1,484,693	1,545,833	1,870,478	(8)	(61,140)
\$4,935,104	\$4,109,818	\$3,988,978	(1)	\$825,286		\$33,346,323	\$29,628,520	\$30,425,287	(1)	\$3,717,803
					CASH DISBURSEMENTS FROM OPERATIONS					
(\$135,422)	(\$135,723)	(\$94,973)	(10)	\$301	Administrative Supplies & Costs	(\$696,900)	(\$720,561)	(\$597,906)	(10)	\$23,661
(321,874)	(327,867)	(202,396)	(11)	5,993	Operating Supplies & Maintenance	(2,084,032)	(2,305,069)	(1,929,703)	(11)	221,037
(1,938,999)	(2,011,813)	(3,082,841)	(12)	72,814	Contractual Operating Costs	(12,799,359)	(13,717,731)	(13,852,489)	(12)	918,372
(373,795)	(382,458)	(231,725)	(13)	8,663	Contractual Professional Services	(3,164,042)	(3,442,206)	(2,971,900)	(13)	278,164
(620,967)	(623,169)	(507,663)	(14)	2,202	Wages & Benefits	(3,103,789)	(3,188,169)	(2,834,961)	(14)	84,380
(91,225)	(91,583)	(38,617)	(15)	358	Other Operating Costs	(517,918)	(576,081)	(209,548)	(15)	58,163
(380,479)	(380,479)	(380,329)		0	Bond Debt Service - 2015 Bonds	(2,663,353)	(2,663,353)	(2,662,303)		0
(556,454)	(515,000)	(539,038)	(16)	(41,454)	Parking Tax	(1,684,053)	(1,570,000)	(1,626,617)	(16)	(114,053)
(\$4,419,215)	(\$4,468,092)	(\$5,077,582)	(9)	\$48,877		(\$26,713,446)	(\$28,183,170)	(\$26,685,427)	(9)	\$1,469,724
					INCREASE (DECREASE) IN CASH FROM OPERATIONS					
\$515,889	(\$358,274)	(\$1,088,604)		\$874,163		\$6,632,877	\$1,445,350	\$3,739,860		\$5,187,527
					FACILITY IMPROVEMENT / NOISE MITIGATION TRANSACTIONS					
					CASH DISBURSEMENTS					
(\$448)	(\$125,000)	(\$1,403)	(17)	\$124,552	Sound Insulation Program Costs	(\$1,393)	(\$455,000)	(\$4,325)	(17)	\$453,607
(2,345,829)	(2,713,000)	(3,113,009)	(18)	367,171	Other Facility Improvement Program Project Costs	(13,756,446)	(15,088,000)	(10,337,785)	(18)	1,331,554
(\$2,346,277)	(\$2,838,000)	(\$3,114,412)		\$491,723		(\$13,757,839)	(\$15,543,000)	(\$10,342,110)		\$1,785,161
					CASH RECEIPTS FROM FUNDING SOURCES					
\$0	\$100,738	\$0	(17)	(\$100,738)	FAA Grants - Sound Insulation Program	\$0	\$366,686	\$0	(17)	(\$366,686)
5,407,839	1,631,948	2,205,404	(19)	3,775,891	FAA Grants - Facility Improvement Program	9,784,068	9,288,000	3,513,276	(19)	496,068
0	8,000	0	(20)	(8,000)	Other Grants	37,169	68,000	12,572	(20)	(30,831)
1,741,112	622,030	79,393	(21)	1,119,082	Passenger Facility Charge Receipts/Reserves	5,319,800	3,436,803	187,357	(21)	1,882,997
84,658	420,284	132,128	(22)	(335,626)	Facility Development Fund (Authority Reserves)	908,577	2,218,511	2,614,812	(22)	(1,309,934)
\$7,233,609	\$2,783,000	\$2,416,925		\$4,450,609		\$16,049,614	\$15,378,000	\$6,328,017		\$671,614
					INCREASE (DECREASE) - FACILITY / NOISE MITIGATION TRANSACTIONS					
\$4,887,332	(\$55,000)	(\$697,487)		\$4,942,332		\$2,291,775	(\$165,000)	(\$4,014,093)		\$2,456,775
\$5,403,221	(\$413,274)	(\$1,786,091)		\$5,816,495	NET ACTIVITY VS. BUDGET	\$8,924,652	\$1,280,350	(\$274,233)		\$7,644,302
(\$84,658)	(\$420,284)	(\$132,128)		\$335,626	LESS USE OF AUTHORITY RESERVES	(\$908,577)	(\$2,218,511)	(\$2,614,812)		\$1,309,934
					NET INCREASE (DECREASE) IN CASH - TOTAL					
\$5,318,563	(\$833,558)	(\$1,918,219)		\$6,152,121	(see note below)	\$8,016,075	(\$938,161)	(\$2,889,045)		\$8,954,236

Notes: The FY 2018 adopted budget approved use of \$4,680,000 of Authority Reserves to provide funding for the airport share of capital projects. See additional discussion at note 22.

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTES TO SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

MONTH AND SEVEN MONTH ENDED JANUARY 31, 2018 & 2017

General Comments

The Schedule of Cash Receipts and Disbursements ("Schedule") represents the cash basis activity for the month and fiscal year-to-date ("FYTD") compared to the allocation of the annual adopted budget.

The Schedule consists of two sections: Operating Activity and Facility Improvement/Noise Mitigation Transactions. Receipts are shown as positive amounts and disbursements as negative amounts. Favorable budget variances are shown as positive amounts and unfavorable variances as negative amounts. Because this Schedule is on a cash basis, cash timing differences may contribute to budget variances.

The Operating Activity receipts include charges for services (parking, landing fees and concessions), tenant rents, fuel flowage fees, other revenues and investment receipts. The Operating Activity disbursements include costs of services, materials, contracts, personnel and debt service.

Facility Improvement / Noise Mitigation Transactions represent the activity for the Authority's capital program, which consists of the Sound Insulation Program and Other Facility Improvement Program Projects.

The FY 2018 Capital Program expenditures are primarily funded by the following sources:

- FAA-approved Passenger Facility Charge ("PFC") program receipts/reserves;
- Grants;
- Facility Development Funds (Authority Reserves).

The notes below provide additional information regarding the performance results detailed in the "Schedule of Cash Receipts and Disbursements."

A Supplemental Schedule of Cash Receipts and Disbursements reflecting the activities related to the Series 2012 Bond debt service and repayment to the Authority of the loans provided to the Rent-A-Car Companies ("RACs") for the Regional Intermodal Transportation Center / Consolidated Rental Car Facility is also presented.

NOTE (1) - Cash Receipts from Operations

Cash receipts from operations are ahead of budget FYTD January. On an accrual basis, operating revenues are favorably ahead of budget FYTD January by \$3,396,429. See notes 2 through 8 for additional information regarding operating receipts.

NOTE (2) - Landing/Fuel Fees

Landing fees are based on landed weight of the aircraft. Fuel fees are charged at a rate of \$0.05 a gallon to non-signatory air carriers for fuel loaded at BUR. Landing fees and fuel fees performed ahead of the budget forecast FYTD January. Accrual basis revenues for this line item are ahead of budget FYTD January by \$362,223.

NOTE (3) - Parking Fees

Parking fee revenues are performing ahead of the budget forecast. Accrual basis parking fees are \$981,586 ahead of budget FYTD January.

NOTE (4) - Rental Receipts - Terminal Building

Terminal Building rental receipts exceed the budget FYTD January due to the timing of receipts and additional concession revenues received above the minimum annual guarantee. Accrual basis terminal building rents are \$722,558 ahead of budget FYTD January. The positive FYTD January passenger growth of 15.41% has contributed to achieving the favorable performance results.

(Continued)

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTES TO SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

MONTH AND SEVEN MONTH ENDED JANUARY 31, 2018 & 2017

NOTE (5) – Rental Receipts - Other Buildings

Other Buildings rental receipts exceed the budget FYTD January partially due to the timing of receipts. Accrual basis other building receipts are \$374,787 ahead of budget FYTD January.

NOTE (6) – Ground Transportation

This category consists of off-airport access fees and TNC activity. Ground Transportation receipts exceed the budget FYTD January. Accrual basis ground transportation receipts are \$430,716 ahead of budget FYTD January primarily due to TNC activity.

NOTE (7) – Other Receipts

This category consists primarily of film location revenues. Accrual basis other receipts are \$190,744 ahead of budget FYTD January.

NOTE (8) – Investment Receipts - Treasurer

This line item represents cash received from the investment of funds. These receipts fluctuate in response to interest rate and portfolio balance changes and the timing of coupon payments and individual investment maturities and sales. Accrual basis investment income, including the interest earned on loans to Rent-A-Car Companies, exceeds the budget by \$333,815 FYTD January.

NOTE (9) – Cash Disbursements from Operations

Overall operating disbursements are favorably under budget FYTD January. On an accrual basis operating disbursements are favorably within budget parameters. See additional information on operating disbursements in notes 10 through 16.

NOTE (10) – Administrative Supplies & Costs

This line item includes office supplies, printing, postage and delivery, office equipment service and lease, recruiting, membership, uniform, Commission meeting, conference and training costs.

NOTE (11) – Operating Supplies & Maintenance

This line item includes utilities, fuel, general repairs and maintenance, landscaping, supplies and telephone costs.

NOTE (12) – Contractual Operating Costs

This line item includes various contractual operating costs such as ARFF services, janitorial services, systems and vehicle repair, parking operations and the TBI Airport Management contract costs.

NOTE (13) – Contractual Professional Services

This line item includes various professional services such as legal, auditing, noise, financial and insurance.

NOTE (14) – Wages and Benefits

Wages and Benefits consist of payroll and fringe benefit costs for the Airport Police officers, and include the impact of the terms of the new Memorandum of Understanding effective February 2017. Wages and benefits include overtime for film location services which are recovered through the related film revenue.

NOTE (15) – Other Operating Costs

This line item includes public relations/advertising, air service retention, license and permits and bad debt expense.

(Continued)

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTES TO SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

MONTH AND SEVEN MONTH ENDED JANUARY 31, 2018 & 2017

NOTE (16) – Parking Tax

The 12% City of Burbank parking tax is paid quarterly for the prior three-month period. The January 2018 remittance, in the amount of \$556,454, covers parking activity for the months of October, November and December 2017.

NOTE (17) – Sound Insulation Program

The Sound Insulation program is funded primarily through FAA Airport Improvement Program ("AIP") grants and Passenger Facility Charge ("PFC") revenues. In December 2016, the FAA issued a Record of Approval on the Part 150 Study. Staff is currently working with FAA on obtaining a noise discretionary grant, the receipt of which will facilitate the restart of the program.

NOTE (18) – Other Facility Improvement Program Projects

Other Facility Improvement Program Projects costs are under budget FYTD January by \$1,331,554. FYTD January expenditures consist primarily of expenditures relating to the Runway 15/33 Rehabilitation Project.

NOTE (19) – FAA Grants – Other Facility Improvement Program Projects

FAA Grants are budgeted to partially fund the Runway 15/33 Rehabilitation Project and Taxiway C & D and GA Ramp Rehabilitation Design.

NOTE (20) – Other Grants

Other grants represent federal grants, other than FAA AIP grants, and local grants that fund or partially fund the Ground Access Study.

NOTE (21) – Passenger Facility Charge Receipts/Reserves

A number of capital projects are budgeted to be funded or partially funded by Passenger Facility Charges, including the Runway 15/33 Rehabilitation Project, Taxiway C & D and GA Ramp Rehabilitation Design, and certain eligible costs related to the Replacement Terminal Project. FYTD January PFC receipts are related primarily to the reimbursement of eligible costs incurred in association with the Runway 15/33 Rehabilitation, FY 2017 eligible costs incurred in association with Runway 8/26, EMAS Rehabilitation and FY 2016 eligible costs incurred in association with Taxiway B Rehabilitation. The Authority received approval in September 2017 of a PFC application therefore allowing for the reimbursement of these projects payments.

NOTE (22) – Facility Development Fund (Authority Reserves)

The FY 2018 adopted budget programmed the use of Authority Reserves as a funding source for the airport share of capital projects.

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

SUPPLEMENT SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

REGIONAL INTERMODAL TRANSPORTATION CENTER / CONSOLIDATED RENTAL CAR FACILITY PAYMENTS AND COLLECTIONS

MONTH AND SEVEN MONTH ENDED JANUARY 31, 2018 & 2017

Monthly Performance					January 2018	Fiscal YTD Performance (July 2017 - January 2018)				
Actual \$ Jan 2018	Budget Jan 2018	Actual \$ Prior Year Jan 2017	Note	Variance Actual Vs. Budget		Actual \$ Fiscal YTD	Fiscal YTD Budget	Actual \$ Prior Year Fiscal YTD	Note	Variance Actual Vs. Budget
\$440,026	\$420,000	\$428,219	(1)	\$20,026	Customer Facility Charge Receipts	\$3,392,464	\$2,940,000	\$3,188,699	(1)	\$452,464
87,577	87,577	91,415	(2)	0	Facility Rent	617,145	613,039	667,482	(2)	4,106
(486,250)	(486,250)	(486,130)		0	Payments to Bond Trustee for 2012 Bond Debt Service	(3,403,750)	(3,403,750)	(3,402,910)		0
(21,327)	(21,327)	(26,415)	(3)	0	Loan Principal Repayments to the Authority	(150,291)	(149,289)	(192,875)	(3)	(1,002)
<u>\$20,026</u>	<u>\$0</u>	<u>\$7,089</u>	(4)	<u>\$20,026</u>		<u>\$455,568</u>	<u>\$0</u>	<u>\$260,396</u>	(4)	<u>\$455,568</u>

General Comments

The debt service on the 2012 Revenue Bonds and the repayment to the Authority of the loans to the Rent-A-Car Companies ("RACs") is payable from Customer Facility Charges ("CFCs") and Facility Rents. Under the terms of the Bond Indenture, as amended, all CFCs collected subsequent to July 1, 2014 are remitted to the Bond Trustee for the 2012 Bond debt service.

On July 1, 2014, the terms and conditions of the Non-Exclusive Concession and Lease Agreement with the respective Rent-A-Car Companies became effective, including the collection of Facility Rent.

Note (1) – Customer Facility Charge ("CFC") Receipts

CFCs of \$6 per day per transaction, up to a maximum of five days, are collected and applied to the 2012 Bond debt service. CFCs received in FYTD January exceeded the budget due to better than expected car rental activity.

Note (2) – Facility Rent

Facility Rent exceeds the budget FYTD January due to the timing of receipts.

Note (3) – Loan Principal Repayments to the Authority

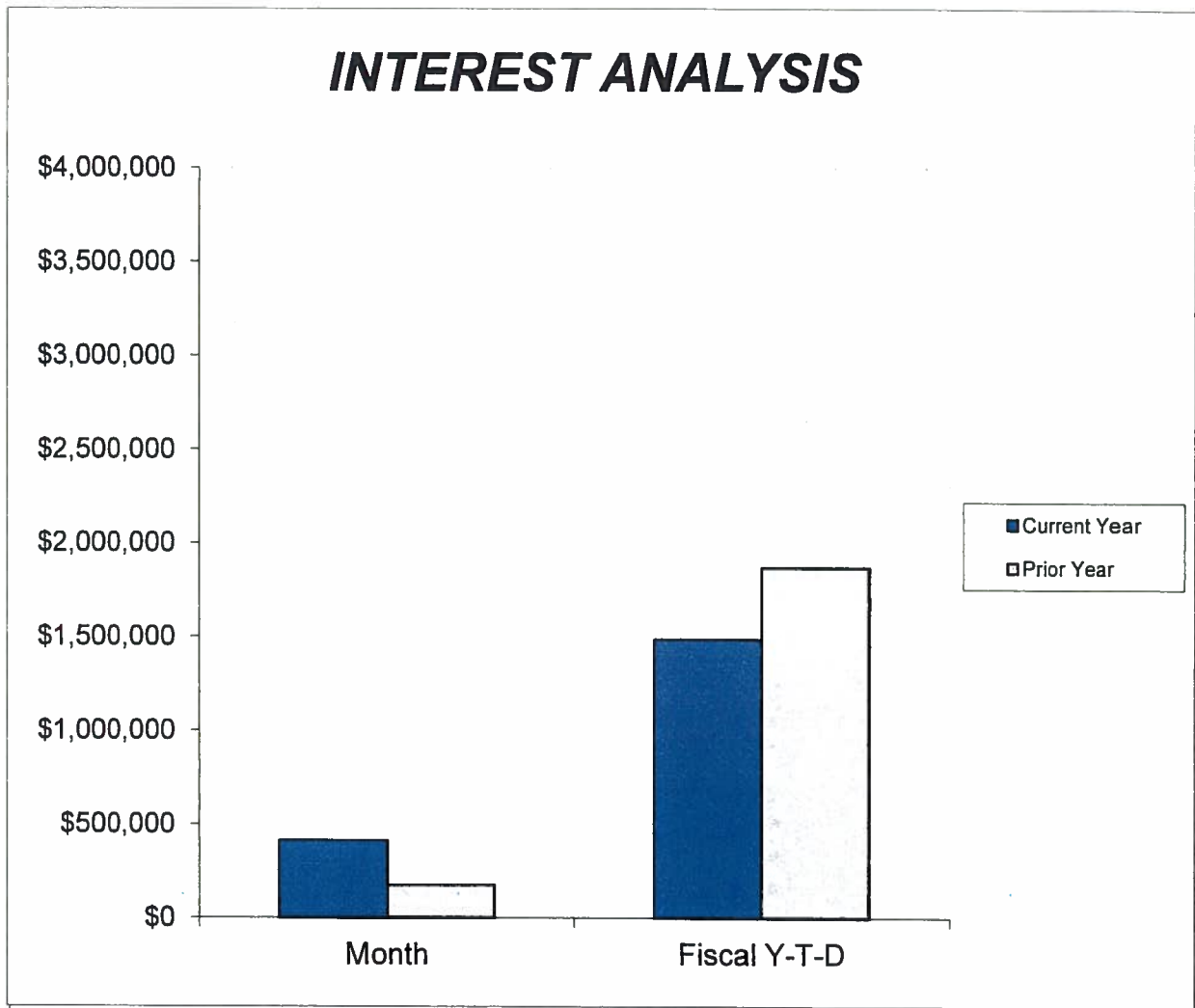
Repayments of the loan principal to the Authority from the Rent-A-Car Companies exceed the budget FYTD January due to timing of receipts. The principal portion of the payment will be deposited as reimbursement to the Authority's Facility Development Fund. The interest portion of the loan repayment is recorded as investment income.

Note (4) – Net RITC / ConRAC Facility Payments and Collections

A positive amount in this line indicates that cash has been received above the required payment obligations. At fiscal year-end, upon conclusion of the required reconciliation, any excess surplus accumulated will be evaluated and applied toward the allowed uses under the terms and conditions of the Non-Exclusive Concession and Lease Agreement with the Rent-A-Car Companies.

In the event of a shortfall of receipts to meet the required payment obligations (i.e., CFC collections perform under budget projections), the Authority holds the right to adjust the Facility Rent paid by the rental car companies on a 30-day notice.

