



January 13, 2017

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

The Airport Authority administrative offices will be closed on Monday, January 16, 2017, in observance of Martin Luther King, Jr., Day. Therefore, the regular meeting of the Burbank-Glendale-Pasadena Airport Authority scheduled for Monday, January 16, 2017, at 9:00 a.m., in the Airport Skyroom at Hollywood Burbank Airport has been cancelled.

NOTICE is hereby given that a special meeting of the Burbank-Glendale-Pasadena Airport Authority will be held at 9:00 a.m., Tuesday, January 17, 2017, in the Airport Skyroom of the Hollywood Burbank Airport, 2627 Hollywood Way, Burbank, California 91505.

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



SPECIAL COMMISSION MEETING

AGENDA

JANUARY 17, 2017

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

Special Meeting of Tuesday, January 17, 2017

9:00 A.M.

NOTE TO THE PUBLIC: Prior to consideration of business items, the Authority invites comment on airport-related matters during the Public Comment period. 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.



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. PLEDGE OF ALLEGIANCE
2. ROLL CALL
3. APPROVAL OF AGENDA
4. PUBLIC COMMENT
5. CONSENT CALENDAR
 - a. Committee Reports
(For Noting and Filing)

- 1) Operations and Development Committee
 - (i) November 14, 2016 ***[See page 1]***
- 2) Finance and Administration Committee
 - (i) November 14, 2016 ***[See page 4]***
 - (ii) November 28, 2016 ***[See page 7]***
- 3) Legal, Government and Environmental Affairs Committee
 - (i) October 17, 2016 ***[See page 11]***
- b. Commission Minutes
(For Approval)
 - 1) December 12, 2016 ***[See page 13]***
- c. Treasurer's Reports
 - 1) October 2016 Treasurer's Report ***[See page 17]***
- d. Aviation Ramp Ground Lease: Yucaipa Companies, LLC ***[See page 40]***
6. ITEMS FOR COMMISSION APPROVAL
 - a. FAA Noise Compatibility Program Record of Approval;
Authorization to Initiate Aviation Easement Appraisal Process ***[See page 42]***
 - b. Project E15-12 Emergency Generator Replacement Project -
Increase in Project Contingency ***[See page 60]***
7. ITEMS FOR COMMISSION INFORMATION
 - a. November 2016 Passenger/Cargo Statistics
and Parking Information ***[See page 64]***
8. CLOSED SESSION
 - a. CONFERENCE WITH LABOR NEGOTIATORS
(California Government Code Section 54957.6)
Authority Representatives: Ed Skvarna and Dan Feger
Employee Organization: Burbank Airport Police Officers Association
 - b. THREAT TO PUBLIC SERVICES OR FACILITIES
(California Government Code Section 54957(a))
Consultation with Ed Skvarna, Chief of Police; Director of Public Safety

- c. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
(California Government Code Section 54957(b))
Title: Executive Director

9. ADJOURNMENT

COMMISSION NEWSLETTER
January 17, 2017

[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 following committee meetings are included in the agenda packet for information purposes: November 14, 2016, Operations and Development Committee; November 14 and 28, 2016, Finance and Administrative Committee; October 17, 2016, Legal, Government and Environmental Affairs Committee.
- b. COMMISSION MINUTES: December 12, 2016: The draft minutes of this meeting are attached for Commission review and approval.
- c. TREASURER'S REPORTS – OCTOBER 2016 – The Treasurer's Report for October 2016 is contained in the agenda packet. At the December 12, 2016, Finance and Administration Committee meeting, the Committee voted unanimously (3–0) to recommend that the Commission note and file the report.
- d. AVIATION RAMP GROUND LEASE; YUCAIPA COMPANIES, LLC: A staff report is attached. At the December 12, 2016, meeting of the Finance and Administration Committee, the Committee voted (3–0) to recommend to the Commission the approval of an Aviation Ramp Ground Lease ("Lease") for the western half of the ramp space located north of Hangar 2 to Yucaipa Companies, LLC ("Yucaipa") for the purposes of parking their B757 aircraft. Yucaipa is a tenant of the Airport and currently has a month-to-month lease for the same 49,223 square feet of ramp space that is being proposed for a three-year Lease. A copy of the Lease is included in the Agenda packet.

6. ITEMS FOR COMMISSION APPROVAL

- a. FAA NOISE COMPATIBILITY PROGRAM RECORD OF APPROVAL; AUTHORIZATION TO INITIATE AVIGATION EASEMENT APPRAISAL PROCESS – A staff report is attached. At the December 12, 2016, meeting of the Legal, Government and Environmental Affairs Committee, the Committee voted (2–0; one absent) to recommend to the Commission that with FAA's ROA of the Authority's updated NCP, the Commission authorize Staff to initiate the program-wide appraisal process required to determine the actual value of the avigation easement purchase option as soon as grant funding is available. A copy of the ROA is included in the agenda packet.

- b. **PROJECT E15-12 EMERGENCY GENERATOR REPLACEMENT PROJECT – INCREASE IN PROJECT CONTINGENCY** – A staff report is attached. At the December 12, 2016, meeting of the Operations and Development Committee, the Committee voted unanimously (3–0) to recommend to the Commission that it increase the previously approved contingency for the Emergency Generator Replacement Project by \$183,936.80 making the total project contingency \$373,436.80 to cover additional costs for unforeseen necessary repairs to existing switchgear, and the resultant expenditure of force account labor relative to implementing a complete power shut down to most of the terminal complex that was required to affect these repairs.

7. ITEMS FOR COMMISSION INFORMATION

- a. **NOVEMBER 2016 PASSENGER/CARGO STATISTICS AND PARKING INFORMATION:** The November passenger count of 375,432 was up 11.22% compared to last year's 337,572. The calendar year-to-date total through November is up 4.73% at 3,777,987 compared to 3,607,394 through November 2015. Air carrier aircraft operations have increased 6.17% while cargo volume was up sharply for the month by 17.26% to 9.76 million pounds in November 2016, however, the year-to-date total of 96.1 million pounds is down slightly by approximately 2.1%. A complete report is included in the agenda packet.

Approved December 12, 2016

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

MONDAY, NOVEMBER 14, 2016

A special meeting of the Operations and Development Committee was called to order on this date in the Airport Skyroom of the Burbank-Glendale-Pasadena Airport Authority, 2627 Hollywood Way, Burbank, California, at 8:30 a.m., by Chairman Brown.

ROLL CALL

Present: Commissioners Brown and Selvidge;
Commissioner Sinanyan (arrived at 8:32 a.m.)

Absent: None

Also Present: Staff: Frank Miller, Executive Director;
John Hatanaka, Senior Deputy Executive Director;
Bob Anderson, Director, Engineering and Planning;
David Freedman, Director, Business Development
and Administrative Services

Stephen Chavez, Co-CEO and Executive Creative
Director, Anyone Creative; Michael Fiore, Co-CEO
and Chief Creative Director, Anyone Creative

1. Approval of Agenda Commissioner Selvidge moved approval of the
agenda. It was approved (2–0; one absent.)
Commissioner Sinanyan arrived at 8:32 a.m.

2. Public Comment There were no public speakers.

3. Approval of Minutes

a. October 17, 2016 Commissioner Brown moved approval of the minutes
of the October 17, 2016, meeting, seconded by
Commissioner Selvidge. The minutes were
approved 2–0 (one absent).

4. Contracts and Leases

**a. Swanson Rink Professional
Services Agreement,
Recapitalization in Node 1 and
Node 2 Baggage Screening
Equipment** Staff seeks the Committee's recommendation to the
Commission to authorize the Executive Director to
execute a time and materials Professional Services
Agreement ("PSA") with Swanson Rink, Inc.
("Swanson Rink"), in an amount not to exceed

this project.

This is a cumulative project which began in 2012 when the US Department of Homeland Security Transportation Security Administration ("TSA") approached the Commission to replace four (4) CTX in-line machines for baggage inspection. This project consists of two (2) phases: Phase 1 – design and Phase 2 – bidding and construction. Phase 2 has subsequently been split into two (2) sub-phases: bidding and construction. In May 2013, the Commission approved a PSA with Swanson Rink for the design service which has been completed. In August 2016, the TSA provided a new Other Transaction Agreement for the bidding phase in the amount of \$12,100, which was executed by staff.

Motion

Commissioner Selvidge moved approval of the staff recommendation, seconded by Commissioner Sinanyan.

Motion Approved

The motion was approved unanimously (3–0).

5. Items for Discussion

a. Memorial Brick Relocation

Staff presented information regarding the commemorative bricks relocation project underway to relocate the bricks from their present location along the walkway toward the North Tower of the Elevated Walkway to a location between Terminal A and B. Staff believes relocating the commemorative bricks will prevent wear and tear and the new location will provide a more visible and attractive display.

b. Branding Update/Trademark Status

Staff updated the Committee on several branding activities related to the logo chosen to represent Hollywood Burbank Airport. (1) The law firm Gordon Reese was engaged and conducted a trademark search for the selected logo. The search came back clean and both the logo and the brand name was submitted to the U.S. Patent and Trademark Office in late October 2016; (2) Staff is working with Caltrans to change the freeway signs to the 'Hollywood Burbank Airport' name; and (3) Terminal announcements will change to reflect the new name 'Hollywood Burbank Airport,' in time for the Thanksgiving holiday.

Stephen Chavez and Michael Fiore of Anyone

Collective made a presentation and answered questions from the Committee regarding the final Brand Style Guide which will be used to illustrate the rules of how to use the final Hollywood Burbank Airport brand logo. The guide will be a printed book and will be available for distribution or viewing at any time. The presentation covered eight key points: (1) the mission, (2) identity system, (3) usage and guidelines, (4) color pallet, (5) font and type styles, (6) imagery, (7) suggested imagery and (8) brand examples.

6. Adjournment

There being no further business, the meeting was adjourned at 9:04 a.m.

Approved December 12, 2016

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

MONDAY, NOVEMBER 14, 2016

A special meeting of the Finance and Administration Committee was called to order on this date in the Airport Skyroom of the Burbank-Glendale-Pasadena Airport Authority, 2627 Hollywood Way, Burbank, California, at 9:40 a.m., by Chairman Tornek.

AB 23 Disclosure: The Senior Deputy Executive Director 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 Tornek and Adams

Absent:

Commissioner Friedman

Also Present:

Staff: Frank Miller, Executive Director;
John Hatanaka, Senior Deputy Executive Director;
Kathy David, Deputy Executive Director, Finance
and Administration; Scott Smith, Director of Financial
Services; and David Freedman, Director, Business
Development and Administrative Services

1. Approval of Agenda

There were no changes to the agenda.

2. Public Comment

There were no public speakers.

3. Approval of Minutes

a. October 17, 2016

Draft minutes for the October 17, 2016, Finance and Administration Committee meeting were presented for approval.

Motion

Commissioner Adams moved approval of the minutes.

Motion Approved

The minutes were approved (2-0; one absent) as presented.

4. Treasurer's Report

a. July 2016

The July 2016 Treasurer's Report was included in the agenda packet. Staff presented a new schedule which focuses on the Facility Improvement Program. Commissioner Tornek recommends this schedule be provided on a quarterly basis in future reports.

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

5. Items for Discussion

a. Update: Available Hangar Facilities/Rate Structure

Staff presented information regarding an analysis of rental rates for the available hangar facilities located at Hollywood Burbank Airport. Contact will be made with two outside firms for a formal appraisal and market analysis of the hangars and, based on their findings, Staff will present the information at the Committee meeting in January 2017.

6. Items for Information

a. Committee Pending Items

Current

- 1) Vacant Aviation Hangars and Market Conditions

Please see agenda item 5.a. above.

Future

- 1) CMIA Quarterly Investment Review
- 2) Approval of TSA OTA for Utilities and Janitorial Cost Reimbursement
- 3) Award of Aviation Ramp Ground Lease; Yucaipa Companies, LLC
- 4) Award of Aviation Ramp Ground Lease; United Parcel Service, Inc.
- 5) Ground Lease Renewal; Hertz Equipment Rental Corporation

- 6) Hangar Lease Renewal; GTC Management Services Inc.
- 7) Market Conditions Analysis – Hangar Facilities
- 8) New Branding Food & Beverage Concession

7. Other Contracts and Leases

There were no other contracts and leases to be discussed.

8. Adjournment

There being no further business, the meeting was adjourned at 10:15 a.m.