Burbank-Glendale-Pasadena Airport Authority



	January 2018	January 2017
Interest Receipts - - Month	\$409,428	\$173,726
Interest Receipts - - Fiscal Y-T-D	\$1,484,693	\$1,870,478
Month End Portfolio Balance	\$220,229,592	\$213,811,971
Yield to Maturity	2.01%	1.10%

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
APRIL 2, 2018**

**THIRD AMENDMENT TO THE WIRELESS COMMUNICATIONS
LICENSE AGREEMENT BETWEEN
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY AND
AWH BURBANK HOTEL LLC**

SUMMARY

At the March 19, 2018, meeting of the Operations and Development Committee ("Committee"), the Committee voted (2-0) to recommend that the Commission approve the proposed Third Amendment to the Wireless Communications License Agreement ("Agreement"), copy attached, with AWH Burbank Hotel LLC dba Los Angeles Marriott Burbank Airport ("Marriott") to extend the term of the Agreement for an additional three-year period, expiring on March 31, 2021, for the placement of certain radio equipment on the roof of the Marriott which supports the Burbank-Glendale-Pasadena Airport Authority's ("Authority") Interagency Communication Interoperability system at a cost of \$6,600 annually.

BACKGROUND

In 2005, the Authority approved the replacement of its existing non-proprietary wideband analog VHF radio system with an ultra-high frequency ("UHF") digital radio system, which provides a platform that allows the Authority's Public Safety personnel to communicate with other governmental agencies as provided under the National Incident Management System.

The UHF digital radio system, which operates within a radius of five miles from the Airport, requires control stations which contain infrastructure equipment such as radio dispatch control stations, repeaters, antennas and related equipment. The control stations allow the radio consoles to communicate, monitor and patch through to other agency public safety radio personnel and systems. Repeaters are also necessary, and serve to broadcast communications transmissions.

In July 2007, the Authority approved an Agreement with the Marriott for the placement of a repeater, antennas and cables on the roof and in an indoor radio equipment room at the Marriott for a period of ten years which expired on August 31, 2017. Since that time, the Authority has executed two Amendments to remain in a holdover status with the Marriott at a cost of \$500 per month while the proposed amendment was under negotiations. For the ten-year period of the Agreement, the monthly rate has remained unchanged.

The proposed Third Amendment to the Agreement will extend the Agreement for a period of three years with a renewal option for one two-year extension.

DETAILS

The key components of the proposed Agreement between the Marriott and the Authority are summarized as follows:

<u>Licensed Area:</u>	Rooftop and indoor radio equipment room of the Marriott
<u>Term:</u>	April 1, 2018, to March 31, 2021
<u>Renewal Option:</u>	One two-year extension
<u>License Fee:</u>	\$550 per month or \$6,600 annually for initial extension term \$600 per month or \$7,200 annually for the renewal period
<u>Equipment:</u>	Four (4) base antennas (roof), one (1) microwave antenna (roof), and one (1) communication rack (indoors) to house microwave support electronics, repeater/base station, and UPS battery backup with tie-in to Marriott's emergency power source
<u>Maintenance:</u>	Authority is responsible for operating and maintaining the Airport Radio Equipment
<u>Ownership:</u>	Airport Radio Equipment remains the sole property of the Authority
<u>Taxes:</u>	Authority responsible for all applicable taxes, if any
<u>Utilities:</u>	Authority responsible for all utilities used to operate Airport Radio Equipment.

IMPACT ON REVENUE

The Authority's annual base fee for the proposed Third Amendment to the Agreement is \$6,600 per year for the three-year period.

RECOMMENDATION

At the March 19, 2018, meeting of the Operations and Development Committee ("Committee"), the Committee voted (2-0) to recommend that the Commission approve the Third Amendment to the Wireless Communications License Agreement with AWH Burbank Hotel LLC for the licensed area at the Los Angeles Marriott Burbank Airport Hotel & Convention Center and authorize the President to execute same.

THIRD AMENDMENT TO WIRELESS COMMUNICATIONS LICENSE AGREEMENT

This Third Amendment to Wireless Communications License Agreement (the “**Amendment**”) dated as of April __, 2018 (the “**Effective Date**”) by and between AWH Burbank Hotel, LLC, a Delaware limited liability company (as successor-in-interest to PHF II Burbank LLC) (“**Licensor**”), and Burbank-Glendale-Pasadena Airport Authority, a public entity formed under a joint exercise of powers agreement among the cities of Burbank, Glendale and Pasadena, California, pursuant to the California Joint Exercise of Powers Act (“**Licensee**”, and together with Licensor, collectively, the “**Parties**”).

Licensor and Licensee (or their predecessors-in-interest) entered into that certain Wireless Communications License Agreement dated August 6, 2007 (the “**Original License Agreement**”) whereby Licensor granted to Licensee a non-exclusive, revocable license to install, maintain and operate certain radio equipment in the Licensed Area (as defined in the Original License Agreement) at the property located at 2500 North Hollywood Way, Burbank, California 91505, currently known as the Burbank Airport Marriott Hotel & Convention Center, which Original License Agreement was amended by that certain First Amendment to Wireless Communications License Agreement dated as of September 11, 2017, and was further amended by that certain Second Amendment to Wireless Communications License Agreement dated as of December 29, 2017 (together with the Original License Agreement, the “**License Agreement**”). Unless otherwise defined herein, all capitalized terms used herein shall have the meanings ascribed to such terms in the License Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the mutual receipt and legal sufficiency of which are hereby acknowledged, for good and valuable consideration, the Parties hereby agree as follows:

1. The License Agreement is in full force and effect and neither Licensor nor Licensee is in breach under the terms of the License Agreement.
2. Following the Expiration Date of the License Agreement, which the Parties hereby agree is scheduled to occur on March 31, 2018, the term of the License Agreement will automatically be extended for three (3) additional years (the “**Extension Term**”) such that the term of the License Agreement shall now expire at the end of the Extension Term, which shall occur on March 31, 2021. Upon commencement of the Extension Term, the License Fee shall be increased to Five Hundred Fifty and 00/100 Dollars (\$550.00) per month.
3. Provided that no Event of Default by Licensee under the License Agreement then exists (as of the date of exercise by Licensee of the renewal option hereunder and as of the date of commencement of the Renewal Term (as hereinafter defined)), Licensee shall have the option to renew the License Agreement for one (1) additional period of two (2) years (the “**Renewal Term**”) on the same terms contained herein; provided, however, that the License Fee during the Extension Term shall be Six Hundred and 00/100 Dollars (\$600.00) per month. Licensee shall exercise the renewal option by providing Licensor with written notice of such election not earlier than four (4) months nor later than one (1) month prior to the expiration of the

Extension Term. If Licensee fails to timely exercise such option, then Licensee shall conclusively be deemed to have waived such renewal option. Collectively, the Extension Term and any Renewal Term shall be referred to as the Term.

4. To the extent any provision contained in this Amendment conflicts with the terms of the License Agreement, the terms and provisions of this Amendment shall control. Except as expressly set forth in this Amendment, the License Agreement otherwise is unmodified and remains in full force and effect.
5. This Amendment may be executed in duplicate counterparts, each of which will be deemed an original. Signed electronic copies of this Amendment will legally bind the Parties to the same extent as originals.
6. This Amendment supersedes any prior understandings or agreements, whether written or oral, between the Parties in regard to the subject matter hereof, and contains the entire agreement between the Parties in regard to the subject matter thereof. This Amendment may not be changed or modified orally, but only by an agreement, in writing, executed by the Parties.
7. Any clause, sentence, paragraph, section or provision of this Amendment held by a court of competent jurisdiction to be invalid, illegal or ineffective shall be confined to the clause, sentence, paragraph, section or provision so held to be invalid, illegal or ineffective, and this Amendment shall be construed as if such invalid, illegal or ineffective provisions had never been contained herein.
8. This Amendment shall be governed by and construed in accordance with the laws of the State of California, without giving effect to the choice of law rules thereof.
9. Each of the Parties represents and warrants that it has the right, power, legal capacity and authority to enter into and perform its respective obligations under this Amendment.

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IN WITNESS WHEREOF, the Parties execute this Amendment as of the Effective Date.

LICENSOR:

AWH BURBANK HOTEL, LLC

By: _____
Name:
Title:

LICENSEE:

**BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY**

By: _____
Name:
Title:

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
APRIL 2, 2018**

**ANNUAL REVIEW AND ADJUSTMENT OF
NOISE VIOLATION FINES**

SUMMARY

At the special meeting of the Legal, Government and Environmental Affairs Committee ("Committee") held on March 12, 2018, the Committee voted (2-0) to recommend to the Commission that it authorize Staff to increase the noise fines associated with certain restricted operations as detailed in Rules 8 and 9 as described below, in accordance with the annual adjustment of noise violation fines required by Resolution No. 382.

BACKGROUND

Resolution No. 382 was adopted by the Authority on March 20, 2003, and calls for noise violation fines contained in Rules 8 and 9 to be adjusted annually for inflation based on percentage changes in the Consumer Price Index (CPI). Historically, the January index has been used to calculate this adjustment and the new rates are effective each April 1st.

Rule 8 prohibits the following activities between 10 p.m. and 7 a.m.:

- Intersection takeoffs
- "Touch and go" landings
- Maintenance run-ups
- Flight training operations
- Practice approaches

The current first-time fine is \$1,457 and the fine for subsequent violations is \$2,116.

Rule 9 prohibits the operation of certain "noisy" aircraft between 10 p.m. and 7 a.m., pursuant to FAA Advisory Circular 36-1H. The current fine for each violation is \$4,236.

The 2012 FAA Modernization and Reform Act required owners/operators of aircraft that weigh less than 75,000 pounds that do not meet FAA Stage 3 noise levels to modify or retire their aircraft by December 31, 2015. This statute has been fully implemented, however, existing Airport Noise Rules do include weight limits provided by Gulfstream that are applicable to their Models G-IIIB and G-III that are necessary in addition to Stage 3 hush kits in order for them to be in compliance. Currently there are no Gulfstream IIB or III aircraft based at Hollywood Burbank Airport; however, this rule also applies to all itinerant aircraft operations.

In 2017, Staff sent twenty-five (25) notices to general aviation operators for suspected violations. After further investigation, twenty-four (24) operations were determined to be in compliance with the Airport Noise Rules and one (1) operation exceeded the gross weight limit of 55,500 pounds for a G3 aircraft operating during the nighttime hours. Following the

investigation the operator was invoiced and subsequently remitted the total fine of \$4,236 in August 2017.

JANUARY CPI INDEX LEVEL

The January 2018 CPI for All Urban Consumers in the Los Angeles, Long Beach and Anaheim area is 261.24 according to the U.S. Bureau of Labor Standards. This level represents an approximate increase of 3.5% when compared to the January 2017 index reading of 252.37. Applying this increase to the current fines would result in the following fines for Rule 8 and Rule 9 violations:

- Rule 8: \$1,508 (first violation)
- Rule 8: \$2,190 (subsequent violations)
- Rule 9: \$4,384 (each violation)

RECOMMENDATION

At the special meeting of the Legal, Government and Environmental Affairs Committee held on March 12, 2018, the Committee voted (2–0) to recommend that the Commission authorize an increase in monetary fines for violations of Rules 8 and 9 that the fines be adjusted as detailed in the staff report.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
APRIL 2, 2018**

**AUTHORIZATION TO AMEND CONSTRUCTION CONTRACT
G & S MECHANICAL USA, INC.
FOR
ADDITIONAL MODIFICATIONSTO
BAGGAGE RECAPITALIZATION SYSTEM MODIFICATION PROJECT**

SUMMARY

At the March 19, 2018, meeting of the Operations and Development Committee ("Committee"), the Committee voted (2-0) to recommend that the Commission approve a Change Order to the Construction Contract with G & S Mechanical USA, Inc. ("G & S"), in the amount of \$131,920.08 for additional scope of work requested by the Transportation Security Administration ("TSA") for the Baggage Recapitalization Modification Project.

BACKGROUND

In 2012, TSA began to undertake efforts to prepare for the upgrade and/or replacement of the checked baggage screening equipment with newer technologies at the Airport. To initiate the process, TSA authorized an Other Transaction Agreement ("OTA") to provide pass-through reimbursement funding for the work necessary to implement the project, which is now known as the Baggage Recapitalization Modification Project ("Project").

On June 19, 2017, as part of a multi-year \$1,870,130 OTA from TSA, the Commission awarded G & S a contract in the amount of \$998,600 to prepare areas for the installation and connection of new baggage screening equipment. Subsequent to this contract award, TSA requested modifications to the existing design for additional upgrades to support the new CTX machines. This additional work includes installation of certain new support components along with additional monitors and controls. On January 16, 2018, a Professional Services Agreement in the amount of \$25,000 was awarded by the Commission Swanson Rink for the additional design work required to incorporate the additional scope requested by TSA. The proposed Change Order to G & S reflects the cost of to install the additional scope for the project.

TSA has reviewed both the original proposal from the Contractor for the additional work and the negotiated price presented by Staff and has authorized the additional expenditure under the current multi-year OTA.

FUNDING

Funding continues to be provided under the original multi-year OTA of \$1,870,130. The amounts that have been encumbered under the current OTA are: (1) construction (\$998,600); (2) construction administration (\$78,200); and (3) additional design (\$25,000). The proposed Change Order in the amount of \$131,920.08 leaves a balance of \$658,909.92. TSA has reconfirmed that funding for the Project and OTA is in place and will not be affected by any future federal appropriation actions.

RECOMMENDATION

At the March 19, 2018, meeting of the Operations and Development Committee, the Committee voted (2–0) to recommend that the Committee recommend to the Commission approval of a Change Order to G & S Mechanical USA, Inc., in the amount of \$131,920.08 for additional work requested by TSA for the Baggage Recapitalization System Modification Project, and authorize Staff to prepare and execute the Change Order.

-2-

\\STAFF REPORTS\\COMMISSION\\4-2-18\\
AUTHORIZATION TO AMEND CONSTRUCTION CONTRACT
G & S MECHANICAL USA, INC. FOR ADDITIONAL MODIFICATIONS
TO BAGGAGE RECAPITALIZATION SYSTEM MODIFICATION PROJECT



Project Change Proposal

001

Project:	Burbank Recapitalization – Node 1 & Node 2		
Description:	UPS Installation and BHS Upgrade		
Date:	January 18, 2018	Customer:	Paul Chang
Revision:	2	Company:	Burbank International Airport
G&S Project:	17BUR1453	Schedule Impact:	3-4 Weeks for Cabling Installation
G&S Proj. Mgr:	Randy Dirks		

Description of Change

This proposal includes the changes noted in the latest drawing release dated December 6, 2017. (Hollywood Burbank Airport, TERMINAL "A" IN-LINE EDS BAGGAGE EQUIPMENT). Pages affected by this change include:

B09.100, B09.110

B11.100

B03.210, B03.220

B09.210

E00.001, E01.100, E03.110, E03.220, E12.100

This will facilitate the migration of the existing MUXv1 network to the new MUXv2 network phased accordingly during the Node 1 and Node 2 installations and the wiring / connection of the new UPS units (supplied by others.). Also included in this change are the various service receptacles, circuit breaker upgrades, and cabling as described in the new E Series drawing set.

Scope of Work

The following scope of work shall be provided:

- Remove 50A breakers from existing EDS circuits and replace with 100A breakers
- Provide 2" conduit between UPS and battery units. Wiring and terminations between UPS and Battery units by other.
- Provide new 120V, 30A breaker for MUX receptacles
- Provide new field disconnects for EDS units
- Relocation/interception of existing feeds from panel HA to each of the EDS units (NOTE: this scope does not include wire or conduit between interception points)
- Provide connections at each UPS and support UPS commissioning in coordination with TSA representative.
- Provide CAT6 data drops from TSA IT cabinet in Checkpoint B to various locations in Node 1 and 2 per keynotes and drawings
- Install (3) Quad receptacles for CAT6 cabling (to EDS MUXv2 Cabinet) in CTX Workstation Room

- Provide (2) 20A duplex service receptacles at new Baggage Inspection Table (Node 1)
- Provide (4) 20A quad service receptacles in OSR
- Provide 18/19 shielded core 16 AWG from each CTX 9800 to OSR control room (locations in OSR and end connector details to be provided by others).
- Provide new 120V, 30A duplex receptacle at base of new TSA server rack.
- Provide (1) 24 strand single mode fiber from new MUXv2 server rack (Node 2) to remote MUXv2 rack (Node 1). NOTE: Data strand count increased because we believe the fiber count was insufficient.
- Provide (2) 12 strand single mode fibers from remote MUXv2 server rack to Node 1 EDS units (8 strands to be terminated)
- Provide (2) 12 strand single mode fibers from new MUXv2 server rack to Node 2 EDS units (8 strands to be terminated)
- Remove and relocate pre EDS queues in Node 2 per B03.210 Keynotes 12&13. Adjust elevations as necessary. Provide new (4") sideguards as necessary to allow bag removal at N2-109 and N2-205.

Pricing

Item Description	Quantity	Cost
UPS Wiring & Commissioning	1	\$29,715.00
110 Volt Outlets	1	\$10,828.00
Fiber Connections	1	\$28,823.00
18/19 Shielded Core Between CTX and OSR	1	\$32,067.40
Mechanical Changes	1	\$8,500.00
Sub Total (USD)		\$109,933.40
Profit	10%	\$10,993.34
Overhead	10%	\$10,993.34
Total (USD)		\$131,920.08

Notes and Exclusions

- G&S has included electrical connection of new UPS units. Physical receiving and placement of new UPS units by others.
- Wiring and terminations between UPS and Battery units by others (G&S to provide 2" conduit per drawings)
- Conduit and wires between panel HA and new UPS to be reused. If the conduit and wire cannot be reused additional charges will apply.
- If 150A breakers are required the existing panel will need to be replaced with a new panel that will take 200A frame circuit breakers. Additional charges will apply.



- Taxes extra (if applicable)

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
APRIL 2, 2018**

**AWARD OF CONTRACT
HANGAR 1A WEST RAMP PAVING REHABILITATION
PROJECT NUMBER E17-22**

SUMMARY

At the March 19, 2018, meeting of the Operations and Development Committee ("Committee"), the Committee voted (2-0) to recommend that the Commission approve the asphaltic concrete ("AC") rehabilitation project of the area adjacent to Hangar 1A:

- Award of a construction contract in the amount of \$129,648 to Geronimo Concrete;
- In-house construction management service, field observation and security, for the not-to-exceed amount of \$10,000; and,
- Establish a project contingency of \$7,000 which is approximately 5% the project cost.

BACKGROUND

The pavement surfaces within the Airfield Operations Area are monitored regularly to determine if it requires maintenance or has reached the end of useful life. Those pavements deemed to be not practicable to continue maintenance on are recommended for rehabilitation. The pavement in the area of Hangar 1A was first constructed in 1974, and has been determined to have reached the end of its useful life. Accordingly, a rehabilitation project was programmed for this fiscal year.

PROJECT DETAILS

Approximately 118,000 square feet of AC has been determined to have exceeded its useful life in this area. Engineering Staff give particular attention to pavements on the airfield that create potential Foreign Object Debris hazards. The scope of work includes a header cut with an AC overlay of 1-1/2" over a 1/4" leveling course.

BID PROCESS

Staff solicited sealed bids by using PlanetBids and advertising in the Dodge Construction News and local and minority newspapers, reaching out to local construction companies, and providing public postings on the Internet and in the Burbank, Glendale and Pasadena city halls. Bids were opened via PlanetBids on February 12, 2018. Five (5) contractors submitted bids with the following results:

CONTRACTOR	BID
Geronimo Concrete (Los Angeles)	\$129,648
All American Asphalt (Corona)	\$149,297
E.C. Construction (South El Monte)	\$163,795
Excel Paving (Long Beach)	\$172,872
Tyner Paving Company (Alhambra)	\$179,935

Staff reviewed the bids and determined that all bidders were deemed responsive and the low bidder was Geronimo Concrete with a bid of \$129,648. Geronimo Concrete has not performed recent work at the Hollywood Burbank Airport, and Procurement Staff thoroughly checked references with other agencies to confirm satisfactory work, and all references concurred.

ENGINEER'S ESTIMATE

An Engineer's construction estimate of \$123,000 was prepared by the Airport's Engineering Department.

SCHEDULE

Work will begin upon award and execution of the construction contract. The work is scheduled to be completed within thirty (30) calendar days after notice to proceed is issued to the contractor.

FORCE ACCOUNT AND OTHER SOFT COSTS

The project will be managed by Staff, inclusive of project and construction management services, testing, and other soft costs for a total estimated cost of \$10,000.

CONTINGENCY

In the event of unforeseen circumstances, Staff is recommending a project contingency of \$7,000.

OPERATIONS IMPACTS

All work will be phased and coordinated with Airport personnel so as to have minimal impacts on Airport operations.

BUDGET IMPACTS

The Hangar 1A Paving Rehabilitation was part of the Adopted 2017/2018 (FY2017) Capital Program (Category – Airside Paving Improvements) with a budget estimated at the time of budget development of \$148,000 for this project. A breakdown summary of those costs is as follows:

	Construction	\$123,000
In-House Design, Construction Management, Testing and Contingency		<u>25,000</u>
	Total	\$148,000

With the construction cost of \$129,648 exceeding the Engineer's estimate, the amount of contingency has been reduced to 5% from 10% with in-house services remaining the same at \$10,000 to remain within the budget appropriations.

RECOMMENDATION

At the Operations and Development Committee meeting held on March 19, 2018, the Committee voted (2–0) to recommend that the Commission approve the proposed pavement rehabilitation at Hangar 1A, specifically:

- Award of a construction contract in the amount of \$129,648 to Geronimo Concrete;
- Authorize a not-to-exceed amount of \$10,000 for in-house construction management service, field observation and security; and,
- Establish a project contingency of \$7,000 which is approximately 5% the project.

CONSTRUCTION AGREEMENT

(Burbank-Glendale-Pasadena Airport Authority/ Geronimo Concrete, Inc.)

THIS CONSTRUCTION AGREEMENT ("Agreement") is dated _____, 2018 for reference purposes and is executed by the Burbank-Glendale-Pasadena Airport Authority, a California joint powers agency ("Authority") and Geronimo Concrete, Inc., a California Corporation ("Contractor"). Contractor's CSLB license number is 770018. Contractor's DIR registration number is 1000011079.

In consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Contract Documents. The Contract Documents consist of this Agreement, the Notice Inviting Bids, the Instructions to Bidders, the Bid (including documentation accompanying the Bid and any post-Bid documentation submitted before the Notice of Award), the Bonds, permits from regulatory agencies with jurisdiction, General Provisions, Special Provisions, Plans, Standard Plans, Standard Specifications, Reference Specifications, Addenda, Change Orders, and Supplemental Agreements to the extent attached to this Agreement. Such attachments are incorporated herein by reference.
2. Scope of Services. Contractor shall perform the Work in a good and workmanlike manner for the project identified as **E17-22 HANGAR 1A Paving Project ("Project")**, as described in this Agreement and in the Contract Documents.
3. Compensation. In consideration of the services rendered hereunder, Authority shall pay Contractor a not to exceed amount of One-Hundred Twenty-Nine Thousand Six-Hundred and Forty-Eight dollars and no cents (\$129,648.00) in accordance with the prices as submitted in the Bid.
4. Incorporation by Reference. All of the following documents are attached hereto and incorporated herein by reference: Workers' Compensation Certificate of Insurance, Additional Insured Endorsement (Comprehensive General Liability), Additional Insured Endorsement (Automobile Liability), and Additional Insured Endorsement (Excess Liability).
5. Antitrust Claims. In entering into this Agreement, Contractor offers and agrees to assign to Authority all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Business and Professions Code Section 16700 et seq.) arising from purchases of goods, services, or materials pursuant to this Agreement. This assignment shall be made and become effective at the time Authority tenders final payment to Contractor without further acknowledgment by the parties.
6. Prevailing Wages. Authority and Contractor acknowledge that the Project is a "public works project" within the scope of the Prevailing Wage Law (Labor Code Section 1720 et seq.).
7. Workers' Compensation. Labor Code Sections 1860 and 3700 provide that every contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of Labor Code Section 1861, by signing this Agreement, Contractor certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

8. Execution Warranty. Any person executing this Agreement on behalf of Contractor warrants and represents that he or she has the authority to execute this Agreement on behalf of Contractor and has the authority to bind Contractor to the performance of its obligations hereunder.

9. Entire Agreement. This Agreement, including the Contract Documents and any other documents incorporated herein by specific reference, represents the entire and integrated agreement between Authority and Contractor related to the Project. This Agreement supersedes all prior oral or written negotiations, representations or agreements related to the Project. This Agreement may not be modified or amended, nor any provision or breach waived, except in a writing signed by both parties that expressly refers to this Agreement.

10. Counterparts. This Agreement may be executed in counterpart originals, duplicate originals, or both, each of which is deemed to be an original for all purposes.

TO EFFECTUATE THIS AGREEMENT, the parties have executed this Agreement by causing their duly authorized representatives to sign below.

AUTHORITY

Burbank-Glendale-Pasadena Airport Authority

By: _____
Terry Tornek - President

CONTRACTOR

Geronimo Concrete, Inc.

By: _____
☐ Chairman ☐ President ☒ Vice President

By: _____
☐ Secretary ☐ Asst. Secretary
☒ Chief Finance Officer ☐ Asst. Treasurer

[Pursuant to California Corporations Code Section 313, both signature lines must be executed unless the signatory holds at least one of the offices designated on each line.]

A notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document

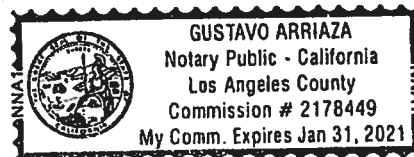
STATE OF CALIFORNIA
COUNTY OF LOS ANGELES}

On, February 22, 2018, before me, Gustavo Arriaza, notary public Personally appeared **Ricardo Lopez and Lidia Lopez**, who proved to me on the basis of satisfactory evidence to be the persons whose name are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

I certify under PENALTY OF PERJURY under the Law of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Gustavo Arriaza
Notary Public



**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
APRIL 2, 2018**

**AWARD OF PURCHASE ORDER
TO
SERVICE TRACKING SYSTEMS, INC.
FOR
COMPUTERIZED VALET PARKING SYSTEM UPGRADE**

SUMMARY

At the March 19, 2018, meeting of the Operations and Development Committee ("Committee"), the Committee voted (2–0) to recommend to the Commission that it authorize the issuance of a Purchase Order in the amount of \$178,782 to Service Tracking Systems Inc. ("STS") for a proposed upgrade (copy attached) of the Computerized Valet Parking System ("CVPS"), which provides the tracking and revenue controls for the Burbank-Glendale-Pasadena Airport Authority's ("Authority") valet parking operation at Hollywood Burbank Airport. Staff also seeks approval to issue a Purchase Order in the amount of \$17,308 for the Annual Licensing and Support Agreement for these upgrades.

BACKGROUND

The valet parking operation, which accounts for nearly \$8 million of the approximately \$19 million in total gross parking revenues from the Airport's public parking is managed through the CVPS system. In 2004, the current version of the CVPS was the latest technology for valet parking management and met the Authority's needs. This version of the CVPS system has now reached the end of its useful life.

The CVPS system is made up of both hardware and software components. The system hardware includes ticket dispensers, cashier stations, customer kiosks, computers, scanners and printers. The software component provides for the tracking of the valet customer's visit, including the drop-off record, expected pick-up time, vehicle request, secure payment, vehicle inventory, assigned parking location, vehicle key management, verified vehicle delivery and customer exit. SP+, the current parking operator, and the Authority's Accounting Department utilize the reports generated by the system to track revenue, valet usage and independently audit the valet parking activity.

The valet parking operation process is a labor intensive process beginning with the vehicle drop-off and a valet doorman issuing a hand written tag to obtain a CVPS-generated ticket for the customer. Throughout the process, the current system has become inefficient and has limited customer services. The proposed replacement system will allow use of current technologies to increase efficiencies and improved customer service.

PROPOSAL

The new hardware being proposed includes new ticket dispensers, cashier stations, and customer kiosks that are able to provide increased efficiency and improved convenience for

the valet customers. Also included are new iPod Touch mobile devices which valet service staff will use for quicker vehicle drop-off processing, new key room request scanners for earlier vehicle retrievals and new facility exit scanners for faster vehicle delivery. In addition the proposal includes a new computer server to support increased operational reliability.

The proposed upgrade to the system software will also provide the ability to integrate newer "app-based" technology that valet customers are desirous of using as well as meeting all current Payment Card Industry (PCI) Security Standards and compatibility requirements for the EMV credit card readers for computer chip technology credit cards.

To enhance customer convenience, the software supports a customer-friendly web-based vehicle request program which allows valet customers to request their vehicle via a mobile app instead of having to place a phone call. In the future, this program will allow for the integration of a pre-book, on-line reservation system to support the goal of improving the parking experience for Airport parking patrons.

Additionally the proposed CVPS upgrade will provide efficiencies to the internal control process by integrating this software with the Authority's Skidata Self-Park Revenue Control System. With the integration of these two systems, parking revenue reports are able to be pulled from one software platform instead of two and improves the auditing and accounting processes that are undertaken separately by Staff and SP+.

MAINTENANCE

A key requirement to ensure the operation of the CVPS system is a comprehensive Annual Licensing and Support Agreement. This Agreement includes automatic software license renewal, unlimited 24/7/365 support, ongoing training and instruction support, hardware loaners in the event of a failed STS-provided component, regardless of warranty status and upgrades to the software applications. The cost of the Annual Licensing and Support is \$17,308.

BUDGET

The Authority adopted FY 2017/18 Capital budget includes appropriations in the amount of \$185,000 for a valet system upgrade. The base cost of the proposed upgrade including all hardware, software and installation services is \$178,782. This price does not include applicable sales taxes which will be remitted separately. The total cost for the proposed upgrade is \$190,612 including estimated sales tax of \$11,830. It is anticipated that the overall favorable budget performance to date will accommodate the additional cost of the project.

The CVPS Annual Licensing and Support of \$17,308 was forecasted at the time of budget development and is included in the Authority adopted FY2017/18 Operating budget.

RECOMMENDATION

At the March 19, 2018, meeting of the Operations and Development Committee, the Committee recommended to the Commission that it authorize the Executive Director to issue a Purchase Order in the amount of \$178,782 to Service Tracking Systems, Inc., for the acquisition and installation of the proposed CVPS system upgrade and issue a separate Purchase Order for the Annual Licensing and Support of the CVPS system in the amount of \$17,308.



SERVICE TRACKING — SYSTEMS —

Innovative **Airport Solutions**
with your future in mind.

20⁺

years as leaders
and inventors

750⁺

clients
around the globe

1000⁺

installations
and counting

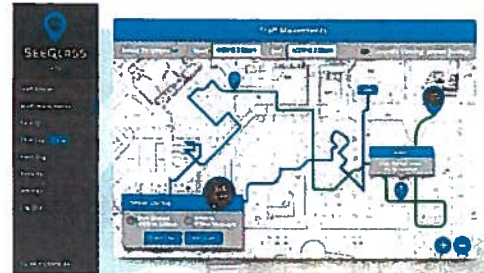


Self-Driving Carts

Servii is an autonomous delivery system that can pick up, transport and drop off a wide range of carts. Think bell-desk/luggage, in-room dining, house-keeping/linens and more...

Hospitality Services

Whether you have 200 or 2,000 rooms, understanding the performance metrics and whereabouts of your staff is the difference between a well tuned service operation and one that makes unhappy customers, burns lots of cash, and accelerates employee turn-over.



Valet Parking Technology

Our valet parking technology is second to none, invented years ago when people thought it was comical to have a computer inside a valet parking booth. Turns out that it makes sense to account for millions of dollars in inventory, zippy valet drivers, customers, and the money changing hands between them.

Vehicle Inspection Services

Any time a vehicle changes drivers, the liability follows, and so does the amnesia when a ding, scratch, or dent is discovered at the time of return. A picture tells a thousand words. Here is how you can prevent that from happening to you.

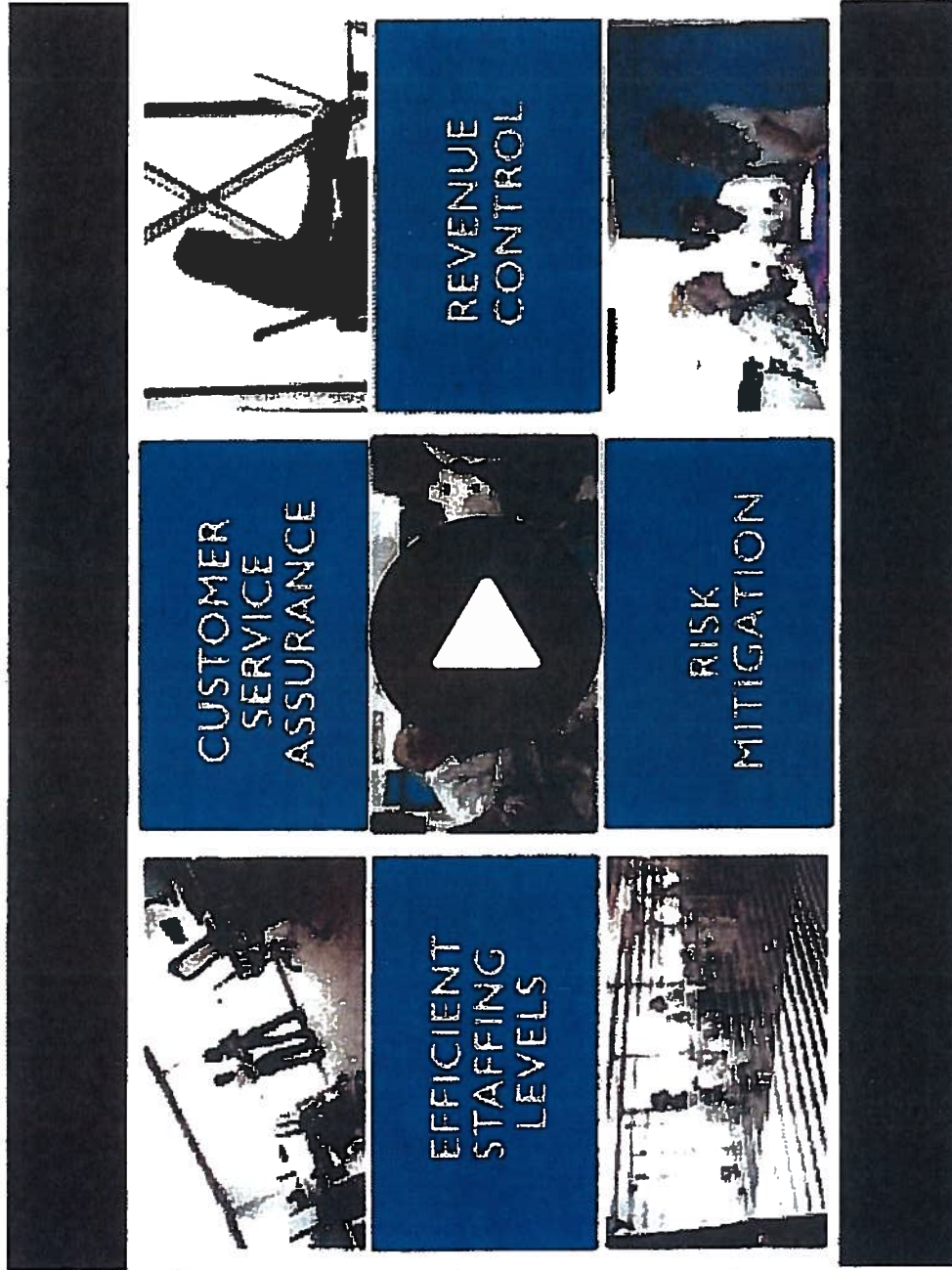


Interfaces and Certifications

Let your customers use their loyalty points to pay for services and upgrades, promote their place in line based on tier or VIP status. Our multitude of gaming and hotel management system interfaces will allow you to create a seamless customer experience.