Approved December 12, 2016

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

MONDAY, NOVEMBER 28, 2016

A special meeting of the Finance and Administration Committee was called to order this date in the Airport Skyroom of the Burbank-Glendale-Pasadena Airport Authority, 2627 Hollywood Way, Burbank, California, at 9:25 a.m., by Commissioner Tornek.

AB 23 Disclosure: The Senior Deputy Executive Director 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 Tornek, Friedman (arrived at 9:26 a.m.) and Adams

Absent: None

Also Present: Staff: Frank R. Miller, Executive Director; John Hatanaka, Senior Deputy Executive Director; Kathy David, Deputy Executive Director, Finance and Administration; Scott R. Smith, Director of Financial Services; and Mike Duong, Senior Manager, Business and Compliance

Columbia Management Investment Advisors, LLC (via teleconference): James A. Wilkinson, Institutional Relationship Manager, and Ronald B. Stahl, Senior Portfolio Manager

1. Approval of Agenda There were no adjustments to the agenda.

2. Public Comment There were no public speakers.

3. Treasurer's Reports

- a. September 2016 Copies of the September 2016 and August 2016 Treasurer's Reports were included in the agenda packet.
- b. August 2016 Staff reviewed the reports with the Committee and answered various questions from the Commissioners.

Motion Commissioner Adams moved to recommend to the Commission that the September and August 2016 Treasurer's Reports be noted and filed, seconded by Commissioner Friedman.

Motion Approved

There being no objection, the motion was approved unanimously (3-0).

4. Contracts and Leases

a. Other Transaction Agreement with the Department of Homeland Security – Transportation Security Administration

Staff presented to the Committee a proposed modified Other Transaction Agreement (“OTA”) with the Department of Homeland Security – Transportation Security Administration (“TSA”) for the purpose of obtaining additional reimbursement for electrical utility and janitorial charges associated with the use of areas for baggage screening operations at Hollywood Burbank Airport.

TSA has provided a modified OTA which increases reimbursements to the Authority for electrical and janitorial services for an applicable period beginning January 1, 2017, to August 31, 2017. The modified OTA will increase the electrical costs reimbursement by \$1,568.72 and janitorial cost reimbursement by \$2,346.48, resulting in a total additional reimbursement of \$3,915.20 over the eight-month period, for a total obligated amount to the Authority of \$127,735.88 for a 12-month period ending August 31, 2017.

Staff recommended that the Committee recommend to the Commission that it approve the modified Other Transaction Agreement with the TSA and authorize the Authority President to execute same.

Motion

Commissioner Adams moved approval of Staff’s recommendation, seconded by Commissioner Friedman.

Motion Approved

The motion was approved unanimously (3-0).

Staff advised this item will be agendaized for inclusion in the Commission’s agenda for its December 12, 2016, special meeting.

5. Items for Discussion

a. CMIA Quarterly Investment Portfolio Review

Via teleconference representatives from CMIA (Columbia Management Investment Advisors, LLC) updated the Committee on the status of the Authority’s PFC investment portfolio for the quarter ended September 30, 2016, and answered various questions from the Commissioners. At the Committee’s request, when the next quarterly investment portfolio report is presented to the Committee, CMIA representatives will provide recommendations on suggested longer term investments if applicable.

6. Items for Information

a. Committee Pending Items

Current

- (1) CMIA Quarterly Investment Review (See agenda item 5.a. above)
- (2) Approval of TSA OTA for Utilities and Janitorial Cost Reimbursement (See agenda item 4.a. above)

Future

- (1) Award of Aviation Ramp Ground Lease, Yucaipa Companies, LLC
- (2) Award of Aviation Ramp Ground Lease, United Parcel Services, Inc.
- (3) Ground Lease Renewal; GTC Management Services Inc.
- (4) Market Conditions Analysis – Hangar Facilities
- (5) New Branding Food & Beverage Concession

7. Other Contracts and Leases

Staff informed the Committee that the airlines serving Hollywood Burbank Airport are in the process of changing their aircraft maintenance service provider. The airlines have collectively decided to replace HAECO (formerly TIMCO) with STS Line Maintenance, dba Airline Tech Reps, LLC.

Staff noted the Authority's month-to-month support space lease with HAECO will be terminated on December 31, 2016, with Airline Tech Reps entering into a replacement space lease effective January 1, 2017. Due to time

constraints, Staff suggested that the new proposed space lease be brought directly to the Commission, with inclusion in the consent calendar for its December 12, 2016, meeting. The Committee concurred with Staff's suggestion.

Prior to adjournment the Committee thanked Commissioner Friedman for her service on the Airport Authority Commission and wished her well as she becomes the new California State Assembly member for District 43, which includes the Airport.

8. Adjournment

There being no further business, the meeting was adjourned at 9:45 a.m.

Approved December 12, 2016

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

MONDAY, OCTOBER 17, 2016

A regular meeting of the Burbank-Glendale-Pasadena Airport Legal, Government and Environmental Affairs Committee was called to order on this date in the Burbank Room of the Airport Authority, 2627 Hollywood Way, Burbank, California, at 9:43 a.m., by Chairman Wiggins.

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

ROLL CALL

Present:

Commissioners Wiggins, Quintero and Madison

Also Present:

Staff: John Hatanaka, Senior Deputy Executive Director; Dan Feger, Director, Development Services; David Freedman, Director, Business Development and Administrative Services; Lucy Burghdorf, Director, Public Affairs and Communications; Mike Duong, Senior Manager, Business and Compliance; and Rachael Warecki, Public Relations and Social Media Specialist

Airport Authority Assistant General Counsel:
Terence R. Boga of Richards, Watson and Gershon

1. Approval of Agenda

There being no objection, the agenda was approved as presented.

2. Public Comment

There were no public speakers.

3. Approval of Minutes

a. October 3, 2016

Draft minutes for the October 3, 2016, Legal, Government and Environmental Affairs Committee meeting were presented for approval.

Motion

Commissioner Quintero moved approval of the minutes, seconded by Commissioner Madison.

Motion Approved

The minutes were approved unanimously (3-0).

4. Disadvantaged Business Enterprise Goal for Federal Fiscal Years 2017, 2018 and 2019

Staff presented a proposed Disadvantaged Business Enterprise ("DBE") revised goal of 13% for submittal to the Federal Aviation Administration ("FAA"). The revised goal would be applicable to FAA Airport Improvement Program ("AIP") funded projects for the next three federal fiscal years effective October 1, 2016, through September 30, 2017.

Staff advised that in accordance with AIP funding requirements, the Authority is required to implement and maintain a DBE program in compliance with U.S. Department of Transportation regulations, and one of the requirements of the DBE Program is that the airport sponsor update its overall airport goal once every three federal fiscal years.

Staff reported that earlier this year the Authority established the setting of race-conscious goals in its AIP-funded projects based on the results of a disparity study submitted to the FAA. However, the applicability of that goal was for the current federal fiscal year ending September 30, 2016.

Staff noted that for the next three federal fiscal years beginning on October 1, 2016, the Authority is anticipating to undertake, subject to the award of grants, 11 projects with an estimated cumulative project cost of \$35,115,000.

Staff recommended that the Committee recommend to the Commission that it adopt the proposed triennial DBE goal of 13% for applicable AIP-funded projects and authorize submittal thereof to the FAA for approval.

Motion

Commissioner Quintero moved approval of Staff's recommendation; Commissioner Madison seconded the motion.

Motion Approved

The motion was approved unanimously (3-0).

5. Adjournment

There being no further business, the meeting was adjourned at 9:50 a.m.

Subject to Approval

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

MONDAY, DECEMBER 12, 2016

A special meeting of the Burbank-Glendale-Pasadena Airport Authority was called to order this date in the Airport Skyroom, 2627 Hollywood Way, Burbank, California, at 9:03 a.m., by President Wiggins.

1. PLEDGE OF ALLEGIANCE

Chief of Police Skvarna led the assembly in the recitation of the Pledge of Allegiance to the Flag.

Before the Roll Call, President Wiggins welcomed and introduced new Commissioner Vartan Gharpetian of Glendale, who replaces Laura Friedman who has been elected to serve as Assemblywoman of her district.

2. ROLL CALL**Present:**

Commissioners Brown, Adams, Gharpetian, Sinanyan, Wiggins, Quintero (arrived at 9:10 a.m.), Tornek and Selvidge.

Absent:

Commissioner Madison

Also Present:

Staff: Frank Miller, Executive Director; John Hatanaka, Senior Deputy Executive Director; Dan Feger, Director, Development Services; Ed Skvarna, Director of Public Safety/Chief, Airport Authority Police Department; Bob Anderson, Director, Engineering and Planning; Paul Chang, Mechanical Engineer; Mike Duong, Senior Manager, Business and Compliance; Mark Hardymont, Director, Government and Environmental Affairs; Mary Tromp, Manager, Parking Revenue; and Derrick Cheng, Administrative Assistant, Public Relations Department and Government and Environmental Affairs

General Counsel: Terence R. Boga of Richards, Watson and Gershon

3. APPROVAL OF AGENDA

There were no changes to the agenda.

4. PUBLIC COMMENT

There were no public speakers; however President Wiggins presented a plaque to Former Glendale Commissioner Laura Friedman for her years of service on the Commission. She commented that

she has enjoyed serving on the Commission for the past four years and has always been proud to have served with the Commission and staff who have worked hard to make the Airport so beloved by the community.

President Wiggins also presented a plaque to Board Secretary, Sue Loyd, who is retiring after 17 years of service. Ms. Loyd thanked everyone and commented that it was a good experience.

Commissioner Brown made note that Burbank resident Mike Nolan, who has been a presence at many Authority meetings through the years, is not doing well and wished him a quick recovery and Season's Greetings.

5. CONSENT CALENDAR

a. Commission Minutes (For Approval)

- 1) November 14, 2016**
- 2) November 28, 2016**

Draft minutes of the November 14, 2016, and November 28, 2016, Commission meetings were included in the agenda packet for approval.

b. Treasurer's Report

- 1) September 2016**
- 2) August 2016**

At the November 28, 2016, meeting of the Finance and Administration Committee, the Committee voted unanimously (3-0) to recommend that the Commission note and file these reports.

c. Other Transaction Agreement with the Department of Homeland Security – Transportation Security Administration

At the November 28, 2016, Finance and Administration Committee meeting, the Committee voted unanimously (3-0) to recommend to the Commission that it approve the modified Other Transaction Agreement ("OTA") with the Department of Homeland Security Transportation Security Administration ("TSA"), for the purposes of obtaining additional reimbursement for utility and janitorial charges associated with the use of areas for baggage screening operations at Hollywood Burbank Airport.

The TSA's modified OTA increases reimbursements to the Authority for electrical and janitorial services for the period beginning January 1, 2017, to August 31, 2017. The modified OTA will increase the electrical cost reimbursement by \$1,568.72 and

janitorial cost reimbursement by \$2,346.48, resulting in a total additional reimbursement of \$3,915.20 over an eight-month period beginning January 1, 2017 to August 31, 2017. This will result in a total obligated amount to the Authority of \$127,735.88 for the period ending August 31, 2017.

d. Award of Contract – Month-to-Month Space Lease Between Burbank-Glendale-Pasadena Airport Authority and Airline Tech Reps, LLC, dba STS Line Maintenance

At the November 28, 2016, meeting of the Finance and Administration Committee, the Committee advised the Commission of a proposed Award of Contract for a Month-to-Month Space Lease ("Lease") between Burbank-Glendale-Pasadena Airport Authority and Airline Tech Reps, LLC, dba STS Line Maintenance ("STS"), for space located in the Air Cargo Building to support aircraft and ground services equipment maintenance services to airlines operating at the Hollywood Burbank Airport ("Airport").

HAECO, the current service provider of the above-mentioned services, will no longer be in the business of providing such services and has entered into an agreement with STS to assume operations of HAECO Line Services. The proposed space lease with STS, effective January 1, 2017, at a rate of \$822.04 per month, represents a 3% increase over the previous rate paid by HAECO, and will ensure that these essential services for daily operations of the passenger airlines are not impacted. STS will also be offering employment to HAECO's current employees at the Airport to ensure a seamless transition.

The proposed Lease would provide STS with approximately 1500 sq. ft. within Air Cargo Building to support its operation. HAECO has submitted to staff a lease termination notice for this space effective December 31, 2016.

MOTION

Commissioner Adams moved approval of the Consent Calendar, seconded by Commissioner Brown.