What we do and how we can help



Check out more: servicetrackingsystems.net

For technical support call 1 (800) 955-3516 x3

Sentry Controls-Bob Hope Airport-CVPS Update Proposal #020918KM-2Rev_A		#	Price	Total
Main System Software Additions				
CVPS Ticketless Valet & Remote Request Software License - SMS/Web/Call Center¹		1	\$1,995	\$1,995
CVPS - SKIDATA System Interface Software License (All software licenses automatically renew annually with an active subscription to the GOLD or PLATINUM service plan)		1	\$37,350	\$37,350
Ticket Dispensing Kiosk Equipment				
GEK - Garage Entry Kiosk with Thermal Ticket Dispensing Module		2	\$9,231	\$18,462
Gate Exit Control Equipment				
GER - Garage Entry/Exit Reader		2	\$4,248	\$8,496
Server and Manned Terminals				
Rack Mount Server		1	\$8,500	\$8,500
POS - Valet POS Terminal		3	\$4,398	\$13,194
<input type="checkbox"/> Ingenico IPP350 EMV Card Reader for attended POS terminal (requires use and purchase of device of Freedom Pay payment gateway)		3	\$795	\$2,385
DPT - Valet Dispatch Terminal Workstation		3	\$3,848	\$11,544
Barcode scanner for Vehicle Arrival/Retrieval/Delivery (wired)		2	\$562	\$1,124
Customer Request Kiosk Equipment				
CRK - Customer Request Kiosk - EMV Credit Card (requires use of Freedom Pay gateway - EMV card readers by others)		4	\$13,576	\$54,304
<input type="checkbox"/> Ingenico IPP350 EMV Card Reader for attended POS terminal (requires use and purchase of device of Freedom Pay payment gateway)		4	\$795	\$3,180
Mobile Application				
The Valet App Master Software License¹		1	\$5,794	\$5,794
The Valet App Software Device License¹		6	\$922	\$5,532
iPod Touch 16 GB		6	\$418	\$2,508
iBlason PowerGlider Battery Extender for iPod Touch		6	\$137	\$822
			System Subtotal	\$169,625
			Discount (5%)	\$8,481

Sales Tax (CVPS does not collect State Sales Tax)

Not Included

Installation, Service, and Support

Project Management	1	\$4,300	\$4,300
Installation, Training and On-Site Start-up support ²	5	\$850	\$4,250
Travel Expenses ³	1	\$2,950	\$2,950
Annual Ticketless Valet/SMS/Web/Call Center Utilization Cost	1	\$1,188	\$1,188
CVPS Gold Remote Annual Licensing and Support Plan	1	\$2,100	\$2,100

Calculated on system additions only

Hardware Shipping

Standard Delivery Shipping	1	\$2,850	\$2,850
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Service and Shipping Subtotal **\$17,638**

Grand Total: \$178,782

¹ All software licenses automatically renew annually with an active subscription to the GOLD or PLATINUM service plan

² Per technician, per day. Any additional time requested by client or required as a result of delays incurred for reasons beyond STS' control will be billed at \$850 per technician per day

³ Covers airfare, transportation, mileage, toll, accommodations, car rental, and meals. Amount budgeted as shown includes expenses for 1 technician for 5 days on site. Any additional travel expenses incurred for reasons beyond STS' control to be billed at cost, including a 60 per person per day meal allowance

Purchase Order Terms and Conditions: Quote valid for 60 days from date above. Quote does not include any required civil work, including, but not limited to, concrete work, supplemental lighting, equipment bolt down, saw cutting loops, electrical conduit/cabling/function boxes, low voltage data/video conduit/cabling, network cabling, network switches, wifi, internet connectivity, or canopy installation. Customer's retention of any equipment or software delivered by Service Tracking Systems hereunder will be conclusively deemed acceptance of the terms and conditions of this Purchase Agreement. Quoted delivery rates are approximate, and represent STS' best estimate based upon current lead times and workload and are not guaranteed. Prices are subject to adjustment if Customer requests a change in product specifications, quantities, or delivery requirements. If additional travel or on site time above that shown above is required, additional travel/accommodations/meals costs will be invoiced separately. Standard payment terms are 50% of total project down with order, 25% upon shipment of the hardware, and the balance upon installation and training, all terms net 30 days. A service charge at the lesser of the rate permitted by law, or 1.5% per month will be added to invoices not paid within 30 days upon receipt. Customer hereby grants to STS a security interest in all equipment and other items described in the Purchase Order to secure payment of all obligations owed by Customer to STS. Such security interest shall continue until Customer fully performs all its obligations under the Purchase Order, including but not limited to full payment of the purchase price. There is no provision for liquidated damages under any circumstance. Prices do not include taxes. Buyer shall pay to the appropriate taxing authority, or pay to Seller, in

furnished to Seller before the date of invoice. If the buyer pays the tax directly to a taxing authority, the buyer shall provide to the Seller proof of payment upon the Seller's request. No bonds are included or liquidated damages accepted unless otherwise indicated in the Proposal. Per-transaction convenience fees applied to MobilePay transactions will be collected by Customer but are payable to STS upon receipt of monthly invoices for convenience fees, unless otherwise agreed upon by Customer and STS. Customer may not cancel orders or return goods without the written consent of STS. If STS approves a cancellation or return, a cancellation/restocking charge may apply. All sales involving custom products are non-cancelable and are final. STS grants customer a limited, non-exclusive and non-transferable license to the STS computer software programs listed in the proposal (collectively "the Software"), which renews either monthly by paid subscription for SaaS deployments or annually with an active and contiguous subscription to STS's licensing and support plan.

I would like to proceed with this order. Please invoice for deposit.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
APRIL 2, 2018**

**AWARD OF PROFESSIONAL SERVICES AGREEMENT
FOR
MAINTENANCE AND SEARCH ENGINE OPTIMIZATION
FOR
REPLACEMENT TERMINAL WEBSITE (WWW.BURREPLACEMENTTERMINAL.COM)**

SUMMARY

At the March 12, 2018, special meeting of the Legal, Government and Environmental Affairs Committee ("Committee"), the Committee voted (2-0) to recommend that the Commission approve an Award of Professional Services Agreement ("PSA") to Counterintuity, LLC ("Counterintuity") for the maintenance and Search Engine Optimization ("SEO") of the replacement terminal website, www.BURreplacementterminal.com, in the amount of \$1,950 per month, \$23,400 per year, totaling \$70,200 for a three-year period. In addition to the initial three-year period, the proposed PSA includes two (2) one-year options to extend, with a 5% escalation fee.

BACKGROUND

In April 2014, Marathon Communications ("Marathon"), the Authority's replacement passenger terminal communications consultant, recommended that the Airport create a separate website to provide the public with ongoing information about the replacement passenger terminal, the Development Agreement, and Measure B. Marathon issued a Request for Proposals and evaluated the five proposals that were submitted. Based on their evaluation, Marathon recommended Counterintuity, a Burbank-based digital marketing firm, due to the firm's cost, experience, strong design credentials, prior understanding of the issues at hand, and longstanding connection to the Burbank community.

On April 22, 2014, the Authority executed an initial 12-month PSA with Counterintuity for \$37,650, for the design, launch, and support of the replacement terminal website. The website was launched on December 1, 2015, and Counterintuity has maintained it since. The Authority has since executed two 12-month change orders to extend the scope of Counterintuity's services at a rate of \$2,875 per month.

DETAILS

Since the approval of Measure B by Burbank voters on November 8, 2016, the ongoing maintenance of the replacement terminal website has included: the updating of text and graphics related to the next steps in the replacement passenger terminal process, the posting of documents such as the Airport Layout Plan and the Human Health Risk Assessment, the addition of a public comment form, the updating of links to news articles on the replacement passenger terminal process, and a color scheme change to match the Hollywood Burbank Airport brand identity.

Today, Staff continues to direct the public to the website as a source of information about the replacement passenger terminal process, and recognizes the need for ongoing maintenance and Search Engine Optimization ("SEO") of the website for the estimated six-year duration of the replacement passenger terminal process. SEO uses certain keywords to ensure that members of the public searching for information about the replacement passenger terminal process online are more likely to find the Airport's replacement terminal website in their search results. For example, someone who types the phrase "Burbank replacement terminal" or the words "new terminal Burbank Airport" into their browser's search bar will be more likely to see the replacement terminal website at the top of their search results.

Ongoing website maintenance and SEO will continue to help members of the public find the website quickly and easily, as well as continue to demonstrate the Authority's commitment to transparency throughout the replacement passenger terminal concept validation process, design charrette workshops, and Environmental Impact Study (EIS).

SELECTION DETAILS

Marathon Communications has worked closely with Counterintuity on the Authority's behalf and recommends that the Authority continue with these services. On February 13, 2018, Counterintuity submitted a proposal to Airport Staff that outlined proposed work, required assets, timeline, and cost to provide website maintenance and SEO for the replacement terminal website. The service covered in the PSA includes the support of a dedicated project manager and a lead designer, as well as performance of regular, routine monthly maintenance, plus ongoing SEO.

Staff was able to negotiate with Counterintuity to reduce the monthly support fee from \$2,875 per month to \$1,950 per month, (representing a 32% savings per month) for 36 months, with two (2) one-year renewal options with a 5% fee escalation. Counterintuity does not anticipate any additional costs, but should they arise, any possible additional costs will be submitted for approval before any expense is incurred.

FUNDING

The replacement terminal website is a component of the Authority's Adopted FY2018 budget appropriation for the Terminal Development through the Authority's Facility Development Reserve account.

RECOMMENDATION

At the special meeting of the Legal, Government and Environmental Affairs Committee on March 12, 2018, the Committee voted (2-0) to recommend that the Commission award a Professional Services Agreement to Counterintuity, for the maintenance and Search Engine Optimization of the replacement terminal website, www.BURreplacementterminal.com, in the amount of \$1,950 per month, \$23,400 per year, totaling \$70,200 for a three-year period, that includes two (2) one-year options to extend, with a 5% escalation fee.

-2-

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
APRIL 2, 2018**

**SUBSTATION REIMBURSEMENT AGREEMENT;
SUBSTATION CAPACITY ASSIGNMENT AGREEMENT**

SUMMARY

At the March 12, 2018, special meeting of the Legal, Government and Environmental Affairs Committee ("Committee"), the Committee voted (2-0) to recommend that the Commission approve: (i) a Substation Reimbursement Agreement ("Reimbursement Agreement") with Burbank Industrial Investors ("BII"); and (ii) a Substation Capacity Assignment Agreement ("Capacity Assignment Agreement") with BII and the City of Burbank ("City").

The Reimbursement Agreement provides for the Authority's payment of \$2,146,667 to BII as reimbursement for 33% of the \$6,440,000 aid-in-construction fee that BII has paid to the City to expedite completion of a new 67 mega-volt amperes ("MVA") three-bank Burbank Water and Power ("BWP") community substation. Among other parcels, the new substation will serve BII's property (the former B-6 Trust Property) and the Airport northeast quadrant, which is the preferred site for the Replacement Passenger Terminal. The Capacity Assignment Agreement provides for the City's commitment to make 5 MVA of the new substation's capacity available for energization of the Airport northeast quadrant. Further, the Capacity Assignment Agreement provides for the Authority's receipt of an option to purchase up to 1.667 MVA of additional electrical load.

BACKGROUND

In April 2016, the Authority sold the B-6 Trust Property to Overton Moore Properties ("OMP"). Prior to the close of escrow, the Authority and OMP executed a March 7, 2016 Memorandum of Understanding ("MOU") to memorialize their intent to act in good faith on certain matters related to OMP's development of the Trust Property. A copy of the MOU is attached as Exhibit A.

In the MOU, the Authority and OMP committed to negotiate in good faith the terms of particular easements desired by OMP. Additionally, the Authority committed to use good faith efforts to obtain all necessary or desirable approvals and consents, and to facilitate all other prerequisites, in connection with the granting of such easements.

At the time of the Trust Property sale, the Authority and OMP anticipated that the City would develop a BWP substation on Authority land to serve, at a minimum, an Airport northeast quadrant development with a 5 MVA energy load and a Trust Property development with a 10 MVA energy load. The MOU contemplated that the Authority would negotiate with the City regarding the Authority's grant to the City of easements for such a substation. The MOU also contemplated that the Authority would negotiate with OMP regarding the Authority's grant to OMP of easements to facilitate OMP's connection and access to, and usage of, such a substation. Thus, in the MOU, the Authority and OMP committed to

discuss in good faith each party's bearing costs for such a substation in proportion to each party's benefits and burdens with respect to such a substation.

The City has decided to construct a 67 MVA three-bank BWP community substation on City-owned property on the corner of Winona Avenue and Ontario Street, three subtransmission lines and infrastructure connecting such substation to switching stations, and an extension of three distribution feeders from such substation to a termination point under a City sidewalk on the northwestern corner of Winona Avenue and Hollywood Way (collectively, "Substation Project"). The Substation Project is intended to serve, among other things, development on the Airport northeast quadrant and development on the Trust Property.

BII, as successor in interest to OMP, executed an April 4, 2017, Substation Agreement with the City to provide for payment of a \$6,440,000 aid-in-construction fee to expedite completion of the Substation Project. A copy of the Substation Agreement is attached as Exhibit B. The Substation Agreement calculated BII's pro rata share of the Substation Project's capacity based on BII's electrical load being 15 MVA. Although not expressly stated in the Substation Agreement, consistent with the MOU between the Authority and OMP, BII and the City anticipated that 5 MVA of such electrical load would be assigned to the Authority to serve development on the Airport northeast quadrant. On this point, the Substation Agreement authorized BII to assign up to 5 MVA of its allocated minimum electrical load to adjacent properties with the City's prior consent.

REIMBURSEMENT AGREEMENT

The proposed Reimbursement Agreement with BII is attached as Exhibit C. This agreement will satisfy the commitment made by the Authority and OMP, in the MOU, that each party will bear its share of the cost of a new BWP substation serving the Airport northeast quadrant and the Trust Property.

BII is a successor in interest of OMP. BII's \$6,440,000 aid-in-construction fee for the new substation was based on a 15 MVA electrical load allocation, and BII and the City contemplated that 5 MVA of such electrical load would be assigned to the Authority to serve the Airport northeast quadrant. Thus, the proposed Reimbursement Agreement provides for the Authority's payment of \$2,146,667 to BII as reimbursement for 33% of BII's aid-in-construction fee for the new substation. This payment will be due within 30 days after the Capacity Assignment Agreement has been executed. The proposed Reimbursement Agreement also requires BII to indemnify the Authority from any claims asserted by OMP for such reimbursement payment. This requirement is a legal formality; there is a managerial connection between OMP and BII (Mr. Timur Tecimur was a managing member of OMP and is a manager of BII) and no such claim is expected.

CAPACITY ASSIGNMENT AGREEMENT

The proposed Capacity Assignment Agreement with BII and the City is attached as Exhibit D. This agreement will assign to the Authority 5 MVA of the 15 MVA minimum electrical load allocated to BII, and will give the Authority an option to purchase up to 1.667 MVA of additional electrical load. The agreement also will make a corresponding reduction of the electrical load allocation to BII under the Substation Agreement. It includes an

acknowledgement that the Authority has no obligation to make any payment to the City in connection with BII's \$6,440,000 aid-in-construction fee.

There are two noteworthy timing issues related to the Capacity Assignment Agreement. First, the Capacity Assignment Agreement will not become effective upon execution. Instead, there are two prerequisites for it to become effective: (i) the Authority and BII must execute the Reimbursement Agreement; and (ii) BII must receive the Authority's \$2,146,667 reimbursement payment under the Reimbursement Agreement.

Second, the assignment of electrical load interests from BII to the Authority will not occur when the Capacity Assignment Agreement becomes effective. Instead, the electrical load interests are assigned when the new substation is capable of delivering energy to the termination point. The City awarded a design-build contract for the new substation in September 2017 and it is anticipated that the assignment of electrical load interests from BII to the Authority will be effective long before the Authority commences construction of any development on the Airport northeast quadrant.

FISCAL IMPACT

Due to the uncertainty of being able to conclude discussions during the budget development for FY 2017-2018 on this matter, appropriations were not included in the Approved FY 2017-2018 Budget. However, as facilities being developed under these agreements provide the electrical power for the Replacement Passenger Terminal, funding for the reimbursement will be through the Facility Development Reserves. A future budget amendment may be required.

RECOMMENDATION

At the March 12, 2018, special meeting of the Legal, Government and Environmental Affairs Committee, the Committee voted (2-0) to recommend that the Commission approve the proposed Reimbursement Agreement and the proposed Capacity Assignment Agreement, and that the President be authorized to execute such contracts with any non-substantive amendments deemed acceptable by the General Counsel.

Attachments:

- Exhibit A – Memorandum of Understanding
- Exhibit B – Substation Agreement
- Exhibit C – Proposed Substation Reimbursement Agreement
- Exhibit D – Proposed Substation Capacity Assignment Agreement

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is dated March 7, 2016, and is executed by the Burbank-Glendale-Pasadena Airport Authority, a California joint powers agency (the "Authority") and Overton Moore Properties, a California general partnership (together with its successors and/or assigns under the PSA (as defined below), hereinafter "OMP").

RECITALS

- A. The Authority, as seller, and OMP, as buyer, have executed a November 2, 2015 Purchase and Sale Agreement and Joint Escrow Instructions and have amended it four (4) times (as amended, the "PSA"). The PSA specifies the terms and conditions on which (i) the Authority shall cause certain property (the "Trust Property") to be sold to OMP; and (ii) OMP shall purchase the Trust Property.
- B. In connection with OMP's negotiation of the PSA and due diligence with respect to the Trust Property, OMP determined that OMP's planned ownership and development of the Trust Property requires that certain easements be obtained in connection with the Trust Property. The Authority has agreed to take actions with respect to such easements in accordance herewith.
- C. Subsequent to acquiring the Trust Property, OMP desires to obtain certain easements from the Authority generally described as follows: (a) an easement for a cul-de-sac where Tulare intersects the proposed Terminal Loop road (the "Cul-De-Sac Easement"); and (b) two (2) access easements for a right turn into and out of the southern portion of OMP's development from the proposed Terminal Loop road (the "Access Easements"), as generally shown on the attached Exhibit "A".
- D. Additionally, subsequent to OMP's acquisition of the Trust Property, the Authority intends to negotiate with the City of Burbank (the "City") regarding the Authority's grant to the City of certain easements in connection with the City's development of a 15 MVA Burbank Water and Power utility substation ("BWP Substation") that, at a minimum, would serve the Authority's development of the northeast quadrant of the Bob Hope Airport and the Trust Property. Also subsequent to OMP's acquisition of the Trust Property, the Authority intends to negotiate with OMP regarding the Authority's grant to OMP of certain easements to facilitate OMP's connection and access to, and usage of, such BWP Substation. These easements are collectively referred to herein as the "BWP Easements". OMP desires that the BWP Easements shall be so granted.
- E. The Cul-De-Sac Easement, the Access Easements and the BWP Easements are collectively referred to herein as the "Easements."
- F. The Authority and OMP desire to enter into this MOU in order to provide (i) that each shall commit to negotiate the terms of the Easements in good faith, and (ii) that the Authority shall use good faith efforts to (a) obtain all necessary or desirable approvals and consents, and (b) facilitate all other prerequisites, in connection with the granting of the Easements.

AGREEMENT TO NEGOTIATE IN GOOD FAITH

The Authority and OMP hereby agree to negotiate the terms of the Easements in good faith. OMP acknowledges that any grant of the Easements by the Authority shall be done in conformance with the Authority's federal grant assurances and with applicable law. OMP further acknowledges that, among other prerequisites, the Authority cannot grant the Access Easements until the Authority has selected a site for its replacement terminal and has determined the configuration of the parking lot and proposed loop road on its B-6 Adjacent Property. The Authority hereby agrees to use good faith efforts to (i) obtain all necessary or desirable approvals and consents, and (ii) facilitate all other prerequisites, in connection with the granting of the Easements.

The Authority acknowledges that the foregoing is an essential, bargained-for term in OMP's decision to close on the purchase of the Trust Property, and that no additional consideration shall be due in connection with these negotiation commitments, except for such purchase price of the Trust Property as is provided for in the PSA. Notwithstanding the foregoing, the parties agree that the terms of the Easements shall not operate to constitute the transfer of any asset by the Authority for less than fair market value and the parties shall negotiate in good faith to address any considerations in this regard.

Finally, the parties agree to discuss in good faith each party's bearing costs for the BWP Substation in proportion to its respective benefits and burdens with respect to the BWP Substation.

IN WITNESS WHEREOF, Authority and OMP have executed this MOU as of the date first written above.