MOTION APPROVED

The motion was approved by the following vote:

AYES: Commissioners Adams, Brown, Sinanyan, Quintero, Selvidge, Tornek and Wiggins

NOES: None

ABSENT: Commissioner Madison

ABSTENTIONS: Commissioner Gharpetian

6. ITEMS FOR COMMISSION ACTION

a. Committee Assignment

President Wiggins appointed Commissioner Gharpetian, the new Commissioner from the City of Glendale, to the Finance and Administration Committee.

7. ITEMS FOR COMMISSION INFORMATION

**a. October 2016
Passenger/Cargo Statistics
and Parking Information**

Staff presented the results on the October 2016 Passenger/Cargo Statistics and Parking Information.

8. CLOSED SESSION

The meeting did not recess to closed session.

9. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:18 a.m.

Zareh Sinanyan, Secretary

Date

Bill Wiggins, President

Date



DRAFT

December 12, 2016

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

Dear Commissioners:

The attached report, covering the month of October 2016, 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]

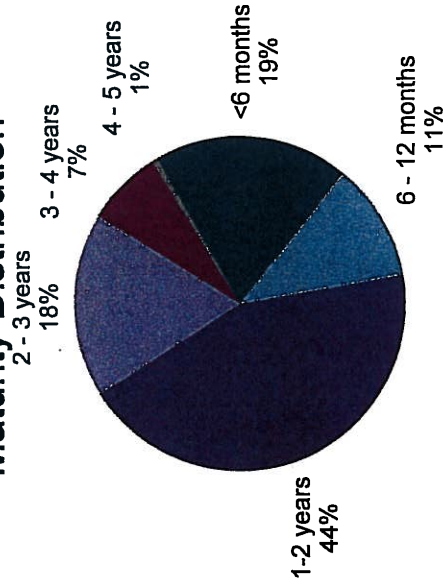
Ross Selvidge, Ph.D.
Treasurer

Attachments

Operating Portfolio Investment Guidelines Conformance as of October 31, 2016

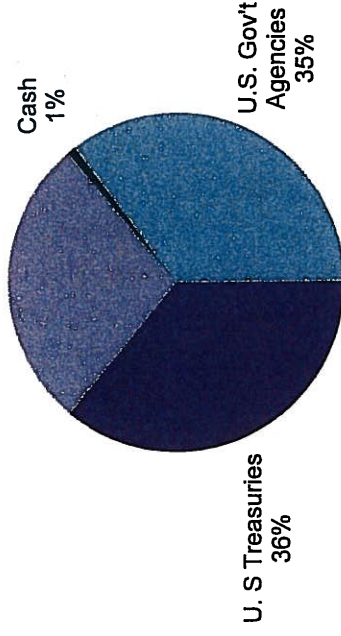
| | Legal Max Maturity | Actual Max Maturity | Policy Maximum | Policy Actual |
|--|-----------------------|------------------------|-------------------|------------------|
| U.S. Gov Agencies | 5 Years | 2.87 Years | 70% | 35% |
| Corporate Notes | 5 Years | 4.01 Years | 30% | 28% |
| LAIF | N/A | N/A | \$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 | 3.17 Years | No Limit | 36% |

Maturity Distribution



Sector Allocation

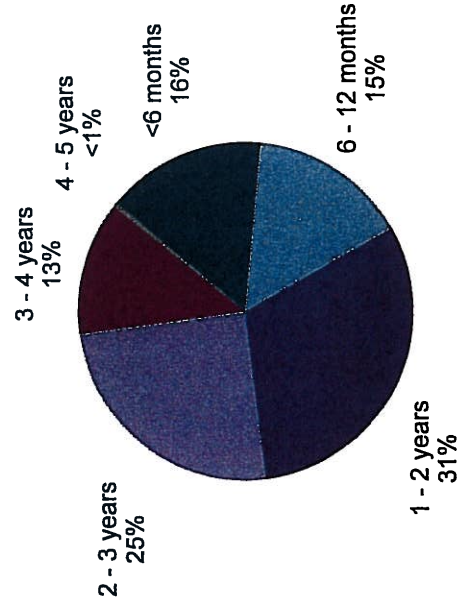
Corporate Notes
28%



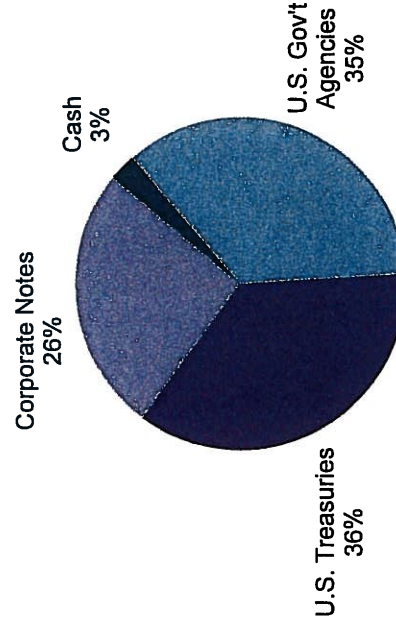
PFC Portfolio Investment Guidelines Conformance as of October 31, 2016

| | Legal Max Maturity | Actual Max Maturity | Policy Maximum | Policy Actual |
|--|-----------------------|------------------------|-------------------|------------------|
| U.S. Gov Agencies | 5 Years | 3.50 Years | 70% | 35% |
| Corporate Notes | 5 Years | 4.01 Years | 30% | 26% |
| 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% | 3% |
| U.S. Gov Securities (Treasuries) | 5 Years | 3.17 Years | No Limit | 36% |

Maturity Distribution



Sector Allocation



Burbank-Glendale-Pasadena Airport Authority - Operating Account
Statement of Investments
As of 10/31/16

| 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 |
|---------------|----------------------------------|-----------|--------|---------------|----------------|--------------|---------------|--------------|----------------------|-------|-------------------|-------------|
| 10/31/16 | Columbia Treasury Reserves | 097101307 | 0.000 | 10/31/16 | 10/31/16 | \$ 1,482,915 | \$ 1,482,915 | \$ 1,482,915 | \$ - | 0.00% | 0 | 0.71% |
| 09/12/14 | Procter & Gamble Co | 742718ED7 | 0.750 | 11/04/16 | 11/04/16 | 1,000,000 | 999,680 | 999,997 | 317 | 0.78% | 4 | 0.48% |
| 05/06/16 | Apple Inc | 037833AP5 | 1.088 | 05/06/19 | 11/06/16 | 1,200,000 | 1,196,747 | 1,203,215 | 6,468 | 1.09% | 6 | 0.57% |
| 04/19/16 | FFCB | 3133EEZ52 | 0.554 | 03/22/18 | 11/22/16 | 5,000,000 | 4,986,879 | 5,003,240 | 16,361 | 0.52% | 22 | 2.39% |
| 11/26/13 | Key Bank NA | 49327M2J2 | 1.100 | 11/25/16 | 11/25/16 | 500,000 | 499,620 | 500,025 | 405 | 1.02% | 25 | 0.24% |
| 03/02/16 | Johnson & Johnson | 478160BW3 | 1.112 | 03/01/19 | 12/01/16 | 1,500,000 | 1,502,346 | 1,505,504 | 3,158 | 1.01% | 31 | 0.72% |
| 04/28/16 | American Express Credit Corp | 0258MODY2 | 1.906 | 09/14/20 | 12/14/16 | 700,000 | 703,049 | 710,478 | 7,429 | 1.56% | 44 | 0.34% |
| 04/25/16 | Home Depot Inc | 437076BJ0 | 1.220 | 09/15/17 | 12/15/16 | 1,000,000 | 1,003,966 | 1,002,927 | (1,039) | 0.93% | 45 | 0.48% |
| 12/08/14 | General Electric Capital Corp | 36962G6X7 | 1.556 | 04/02/18 | 01/02/17 | 1,690,000 | 1,707,900 | 1,699,900 | (8,000) | 1.19% | 63 | 0.81% |
| 03/20/14 | Comcast Corporation | 20030NAP6 | 6.500 | 01/15/17 | 01/15/17 | 1,375,000 | 1,522,824 | 1,390,531 | (132,293) | 0.98% | 76 | 0.66% |
| 01/21/16 | Oracle Corporation | 68389XAR6 | 1.460 | 01/15/19 | 01/15/17 | 1,170,000 | 1,173,824 | 1,179,665 | 5,841 | 1.11% | 76 | 0.56% |
| 12/30/13 | Pfizer Inc | 717081DD2 | 0.900 | 01/15/17 | 01/15/17 | 1,460,000 | 1,455,228 | 1,460,409 | 5,181 | 0.76% | 76 | 0.70% |
| 07/08/15 | Wells Fargo & Company | 94974BFK1 | 1.512 | 04/23/18 | 01/23/17 | 1,500,000 | 1,502,735 | 1,504,845 | 2,110 | 1.31% | 84 | 0.72% |
| 04/03/14 | Treasury Note | 912828SC5 | 0.875 | 01/31/17 | 01/31/17 | 2,050,000 | 2,049,920 | 2,052,960 | 3,040 | 0.30% | 92 | 0.98% |
| 04/26/16 | Ace InA Holdings Inc | 00440EAJ6 | 5.700 | 02/15/17 | 02/15/17 | 900,000 | 934,731 | 911,440 | (23,291) | 1.27% | 107 | 0.43% |
| 12/03/12 | Walt Disney Co | 25468PCS3 | 1.125 | 02/15/17 | 02/15/17 | 1,200,000 | 1,205,120 | 1,200,942 | (4,178) | 0.85% | 107 | 0.57% |
| 06/12/14 | Branch Banking and Trust Company | 07330NAH8 | 1.000 | 04/03/17 | 03/03/17 | 1,028,000 | 1,025,372 | 1,028,258 | 2,886 | 0.94% | 123 | 0.49% |
| 10/16/12 | FHLMC | 3137EADC0 | 1.000 | 03/08/17 | 03/08/17 | 6,000,000 | 6,045,930 | 6,012,018 | (33,912) | 0.43% | 128 | 2.87% |
| 05/20/14 | US Bancorp | 91159HHD5 | 1.650 | 05/15/17 | 04/15/17 | 1,500,000 | 1,519,595 | 1,503,293 | (16,302) | 1.24% | 166 | 0.72% |
| 05/21/12 | FNMA | 3135G0JA2 | 1.125 | 04/27/17 | 04/27/17 | 4,550,000 | 4,575,085 | 4,561,969 | (13,116) | 0.59% | 178 | 2.18% |
| 05/06/14 | State Street Corporation | 857477AD5 | 5.375 | 04/30/17 | 04/30/17 | 1,000,000 | 1,093,220 | 1,021,169 | (72,051) | 1.12% | 181 | 0.49% |
| 02/03/14 | FHLB | 3133XKQX6 | 4.875 | 05/17/17 | 05/17/17 | 4,375,000 | 4,868,587 | 4,477,183 | (391,404) | 0.57% | 198 | 2.14% |
| 01/28/15 | FHLB | 313379DD8 | 1.000 | 06/21/17 | 06/21/17 | 4,000,000 | 4,027,520 | 4,007,400 | (20,120) | 0.71% | 233 | 1.91% |
| 08/02/12 | Treasury Note | 912828TG5 | 0.500 | 07/31/17 | 07/31/17 | 1,275,000 | 1,266,020 | 1,273,804 | 7,784 | 0.63% | 273 | 0.61% |
| 07/14/16 | Duke Energy Florida LLC | 341099CG2 | 5.800 | 09/15/17 | 09/15/17 | 675,000 | 713,016 | 700,953 | (12,063) | 1.35% | 319 | 0.33% |
| 09/29/15 | FNMA Bench | 3135G0ZL0 | 1.000 | 09/27/17 | 09/27/17 | 3,000,000 | 3,016,945 | 3,007,920 | (9,025) | 0.71% | 331 | 1.43% |
| 04/19/16 | Treasury Note | 912828TS9 | 0.625 | 09/30/17 | 09/30/17 | 7,750,000 | 7,743,340 | 7,744,552 | 1,212 | 0.70% | 334 | 3.69% |
| 11/02/12 | Treasury Note | 912828TW0 | 0.750 | 10/31/17 | 10/31/17 | 10,950,000 | 10,952,602 | 10,953,689 | 1,087 | 0.72% | 365 | 5.23% |
| 06/01/16 | Praxair Inc | 74005PBC7 | 1.050 | 11/07/17 | 11/07/17 | 685,000 | 683,718 | 684,626 | 908 | 1.10% | 372 | 0.33% |
| 04/19/16 | FHLB | 3133XMQ87 | 5.000 | 11/17/17 | 11/17/17 | 2,500,000 | 2,665,725 | 2,611,188 | (54,537) | 0.72% | 382 | 1.25% |
| 09/10/14 | FHLMC Reference Notes | 3137EABA6 | 5.125 | 11/17/17 | 11/17/17 | 5,200,000 | 5,834,036 | 5,436,205 | (397,831) | 0.75% | 382 | 2.59% |
| 10/07/14 | Metlife Inc | 59156RKB3 | 1.903 | 12/15/17 | 12/15/17 | 800,000 | 805,636 | 805,080 | (556) | 1.33% | 410 | 0.38% |
| 05/06/14 | Bank of New York Mellon Corp | 06406HCE7 | 1.300 | 01/25/18 | 12/25/17 | 1,000,000 | 992,963 | 1,001,042 | 8,079 | 1.21% | 420 | 0.48% |
| 04/19/16 | FHLMC Reference Notes | 3137EADN6 | 0.750 | 01/12/18 | 01/12/18 | 3,750,000 | 3,748,050 | 3,749,186 | 1,136 | 0.77% | 438 | 1.79% |
| 08/07/15 | Fifth Third Bank | 31677QAV1 | 1.450 | 02/28/18 | 01/28/18 | 1,000,000 | 996,120 | 999,660 | 3,540 | 1.48% | 454 | 0.48% |