AUTHORITY:

BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY

By: Frank Quintero
Frank Quintero
President

OMP:

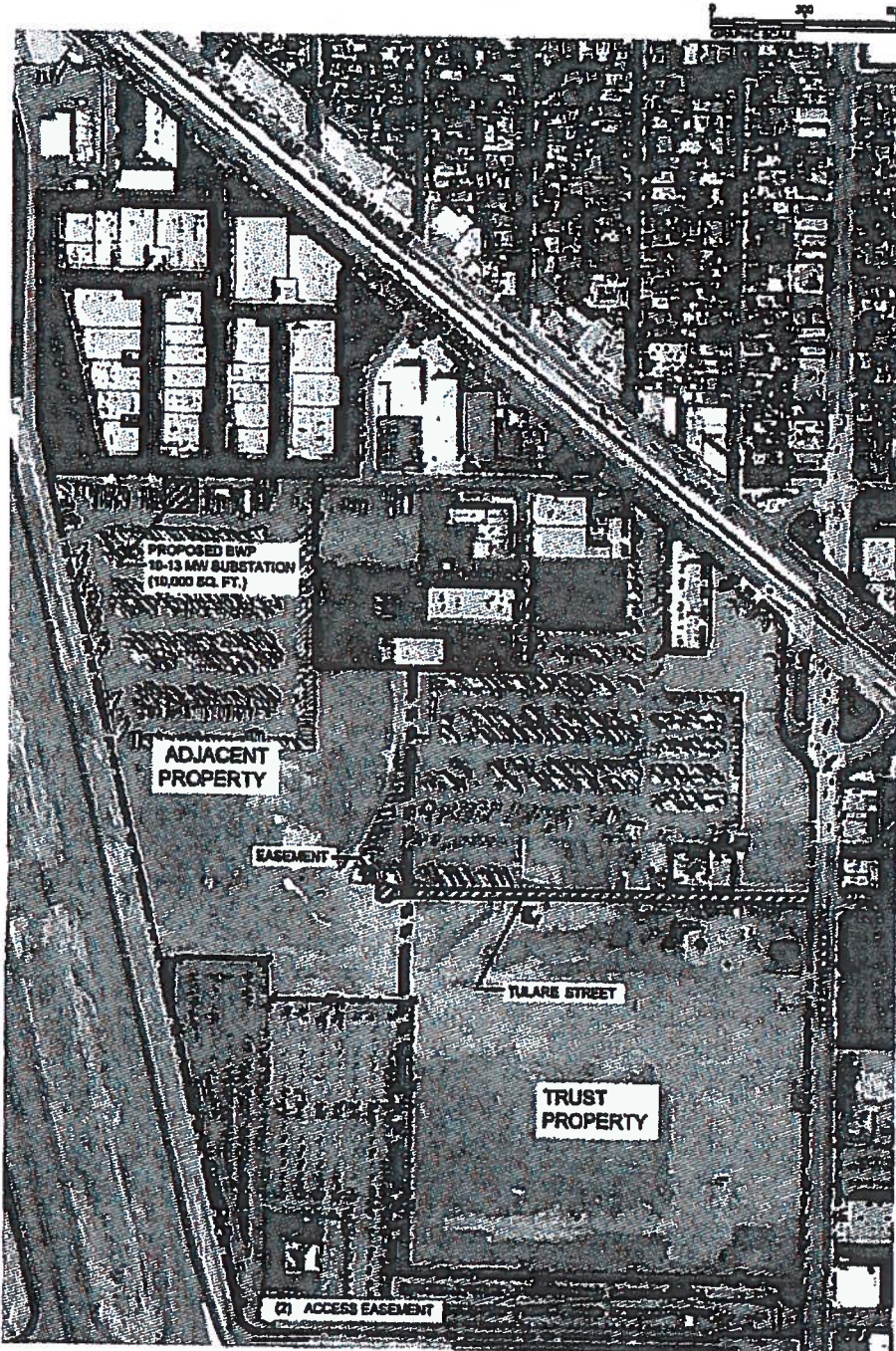
OVERTON MOORE PROPRTIES, a
California general partnership

By: Moore Tecimer Operating, LLC,
a California limited liability company,
its general partner

By: Timur Tecimer
Timur Tecimer
Managing Member

EXHIBIT "A"
GENERAL DEPICTION
OF PROPOSED CUL-DE-SAC AND ACCESS EASEMENTS
(Attached.)

B-6 TRUST PROPERTY SALE



ATTORNEY CLIENT PRIVILEGED

ATTORNEY-CLIENT PRIVILEGED

DATE	PERIOD		PROJECT: B6 TRUST PROPERTY	SHEET TITLE: SALE EXHIBIT	FILE NO.	1
					PROJECT NO.	
					DATE	

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California

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LEADSHEET



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DAR - Courier (Upfront Scan)



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AND WHEN RECORDED,
MAIL TO:

City Clerk
City of Burbank
P. O. Box 6459
Burbank, CA 91510

Space Above This Line for Recorder's Use

SUBSTATION AGREEMENT

This SUBSTATION AGREEMENT ("**Agreement**"), is entered into on April 4, 2017 (the "**Effective Date**"), by and between BURBANK INDUSTRIAL INVESTORS, LP, a Delaware limited partnership (together with any of its permitted successors and assigns, the "**Developer**"), [THE CITY OF BURBANK, CALIFORNIA (the "**City**") ACTING THROUGH BURBANK WATER AND POWER]. The Developer and the City shall be each referred to herein as a "**Party**" and collectively as the "**Parties**".

A. Developer is planning a mixed use development on the property located at 3001 N. Hollywood Way, Burbank, County of Los Angeles, California which is more particularly described as [Parcel 2466-011-909,913,915,917, and 2466-028-907,908] in **Exhibit A**, Legal Description, attached hereto and incorporated herein by this reference (the "**Property**").

B. Developer is currently intending to develop the Property (the "**Project**") and that such Project is subject to planned or pending land use applications, development agreements and California Environmental Quality Act review by the City Council.

C. Developer presented preliminary plans to the City to develop the Project with electrical loads of more than 5 MW, which according to BWP Electric Rules and Regulations, prompts the requirement for a new customer substation.

D. The City presented an alternate solution to the Developer to build a community substation on City owned property at Winona Avenue and Ontario Street.

E. This alternate solution provides a mutual benefit to the City and the Developer by: (a) lowering the Developer's costs and creating additional value by building a substation and freeing up land on the Property that would otherwise be needed for a substation and (b) by eliminating the need for the City to build the planned Valley substation and creating additional value by extending and expanding the use of the 69kV network.

F. In order to provide electric service under The City's Rules and Regulations ("**Electric Service**") to the Property, Developer acknowledges that it must pay for a portion of the construction of a new 67 mega-volt-amperes (MVA) three-bank Community Substation on the corner of Winona Avenue and Ontario Street (the "**Substation**"), three planned subtransmission lines and their infrastructure from switching stations to the planned substation (the

“Subtransmission Facilities”) and the total cost of the extension of three distribution feeders from the Substation to the Termination Point (the “Distribution Facilities”).

G. As a preliminary step towards construction of the Substation, the Subtransmission Facilities and the Distribution Facilities, Developer has agreed to pay the City a deposit of Two Million Seven Hundred Eighteen Thousand and Fifty dollars (\$2,718,050) (the “Deposit”).

H. The Developer acknowledges that (a) the payment of the Deposit and the obligation to deliver the remaining payment security is intended to induce to the City to start the substation construction process earlier than it would normally commence such process even though Developer is currently not a customer and may never become one and (b) it benefits from having the substation built on City property rather than on the Property.

I. The Developer desires for the City to construct sufficient capacity at the Substation, Subtransmission Facilities and the Distribution Facilities of at least 15 MVA. Of the 15 MVA, 5 MVA will be available for assignment to any property that is adjacent to, adjoining, or continuous with the Property (the “Adjacent Properties”).

J. The Developer desires that the City treat it as a customer and further desires that the Substation be completed and provide Electric Service at the Developer's Minimum Load of power to the Property by January 1, 2019.

NOW, THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto covenant and agree as follows:

1. Developer's Load; Termination Point on Property.

(a) Minimum Load. For purposes of calculating the Developer's pro rata share of the capacity in the Substation, the parties agree that the Developer's electrical load (the “Developer's Load”) shall be 15 MVA (“Developer's Minimum Load”).

(b) Additional Load and Excess Load. In the event that a review of the Developer's development agreement for this Property (the “Development Agreement”), designs, plans and/or other development documentation and with each design submitted (collectively, the “Developer's Documentation”) indicates that the Developer's projected electrical load (the “Projected Load”) may exceed the Developer's Minimum Load, the following calculation shall be made for each occurrence:

$$AEL = (PL \times DR) - DML$$

Where:

ARI.	=	Additional Load and, if applicable, any Excess Load. The AEL shall be calculated to the nearest one-thousandth of an MVA.
PL	=	The Projected Load shall be the sum of the electrical panel ratings (in MVA) for all electrical panels to be located on the Property (per Developer's Documentation).
DR	=	Demand Ratio shall be 65% of electrical panel rating unless said panel is fully-rated, in which case the Demand Ratio shall be 81.25% for that particular panel.
DML	=	The Developer's Minimum Load

In the event that the AEL exceeds 0 MVA on the Developer's Property, such excess shall be treated as follows:

(i) Additional Load. The incremental portion of the AEL that is 5 MVA or less, shall be designated as "Additional Load" and subject to the calculation of the Developer's fee as set forth in Section 2(b)(ii) below.

(ii) Excess Load. If there is an incremental portion of the AEL that exceeds 5 MVA (the "Excess Load"), the parties agree: (i) that the Developer shall make the payments required for Additional Load in Section 2(b)(ii) for the AEL up to and including 5 MVA and (ii) to enter in to good faith discussions as to the most commercially reasonable terms and conditions for the Excess Load to be potentially provided, including, but not limited to additional security and payment obligations.

(c) Substation Location and Termination Point. The location of the Substation will be as indicated on Exhibit B. The termination point (the "Termination Point") for the conduit and wiring to serve the Property when constructed will be as indicated on Exhibit B. The City shall not modify the location of the Termination Point without Developer's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed.

2. Total Costs and Fees for the Substation, the Subtransmission Facilities and Distribution Facilities.

(a) Total Costs. The estimated total costs for the Substation, the Subtransmission Facilities and the Distribution Facilities are set forth below:

(i) Total Substation Costs. The estimated total costs for the construction and commissioning of the Substation shall include, but not be limited to, the design, engineering, procurement, construction, project management, inspection, testing and commissioning of the Substation together with any contracts or sub-contracts with third parties to provide or perform such work and materials (the "Total Substation Costs"). The Total Substation Cost is deemed to be \$18,365,000.

(ii) Total Subtransmission Facilities Costs. The estimated total costs for the construction and commissioning of the Subtransmission Facilities shall include, but not be limited to, the design, engineering, procurement, construction, project management, inspection, testing and commissioning of the Subtransmission Facilities together with any contracts or sub-contracts with

third parties to provide or perform such work and materials (the "Total Subtransmission Facilities Costs"). The Total Subtransmission Cost is deemed to be \$4,504,000.

(iii) *Total Distribution Facilities Costs.* The estimated total costs for the construction and commissioning of the Distribution Facilities up to the Termination Point shall include, but not be limited to, the design, engineering, procurement, construction, project management, inspection, testing and commissioning of the Distribution together with any contracts or sub-contracts with third parties to provide or perform such work and materials (the "Total Distribution Facilities Costs"). The Total Distribution Facilities Cost is deemed to be \$1,358,000.

(iv) *Total Project Costs.* The sum of the Total Substation Costs, the Total Subtransmission Facilities Costs and the Total Distribution Costs shall be referred to herein as the "Total Project Costs". The Total Project Cost is deemed to be \$24,227,000.

(b) Fees and Costs. The Developer shall pay the following fees to the City:

(i) *Developer's Minimum Load Fee.* With respect to the Developer's Minimum Load, the Developer shall be obligated to pay its pro rata portion of the Total Project Costs based on the relation that the Developer's Minimum Load bears to the total capacity of the Substation in MVA in accordance with the following formula (the "Developer's Minimum Load Fee"):

$$\text{Developer's Minimum Load Fee} = \left(\frac{D}{F} \times TS \right) + TD$$

$$\text{Developer's Minimum Load Fee} = \left(\frac{2}{9} \times \$22,869,000 \right) + \$1,358,000 = \$6,440,000$$

Where:

D	=	The number of equivalent feeders used to serve Developer's Minimum Load. Note: While three (3) distribution feeders are being extended to the Termination Point, the equivalent of two (2) distribution feeders are being used to serve the Developer's Minimum Load.
F	=	The total number of planned feeders extending from the Substation as of the date of this Agreement.
TS	=	The sum of the Total Substation Costs and the Total Subtransmission Facilities Costs.
TD	=	The Total Distribution Facilities Costs.

Notwithstanding anything in this Agreement to the contrary, including but not limited to Section 2(b)(i), under no circumstances shall Developer's Minimum Load Fee exceed Six Million Four Hundred Forty Thousand Dollars (\$6,440,000.00).

(ii) *Developer's Additional Load Fee.* With respect to any Additional Load, the Developer shall be obligated to pay a fee (in addition to the Developer's Minimum Load Fee) for each incremental amount of AEL capacity up to and including 5 MVA in accordance with the following formula (the "Developer's Additional Load Fee"):

$$\text{Developer's Additional Load Fee} = \text{DAL} \times \$341,328 \text{ per MVA}$$

Where:

DAL	=	The Additional Load (incremental amount of capacity above the Developer's Minimum Load and below 20 MVA (such amount shall be rounded to the nearest one-thousandth of an MVA)).
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The above formula for Developer's Additional Load Fee per MVA is valid for any Additional Load paid for prior to January 1, 2022. For payments after January 1, 2022, the Developer's Additional Load Fee shall be subject to revision by the City to reflect cost increase with building a substation in accordance to the substation section of the Handy-Whitman index.

(c) Developer's Project Fee.

(i) Developer agrees and acknowledges that it shall pay to the City the sum of the Developer's Minimum Load Fee and, to the extent applicable, the Developer's Additional Load Fee (the "Developer's Project Fee").

(ii) The City agrees that Developer will not be required to make payments in excess of the Developer's Project Fee in order for the City to complete the construction of the Substation, the Subtransmission Facilities and the Distribution Facilities; provided, that Developer shall still be required to pay any customary fees necessary to develop and energize the Property, including permits and application fees.

(iii) Developer acknowledges that the Developer's Project Fee does not include any on-site charges including but not limited to infrastructure, switches, switch pads, transformers, transformer vaults, metering, engineering, inspections, and on-site cable and equipment for any actual work on the Property and that such fees and costs shall require Developer paying additional amounts to the City for such items.

3. Initial Deposit.

(a) Delivery of the Deposit. Developer agrees to irrevocably deposit the Deposit, in immediately available funds denominated in United States currency, with the City, within ten (10) days of the Effective Date. The Developer acknowledges and agrees that the Deposit shall have no right to any interest accrued by the Deposit and shall be held as cash without any investment.

(b) Exclusivity of Deposit Funds; Non-Refundable. City agrees to not to commingle the Deposit with any other amounts held on behalf of Developer or any other party. City acknowledges that the Deposit is for the sole and exclusive purpose of paying for a portion of the costs as aid-in-construction necessary to providing Electric Service to the Property for the Developer's Minimum Load and, if applicable, any Additional Load. Developer acknowledges and agrees that the Deposit shall be non-refundable and hereby waives any and all rights to receive a refund of the Deposit; provided however, City agrees that a credit shall run with the land in accordance with sub-clause (c) below. The City will initially use the Deposit to pay for, and such use will be credited against, a portion of the Developer's Project Fee.

(c) Deposit Runs With the Property. The Deposit and the covenant that the BWP Rules and Regulations (as defined in Section 6) have been complied with in exchange for the complete payment of the Deposit and other fees required by Section 5(a), shall run with the land until the Property is energized up to the Developer's Minimum Load. Any change in corporate structure of Developer, subdivision or sale of the Property to a third party, or any other change in ownership of the Property shall have no effect on the Deposit. The Deposit and other payments made hereunder shall be for the benefit of Developer and any successor owner of the Property and the City shall apply the Deposit to as credit against such future party's costs for the Substation, Subtransmission Facilities and the Distribution Facilities.

4. Delivery of Additional Security. No later than thirty (30) days prior to the approval of a Design-Build Contract by the City for the design, engineering, procurement and construction of the Substation, Developer shall deliver payment security in a form and substance reasonably acceptable to the City for an amount equal to \$3,721,950. Such payment security shall be from an entity with a credit rating acceptable to the City. The payment security shall secure the payments obligations of the Developer hereunder and the City shall be entitled to draw upon such payment security upon Developer's failure to pay the amounts set forth in Section 5 at the times described therein. Upon written request by Developer, the City shall send the most recent copy of the Design-Build Contract to Developer, subject to any redactions permitted under the California Public Records Act.

5. Payment Milestones. The City will invoice the Developer for the remaining portion of the Developer's Project Fee and Developer shall pay such invoices within thirty (30) days' of receipt of such invoice. The City shall invoice Developer thirty (30) days prior to each of the payment dates set forth in Section 5(a) below. Developer's obligations to make payments on the dates are as set forth below.

(a) Developer's Minimum Load Fee. The Developer's Minimum Load Fee shall be paid on the below dates subject to the City using good faith diligent efforts to complete the work under the Agreement:

<u>Payment Date</u>	<u>Payment Amount</u>
• Upon the commencement of demolition at the Substation site (the "Commencement Date")	• \$681,531
• 90 days after Commencement Date	• \$1,000,889
• 240 days after the Commencement Date	• \$1,358,000
• 395 days after the Commencement Date	• \$681,530

All payments made under this Section 5(a) shall be applied to Developer's Minimum Load Fee, but shall not be applied to the Additional Load Fee (which shall be invoiced separately).

(b) Developer's Additional Load Fee. The Developer's Additional Load Fee shall be paid prior to the commencement of any utility work by the City to allow for the energization of the Additional Load (including, but not limited to, any metering installation and upgrades or modifications to the Distribution Facilities).

6. BWP Rules and Regulations. Burbank Water and Power Rules and Regulations ("BWP Rules and Regulations") provide that a customer facility of 5 MW or above requires that the Customer's site include a substation with at least two power transformers and two highside lines. The Developer and the City agree and acknowledge that the full payment by Developer of its payment obligations set forth herein shall, in lieu of constructing an on-site Customer substation, satisfy such requirement with respect to Developer's Load for a capacity up to 20 MVA.

7. Scheduled Completion Date. The City shall use commercially reasonable efforts to complete the Substation and make distribution feeders from the Substation available for energization at the Developer's Minimum Load of power to the Property by a date that is 60 days after the "Final Completion Date" as such term is defined in the Design-Build Contract (the "Scheduled Completion Date").

8. Does Not Constitute Project Approval. The Developer acknowledges and agrees that the City's approval of this Agreement does not constitute, and will not provide any assurance of, the City's approval of the Project, any budget approvals relating thereto, the Developer's Documentation, the applications, the environmental review or any other item relating or arising out of the Project or any portion thereof. The City shall not be liable to the Developer for failure to approve any such items. This Agreement does not provide the Developer any vested rights in Electric Service.

9. Representations and Warranties. The Developer represents and warrants to the City that:

(a) The Developer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has full power to execute, deliver and perform this Agreement.