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Statement of Investments
As of 10/31/16

| 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 |
|---------------|----------------------------------|------------|--------|---------------|----------------|------------|---------------|--------------|----------------------|-------|-------------------|-------------|
| 12/23/13 | FNMA Benchmark Notes | 3135G0TG8 | 0.875 | 02/08/18 | 02/08/18 | 6,000,000 | 5,904,390 | 6,006,510 | 102,120 | 0.79% | 465 | 2.87% |
| 11/18/15 | Exxon Mobil Corp | 30231GAL6 | 1.305 | 03/06/18 | 03/06/18 | 700,000 | 701,862 | 702,006 | 144 | 1.09% | 491 | 0.33% |
| 09/07/16 | Coca-Cola Company (The) | 191216BA7 | 1.150 | 04/01/18 | 04/01/18 | 1,450,000 | 1,452,871 | 1,451,900 | (971) | 1.06% | 517 | 0.69% |
| 06/27/16 | FHLB | 3130A4GJ5 | 1.125 | 04/25/18 | 04/25/18 | 1,520,000 | 1,530,579 | 1,526,145 | (4,434) | 0.85% | 541 | 0.73% |
| 09/25/15 | Boeing Co | 097023BE4 | 0.950 | 05/15/18 | 05/15/18 | 944,000 | 938,314 | 942,093 | 3,779 | 1.08% | 561 | 0.45% |
| 03/11/14 | Merck & Co Inc | 58933YAG0 | 1.300 | 05/18/18 | 05/18/18 | 1,350,000 | 1,339,553 | 1,352,804 | 13,251 | 1.16% | 564 | 0.65% |
| 06/29/16 | Chevron Corp | 166764AE0 | 1.718 | 06/24/18 | 05/24/18 | 900,000 | 908,865 | 906,153 | (2,712) | 1.30% | 570 | 0.43% |
| 12/03/14 | Treasury Note | 912828VE7 | 1.000 | 05/31/18 | 05/31/18 | 13,010,000 | 12,972,601 | 13,046,077 | 73,476 | 0.82% | 577 | 6.22% |
| 08/05/15 | FHLMC | 3137EABP3 | 4.875 | 06/13/18 | 06/13/18 | 5,500,000 | 6,011,095 | 5,851,632 | (159,463) | 0.88% | 590 | 2.79% |
| 07/06/15 | Southern California Gas Company | 842434CN0 | 1.550 | 06/15/18 | 06/15/18 | 1,175,000 | 1,182,360 | 1,180,020 | (2,340) | 1.28% | 592 | 0.56% |
| 04/19/16 | Treasury Note | 912828XK1 | 0.875 | 07/15/18 | 07/15/18 | 7,750,000 | 7,762,715 | 7,756,055 | (6,660) | 0.83% | 622 | 3.70% |
| 04/19/16 | FNMA Benchmark Notes | 3135G0E33 | 1.125 | 07/20/18 | 07/20/18 | 3,750,000 | 3,771,825 | 3,765,008 | (6,817) | 0.89% | 627 | 1.80% |
| 07/06/15 | Nevada Power Company | 641423BW7 | 6.500 | 08/01/18 | 08/01/18 | 1,050,000 | 1,189,265 | 1,143,028 | (46,237) | 1.36% | 639 | 0.55% |
| 08/07/15 | 3M Company | 88579YAP6 | 1.375 | 08/07/18 | 08/07/18 | 900,000 | 898,398 | 903,002 | 4,604 | 1.18% | 645 | 0.43% |
| 12/18/15 | Berkshire Hathaway Finance Corp | 084664BY6 | 2.000 | 08/15/18 | 08/15/18 | 1,550,000 | 1,577,051 | 1,572,594 | (4,457) | 1.17% | 653 | 0.75% |
| 08/18/15 | Treasury Note | 912828RE2 | 1.500 | 08/31/18 | 08/31/18 | 6,400,000 | 6,482,133 | 6,473,498 | (8,635) | 0.87% | 669 | 3.09% |
| 04/19/16 | FNMA | 3135G0E58 | 1.125 | 10/19/18 | 10/19/18 | 3,750,000 | 3,772,538 | 3,764,441 | (8,097) | 0.93% | 718 | 1.80% |
| 12/24/15 | Simon Property Group LP | 828807CQ8 | 2.200 | 02/01/19 | 11/01/18 | 865,000 | 875,364 | 878,874 | 3,510 | 1.47% | 731 | 0.42% |
| 11/03/15 | Microsoft Corporation | 594918BF0 | 1.300 | 11/03/18 | 11/03/18 | 650,000 | 649,898 | 652,450 | 2,552 | 1.11% | 733 | 0.31% |
| 04/13/16 | Commonwealth Edison Company | 202795JC5 | 2.150 | 01/15/19 | 12/15/18 | 1,000,000 | 1,018,088 | 1,013,239 | (4,849) | 1.54% | 775 | 0.48% |
| 09/25/15 | Manufacturers & Traders Trust Co | 55279HAE0 | 2.300 | 01/30/19 | 12/30/18 | 1,000,000 | 1,013,451 | 1,015,884 | 2,433 | 1.58% | 790 | 0.48% |
| 12/01/15 | Treasury Note | 912828A75 | 1.500 | 12/31/18 | 12/31/18 | 500,000 | 503,516 | 506,211 | 2,695 | 0.92% | 791 | 0.24% |
| 06/10/16 | John Deere Capital Corp | 24422ETE9 | 1.950 | 01/08/19 | 01/08/19 | 1,200,000 | 1,222,064 | 1,214,042 | (8,022) | 1.40% | 799 | 0.58% |
| 07/01/15 | Treasury Note | 912828SD3 | 1.250 | 01/31/19 | 01/31/19 | 4,000,000 | 4,003,594 | 4,028,908 | 25,314 | 0.92% | 822 | 1.92% |
| 01/14/16 | IBM Corp | 459200HT1 | 1.950 | 02/12/19 | 02/12/19 | 1,150,000 | 1,164,229 | 1,166,172 | 1,943 | 1.32% | 834 | 0.56% |
| 02/26/16 | Cisco Systems Inc | 17275RAE2 | 4.950 | 02/15/19 | 02/15/19 | 1,050,000 | 1,156,947 | 1,134,341 | (22,606) | 1.37% | 837 | 0.54% |
| 01/21/15 | Union Pacific Corporation | 907818DW5 | 2.250 | 02/15/19 | 02/15/19 | 1,050,000 | 1,078,576 | 1,070,761 | (7,815) | 1.37% | 837 | 0.51% |
| 06/30/16 | Treasury Note | 912828P53 | 0.750 | 02/15/19 | 02/15/19 | 5,000,000 | 5,008,984 | 4,980,860 | (28,124) | 0.92% | 837 | 2.38% |
| 07/11/16 | JP Morgan Chase & CO | 46625HQU7 | 1.850 | 03/22/19 | 02/22/19 | 1,710,000 | 1,731,443 | 1,717,295 | (14,148) | 1.67% | 844 | 0.82% |
| 09/15/14 | Unitedhealth Group Inc | 91324PCB6 | 1.625 | 03/15/19 | 03/15/19 | 720,000 | 706,025 | 723,609 | 17,584 | 1.41% | 865 | 0.35% |
| 12/07/15 | FHLMC | 3137EACA5 | 3.750 | 03/27/19 | 03/27/19 | 3,500,000 | 3,763,900 | 3,728,113 | (35,787) | 1.00% | 877 | 1.78% |
| 04/16/16 | Lowes Companies Inc | 548661DL8 | 1.150 | 04/15/19 | 04/15/19 | 1,000,000 | 998,565 | 996,668 | (1,897) | 1.29% | 896 | 0.48% |
| 09/12/14 | Public Service Electric And Gas | 74456QBG0 | 1.800 | 06/01/19 | 05/01/19 | 1,129,000 | 1,122,407 | 1,141,119 | 18,712 | 1.38% | 912 | 0.54% |
| 12/08/14 | Target Corporation | 87612EBB1 | 2.300 | 06/26/19 | 06/26/19 | 1,005,000 | 1,027,143 | 1,029,628 | 2,485 | 1.36% | 968 | 0.49% |
| 11/01/16 | Treasury Note | 912828WVW6 | 1.625 | 07/31/19 | 07/31/19 | 2,600,000 | 2,646,008 | 2,645,906 | (102) | 0.97% | 1003 | 1.26% |

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Statement of Investments
As of 10/31/16

| Purchase Date | Type of Investment | CUSIP | Coupon | Maturity Date | Eff. Date | Par Value | Purchase Cost | Market Value | Unrealized Gain/Loss | YTM | Days to Eff. Mat. | % Mkt Value |
|-------------------------------------|------------------------------------|-----------|--------|---------------|-----------|----------------------|----------------------|----------------------|----------------------|--------------|-------------------|----------------|
| 03/17/15 | FNMA Bench | 3135G0ZG1 | 1.750 | 09/12/19 | 09/12/19 | 4,500,000 | 4,545,910 | 4,587,692 | 41,782 | 1.06% | 1046 | 2.19% |
| 10/30/16 | Honeywell International Inc | 438516BJ4 | 1.400 | 10/30/19 | 10/30/19 | 250,000 | 249,803 | 249,705 | (98) | 1.44% | 1094 | 0.12% |
| 04/01/16 | Treasury Note | 912828F62 | 1.500 | 10/31/19 | 10/31/19 | 3,905,000 | 3,970,134 | 3,960,677 | (9,457) | 1.02% | 1095 | 1.89% |
| 05/26/15 | Arizona Public Service Company | 040555CR3 | 2.200 | 01/15/20 | 12/15/19 | 950,000 | 956,522 | 967,068 | 10,546 | 1.62% | 1140 | 0.46% |
| 01/19/16 | Treasury Note | 912828G95 | 1.625 | 12/31/19 | 12/31/19 | 4,250,000 | 4,326,504 | 4,325,871 | (633) | 1.05% | 1156 | 2.06% |
| 04/21/16 | Pepsico Inc | 713448BN7 | 4.500 | 01/15/20 | 01/15/20 | 1,300,000 | 1,445,831 | 1,422,095 | (23,736) | 1.49% | 1171 | 0.68% |
| 04/25/16 | Medtronic Inc | 585055BG0 | 2.500 | 03/15/20 | 03/15/20 | 1,200,000 | 1,241,266 | 1,231,775 | (9,491) | 1.69% | 1231 | 0.59% |
| 05/08/15 | United Technologies Corporation | 913017BR9 | 4.500 | 04/15/20 | 04/15/20 | 1,150,000 | 1,283,709 | 1,260,821 | (22,888) | 1.62% | 1262 | 0.60% |
| 03/08/16 | Public Service Company of Colorado | 744448CD1 | 3.200 | 11/15/20 | 05/15/20 | 1,080,000 | 1,135,783 | 1,143,644 | 7,861 | 1.68% | 1292 | 0.55% |
| 04/21/16 | Travelers Cos Inc | 89417EAG4 | 3.900 | 11/01/20 | 11/01/20 | 900,000 | 984,932 | 975,221 | (9,711) | 1.73% | 1462 | 0.47% |
| Subtotal | | | | | | \$191,078,915 | \$194,727,975 | \$193,499,803 | \$(1,228,172) | 0.92% | 531 | 92.31% |
| Local Agency Investment Fund (LAIF) | | | | | | 16,108,070 | 16,108,070 | 16,113,000 | 4,930 | 0.65% | 163 | 7.69% |
| Subtotal | | | | | | \$207,186,985 | \$210,836,045 | \$209,612,803 | \$(1,223,242) | 0.90% | 503 | 100.00% |
| Operating Bank Balance | | | | | | | <u>3,796,325</u> | | | | | |
| TOTAL | | | | | | | \$214,632,370 | | | | | |

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Statement of Purchases - Maturities - Sales
As of 10/31/16

PURCHASES

| Purchase Date | Type of Investment | CUSIP | Coupon | Maturity Date | Par Value | Purchase Price | Purchase Cost | Prepaid Interest |
|------------------------|-----------------------------|-----------|--------|---------------|------------------------|----------------|------------------------|-----------------------|
| 10/30/16 | Honeywell International Inc | 438516BJ4 | 1.400 | 10/30/19 | 190,000.00 | 99.92100 | \$ 189,849.90 | |
| 10/31/16 | Honeywell International Inc | 438516BJ4 | 1.400 | 10/30/19 | 60,000.00 | 99.92100 | 59,952.60 | |
| 11/01/16 | Treasury Note | 912828WW6 | 1.625 | 07/31/19 | 2,600,000.00 | 101.76953 | 2,646,007.81 | (10,677.31) |
| | | | | | | | - | |
| | | | | | | | - | |
| | | | | | | | - | |
| TOTAL PURCHASES | | | | | \$ 2,850,000.00 | | \$ 2,895,810.31 | \$ (10,677.31) |

MATURITIES

| Purchase Date | Type of Investment | CUSIP | Coupon | Maturity Date | Par Value | Purchase Price | Purchase Cost | Gain / (Loss) |
|-------------------------|--------------------|-----------|--------|---------------|------------------------|----------------|------------------------|-----------------------|
| 10/15/13 | Treasury Note | 912828RM4 | 1.000 | 10/31/16 | \$ 3,970,000.00 | 100.88672 | \$ 4,005,202.73 | \$ (35,202.73) |
| | | | | | | | - | - |
| | | | | | | | - | - |
| | | | | | | | - | - |
| TOTAL MATURITIES | | | | | \$ 3,970,000.00 | | \$ 4,005,202.73 | \$ (35,202.73) |

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
10/01/16-10/31/16

| Type of Investment | Coupon | Maturity Date | Previous Accrual | Realized Interest For Period | Interest Paid At Purc/Recv | Current Accrual | Interest Earned | Amrt/Accrft For Period | Adjusted Total Int. Earned |
|----------------------------------|--------|---------------|------------------|------------------------------|----------------------------|-----------------|-----------------|------------------------|----------------------------|
| FIXED INCOME | | | | | | | | | |
| Treasury Note | NOTE | 10/31/16 | 16,613.59 | 19,850.00 | - | - | 3,236.41 | (949.71) | 2,286.70 |
| Procter & Gamble Co | NOTE | 11/04/16 | 3,062.50 | - | - | 3,687.50 | 625.00 | 12.44 | 637.44 |
| Key Bank NA | NOTE | 11/25/16 | 1,925.00 | - | - | 2,383.33 | 458.33 | 0.24 | 458.57 |
| Comcast Corporation | NOTE | 01/15/17 | 18,868.06 | - | - | 26,315.98 | 7,447.92 | (6,201.43) | 1,246.49 |
| Pfizer Inc | NOTE | 01/15/17 | 2,774.00 | - | - | 3,869.00 | 1,095.00 | 78.13 | 1,173.13 |
| Treasury Note | MTN | 01/31/17 | 3,022.08 | - | - | 4,533.12 | 1,511.04 | 2.40 | 1,513.44 |
| Ace InA Holdings Inc | NOTE | 02/15/17 | 6,555.00 | - | - | 10,830.00 | 4,275.00 | (3,605.30) | 669.70 |
| Walt Disney Co | MTN | 02/15/17 | 1,725.00 | - | - | 2,850.00 | 1,125.00 | (204.17) | 920.83 |
| FHLMC | NOTE | 03/08/17 | 3,833.33 | - | - | 8,833.33 | 5,000.00 | (1,029.25) | 3,970.75 |
| Branch Banking and Trust Company | MTN | 04/03/17 | 5,082.89 | 5,140.00 | - | 799.56 | 856.67 | 90.28 | 946.95 |
| FNMA | NOTE | 04/27/17 | 21,896.88 | 25,593.75 | - | 568.75 | 4,265.62 | (632.14) | 3,633.48 |
| State Street Corporation | NOTE | 04/30/17 | 22,545.14 | 26,875.00 | - | 149.30 | 4,479.16 | (3,575.78) | 903.38 |
| US Bancorp | NOTE | 05/15/17 | 9,350.00 | - | - | 11,412.50 | 2,062.50 | (746.62) | 1,315.88 |
| FHLB | NOTE | 05/17/17 | 79,388.02 | - | - | 97,161.46 | 17,773.44 | (14,292.65) | 3,480.79 |
| FHLB | NOTE | 06/21/17 | 11,147.54 | - | - | 14,535.52 | 3,387.98 | (975.00) | 2,412.98 |
| Treasury Note | NOTE | 07/31/17 | 1,074.05 | - | - | 1,611.07 | 537.02 | 155.32 | 692.34 |
| Duke Energy Florida LLC | NOTE | 09/15/17 | 1,740.00 | - | - | 5,002.50 | 3,262.50 | (2,708.97) | 553.53 |
| Home Depot Inc | NOTE | 09/15/17 | 542.35 | - | - | 1,593.14 | 1,050.79 | (242.50) | 808.29 |
| FNMA Bench | NOTE | 09/27/17 | 333.34 | - | - | 2,833.34 | 2,500.00 | (708.02) | 1,791.98 |
| Treasury Note | NOTE | 09/30/17 | 133.07 | - | - | 4,258.24 | 4,125.17 | 390.29 | 4,515.46 |
| Treasury Note | NOTE | 10/31/17 | 34,367.53 | 41,062.50 | - | 226.87 | 6,921.84 | (203.85) | 6,717.99 |
| Praxair Inc | NOTE | 11/07/17 | 2,877.00 | - | - | 3,476.38 | 599.38 | 74.57 | 673.95 |
| FHLB | NOTE | 11/17/17 | 46,527.78 | - | - | 56,944.44 | 10,416.66 | (8,753.08) | 1,663.58 |
| FHLMC Reference Notes | NOTE | 11/17/17 | 99,197.22 | - | - | 121,405.56 | 22,208.34 | (16,583.33) | 5,625.01 |
| Melife Inc | NOTE | 12/15/17 | 676.62 | - | - | 1,945.28 | 1,268.66 | (147.30) | 1,121.36 |
| FHLMC Reference Notes | NOTE | 01/12/18 | 6,171.88 | - | - | 8,515.63 | 2,343.75 | 93.90 | 2,437.65 |
| Bank of New York Mellon Corp | NOTE | 01/25/18 | 2,383.33 | - | - | 3,466.67 | 1,083.34 | 139.73 | 1,223.07 |
| FNMA Benchmark Notes | NOTE | 02/08/18 | 7,729.16 | - | - | 12,104.16 | 4,375.00 | 2,127.74 | 6,502.74 |
| Fifth Third Bank | NOTE | 02/28/18 | 1,248.62 | - | - | 2,456.94 | 1,208.32 | 136.55 | 1,344.87 |
| Exxon Mobil Corp | NOTE | 03/06/18 | 634.38 | - | - | 1,395.63 | 761.25 | (67.47) | 693.78 |
| FFCB | NOTE | 03/22/18 | 716.33 | 2,387.75 | - | 769.45 | 2,440.87 | 579.41 | 3,020.28 |
| Coca-Cola Company (The) | NOTE | 04/01/18 | 8,337.50 | 8,337.50 | - | 1,389.59 | 1,389.59 | (152.85) | 1,236.74 |
| General Electric Capital Corp | NOTE | 04/02/18 | 6,645.48 | 5,760.15 | - | 2,190.81 | 1,305.48 | (541.95) | 763.53 |
| Wells Fargo & Company | NOTE | 04/23/18 | 3,921.46 | 5,097.90 | - | 566.92 | 1,743.36 | (89.51) | 1,653.85 |

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Earnings Report
10/01/16-10/31/16

| 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 |
|----------------------------------|--------|---------------|------------------|------------------------------|----------------------------|-----------------|-----------------|-----------------------|----------------------------|
| FHLB | 1.125 | 04/25/18 | 7,410.00 | 8,550.00 | - | 285.00 | 1,425.00 | (482.34) | 942.66 |
| Boeing Co | 0.950 | 05/15/18 | 3,387.91 | - | - | 4,135.25 | 747.34 | 181.02 | 928.36 |
| Merck & Co Inc | 1.300 | 05/18/18 | 6,483.74 | - | - | 7,946.25 | 1,462.51 | 155.26 | 1,617.77 |
| Treasury Note | 1.000 | 05/31/18 | 43,722.14 | - | - | 54,741.53 | 11,019.39 | 782.46 | 11,801.85 |
| FHLMC | 4.875 | 06/13/18 | 80,437.50 | - | - | 102,781.25 | 22,343.75 | (17,787.45) | 4,556.30 |
| Southern California Gas Company | 1.550 | 06/15/18 | 5,362.57 | - | - | 6,880.28 | 1,517.71 | (273.93) | 1,243.78 |
| Chevron Corp | 1.718 | 06/24/18 | 4,166.15 | - | - | 5,454.65 | 1,288.50 | (388.25) | 900.25 |
| Treasury Note | 0.875 | 07/15/18 | 14,373.30 | - | - | 20,085.77 | 5,712.47 | (482.45) | 5,230.02 |
| FNMA Benchmark Notes | 1.125 | 07/20/18 | 8,320.31 | - | - | 11,835.94 | 3,515.63 | (807.33) | 2,708.30 |
| Nevada Power Company | 6.500 | 08/01/18 | 11,374.99 | - | - | 17,062.50 | 5,687.51 | (4,159.45) | 1,528.06 |
| 3M Company | 1.375 | 08/07/18 | 1,856.25 | - | - | 2,887.50 | 1,031.25 | 44.50 | 1,075.75 |
| Berkshire Hathaway Finance Corp | 2.000 | 08/15/18 | 3,961.11 | - | - | 6,544.44 | 2,583.33 | (899.66) | 1,683.67 |
| Treasury Note | 1.500 | 08/31/18 | 8,221.00 | - | - | 16,441.98 | 8,220.98 | (2,309.02) | 5,911.96 |
| FNMA | 1.125 | 10/19/18 | 18,984.38 | 21,093.75 | - | 1,406.25 | 3,515.62 | (751.25) | 2,764.37 |
| Microsoft Corporation | 1.300 | 11/03/18 | 3,473.88 | - | - | 4,178.06 | 704.18 | 2.55 | 706.73 |
| Treasury Note | 1.500 | 12/31/18 | 1,895.38 | - | - | 2,527.17 | 631.79 | (96.79) | 535.00 |
| John Deere Capital Corp | 1.950 | 01/08/19 | 5,395.00 | - | - | 7,345.00 | 1,950.00 | (713.27) | 1,236.73 |
| Commonwealth Edison Company | 2.150 | 01/15/19 | 4,538.89 | - | - | 6,330.56 | 1,791.67 | (566.04) | 1,225.63 |
| Oracle Corporation | 1.460 | 01/15/19 | 3,194.36 | 3,767.70 | - | 806.65 | 1,379.99 | (115.38) | 1,264.61 |
| Manufacturers & Traders Trust Co | 2.300 | 01/30/19 | 3,897.23 | - | - | 5,813.89 | 1,916.66 | (374.85) | 1,541.81 |
| Treasury Note | 1.250 | 01/31/19 | 8,423.91 | - | - | 12,635.87 | 4,211.96 | (85.04) | 4,126.92 |
| Simon Property Group LP | 2.200 | 02/01/19 | 3,171.66 | - | - | 4,757.50 | 1,585.84 | (328.59) | 1,257.25 |
| IBM Corp | 1.950 | 02/12/19 | 3,052.29 | - | - | 4,921.04 | 1,868.75 | (404.57) | 1,464.18 |
| Cisco Systems Inc | 4.950 | 02/15/19 | 6,641.25 | - | - | 10,972.50 | 4,331.25 | (3,056.14) | 1,275.11 |
| Treasury Note | 0.750 | 02/15/19 | 4,789.40 | - | - | 7,948.37 | 3,158.97 | (290.12) | 2,868.85 |
| Union Pacific Corporation | 2.250 | 02/15/19 | 3,018.76 | - | - | 4,987.50 | 1,968.74 | (687.24) | 1,281.50 |
| Johnson & Johnson | 1.112 | 03/01/19 | 1,390.14 | - | - | 2,826.61 | 1,436.47 | (69.50) | 1,366.97 |
| Unitedhealth Group Inc | 1.625 | 03/15/19 | 520.00 | - | - | 1,495.00 | 975.00 | 258.80 | 1,233.80 |
| JP Morgan Chase & CO | 1.850 | 03/22/19 | 790.88 | - | - | 3,427.13 | 2,636.25 | (683.64) | 1,952.61 |
| FHLMC | 3.750 | 03/27/19 | 1,458.33 | - | - | 12,395.83 | 10,937.50 | (6,652.94) | 4,284.56 |
| Lowes Companies Inc | 1.150 | 04/15/19 | 5,143.06 | 5,590.28 | - | 511.11 | 958.33 | 40.15 | 998.48 |
| Apple Inc | 1.088 | 05/06/19 | 2,030.19 | - | - | 3,154.04 | 1,123.85 | 92.10 | 1,215.95 |
| Public Service Electric And Gas | 1.800 | 06/01/19 | 6,774.00 | - | - | 8,467.50 | 1,693.50 | 89.99 | 1,783.49 |
| Target Corporation | 2.300 | 06/26/19 | 6,099.80 | - | - | 8,026.04 | 1,926.24 | (509.91) | 1,416.33 |
| Treasury Note | 1.625 | 07/31/19 | - | - | 10,677.31 | 10,677.31 | - | - | - |