(b) The execution, delivery and performance of this Agreement have been and remain duly authorized by all necessary partnership action and do not contravene the Developer's constitutional documents or any contractual restriction binding on the Developer or its assets.

(c) This Agreement constitutes the legal, valid and binding obligation of the Developer enforceable against Developer in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditor's rights and to general equity principles.

(d) The execution and delivery by Developer of this Agreement does not, and the performance by Developer of its obligations hereunder (with or without the giving of notice or lapse of time or both) will not, directly or indirectly, (a) violate any applicable law or any provision of any security issued by Developer, (b) conflict with, result in a breach of the provisions of or constitute a default under any of the organizational documents of Developer, (c) violate any other agreement, instrument or undertaking to which Developer is a party or by which it or any of its property is bound or (d) require any license, consent or approval of any governmental authority.

10. Miscellaneous.

(a) Notices. All notices, advice and other communications under this Agreement shall be made in writing and given by overnight delivery, fee prepaid, via any reputable overnight courier service with national reputation and a reliable tracking system. Notices and advices are to be addressed to each party as provided below, and shall be deemed to have been duly given when received or when delivery is refused (as the case may be) as indicated on the business records of such overnight courier service. Each party may establish a new address from time to time by written notice to the other given in accordance with this Section. Notice to outside counsel designated by a party entitled to receive notice is for convenience only and is not required for notice to a party to be effective in accordance with this Section.

Address for Developer: Burbank Industrial Investors, LP
 c/o Overton Moore Properties
 19300 Hamilton Avenue, Suite 200
 Gardena CA 90248
 Attn: Timur Tecimer

With a copy to Elkins Kalt Weintraub Reuben Gartside LLP
 2049 Century Park East, Suite 2700
 Los Angeles, California 90067
 Attn: Keith D. Elkins

Address for the City City of Burbank
 Burbank Water and Power
 164 W. Magnolia Blvd.
 Burbank, CA 91502-1720
 Attn: Erik Olsen
 Telephone: 818-238-3569
 Fax No.: 818-238-3594

With a copies to City of Burbank
 City Attorney's Office
 275 East Olive Avenue
 Burbank, CA 91502
 Attn: BWP Counsel
 Telephone: 818-238-5702
 Fax No.: 818-238-5724

(b) Entire Agreement; Modification. This Agreement sets forth the entire agreement between the parties hereto with respect to the subject matter hereof and supersede all prior discussions, representations, communications and agreements (oral and written) by and among the parties hereto with respect thereto. Neither this Agreement nor any terms hereof shall be waived, modified, supplemented or terminated in any manner whatsoever, except by a written instrument signed by all parties hereto and then only to the extent expressly set forth in such writing. If there is a conflict between this Agreement and BWP's Rules and Regulations regarding the rights and obligations set forth in this Agreement, this Agreement shall control.

(c) Binding Effect. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, legal representatives, successors, and assigns, whether by voluntary action of the parties or by operation of law.

(d) Duplicate Originals; Counterparts. This Agreement may be executed in any number of counterparts, including facsimile counterparts, with the same effect as if all signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

(e) Revision and Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be unenforceable, then such provision will be modified to reflect the parties' intention. All remaining provisions of this Agreement shall remain in full force and effect.

(f) Assignment; Subdivision. Developer shall not assign this Agreement without the prior written consent of the City, such consent not to be unreasonably withheld, delayed or conditioned. Developer agrees not to subdivide the Property without the prior consent of the City; provided, however, that the Developer and City shall use commercially reasonable efforts to enter into such amendments or replacement agreements to ensure that the intended rights and obligations described hereunder shall be preserved. The Developer may assign up to 5MVA from the Developer's Minimum Load to Adjacent Properties upon receipt of prior written consent from the City; provided, that such consent may not be unreasonably delayed, withheld, or conditioned. Any assignment of load pursuant to this Section to Adjacent Property shall reduce the Developer's Minimum Load amount by the amount assigned for the purpose of calculating the Additional Load and the Excess Load in Section 1(b).

(g) Ambiguity; Headings and Construction of Certain Terms. The parties to this Agreement agree that this Agreement shall be construed and interpreted according to the ordinary meaning of the words used so as to accomplish fairly the purposes and intentions of the parties hereto. Words used in this Agreement may be used interchangeably in singular or plural form, and any pronoun shall be deemed to cover all genders. Section headings are for convenience only and shall not be used in interpretation of this Agreement. "Herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular section, paragraph or other subdivision; and "Section" refers to the entire section and not to any particular subsection, paragraph or other subdivision.

(h) No Dedication. Any undertaking by one Party to the other Party under any provisions of this Agreement shall not constitute the dedication of the City of Burbank's electric system or any portion thereof to the public or to the Developer (including its successors, assigns, licensees, customers, invitees, licensees, tenants, lessees, subtenants, concessionaires, officers, employees or agents).

(i) Limitation of Liability. In no event and under no circumstances shall one Party be liable to the other Party for any principal, interest, loss of anticipated revenues, earnings, profits, increased expense of operation or construction, loss by reason of shutdown or non-operation due to late completion or otherwise for any other economic, consequential, indirect or special damages. The City makes no representations or warranties to the Developer.

(j) Force Majeure. Delay in the performance or non-performance in whole or in part by the City is not a breach of its duty or obligations under this Agreement if such performance has been made impracticable by a Force Majeure. The term "**Force Majeure**" includes, but is not limited to, war, flood, lightning, drought, earthquake, fire, volcanic eruption, landslide, hurricane, cyclone, typhoon, tornado, explosion, civil disturbance, an act of God or the public enemy, terrorist act, military action, epidemic, famine, plague, action of the court or public authority, strike or go-slow or similar labor difficulty.

(k) Limitation on Remedies; Limitation on Liability. In the event that the City cannot make the energization of the distribution feeders available at the Termination Point on or prior to the Scheduled Completion Date, the Developer acknowledges that its sole remedy for such failure is for specific performance by the City to provide sufficient electrical capacity for the Developer's Minimum Load from the Substation or any other substation. In no event and under no circumstances shall the City be liable to Developer for any principal, interest, loss of anticipated revenues, earnings, profits, increased expense of operation or construction, loss by reason of shutdown or non-operation due to late completion or otherwise for any other economic, consequential, indirect or special damages.

(l) No Third Party Beneficiaries. This Agreement does not and is not intended to confer any rights or remedies upon any person other than the Parties.

(m) Governing Law; Jurisdiction. To the extent permitted by applicable law, this Agreement shall be governed by the laws of the State of California (without giving effect to its conflicts of law rules).

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

DEVELOPER:

BURBANK INDUSTRIAL INVESTORS, LP, a
Delaware limited partnership

By: Burbank Airport Partners, GP, LLC,
a Delaware limited liability company,
its General Partner

By: Timmm Tmm
Name: TIMM TECHNER
Title: MANAGER

CITY:

City of Burbank

By: [Signature]
Name: George Somoano
Title: General Manager-BWP

Approved as to Form
Office of the City Attorney

By: [Signature]
Title: Sr Asst City Atty
Date: 4/7/17

ATTEST
Date:

4-13-17
[Signature]
City Clerk
City of Burbank, California

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

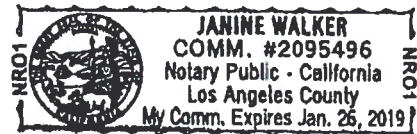
State of California
County of LOS ANGELES

On 4/5/2017 before me, JANINE WALKER, Notary Public
(insert name and title of the officer)

personally appeared TIMUR TECINER
who proved to me on the basis of satisfactory evidence to be the person ~~(s)~~ whose name ~~(s)~~ is/are
subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in
his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature ~~(s)~~ on the instrument the
person ~~(s)~~, or the entity upon behalf of which the person ~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature *[Handwritten Signature]* (Seal)

LEGAL DESCRIPTION

Real property in the City of Burbank, County of Los Angeles, State of California, described as follows:

PARCEL 1: APNS: 2466-011-909 and 917

PARCEL "J" AS SHOWN ON MAP OF RECORD OF SURVEY, IN THE CITY OF BURBANK, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, FILED IN BOOK 113, PAGES 90 AND 91 OF RECORDS OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 1 OF TRACT NO. 11663, AS SHOWN ON MAP RECORDED IN BOOK 257, PAGE 36 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE SOUTHERLY LINE OF SAID LOT 1, NORTH 88° 0' 14" WEST 231.01 FEET TO THE SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF THE LAND DESCRIBED IN PARCEL 1 OF THE DEED TO PACIFIC AIRMOTIVE CORPORATION, REAL ESTATE COMMISSIONER ON NOVEMBER 29, 1946 IN BOOK 24014, PAGE 73, OFFICIAL RECORDS, AS INSTRUMENT NO. 1593, IN SAID OFFICE OF THE COUNTY RECORDER; THENCE ALONG SAID PROLONGATION AND EASTERLY LINE, NORTH 1° 04' 32" EAST 172 FEET TO THE NORTHEASTERLY CORNER OF SAID LAND; THENCE NORTH 88° 50' 14" WEST 213 FEET TO THE NORTHWESTERLY CORNER OF SAID LAND; THENCE ALONG THE WESTERLY LINE OF SAID LAND AND ITS SOUTHERLY PROLONGATION SOUTH 1° 04' 32" WEST 172 FEET TO THE SOUTHERLY LINE OF SAID LOT 1; THENCE ALONG SAID SOUTHERLY LINE, NORTH 88° 50' 14" WEST 169.42 FEET TO THE SOUTHWEST CORNER OF SAID LOT 1, BEING ALSO THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 1 NORTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND; THENCE WESTERLY ALONG THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER TO THE NORTHWESTERLY CORNER OF THE LAND DESCRIBED IN DEED TO LOCKHEED AIR TERMINAL, INC., RECORDED ON SEPTEMBER 19, 1947 IN BOOK 25099, PAGE 177 OF SAID OFFICIAL RECORDS, AS INSTRUMENT NO. 25; THENCE ALONG THE NORTHWESTERLY LINE OF SAID LAND, SOUTH 46° 03' 28" WEST 381.13 FEET TO THE SOUTHERLY LINE OF THE NORTHERLY 270 FEET, MEASURED ALONG THE WESTERLY LINE OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 4; THENCE ALONG SAID LAST MENTIONED SOUTHERLY LINE, NORTH 88° 50' 14" WEST 28.25 FEET TO THE WESTERLY LINE OF THE NORTHEAST QUARTER OF SAID SECTION 4; THENCE NORTHERLY ALONG SAID WESTERLY LINE, TO THE WESTERLY PROLONGATION OF THE NORTHERLY LINE OF THE SOUTHERLY 52.50 FEET OF LOT 6 OF TRACT NO. 6093, AS SHOWN ON MAP RECORDED IN BOOK 67, PAGE 77 OF MAPS, IN SAID OFFICE OF THE COUNTY RECORDER; THENCE EASTERLY ALONG SAID PROLONGATION AND NORTHERLY LINE AND ITS EASTERLY PROLONGATION TO THE SOUTHWESTERLY CORNER OF THAT PORTION OF KENWOOD STREET, 60 FEET WIDE, AS SHOWN ON SAID MAP OF TRACT NO. 6093, THAT IS DESCRIBED IN RESOLUTION NO. 13870 OF SAID CITY ADOPTED OCTOBER 03, 1964, A CERTIFIED COPY OF WHICH WAS RECORDED ON OCTOBER 15, 1964 IN BOOK D-2665, PAGE 527 OF SAID OFFICIAL RECORDS, AS INSTRUMENT NO. 6303; THENCE NORTHERLY ALONG SAID WESTERLY LINE, TO THE WESTERLY PROLONGATION OF THE NORTHERLY LINE OF LOT 9 OF SAID TRACT NO. 6093; THENCE EASTERLY ALONG SAID LAST MENTIONED PROLONGATION AND NORTHERLY LINE, TO THE EASTERLY LINE OF SAID TRACT NO. 6093; THENCE NORTHERLY ALONG SAID EASTERLY LINE, TO A STRAIGHT LINE EXTENDING FROM A POINT ON THE WEST LINE OF THE EAST HALF OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 4, DISTANT NORTHERLY THEREON 315 FEET FROM THE NORTH LINE OF LOT 8 OF SAID TRACT NO. 6093, SOUTHEASTERLY TO A POINT ON THE EASTERLY LINE OF THE WEST 134 FEET OF SAID EAST

HALF, DISTANT NORTHERLY THEREON 206 FEET FROM THE EASTERLY PROLONGATION OF THE NORTH LINE OF LOT 8 OF SAID TRACT NO. 6093; THENCE SOUTHEASTERLY ALONG SAID STRAIGHT LINE TO SAID POINT ON THE EASTERLY LINE OF THE WEST 134 FEET OF SAID EAST HALF; THENCE SOUTHERLY ALONG SAID EASTERLY LINE, TO THE NORTHERLY LINE OF THE SOUTH 128 FEET OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 4; THENCE EASTERLY ALONG SAID LAST MENTIONED NORTHERLY LINE, TO THE WEST LINE OR ITS PROLONGATION OF LOT 2 OF SAID TRACT NO. 11663; THENCE ALONG SAID LAST MENTIONED LINE TO THE NORTHWESTERLY CORNER OF SAID LOT 2; THENCE EASTERLY, NORTHERLY, SOUTHEASTERLY AND SOUTHERLY ALONG THE NORTHERLY, NORTHEASTERLY AND EASTERLY BOUNDARY LINES OF SAID LOT 2 AND SOUTHERLY ALONG THE EASTERLY BOUNDARY LINE OF LOT 1 OF SAID TRACT NO. 11663, TO THE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF LOT 1 OF TRACT NO. 11663, IN THE CITY OF BURBANK, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 257, PAGE 36 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWESTERLY CORNER OF SAID LOT 1; THENCE SOUTH 88° 50' 14" EAST ALONG THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 169.42 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 10° 04' 32" EAST, A DISTANCE OF 30.50 FEET; THENCE SOUTH 88° 50' 14" EAST, A DISTANCE OF 213.00 FEET; THENCE SOUTH 1° 04' 32" WEST 30.50 FEET TO THE SOUTHERLY LINE OF SAID LOT 1; THENCE NORTH 88° 50' 14" WEST ALONG SAID SOUTHERLY LINE, 213.00 FEET TO THE TRUE POINT OF BEGINNING.

ALSO TOGETHER WITH THAT PORTION OF THAT CERTAIN ALLEY, 20 FEET WIDE, NOW VACATED AS SHOWN ON TRACT NO. 6949, IN THE CITY OF BURBANK, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 142, PAGES 56 AND 57 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST NORTHERLY CORNER OF LOT 2 OF TRACT NO. 11663, AS PER MAP RECORDED IN BOOK 257, PAGE 36 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTH 51° 05' 55" EAST ALONG THE NORTHERLY LINE OF SAID LOT 2 TO A POINT DISTANT THEREON NORTH 51° 05' 55" WEST 144.35 FEET FROM THE NORTHEASTERLY CORNER OF SAID LOT 2; THENCE NORTHERLY IN A DIRECT LINE TO THE MOST SOUTHERLY CORNER OF THE LAND DESCRIBED IN THE DEED TO LOCKHEED PROPERTIES INC., RECORDED ON AUGUST 04, 1982 AS INSTRUMENT NO. 82-785803, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID CORNER BEING A POINT IN A LINE PARALLEL WITH AND 10 FEET NORTHEASTERLY, MEASURED AT RIGHT ANGLES FROM THE NORTHEASTERLY LINE OF SAID LOT 2; THENCE NORTH 51° 05' 55" WEST ALONG SAID PARALLEL LINE TO THE EASTERLY LINE OF LOT 1 OF TRACT NO. 6949, AS PER MAP RECORDED IN BOOK 142, PAGES 56 AND 57 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTHERLY ALONG SAID EASTERLY LINE TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THOSE PORTIONS OF LOTS 1 AND 2 OF TRACT NO. 11663, AS SHOWN ON MAP FILED IN BOOK 257, PAGE 36 OF MAPS, IN THE OFFICE OF THE REGISTRAR-RECORDER OF THE COUNTY OF LOS ANGELES, WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

COMMENCING AT THE INTERSECTION OF A LINE PARALLEL WITH AND 30 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES FROM THE STRAIGHT LINE IN THE SOUTHERLY BOUNDARY OF LOT 14 OF TRACT NO. 10347 AS SHOWN ON MAP FILED IN BOOK 148, PAGES 81 AND 82 OF SAID MAPS, WITH A LINE PARALLEL WITH AND 50 FEET WESTERLY, MEASURED AT RIGHT ANGLES FROM THE STRAIGHT LINE IN THE WESTERLY BOUNDARY OF SAID LAST MENTIONED LOT; THENCE NORTH 0° 21' 10" EAST ALONG SAID LAST MENTIONED PARALLEL LINE, 198.74

First American Title Insurance Company

FEET; THENCE NORTH 1° 04' 46" WEST ALONG A STRAIGHT LINE TO THE EASTERLY PROLONGATION OF THE SOUTHERLY LINE OF SAID LOT 2; THENCE WESTERLY ALONG SAID EASTERLY PROLONGATION TO THE SOUTHEASTERLY CORNER OF SAID LAST MENTIONED LOT, SAID SOUTHEASTERLY CORNER BEING THE TRUE POINT OF BEGINNING; THENCE NORTH 0° 21' 10" EAST ALONG THE EASTERLY LINE OF SAID LAST MENTIONED LOT TO THE NORTHEASTERLY CORNER OF SAID LAST MENTIONED LOT; THENCE NORTH 51° 05' 55" WEST ALONG THE NORTHEASTERLY LINE OF SAID LAST MENTIONED LOT, A DISTANCE OF 144.35 FEET; THENCE SOUTH 0° 50' 26" WEST 134.54 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 148 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE 142.22 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 112 FEET, SAID REVERSE CURVE, ALSO BEING TANGENT AT THE SOUTHERLY TERMINUS THEREOF TO A LINE PARALLEL WITH AND 50 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID LAST MENTIONED STRAIGHT LINE; THENCE SOUTHEASTERLY ALONG SAID REVERSE CURVE, 103.88 FEET TO SAID LAST MENTIONED PARALLEL LINE; THENCE SOUTH 1° 04' 46" EAST ALONG SAID LAST MENTIONED LINE, 191.91 FEET TO THE EASTERLY LINE OF SAID LOT 1; THENCE NORTH 0° 21' 10" EAST ALONG SAID LAST MENTIONED EASTERLY LINE TO SAID TRUE POINT OF BEGINNING.

ALSO EXCEPT THAT PORTION OF SAID LAND INCLUDED WITHIN THE LINES OF THE LAND DESCRIBED IN THE DEED TO COHASSET KENWOOD COMPANY, A LIMITED PARTNERSHIP, RECORDED ON SEPTEMBER 19, 1975 AS INSTRUMENT NO. 1055, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THAT PORTION OF SAID LAND INCLUDED WITHIN THE LINES OF LOT 9 OF TRACT NO. 6093, AS PER MAP RECORDED IN BOOK 67, PAGE 77 OF MAPS, IN THE LOS ANGELES COUNTY RECORDERS OFFICE.