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Earnings Report
10/01/16-10/31/16

| Type of Investment | Coupon | Maturity Date | Previous Accrual | Realized Interest For Period | Interest Paid At Purc/Recv | Current Accrual | Interest Earned | Amrt/Accrft For Period | Adjusted Total Int. Earned |
|------------------------------------|--------|---------------|----------------------|------------------------------|----------------------------|----------------------|----------------------|------------------------|----------------------------|
| FNMA Bench | NOTE | 09/12/19 | 4,156.25 | - | - | 10,718.75 | 6,562.50 | (913.80) | 5,648.70 |
| Honeywell International Inc | NOTE | 10/30/19 | - | - | - | 9.72 | 9.72 | 0.18 | 9.90 |
| Treasury Note | NOTE | 10/31/19 | 24,512.36 | 29,287.50 | - | 161.81 | 4,936.95 | (1,543.70) | 3,393.25 |
| Treasury Note | NOTE | 12/31/19 | 17,453.30 | - | - | 23,271.06 | 5,817.76 | (1,837.29) | 3,980.47 |
| Arizona Public Service Company | NOTE | 01/15/20 | 4,412.23 | - | - | 6,153.89 | 1,741.66 | (139.51) | 1,602.15 |
| Pepsico Inc | NOTE | 01/15/20 | 12,350.00 | - | - | 17,225.00 | 4,875.00 | (3,292.49) | 1,582.51 |
| Medtronic Inc | NOTE | 03/15/20 | 1,333.33 | - | - | 3,833.33 | 2,500.00 | (884.29) | 1,615.71 |
| United Technologies Corporation | NOTE | 04/15/20 | 23,862.50 | 25,875.00 | - | 2,300.00 | 4,312.50 | (2,441.44) | 1,871.06 |
| American Express Credit Corp | NOTE | 09/14/20 | 629.97 | - | - | 1,778.73 | 1,148.76 | (60.25) | 1,088.51 |
| Travelers Cos Inc | NOTE | 11/01/20 | 14,625.00 | - | - | 17,550.00 | 2,925.00 | (1,581.68) | 1,343.32 |
| Public Service Company of Colorado | NOTE | 11/15/20 | 13,056.00 | - | - | 15,936.00 | 2,880.00 | (1,126.98) | 1,753.02 |
| Subtotal | | | \$ 843,196.83 | \$ 234,268.78 | \$ 10,677.31 | \$ 901,713.53 | \$ 282,108.17 | \$ (113,679.45) | \$ 168,428.72 |
| CASH EQUIVALENTS | | | | | | | | | |
| Blackrock Liquidity Funds | | | - | 219.42 | - | - | 219.42 | - | 219.42 |
| Subtotal | | | \$ - | \$ 219.42 | \$ - | \$ - | \$ 219.42 | \$ - | \$ 219.42 |
| LAIF | | | | | | | | | |
| Local Agency Investment Fund | | | 23,334.62 | 23,334.62 | - | 8,551.97 | 8,551.97 | - | 8,551.97 |
| TOTAL | | | \$ 866,531.45 | \$ 257,822.82 | \$ 10,677.31 | \$ 910,265.50 | \$ 290,879.56 | \$ (113,679.45) | \$ 177,200.11 |

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Statement of Investments
As of 10/31/16

| 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 |
|---------------|-------------------------------|-----------|--------|---------------|---------------|------------|---------------|--------------|----------------------|-------|-------------------|-------------|
| 10/31/16 | Columbia Treasury Reserves | 097101307 | 0.000 | 10/31/16 | 10/31/16 | \$ 635,232 | \$ 635,232 | \$ 635,232 | \$ - | 0.00% | 0 | 2.58% |
| 09/12/14 | Procter & Gamble Co | 742718ED7 | 0.750 | 11/04/16 | 11/04/16 | 125,000 | 124,960 | 125,000 | 40 | 0.78% | 4 | 0.51% |
| 05/06/16 | Apple Inc | 037833AP5 | 1.088 | 05/06/19 | 11/06/16 | 135,000 | 134,634 | 135,362 | 728 | 1.09% | 6 | 0.55% |
| 03/02/16 | Johnson & Johnson | 478160BW3 | 1.112 | 03/01/19 | 12/01/16 | 160,000 | 160,136 | 160,587 | 451 | 1.01% | 31 | 0.65% |
| 04/26/16 | Home Depot Inc | 437076BJ0 | 1.220 | 09/15/17 | 12/15/16 | 100,000 | 100,397 | 100,293 | (104) | 0.93% | 45 | 0.41% |
| 01/21/15 | General Electric Capital Corp | 36962G6X7 | 1.556 | 04/02/18 | 01/02/17 | 185,000 | 186,693 | 186,084 | (609) | 1.19% | 63 | 0.76% |
| 07/09/14 | Comcast Corporation | 20030NAP6 | 6.500 | 01/15/17 | 01/15/17 | 150,000 | 165,457 | 151,694 | (13,763) | 0.98% | 76 | 0.62% |
| 01/21/16 | Oracle Corporation | 68389XAR6 | 1.460 | 01/15/19 | 01/15/17 | 125,000 | 125,299 | 126,033 | 734 | 1.11% | 76 | 0.51% |
| 09/12/14 | Pfizer Inc | 717081DD2 | 0.900 | 01/15/17 | 01/15/17 | 160,000 | 159,874 | 160,045 | 171 | 0.76% | 76 | 0.65% |
| 10/05/15 | Wells Fargo & Company | 94974BFK1 | 1.512 | 04/23/18 | 01/23/17 | 175,000 | 175,592 | 175,565 | (27) | 1.31% | 84 | 0.71% |
| 05/06/15 | Treasury Note | 912828SC5 | 0.875 | 01/31/17 | 01/31/17 | 350,000 | 351,859 | 350,505 | (1,354) | 0.30% | 92 | 1.42% |
| 04/26/16 | Ace InA Holdings Inc | 00440EJA6 | 5.700 | 02/15/17 | 02/15/17 | 100,000 | 103,859 | 101,271 | (2,588) | 1.27% | 107 | 0.41% |
| 02/19/13 | Walt Disney Company (The) | 25488PCS3 | 1.125 | 02/15/17 | 02/15/17 | 160,000 | 159,987 | 160,126 | 139 | 0.85% | 107 | 0.65% |
| 03/19/12 | FHLMC | 3137EADC0 | 1.000 | 03/08/17 | 03/08/17 | 755,000 | 746,165 | 756,512 | 10,347 | 0.43% | 128 | 3.08% |
| 07/09/14 | US Bancorp | 91159HHD5 | 1.650 | 05/15/17 | 04/15/17 | 175,000 | 176,803 | 175,384 | (1,419) | 1.24% | 166 | 0.71% |
| 05/06/15 | FNMA | 31350GA2 | 1.125 | 04/27/17 | 04/27/17 | 300,000 | 302,598 | 300,789 | (1,809) | 0.59% | 178 | 1.22% |
| 09/12/14 | State Street Corporation | 857477AD5 | 5.375 | 04/30/17 | 04/30/17 | 110,000 | 119,523 | 112,329 | (7,194) | 1.12% | 181 | 0.46% |
| 07/07/14 | FHLB | 3133XKQX6 | 4.875 | 05/17/17 | 05/17/17 | 875,000 | 957,246 | 895,437 | (61,809) | 0.57% | 198 | 3.64% |
| 01/28/15 | FHLB | 313379DD8 | 1.000 | 06/21/17 | 06/21/17 | 700,000 | 704,816 | 701,295 | (3,521) | 0.71% | 233 | 2.85% |
| 10/17/12 | Treasury Note | 912828TG5 | 0.500 | 07/31/17 | 07/31/17 | 1,265,000 | 1,259,009 | 1,263,813 | 4,804 | 0.63% | 273 | 5.14% |
| 07/14/16 | Duke Energy Florida LLC | 341099CG2 | 5.800 | 09/15/17 | 09/15/17 | 100,000 | 105,632 | 103,845 | (1,787) | 1.35% | 319 | 0.42% |
| 03/17/15 | FNMA Bench | 31350GZL0 | 1.000 | 09/27/17 | 09/27/17 | 700,000 | 700,924 | 701,848 | 924 | 0.71% | 331 | 2.85% |
| 09/25/14 | Treasury Note | 912828TW0 | 0.750 | 10/31/17 | 10/31/17 | 940,000 | 932,264 | 940,317 | 8,053 | 0.72% | 365 | 3.82% |
| 06/01/16 | Praxair Inc | 74005PBC7 | 1.050 | 11/07/17 | 11/07/17 | 75,000 | 74,859 | 74,959 | 100 | 1.10% | 372 | 0.30% |
| 11/20/14 | FHLB | 3133XMQ87 | 5.000 | 11/17/17 | 11/17/17 | 450,000 | 501,998 | 470,014 | (31,984) | 0.72% | 382 | 1.91% |
| 09/10/14 | FHLMC Reference Notes | 3137EABA6 | 5.125 | 11/17/17 | 11/17/17 | 800,000 | 897,594 | 836,339 | (61,255) | 0.75% | 382 | 3.40% |
| 10/07/14 | Metlife Inc | 59156RBK3 | 1.903 | 12/15/17 | 12/15/17 | 100,000 | 100,663 | 100,635 | (28) | 1.33% | 410 | 0.41% |
| 07/09/14 | Bank Of New York Mellon Corp | 06406HCE7 | 1.300 | 01/25/18 | 12/25/17 | 100,000 | 98,925 | 100,104 | 1,179 | 1.21% | 420 | 0.41% |
| 07/07/14 | FNMA Benchmark Notes | 31350TG8 | 0.875 | 02/08/18 | 02/08/18 | 1,000,000 | 986,045 | 1,001,085 | 15,040 | 0.79% | 465 | 4.07% |
| 10/28/15 | Exxon Mobil Corp | 30231GAL6 | 1.305 | 03/06/18 | 03/06/18 | 100,000 | 100,776 | 100,287 | (489) | 1.09% | 491 | 0.41% |
| 09/07/16 | Coca-Cola Company (The) | 191216BA7 | 1.150 | 04/01/18 | 04/01/18 | 175,000 | 175,346 | 175,229 | (117) | 1.06% | 517 | 0.71% |
| 06/25/16 | FHLB | 3130A4GJ5 | 1.125 | 04/25/18 | 04/25/18 | 555,000 | 559,246 | 557,244 | (2,002) | 0.85% | 541 | 2.27% |
| 09/25/15 | Boeing Co | 097023BE4 | 0.950 | 05/15/18 | 05/15/18 | 94,000 | 93,432 | 93,810 | 378 | 1.08% | 561 | 0.38% |
| 07/09/14 | Merck & Co Inc | 58933YAG0 | 1.300 | 05/18/18 | 05/18/18 | 150,000 | 148,778 | 150,312 | 1,534 | 1.16% | 564 | 0.61% |

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Statement of Investments
As of 10/31/16

| 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 |
|---------------|---------------------------------|------------|--------|---------------|---------------|-----------|---------------|--------------|----------------------|-------|-------------------|-------------|
| 06/29/16 | Chevron Corp | 166764AE0 | 1.718 | 06/24/18 | 05/24/18 | 100,000 | 100,985 | 100,684 | (301) | 1.30% | 570 | 0.41% |
| 02/18/15 | Treasury Note | 912828VE7 | 1.000 | 05/31/18 | 05/31/18 | 825,000 | 825,248 | 827,288 | 2,040 | 0.82% | 577 | 3.36% |
| 09/25/14 | FHLMC | 3137EABP3 | 4.875 | 06/13/18 | 06/13/18 | 750,000 | 834,773 | 797,950 | (36,823) | 0.88% | 590 | 3.24% |
| 04/21/16 | Southern California Gas Company | 842434CN0 | 1.550 | 06/15/18 | 06/15/18 | 125,000 | 125,896 | 125,534 | (362) | 1.28% | 592 | 0.51% |
| 02/29/16 | Nevada Power Company | 641423BW7 | 6.500 | 08/01/18 | 08/01/18 | 115,000 | 127,818 | 125,189 | (2,629) | 1.36% | 639 | 0.51% |
| 06/30/16 | 3M Company | 88579YAP6 | 1.375 | 08/07/18 | 08/07/18 | 100,000 | 101,129 | 100,334 | (795) | 1.18% | 645 | 0.41% |
| 12/18/15 | Berkshire Hathaway Finance Corp | 084664BY6 | 2.000 | 08/15/18 | 08/15/18 | 165,000 | 167,603 | 167,405 | (198) | 1.17% | 653 | 0.68% |
| 12/10/15 | Treasury Note | 912828RE2 | 1.500 | 08/31/18 | 08/31/18 | 800,000 | 809,246 | 809,187 | (59) | 0.87% | 669 | 3.29% |
| 12/24/15 | Simon Property Group LP | 828807CQ8 | 2.200 | 02/01/19 | 11/01/18 | 97,000 | 97,924 | 98,556 | 632 | 1.47% | 731 | 0.40% |
| 01/21/16 | Microsoft Corporation | 5594918BF0 | 1.300 | 11/03/18 | 11/03/18 | 100,000 | 100,032 | 100,377 | 345 | 1.11% | 733 | 0.41% |
| 08/04/16 | Caterpillar Financial Services | 14912LGM8 | 1.800 | 11/13/18 | 11/13/18 | 135,000 | 137,086 | 135,999 | (1,087) | 1.43% | 743 | 0.55% |
| 04/13/16 | Commonwealth Edison Company | 202795JC5 | 2.150 | 01/15/19 | 12/15/18 | 115,000 | 117,094 | 116,522 | (572) | 1.54% | 775 | 0.47% |
| 11/16/15 | Treasury Note | 912828A75 | 1.500 | 12/31/18 | 12/31/18 | 600,000 | 604,953 | 607,453 | 2,500 | 0.92% | 791 | 2.47% |
| 09/25/15 | BB&T Corp | 05531FAQ6 | 2.250 | 02/01/19 | 01/02/19 | 110,000 | 111,642 | 111,546 | (96) | 1.61% | 793 | 0.45% |
| 06/30/16 | John Deere Capital Corp | 24422ETE9 | 1.950 | 01/08/19 | 01/08/19 | 135,000 | 138,016 | 136,580 | (1,436) | 1.40% | 799 | 0.56% |
| 04/01/15 | Treasury Note | 912828SD3 | 1.250 | 01/31/19 | 01/31/19 | 900,000 | 905,625 | 906,504 | 879 | 0.92% | 822 | 3.69% |
| 01/14/16 | IBM Corp | 459200HT1 | 1.950 | 02/12/19 | 02/12/19 | 110,000 | 111,065 | 111,547 | 482 | 1.32% | 834 | 0.45% |
| 02/26/16 | Cisco Systems Inc | 17275RAE2 | 4.950 | 02/15/19 | 02/15/19 | 125,000 | 137,609 | 135,041 | (2,568) | 1.37% | 837 | 0.55% |
| 11/01/16 | Treasury Note | 912828P53 | 0.750 | 02/15/19 | 02/15/19 | 500,000 | 498,164 | 498,086 | (78) | 0.92% | 837 | 2.02% |
| 01/21/15 | Union Pacific Corporation | 907818DW5 | 2.250 | 02/15/19 | 02/15/19 | 115,000 | 118,266 | 117,274 | (992) | 1.37% | 837 | 0.48% |
| 07/11/16 | JP Morgan Chase & CO | 46625HQU7 | 1.850 | 03/22/19 | 02/22/19 | 190,000 | 192,383 | 190,811 | (1,572) | 1.67% | 844 | 0.78% |
| 09/15/14 | Unitedhealth Group Inc | 91324PCB6 | 1.625 | 03/15/19 | 03/15/19 | 100,000 | 98,472 | 100,501 | 2,029 | 1.41% | 865 | 0.41% |
| 08/31/16 | FHLMC | 3137EACA5 | 3.750 | 03/27/19 | 03/27/19 | 400,000 | 428,344 | 426,070 | (2,274) | 1.00% | 877 | 1.73% |
| 04/20/16 | Lowes Companies Inc | 548661DL8 | 1.150 | 04/15/19 | 04/15/19 | 110,000 | 109,881 | 109,633 | (248) | 1.29% | 896 | 0.45% |
| 09/12/14 | Public Service Electric And Gas | 74456QBG0 | 1.800 | 06/01/19 | 05/01/19 | 124,000 | 123,022 | 125,331 | 2,309 | 1.38% | 912 | 0.51% |
| 01/21/15 | Target Corporation | 87612EBB1 | 2.300 | 06/26/19 | 06/26/19 | 110,000 | 113,227 | 112,696 | (531) | 1.36% | 968 | 0.46% |
| 07/29/16 | Treasury Note | 912828WW6 | 1.625 | 07/31/19 | 07/31/19 | 800,000 | 817,703 | 814,125 | (3,578) | 0.97% | 1003 | 3.31% |
| 01/28/15 | FNMA Bench | 3135G0ZG1 | 1.750 | 09/12/19 | 09/12/19 | 990,000 | 1,004,663 | 1,009,292 | 4,629 | 1.06% | 1046 | 4.10% |
| 10/30/16 | Honeywell International Inc | 438516BJ4 | 1.400 | 10/30/19 | 10/30/19 | 150,000 | 149,882 | 149,823 | (59) | 1.44% | 1094 | 0.61% |
| 04/01/16 | Treasury Note | 912828F62 | 1.500 | 10/31/19 | 10/31/19 | 610,000 | 620,175 | 618,697 | (1,478) | 1.02% | 1095 | 2.52% |
| 05/26/15 | Arizona Public Service Company | 040555CR3 | 2.200 | 01/15/20 | 12/15/19 | 100,000 | 100,341 | 101,797 | 1,456 | 1.62% | 1140 | 0.41% |
| 09/02/16 | National Rural Utilities Coop | 637432NC5 | 2.000 | 01/27/20 | 12/27/19 | 115,000 | 116,716 | 115,747 | (969) | 1.79% | 1152 | 0.47% |
| 01/11/16 | Treasury Note | 912828G95 | 1.625 | 12/31/19 | 12/31/19 | 960,000 | 975,537 | 977,138 | 1,601 | 1.05% | 1156 | 3.97% |
| 09/26/16 | Treasury Note | 912828UF5 | 1.125 | 12/31/19 | 12/31/19 | 250,000 | 251,318 | 250,615 | (703) | 1.05% | 1156 | 1.02% |

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Statement of Investments
As of 10/31/16

| 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 |
|------------------|------------------------------------|-----------|--------|---------------|---------------|---------------|---------------|---------------|----------------------|-------|-------------------|-------------|
| 12/14/15 | Pepsico Inc | 713448BN7 | 4.500 | 01/15/20 | 01/15/20 | 140,000 | 153,849 | 153,149 | (700) | 1.49% | 1171 | 0.62% |
| 09/02/16 | PNC Funding Corp | 693476BJ1 | 5.125 | 02/08/20 | 02/08/20 | 140,000 | 155,865 | 154,215 | (1,650) | 1.91% | 1195 | 0.63% |
| 04/25/16 | Medtronic Inc | 585055BG0 | 2.500 | 03/15/20 | 03/15/20 | 130,000 | 134,471 | 133,442 | (1,029) | 1.69% | 1231 | 0.54% |
| 05/18/15 | United Technologies Corporation | 913017BR9 | 4.500 | 04/15/20 | 04/15/20 | 125,000 | 139,686 | 137,046 | (2,640) | 1.62% | 1262 | 0.56% |
| 09/25/15 | American Express Credit Corp | 0258M0DT3 | 2.375 | 05/26/20 | 04/25/20 | 125,000 | 126,660 | 127,119 | 459 | 1.88% | 1272 | 0.52% |
| 10/25/16 | FHLMC Reference Notes | 3137EADR7 | 1.375 | 05/01/20 | 05/01/20 | 250,000 | 251,953 | 251,985 | 32 | 1.14% | 1278 | 1.02% |
| 03/08/16 | Public Service Company of Colorado | 744448CD1 | 3.200 | 11/15/20 | 05/15/20 | 115,000 | 120,648 | 121,777 | 1,129 | 1.68% | 1292 | 0.50% |
| 04/21/16 | Travelers Cos Inc | 89417EAG4 | 3.900 | 11/01/20 | 11/01/20 | 100,000 | 109,436 | 108,358 | (1,078) | 1.73% | 1462 | 0.44% |
| | Subtotal | | | | | \$ 24,235,232 | \$ 24,791,027 | \$ 24,597,807 | \$ (193,220) | 0.92% | 588 | 100.00% |
| PFC Bank Balance | | | | | | | | | | | | |
| | TOTAL | | | | | | 204,657 | | | | | |
| | | | | | | | \$ 24,995,684 | | | | | |

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Statement of Purchases - Maturities - Sales
As of 10/31/16

PURCHASES

| Purchase Date | Type of Investment | CUSIP | Coupon | Maturity Date | Par Value | Purchase Price | Purchase Cost | Prepaid Interest |
|------------------------|-----------------------------|-----------|--------|---------------|------------------------|----------------|------------------------|----------------------|
| 10/25/16 | FHLMC Reference Notes | 3137EADR7 | 1.375 | 05/01/20 | \$ 250,000.00 | 100.78150 | \$ 251,953.75 | \$ (1,661.46) |
| 10/30/16 | Honeywell International Inc | 438516BJ4 | 1.400 | 10/30/19 | 115,000.00 | 99.92100 | 114,909.15 | |
| 10/25/16 | Treasury Note | 912828G95 | 1.625 | 12/31/19 | 200,000.00 | 101.80469 | 203,609.38 | (1,033.29) |
| 10/31/16 | Honeywell International Inc | 438516BJ4 | 1.400 | 10/30/19 | 35,000.00 | 99.92100 | 34,972.35 | |
| 11/01/16 | Treasury Note | 912828P53 | 0.750 | 02/15/19 | 500,000.00 | 99.63281 | 498,164.06 | (794.84) |
| | | | | | | - | - | |
| | | | | | | - | - | |
| | | | | | | - | - | |
| | | | | | | - | - | |
| | | | | | | - | - | |
| TOTAL PURCHASES | | | | | \$ 1,100,000.00 | | \$ 1,103,608.69 | \$ (3,489.59) |

MATURITIES

| Purchase Date | Type of Investment | CUSIP | Coupon | Maturity Date | Par Value | Purchase Price | Purchase Cost | Gain / (Loss) |
|-------------------------|--------------------|-----------|--------|---------------|----------------------|----------------|----------------------|----------------------|
| 05/06/15 | Treasury Note | 912828RM4 | 1.000 | 10/31/16 | \$ 375,000.00 | 100.76562 | \$ 377,871.09 | \$ (2,871.09) |
| | | | | | | - | - | - |
| | | | | | | - | - | - |
| | | | | | | - | - | - |
| TOTAL MATURITIES | | | | | \$ 375,000.00 | | \$ 377,871.09 | \$ (2,871.09) |