PARCEL 2: APN: 2466-011-915 (Portion)

THAT PORTION OF PARCEL "B" AS SHOWN ON MAP OF RECORD OF SURVEY, IN THE CITY OF BURBANK, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, FILED IN BOOK 113, PAGES 90 AND 91 OF RECORDS OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE NORTHERLY 650.00 FEET OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 1 NORTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF BURBANK, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND.

EXCEPT THEREFROM THAT PORTION OF ABOVE DESCRIBED LAND, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTH LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, DISTANT THEREON NORTH 88° 50' 14" WEST 568.75 FEET FROM THE NORTHEAST CORNER THEREOF; THENCE CONTINUING ALONG SAID NORTH LINE, NORTH 88° 50' 14" WEST 758.12 FEET, MORE OR LESS, TO THE NORTHWEST CORNER THEREOF; THENCE ALONG THE WESTERLY LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 4, SOUTH 1° 09' 54" WEST 270.00 FEET; THENCE PARALLEL WITH THE FIRST MENTIONED COURSE IN THIS DESCRIPTION, SOUTH 88° 50' 14" EAST 757.25 FEET TO A LINE WHICH IS PARALLEL WITH THE EAST LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4 AND WHICH PASSES THROUGH THE POINT OF BEGINNING; THENCE NORTH 00° 58' 30" EAST 270.00 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND LYING WITHIN HOLLYWOOD WAY, 100.00 FEET WIDE.

PARCEL 3: APN: 2466-011-915 (PORTION)

THAT PORTION OF PARCEL "B" AS SHOWN ON MAP OF RECORD OF SURVEY, IN THE CITY OF BURBANK, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, FILED IN BOOK 113, PAGES 90 AND 91 OF RECORDS OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 1 NORTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF BURBANK, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTH LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, DISTANT THEREON NORTH 88° 50' 14" WEST 568.75 FEET FROM THE NORTHEAST CORNER THEREOF; THENCE CONTINUING ALONG SAID NORTH LINE, NORTH 88° 50' 14" WEST 758.12 FEET, MORE OR LESS, TO THE NORTHWEST CORNER THEREOF; THENCE ALONG THE WESTERLY LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 4, SOUTH 01° 09' 54" WEST 270.00 FEET; THENCE PARALLEL WITH THE FIRST MENTIONED COURSE IN THIS DESCRIPTION, SOUTH 88° 50' 14" EAST 759.01 FEET TO A LINE WHICH IS PARALLEL WITH THE EAST LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, AND WHICH PASSES THROUGH THE POINT OF BEGINNING; THENCE NORTH 00° 58' 30" EAST 270.00 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

EXCEPT THAT PORTION OF ABOVE DESCRIBED PROPERTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 4, AS THE TRUE POINT OF BEGINNING; THENCE SOUTH 01° 09' 54" WEST, A DISTANCE OF 270.00 FEET; THENCE SOUTH 88° 50' 14" EAST, A DISTANT OF 28.25 FEET; THENCE NORTH 46° 03' 28" EAST, A DISTANT OF 381.13 FEET; THENCE NORTH 88° 50' 14" WEST, A DISTANCE OF 297.25 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 4: APN: 2466-028-908

PARCEL "I" AS SHOWN ON MAP OF RECORD OF SURVEY, IN THE CITY OF BURBANK, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, FILED IN BOOK 113, PAGES 90 AND 91 OF RECORDS OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF LOTS 1 TO 6 INCLUSIVE OF TRACT NO. 6949, IN THE CITY OF BURBANK, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 142, PAGES 56 AND 57 OF MAPS, IN THE OFFICE OF THE REGISTRAR-RECORDER OF THE COUNTY OF LOS ANGELES, TOGETHER WITH THAT PORTION OF PEPPER STREET, 30 FEET WIDE, NOW VACATED, AS SHOWN ON SAID MAP AND THAT PORTION OF THAT CERTAIN ALLEY, AS SHOWN ON SAID MAP, NOW VACATED, WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

COMMENCING AT THE INTERSECTION OF A LINE PARALLEL WITH AND 30 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES FROM THE STRAIGHT LINE IN THE SOUTHERLY BOUNDARY OF LOT 14 OF TRACT NO. 10347, AS SHOWN ON MAP FILED IN BOOK 148, PAGES 81 AND 82 OF SAID MAPS, WITH A LINE PARALLEL WITH AND 50 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM THE STRAIGHT LINE IN THE WESTERLY BOUNDARY OF SAID LAST MENTIONED LOT; THENCE NORTH 0° 21' 10" EAST ALONG SAID LAST MENTIONED PARALLEL LINE, 478.74

First American Title Insurance Company

FEET; THENCE WESTERLY AT RIGHT ANGLES FROM SAID LAST MENTIONED PARALLEL LINE, 7.00 FEET; THENCE NORTH 2° 43' 10" EAST, ALONG A LINE WHICH IS TANGENT TO THE SOUTHERLY TERMINUS OF A CURVE CONCAVE TO THE WEST, AND HAVING A RADIUS OF 200 FEET, SAID CURVE ALSO BEING TANGENT AT THE NORTHERLY TERMINUS THEREOF TO THE SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF LOT 11 OF TRACT NO. 5761, AS SHOWN ON MAP FILED IN BOOK 85, PAGES 43 AND 44 OF SAID MAPS, AT A POINT DISTANT SOUTH 0° 33' 55" WEST ALONG SAID SOUTHERLY PROLONGATION 75.40 FEET FROM THE SOUTHEASTERLY CORNER OF SAID LAST MENTIONED LOT, TO THE SOUTHEASTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF LOT 8, SAID TRACT NO. 6949; THENCE NORTHWESTERLY ALONG SAID SOUTHEASTERLY PROLONGATION AND THE SOUTHWESTERLY LINES OF LOTS 8, 7 AND 6, SAID TRACT NO. 6949, TO A POINT IN A LINE PARALLEL WITH AND 167 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID COURSE OF NORTH 2° 43' 10" EAST, SAID POINT BEING THE TRUE POINT OF BEGINNING; THENCE NORTH 2° 43' 10" EAST ALONG SAID LAST MENTIONED PARALLEL LINE, 101.04 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 62 FEET, TANGENT TO SAID LAST MENTIONED PARALLEL LINE AND TANGENT TO THE SOUTHWESTERLY LINE OF THE NORTHEASTERLY 3 FEET OF SAID LOT 5; THENCE NORTHWESTERLY ALONG SAID CURVE, 58.24 FEET TO SAID SOUTHWESTERLY LINE; THENCE NORTH 51° 05' 55" ALONG SAID SOUTHWESTERLY LINE, AND ITS NORTHWESTERLY PROLONGATION, 269.75 FEET TO THE WESTERLY BOUNDARY OF SAID PEPPER STREET, NOW VACATED; THENCE SOUTHERLY ALONG SAID LAST MENTIONED WESTERLY BOUNDARY TO THE WESTERLY PROLONGATION OF THE SOUTHERLY LINE OF SAID LOT 1; THENCE EAST AND NORTHERLY ALONG SAID WESTERLY PROLONGATION OF SAID SOUTHERLY LINE AND THE EASTERLY LINE OF SAID LOT 1, TO A LINE PARALLEL WITH AND 10 FEET NORTHEASTERLY, MEASURED AT RIGHT ANGLES FROM THE NORTHEASTERLY LINE OF LOT 2 OF TRACT NO. 11663, AS SHOWN ON MAP FILED IN BOOK 257, PAGE 36 OF SAID MAPS; THENCE SOUTH 51° 05' 55" EAST ALONG SAID LAST MENTIONED PARALLEL LINE TO A STRAIGHT LINE WHICH PASSES THROUGH A POINT IN SAID NORTHEASTERLY LINE, DISTANT NORTH 51° 05' 55" WEST THEREON 144.35 FEET FROM THE NORTHEASTERLY CORNER OF SAID LAST MENTIONED LOT AND WHICH PASSES THROUGH SAID TRUE POINT OF BEGINNING; THENCE NORTHERLY ALONG SAID LAST MENTIONED STRAIGHT LINE TO SAID TRUE POINT OF BEGINNING.

PARCEL 5: APN: 2466-028-907

THAT PORTION OF THE WEST 134 FEET OF THE WEST HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 1 NORTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF BURBANK, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND, BOUNDED ON THE NORTHEAST BY THE SOUTHWESTERLY LINE OF THE LAND DESCRIBED IN DEED TO THE CITY OF BURBANK, RECORDED ON JULY 11, 1944, AS INSTRUMENT NO. 1853 AND BOUNDED ON THE SOUTHEAST BY THE NORTHEASTERLY LINE OF THE LAND DESCRIBED IN DEED TO LOCKHEED AIRCRAFT CORPORATION, RECORDED ON APRIL 25, 1952, AS INSTRUMENT NO. 597, IN BOOK 38792, PAGE 32, OFFICIAL RECORDS OF SAID COUNTY.

EXCEPT ANY PORTION OF SAID LAND WITHIN THE BOUNDARIES OF TRACT NO. 6093.

ALSO EXCEPT THAT PORTION OF SAID LAND INCLUDED WITHIN THE LINES OF THE LAND DESCRIBED IN THE DEED TO COHASSET KENWOOD COMPANY, A LIMITED PARTNERSHIP, RECORDED ON SEPTEMBER 19, 1975 AS INSTRUMENT NO. 1055, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 6: APN: 2466-011-913

PARCEL "A NORTH" BEING THAT PORTION OF PARCEL "A" AS SHOWN ON MAP OF RECORD OF SURVEY, IN THE CITY OF BURBANK, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, FILED

IN BOOK 113, PAGES 90 AND 91 OF RECORDS OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 1 NORTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF BURBANK, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND.

EXCEPTING THE EASTERLY 50 FEET OF SAID LAND.

ALSO EXCEPT THE NORTHERLY 650 FEET OF SAID LAND.

AND ALSO EXCEPTING THAT PORTION OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, LYING SOUTHERLY OF A LINE PARALLEL WITH AND DISTANT NORTHERLY 750.00 FEET MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF THE EAST-WEST RUNWAY OF THE BURBANK-GLENDALE-PASADENA AIRPORT, SAID CENTERLINE BEING DESCRIBED AS FOLLOWS:

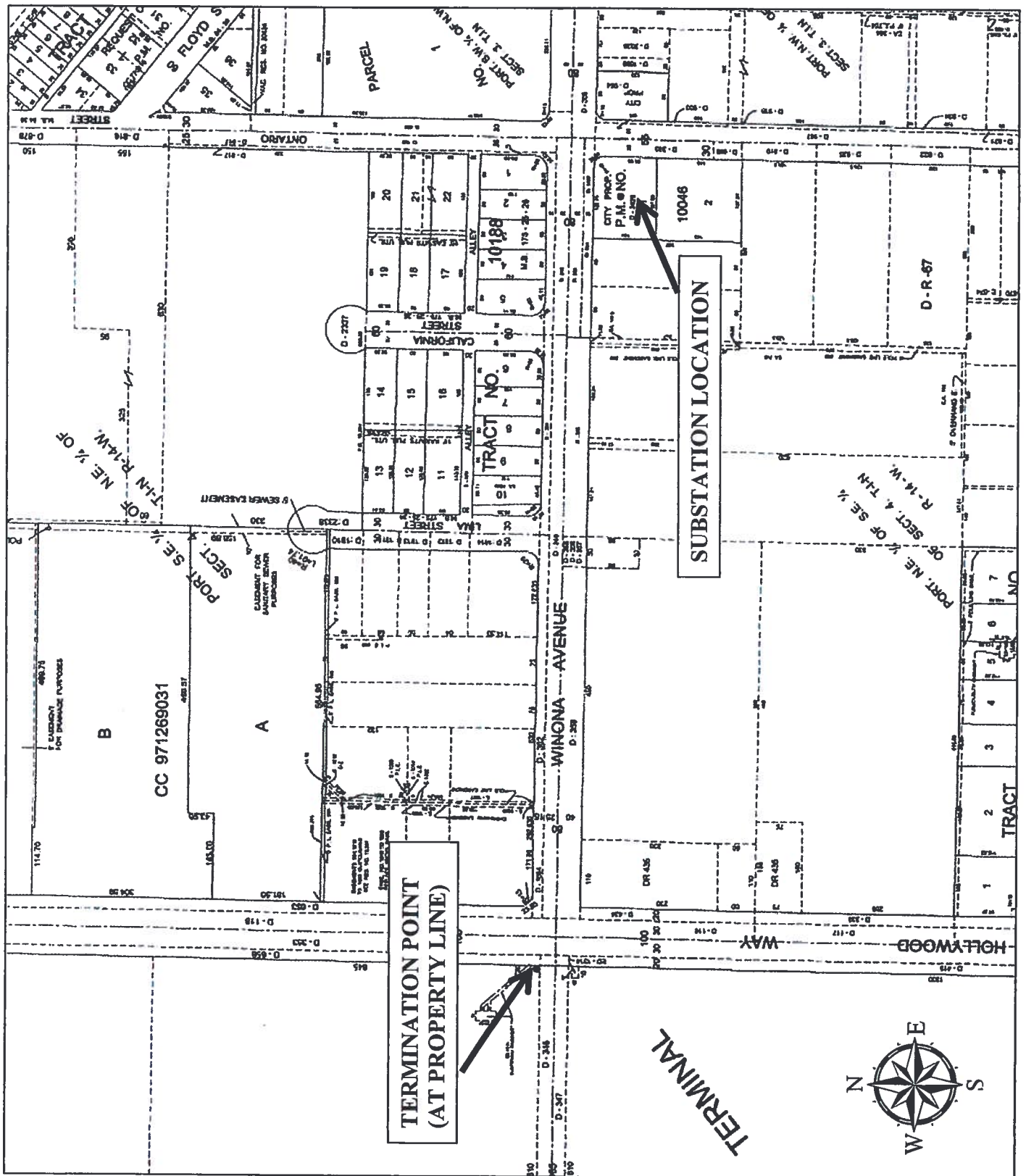
BEGINNING AT THE INTERSECTION OF HOLLYWOOD WAY (100.00 FEET WIDE) WITH THE CENTERLINE OF WINONA AVENUE, BEING THE SOUTHEAST CORNER OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4; THENCE ALONG SAID CENTERLINE OF HOLLYWOOD WAY, SOUTH 1° 00' 12" WEST 621.13 FEET TO ITS INTERSECTION WITH THE EASTERLY PROLONGATION OF THE CENTERLINE OF SAID RUNWAY; THENCE ALONG SAID PROLONGATION AND SAID CENTERLINE, NORTH 89° 03' 06" WEST TO THE WESTERLY LINE OF SAID AIRPORT.

2466-011-909,913,915,917 and 2466-028-907,908

Exhibit B

Map of Substation Location and Termination Point

Exhibit B



Cadastral map showing Substation location and Termination point.

SUBSTATION REIMBURSEMENT AGREEMENT

This Substation Reimbursement Agreement (“Agreement”) is dated April 2, 2018 for reference purposes and is executed by the Burbank-Glendale-Pasadena Airport Authority (“Authority”), a California joint powers agency, and Burbank Industrial Investors, LP (“BII”), a Delaware limited partnership.

R E C I T A L S

A. The Authority, as seller, and BII, as successor-in-interest to Overton Moore Properties (“OMP”), as buyer, are parties to that certain Purchase and Sale Agreement and Joint Escrow Instructions dated November 2, 2015, which specified the terms and conditions on which: (i) the Authority would cause certain real property (“Trust Property”) to be sold to OMP; and (ii) OMP would purchase the Trust Property. The Authority and OMP closed escrow on the Trust Property transaction on or about April 14, 2016.

B. The Authority owns certain real property located in the Bob Hope Airport northeast quadrant adjacent to the Trust Property (“Authority Property”).

C. The Authority and BII (as successor-in-interest to OMP) are parties to that certain Memorandum of Understanding dated March 7, 2016 (“MOU”), which provides: (i) that the parties would commit to negotiate in good faith the terms of certain easements desired by OMP to facilitate development of the Trust Property; and (ii) that the Authority would use good faith efforts to (a) obtain all necessary or desirable approvals and consents, and (b) facilitate all other prerequisites, in connection with the granting of such easements.

D. At the time of execution of the MOU, the Authority and OMP anticipated that the City of Burbank (“City”) would develop a 15 mega-volt-amperes (“MVA”) Burbank Water and Power (“BWP”) substation that, at a minimum, would serve development on the Authority Property and development on the Trust Property. Thus, the MOU contemplated that the Authority would: (i) negotiate with the City regarding the Authority’s grant to the City of easements for such a substation; and (ii) negotiate with OMP regarding the Authority’s grant to OMP of easements to facilitate OMP’s connection and access to, and usage of, such a substation. Further, the MOU memorialized the intention of the Authority and OMP to discuss in good faith each party’s bearing costs for such a substation in proportion to each party’s benefits and burdens with respect to such a substation.

E. The City now intends to construct a 67 MVA three-bank BWP community substation on City-owned property on the corner of Winona Avenue and Ontario Street, three subtransmission lines and infrastructure connecting such substation to switching stations, and an extension of three distribution feeders from such substation to a termination point under a City sidewalk on the northwestern corner of Winona Avenue and Hollywood Way (collectively, “Substation Project”). The Substation Project is intended to serve, among other things, development on the Authority Property and development on the Trust Property.

F. BII, as successor-in-interest to OMP, is planning a mixed use development on the Trust Property. As an inducement for the City to start construction of the Substation Project sooner than

would otherwise occur, BII and the City have executed that certain Substation Agreement dated as of April 4, 2017 as recorded on May 2, 2017 in the Official Records for Los Angeles County, California as Instrument No. 20170482553 ("Substation Agreement") to provide for BII's payment to the City of a nonrefundable sum of \$6,440,000 ("Developer's Minimum Load Fee"). BII has paid such amount in full.

G. The Substation Agreement calculated BII's pro rata share of the Substation Project's capacity based on BII's electrical load being 15 MVA ("Developer's Minimum Load"). At the time of execution of the Substation Agreement, the Authority, BII, and the City anticipated that 5 MVA (i.e., 33%) of the Developer's Minimum Load would be assigned to the Authority to serve development on the Authority Property.

H. Substantially concurrently with the execution of this Agreement, BII, the Authority, and the City are executing a Substation Capacity Assignment Agreement ("Assignment") to, among other things, provide for BII's assignment to the Authority of 33% of the Developer's Minimum Load allocated to BII by the Substation Agreement.

I. The purpose of this Agreement is to provide for the Authority's reimbursement of BII, as successor-in-interest to OMP, for 33% of the Developer's Minimum Load Fee for construction of the Substation Project.

NOW, THEREFORE, the Authority and BII agree as follows:

1. **Authority Payment Obligation.** Within thirty (30) days of the execution of the Assignment, the Authority shall pay BII in immediately available funds the sum of Two Million One Hundred Forty-Six Thousand Six Hundred Sixty-Seven Dollars (\$2,146,667) ("Reimbursement Payment").

2. **BII Acknowledgments.** BII acknowledges that: (i) the Reimbursement Payment constitutes full reimbursement for the Authority's pro rata share of the Developer's Minimum Load Fee that BII has paid to the City for the Substation Project; and (ii) the Authority has no obligation to make any additional payment to BII in connection with the Substation Project.

3. **Authority Acknowledgements.** The Authority acknowledges that other than its execution of the Assignment and its obligations under Section 4 below, BII has no other obligations to the Authority under this Agreement.

4. **BII Indemnity Obligation.** BII shall defend, indemnify, and hold the Authority harmless from and against claims asserted by OMP for all or any portion of the Reimbursement Payment.

5. **Responsibility for Future Electric Service Payments.** BII has no responsibility for any future payments required to be made to the City in connection with electric service for development on the Authority Property. The Authority has no responsibility for any future payments required to be made to the City in connection with electric service for development on the Trust Property. Each party (or any successor-in-interest) shall be solely responsible for future

future payments required to be made to the City in connection with electric service for development on such party's property.

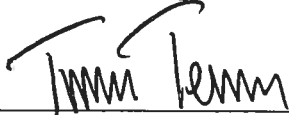
TO EXECUTE THIS AGREEMENT, the Authority and BII have caused their authorized representatives to sign below.

**Burbank-Glendale-Pasadena
Airport Authority**

**Burbank Industrial Investors, LP, a
Delaware limited partnership**

By: Burbank Airport Partners, GP, LLC,
a Delaware limited liability company,
its co-general partner

Terry Tornek, President



Timur Tecimer, Manager

Approved as to form:

Richards, Watson & Gershon
A Professional Corporation

RECORDING REQUESTED BY
AND WHEN RECORDED,
MAIL TO:

City Clerk
City of Burbank
P. O. Box 6459
Burbank, CA 91510

Space Above This Line for Recorder's Use

SUBSTATION CAPACITY ASSIGNMENT AGREEMENT

This Substation Capacity Assignment Agreement, dated as of April [____], 2018 (this "Assignment"), is entered into among the CITY OF BURBANK, a charter city organized under the laws of State of California ("**City**"), acting through its Burbank Water and Power, BURBANK INDUSTRIAL INVESTORS, LP, a Delaware limited partnership ("**Assignor**"), and the BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY, a California joint powers agency ("**Assignee**"). The City, Assignor, and Assignee shall be each referred to herein as a "**Party**" and collectively as the "**Parties**".

RECITALS

A. The City and Assignor have entered into that certain Substation Agreement, dated as of April 4, 2017, recorded on May 2, 2017 in Official Records for Los Angeles County as Instrument No. 20170482553, attached hereto as Exhibit A (the "**Substation Agreement**"), pursuant to which Assignor agreed to make certain payments to the City to pay for a portion of the construction of a new 67 mega-volt-amperes ("MVA") three-bank community substation on the corner of Winona Avenue and Ontario Street (the "**Substation**"), three planned subtransmission lines and their infrastructure from switching stations to the planned substation (the "**Subtransmission Facilities**") and the total cost of the extension of three distribution feeders from the Substation to the Termination Point (as such term is defined in the Substation Agreement) (the "**Distribution Facilities**") in lieu of Assignor building a substation on its own property. The Substation, the Subtransmission Facilities, and the Distribution Facilities shall be collectively referred to herein as the "**Substation Project**".

B. Pursuant to the Substation Agreement, Assignor (a) is entitled to receive 15 MVA as part of the Developer's Minimum Load (as such term is defined therein), of which 5 MVA is available for assignment to an adjacent property in accordance with Section 10(f) of the Substation Agreement and (b) has an option to purchase up to an additional 5 MVA designated as Additional

Load (as such term is defined therein), in each case, in subject to and in accordance with the terms of the Substation Agreement.

C. Assignee owns certain property (the “**Assignee Property**”) located in the Bob Hope Airport northeast quadrant adjacent to the Property (as such term is defined in the Substation Agreement) and Assignee is planning an airport use development on the Assignee Property.

D. Assignor desires to assign to Assignee (a) 5 MVA of the Developer’s Minimum Load described in Section 1(a) of the Substation Agreement and (b) the option to purchase an additional 1.667 MVA designated as Additional Load as described in Section 1(b) of the Substation Agreement (collectively, the “**Assigned Interest**”), and Assignee desires to acquire and assume the Assigned Interest as of the Assignment Effective Date described below.

E. Substantially concurrently with the execution of this Assignment and as consideration for the Assigned Interest, Assignor and Assignee are executing a Substation Reimbursement Agreement (the “**Reimbursement Agreement**”) to provide for, among other things, Assignee’s reimbursement to Assignor of 33% of the Developer’s Minimum Load Fee (as such term is defined in the Substation Agreement) that Assignor has paid to the City pursuant to the Substation Agreement.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Definitions. Any capitalized term used, but not defined herein, shall have the meaning assigned to such term in the Substation Agreement.

2. Conditions Precedent; Assignment Effective Date.

(a) Conditions Precedent. This Agreement shall be effective once all of the following conditions precedent have occurred:

(i) The execution of the Reimbursement Agreement by Assignor and Assignee;

(ii) Assignor’s receipt of Two Million One Hundred Forty-Six Thousand Six Hundred Sixty-Seven Dollars (\$2,146,667) from Assignee pursuant to the Reimbursement Agreement.

Assignor and Assignee shall jointly deliver a confirmation notice to the City memorializing the occurrence of sub-clauses (a)(i) and (ii) above together with a fully executed copy of the Reimbursement Agreement.

(b) Assignment Effective Date. Assignor hereby irrevocably assigns, delegates and transfers to Assignee all of Assignor’s interests, rights, liabilities and obligations in the Assigned Interest effective as of the date on which the Substation is capable of delivering energy to Termination Point (the “Assignment Effective Date”). City agrees to issue to Assignor and Assignee a confirmation notice memorializing the date on which the Substation is capable of delivering energy to the Termination Point.

(c) Assumed Obligations. Assignee accepts the assignment provided in Section 2(b) above, and assumes and agrees with the City to perform all of the obligations of Assignor with respect to the Assigned Interest under the Substation Agreement (the “Assumed Obligations”). Without limiting any of Assignee’s obligations associated with the Assumed Obligations, from and after the Assignment Effective Date, Assignee shall be solely responsible for any fees, costs, or charges of any nature whatsoever relating to all or any portion of the Assigned Interests, and the City agrees that Assignor shall not be responsible for any future fees, costs, or charges of any nature whatsoever relating to the Assigned Interest. The Parties acknowledge that (i) Assignor has fully paid to the City the Developer’s Minimum Load Fee under the Substation Agreement; and (ii) neither Assignor nor Assignee has an obligation to make any additional payment to the City in connection with the Developer’s Minimum Load Fee under the Substation Agreement.

(d) Consent to Assignment. The Parties consent to the assignment and assumption described in Sections 2(b) and 2(c) above. The Parties acknowledge and agree that this Assignment satisfies the permitted assignment of 5 MVA to Adjacent Properties set forth in Section 10(f) of the Substation Agreement.

(e) Customer Status. Upon the occurrence of the Assignment Effective Date, Assignee will be deemed a Burbank Water and Power customer for the Assigned Interest and Assignee agrees to be bound by the City’s Burbank Water and Power Rules and Regulations.

3. Allocation of Developer’s Load.

The Parties hereby agree that upon the Assignment Effective Date:

(a) Minimum Load. The 15 MVA of the Developer’s Minimum Load shall be allocated as follows: (i) 10 MVA for Assignor (“Assignor’s Minimum Load”) and (ii) 5 MVA for Assignee (“Assignee’s Minimum Load”).

(b) AEL Calculation.

- i. *AEL (Assignor)*. For avoidance of doubt, the calculation of Additional Load for Assignor under Section 1(b) of the Substation Agreement shall be as follows:

$$AEL(Assignor) = (PL(Assignor) \times DR) - DML(Assignor)$$

Where:

AEL(Assignor)	=	Additional Load and, if applicable, any Excess Load. The AEL shall be calculated to the nearest one-thousandth of an MVA.
PL(Assignor)	=	The Projected Load shall be the sum of the electrical panel ratings (in MVA) for all electrical panels to be located on the Property (per Developer's Documentation) <i>(excluding any projected load from the Assignee Property)</i> .
DR	=	Demand Ratio shall be 65% of electrical panel rating unless said panel is fully-rated, in which case the Demand Ratio shall be 81.25% for that particular panel.
DML(Assignor)	=	The Assignor's Minimum Load (10 MVA)

- ii. *AEL (Assignee)*. Prior to requesting an Additional Load, Assignee shall submit all designs, plans and/or other development documentation for the Assignee Property ("Assignee Documentation") to the City to enable the City to calculate the AEL with each design submitted. For avoidance of doubt, the calculation of Additional Load for Assignee under Section 1(b) of the Substation Agreement shall be as follows:

$$AEL(Assignee) = (PL(Assignee) \times DR) - DML(Assignee)$$

Where:

AEL(Assignee)	=	Additional Load and, if applicable, any Excess Load. The AEL shall be calculated to the nearest one-thousandth of an MVA.
PL(Assignee)	=	The Projected Load shall be the sum of the electrical panel ratings (in MVA) for all electrical panels to be located on the Assignee Property (per Assignee's Documentation) <i>(excluding any projected load from the Property of Assignor)</i> .
DR	=	Demand Ratio shall be 65% of electrical panel rating unless said panel is fully-rated, in which case the Demand Ratio shall be 81.25% for that particular panel.
DML(Assignee)	=	The Assignee's Minimum Load (5 MVA)

(c) Additional Load and Excess Load for Assignor. In the event that the AEL exceeds 0 MVA on the Property, such excess shall be treated as follows:

- i. For purposes of calculating Additional Load for Assignor ("Assignor's Additional Load"), the incremental portion of the AEL that is allocated to Assignor as "Additional Load" in Section 1(b)(i) of the Substation Agreement shall be 3.333 MVA or less.
- ii. For purposes of calculating Excess Load for Assignor ("Assignor's Excess Load") in Section 1(b)(ii) of the Substation Agreement, it shall be the incremental portion of the AEL that exceeds 3.333 MVA. To the extent there is any Assignor's Excess Load, the City and Assignor agree: (A) that Assignor shall make the payments required for Assignor's Additional Load Fee for the

AEL up to and including 3.333 MVA and (B) to enter in to good faith discussions as to the most commercially reasonable term and conditions for the Assignor's Excess Load to be potentially provided, including, but not limited to additional security and payment obligations.

- iii. For purposes of calculating the Developer's Additional Load Fee for Assignor (the "Assignor's Additional Load Fee") in Section 2(b)(ii) of the Substation Agreement, (A) such calculation shall be for each incremental amount of AEL capacity up to and including the 3.333 MVA and (B) the "DAL" allocated to Assignor shall be for an incremental amount of capacity above Assignor's Minimum Load (10 MVA) and below 13.333 MVA (such amount rounded to the nearest one-thousandth of an MVA).
- iv. Under no circumstances shall Assignee be responsible for any costs, fees, or charges associated with the Assignor's Minimum Load or the Assignor's Excess Load including, without limitation, any payment of Assignor's Additional Load Fee (as defined above). The Parties agree that any Assignor's Excess Load will not be included in Assignee's Load. Assignee's consent shall not be required for the performance of any of the provisions set forth in Section 3(b)(i) of this Assignment and this sub-clause (c).

(d) Additional Load and Excess Load for Assignee. In the event that the AEL exceeds 0 MVA on the Assignee's Property, such excess shall be treated as follows:

- i. For purposes of calculating Additional Load for Assignee ("Assignee's Additional Load"), the incremental portion of the AEL that is allocated to the Assignee as "Additional Load" in Section 1(b)(i) of the Substation Agreement shall be 1.667 MVA or less.
- ii. For purposes of calculating Excess Load for Assignee ("Assignee's Excess Load") in Section 1(b)(ii) of the Substation Agreement, it shall be the incremental portion of the AEL that exceeds 1.667 MVA. To the extent there is any Assignee's Excess Load, the City and Assignee agree: (A) that Assignee shall make the payments required for Assignee's Additional Load Fee for the AEL up to and including 1.667 MVA and (B) to enter in to good faith discussions as to the most commercially reasonable term and conditions for the Assignee's Excess Load to be potentially provided, including, but not limited to additional security and payment obligations.
- iii. For purposes of calculating the Developer's Additional Load Fee for Assignee (the "Assignee's Additional Load Fee") in Section 2(b)(ii) of the Substation Agreement, (A) such calculation shall be for each incremental amount of AEL capacity up to and including the 1.667 MVA and (B) the "DAL" allocated to the Assignee shall be for an incremental amount of capacity above Assignee's

Minimum Load (5 MVA) and below 6.667 MVA (such amount rounded to the nearest one-thousandth of an MVA).

- iv. Under no circumstances shall Assignor be responsible for any costs, fees, or charges associated with the Assignee's Minimum Load or the Assignee's Excess Load including, without limitation, any payment of Assignee's Additional Load Fee (as defined above). The Parties agree that any Assignee Excess Load will not be included in Assignor's Load. Assignor's consent shall not be required for the performance of any of the provisions set forth in Section 3(b)(ii) of this Assignment and this sub-clause (d).

(e) Substation Location and Termination Point. The Parties acknowledge that if no onsite padmount switch is available when offsite wiring is ready for energization then the Termination Point shall, at the City's election, be relocated at the nearest manhole to the original "Termination Point". At the City's sole discretion, the third feeder may terminate along the Project's property line separate from the two feeders at the Termination Point. The Parties anticipate that the Termination Point will be located under a City sidewalk on the northwestern corner of Winona Avenue and Hollywood Way as shown in Exhibit B.

Except as otherwise provided in this sub-clause, the City shall not modify the location of the Termination Point without the prior written consent of Assignor and Assignee, such consent not to be unreasonably withheld, conditioned or delayed.

4. Representations and Warranties.

(a) Assignor represents to the City that (i) it is a Delaware limited partnership duly formed and in good standing under the State of Delaware, (ii) the execution, delivery and performance by Assignor of its obligations under this Assignment and the Substation Agreement do not require any further consents or approvals which have not been obtained or violate any provisions of any law, regulation, order, judgment or injunction applicable to it or breach any of its charter documents, (iii) it is not in default or breach of any covenants or obligations under the Substation Agreement and (iv) there is no pending litigation that could reasonably be expected to have a material adverse effect on this Assignment or the Substation Agreement.

(b) Assignee represents to the City that (i) it is a joint powers agency formed and in good standing under the State of California, (ii) the execution, delivery and performance by Assignee of its obligations under this Assignment do not require any further consents or approvals which have not been obtained or violate any provisions of any law, regulation, order, judgment or injunction applicable to it or breach any of its charter documents, and (iii) there is no pending litigation against it that could reasonably be expected to have a material adverse effect on this Assignment or the Substation Agreement.

(c) Each Party represents and warrants to each other that this Assignment has been duly authorized, executed, and delivered by such Party, and constitutes a legal, valid, and binding obligation of such Party.

5. Does Not Constitute Project Approval.

Assignee acknowledges and agrees that City's approval of this Assignment does not constitute, and will not provide any assurance of, City's approval of any project to be developed by Assignee, whether such project has any connection to the Substation or the Project ("Assignee Project"), any budget approvals relating thereto, the Assignee's Documentation, the applications, the environmental review or any other item relating or arising out of an Assignee Project or any portion thereof. City shall not be liable to the Assignee under this Assignment for failure to approve any such items. This Assignment does not provide Assignee any vested rights in Electric Service.

6. No Modification; No Waiver; No Greater Rights.

Except as expressly modified pursuant to Section 3 of this Assignment, this Assignment is not a modification or amendment to the Substation Agreement. No term, covenant or condition of the Substation Agreement shall be deemed to have been waived or excused by the execution of this Assignment. Assignee has rights, interest and obligations in the Assigned Interest only to the extent that Assignor has any rights, interest and obligation under the Substation Agreement and this Assignment does not grant or otherwise impart Assignee any greater rights, interest or obligation than that given and assumed by Assignor under the Substation Agreement.

7. Limitation of Liability.

In no event and under no circumstances shall one Party be liable to the other Party for any principal, interest, loss of anticipated revenues, earnings, profits, increased expense of operation or construction, loss by reason of shutdown or non-operation due to late completion or otherwise for any other economic, consequential, indirect or special damages. City makes no representations or warranties to the other Parties.

8. Notices.

All notices, advice and other communications under this Assignment shall be made in writing and given by overnight delivery, fee prepaid, via any reputable overnight courier service with national reputation and a reliable tracking system. Notices and advices are to be addressed to each Party as provided below, and shall be deemed to have been duly given when received or when delivery is refused (as the case may be) as indicated on the business records of such overnight courier service. Each Party may establish a new address from time to time by written notice to the other Parties given in accordance with this Section. Notice to counsel designated by a Party entitled to receive notice is for convenience only and is not required for notice to a Party to be effective in accordance with this Section.

Address for Assignor: Burbank Industrial Investors, LP
 c/o Overton Moore Properties
 19300 Hamilton Avenue, Suite 200
 Gardena CA 90248
 Attn: Timur Tecimer

With a copy to Elkins Kalt Weintraub Reuben Gartside LLP
 2049 Century Park East, Suite 2700

Los Angeles, California 90067
Attn: Keith D. Elkins

Address for Assignee: Burbank-Glendale-Pasadena Airport Authority
2627 North Hollywood Way
Burbank, CA 91505
Attn: Executive Director
Telephone: (818) 840-8840
Fax No.: (818) 557-0263

With a copy to Richards, Watson & Gershon
355 South Grand Avenue, 40th Floor
Los Angeles, CA 90071
Attn: BGPAA Counsel
Telephone: 213-626-8484
Fax No.: 213-626-0078

Address for the City City of Burbank
Burbank Water and Power
164 W. Magnolia Blvd.
Burbank, CA 91502-1720
Attn: _____
Telephone: _____
Fax No.: _____

With a copy to City of Burbank
City Attorney's Office
275 East Olive Avenue
Burbank, CA 91502
Attn: BWP Counsel
Telephone: 818-238-5702
Fax No.: 818-238-5724

9. Miscellaneous.

This Assignment will be governed by laws of the State of California. This Assignment may be executed by electronic means and in one or more counterparts. This Assignment shall bind, and inure to the benefit of, the Parties and their successors and assigns. This Assignment

may be amended, waived, or otherwise modified only by a writing expressly referring to this Assignment and signed by each of the Parties.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Assignment as of the date first above written.

ASSIGNOR:

BURBANK INDUSTRIAL
INVESTORS, LP, a Delaware limited
partnership

By: Burbank Airport Partners, GP,
LLC, a Delaware limited liability
company, its General Partner

By: Tim Turner
Name: TIMUR TEUMER
Title: MANAGER

ASSIGNEE:

BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY

By: _____
Terry Tornek, President

CITY:

CITY OF BURBANK

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Los Angeles)

On 3/14/2018, before me, JANINE WALKER, a Notary Public, personally appeared TIMUR TEUMER, who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity~~(ies)~~, and that by his/~~her~~/their signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