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

10/01/16-10/31/16

| 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. Total Int. Earned |
|-------------------------------|------|--------|---------------|------------------|------------------------------|----------------------------|-----------------|-----------------|-----------------------|---------------------------------------|
| FIXED INCOME | | | | | | | | | | |
| Treasury Note | NOTE | 1.000 | 10/31/16 | 1,569.29 | 1,875.00 | - | - | 305.71 | (158.33) | 147.38 |
| Procter & Gamble Co | NOTE | 0.750 | 11/04/16 | 382.81 | - | - | 460.94 | 78.13 | 1.55 | 79.68 |
| Comcast Corporation | NOTE | 6.500 | 01/15/17 | 2,058.33 | - | - | 2,870.84 | 812.51 | (679.55) | 132.96 |
| Pfizer Inc | NOTE | 0.900 | 01/15/17 | 304.00 | - | - | 424.00 | 120.00 | 0.85 | 120.85 |
| Treasury Note | NOTE | 0.875 | 01/31/17 | 515.96 | - | - | 773.95 | 257.99 | (90.63) | 167.36 |
| Ace InA Holdings Inc | NOTE | 5.700 | 02/15/17 | 728.33 | - | - | 1,203.33 | 475.00 | (400.58) | 74.42 |
| Walt Disney Company (The) | MTN | 1.125 | 02/15/17 | 230.00 | - | - | 380.00 | 150.00 | 0.26 | 150.26 |
| FHLMC | NOTE | 1.000 | 03/08/17 | 482.36 | - | - | 1,111.52 | 629.16 | 209.60 | 838.76 |
| FNMA | NOTE | 1.125 | 04/27/17 | 1,443.75 | 1,687.50 | - | 37.50 | 281.25 | (109.62) | 171.63 |
| State Street Corporation | NOTE | 5.375 | 04/30/17 | 2,479.97 | 2,956.25 | - | 16.42 | 492.70 | (387.96) | 104.74 |
| US Bancorp | NOTE | 1.650 | 05/15/17 | 1,090.84 | - | - | 1,331.46 | 240.62 | (76.55) | 164.07 |
| FHLB | NOTE | 4.875 | 05/17/17 | 15,877.61 | - | - | 19,432.30 | 3,554.69 | (2,848.54) | 706.15 |
| FHLB | NOTE | 1.000 | 06/21/17 | 1,950.82 | - | - | 2,543.72 | 592.90 | (170.62) | 422.28 |
| Treasury Note | NOTE | 0.500 | 07/31/17 | 1,065.63 | - | - | 1,598.44 | 532.81 | 250.86 | 783.67 |
| Duke Energy Florida LLC | NOTE | 5.800 | 09/15/17 | 257.78 | - | - | 741.11 | 483.33 | (401.33) | 82.00 |
| Home Depot Inc | NOTE | 1.220 | 09/15/17 | 54.23 | - | - | 159.31 | 105.08 | (24.24) | 80.84 |
| FNMA Bench | NOTE | 1.000 | 09/27/17 | 77.78 | - | - | 661.11 | 583.33 | (30.46) | 552.87 |
| Treasury Note | NOTE | 0.750 | 10/31/17 | 2,950.27 | 3,525.00 | - | 19.47 | 594.20 | 219.16 | 813.36 |
| Praxair Inc | NOTE | 1.050 | 11/07/17 | 315.00 | - | - | 380.63 | 65.63 | 8.21 | 73.84 |
| FHLB | NOTE | 5.000 | 11/17/17 | 8,375.00 | - | - | 10,250.00 | 1,875.00 | (1,448.40) | 426.60 |
| FHLMC Reference Notes | NOTE | 5.125 | 11/17/17 | 15,261.11 | - | - | 18,677.77 | 3,416.66 | (2,574.44) | 842.22 |
| Metlife Inc | NOTE | 1.903 | 12/15/17 | 84.58 | - | - | 243.16 | 158.58 | (17.33) | 141.25 |
| Bank Of New York Mellon Corp | NOTE | 1.300 | 01/25/18 | 238.33 | - | - | 346.67 | 108.34 | 26.46 | 134.80 |
| FNMA Benchmark Notes | NOTE | 0.875 | 02/08/18 | 1,288.20 | - | - | 2,017.36 | 729.16 | 337.88 | 1,067.04 |
| Exxon Mobil Corp | NOTE | 1.305 | 03/06/18 | 90.63 | - | - | 199.38 | 108.75 | (27.45) | 81.30 |
| Coca-Cola Company (The) | NOTE | 1.150 | 04/01/18 | 1,006.25 | 1,006.25 | - | 167.71 | 167.71 | (18.44) | 149.27 |
| General Electric Capital Corp | NOTE | 1.556 | 04/02/18 | 727.47 | 630.55 | - | 239.82 | 142.90 | (48.99) | 93.91 |
| Wells Fargo & Company | NOTE | 1.512 | 04/23/18 | 457.51 | 594.75 | - | 66.14 | 203.38 | (20.63) | 182.75 |
| FHLB | NOTE | 1.125 | 04/25/18 | 2,705.63 | 3,121.88 | - | 104.07 | 520.32 | (193.73) | 326.59 |
| Boeing Co | NOTE | 0.950 | 05/15/18 | 337.36 | - | - | 411.78 | 74.42 | 18.09 | 92.51 |
| Merck & Co Inc | NOTE | 1.300 | 05/18/18 | 720.42 | - | - | 882.91 | 162.49 | 21.71 | 184.20 |
| Treasury Note | NOTE | 1.000 | 05/31/18 | 2,772.54 | - | - | 3,471.32 | 698.78 | (37.08) | 661.70 |
| FHLMC | NOTE | 4.875 | 06/13/18 | 10,968.75 | - | - | 14,015.63 | 3,046.88 | (2,150.82) | 896.06 |

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Earnings Report
10/01/16-10/31/16

| 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 |
|---------------------------------|------|--------|---------------|------------------|------------------------------|----------------------------|-----------------|-----------------|-----------------------|----------------------------|
| Southern California Gas Company | NOTE | 1.550 | 06/15/18 | 570.49 | - | - | 731.94 | 161.45 | (34.74) | 126.71 |
| Chevron Corp | NOTE | 1.718 | 06/24/18 | 462.91 | - | - | 606.07 | 143.16 | (43.14) | 100.02 |
| Nevada Power Company | NOTE | 6.500 | 08/01/18 | 1,245.83 | - | - | 1,868.75 | 622.92 | (444.46) | 178.46 |
| 3M Company | NOTE | 1.375 | 08/07/18 | 206.25 | - | - | 320.83 | 114.58 | (44.74) | 69.84 |
| Berkshire Hathaway Finance Corp | NOTE | 2.000 | 08/15/18 | 421.66 | - | - | 696.66 | 275.00 | (83.16) | 191.84 |
| Treasury Note | NOTE | 1.500 | 08/31/18 | 1,027.63 | - | - | 2,055.25 | 1,027.62 | (323.14) | 704.48 |
| Microsoft Corporation | NOTE | 1.300 | 11/03/18 | 534.44 | - | - | 642.78 | 108.34 | (0.96) | 107.38 |
| Caterpillar Financial Services | NOTE | 1.800 | 11/13/18 | 931.50 | - | - | 1,134.00 | 202.50 | (76.40) | 126.10 |
| Treasury Note | NOTE | 1.500 | 12/31/18 | 2,274.45 | - | - | 3,032.61 | 758.16 | (133.63) | 624.53 |
| John Deere Capital Corp | NOTE | 1.950 | 01/08/19 | 606.94 | - | - | 826.31 | 219.37 | (99.65) | 119.72 |
| Commonwealth Edison Company | NOTE | 2.150 | 01/15/19 | 521.97 | - | - | 728.01 | 206.04 | (65.40) | 140.64 |
| Oracle Corporation | NOTE | 1.460 | 01/15/19 | 341.27 | 402.53 | - | 86.19 | 147.45 | (8.68) | 138.77 |
| Treasury Note | NOTE | 1.250 | 01/31/19 | 1,895.38 | - | - | 2,843.07 | 947.69 | (142.47) | 805.22 |
| BB&T Corp | NOTE | 2.250 | 02/01/19 | 412.50 | - | - | 618.76 | 206.26 | (48.56) | 157.70 |
| Simon Property Group LP | NOTE | 2.200 | 02/01/19 | 355.67 | - | - | 533.50 | 177.83 | (28.16) | 149.67 |
| IBM Corp | NOTE | 1.950 | 02/12/19 | 291.96 | - | - | 470.71 | 178.75 | (28.83) | 149.92 |
| Cisco Systems Inc | NOTE | 4.950 | 02/15/19 | 790.63 | - | - | 1,306.25 | 515.62 | (353.85) | 161.77 |
| Treasury Note | NOTE | 0.750 | 02/15/19 | - | - | 794.84 | 794.84 | - | - | - |
| Union Pacific Corporation | NOTE | 2.250 | 02/15/19 | 330.65 | - | - | 546.25 | 215.60 | (72.85) | 142.75 |
| Johnson & Johnson | NOTE | 1.112 | 03/01/19 | 148.29 | - | - | 301.50 | 153.21 | (4.02) | 149.19 |
| Unitedhealth Group Inc | NOTE | 1.625 | 03/15/19 | 72.22 | - | - | 207.64 | 135.42 | 28.24 | 163.66 |
| JP Morgan Chase & CO | NOTE | 1.850 | 03/22/19 | 87.88 | - | - | 380.79 | 292.91 | (75.96) | 216.95 |
| FHLMC | NOTE | 3.750 | 03/27/19 | 166.67 | - | - | 1,416.67 | 1,250.00 | (917.28) | 332.72 |
| Lowes Companies Inc | NOTE | 1.150 | 04/15/19 | 565.74 | 614.93 | - | 56.22 | 105.41 | 3.32 | 108.73 |
| Apple Inc | NOTE | 1.088 | 05/06/19 | 228.40 | - | - | 354.83 | 126.43 | 10.36 | 136.79 |
| Public Service Electric And Gas | NOTE | 1.800 | 06/01/19 | 744.00 | - | - | 930.00 | 186.00 | 15.52 | 201.52 |
| Target Corporation | NOTE | 2.300 | 06/26/19 | 667.64 | - | - | 878.47 | 210.83 | (65.69) | 145.14 |
| Treasury Note | NOTE | 1.625 | 07/31/19 | 2,190.22 | - | - | 3,285.32 | 1,095.10 | (507.43) | 587.67 |
| FNMA Bench | NOTE | 1.750 | 09/12/19 | 914.37 | - | - | 2,358.13 | 1,443.76 | (319.55) | 1,124.21 |
| Honeywell International Inc | NOTE | 1.400 | 10/30/19 | - | - | - | 5.83 | 5.83 | 0.11 | 5.94 |
| Treasury Note | NOTE | 1.500 | 10/31/19 | 3,829.08 | 4,575.00 | - | 25.28 | 771.20 | (241.14) | 530.06 |
| Treasury Note | NOTE | 1.625 | 12/31/19 | 3,121.05 | - | 1,033.29 | 5,256.52 | 1,102.18 | (296.34) | 805.84 |
| Treasury Note | NOTE | 1.125 | 12/31/19 | 710.77 | - | - | 947.69 | 236.92 | (34.32) | 202.60 |
| Arizona Public Service Company | NOTE | 2.200 | 01/15/20 | 464.44 | - | - | 647.78 | 183.34 | (6.24) | 177.10 |

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Earnings Report
10/01/16-10/31/16

| 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 |
|------------------------------------|------|--------|---------------|----------------------|------------------------------|----------------------------|----------------------|---------------------|-----------------------|----------------------------|
| Pepsico Inc | NOTE | 4.500 | 01/15/20 | 1,330.00 | - | - | 1,855.00 | 525.00 | (285.70) | 239.30 |
| National Rural Utilities Coop | NOTE | 2.000 | 01/27/20 | 408.89 | - | - | 600.56 | 191.67 | (43.16) | 148.51 |
| PNC Funding Corp | NOTE | 5.125 | 02/08/20 | 1,056.32 | - | - | 1,654.24 | 597.92 | (385.07) | 212.85 |
| Medtronic Inc | NOTE | 2.500 | 03/15/20 | 144.45 | - | - | 415.28 | 270.83 | (95.80) | 175.03 |
| United Technologies Corporation | NOTE | 4.500 | 04/15/20 | 2,593.75 | 2,812.50 | - | 250.00 | 468.75 | (247.94) | 220.81 |
| FHLMC Reference Notes | NOTE | 1.375 | 05/01/20 | - | - | 1,661.46 | 1,718.75 | 57.29 | (9.26) | 48.03 |
| American Express Credit Corp | NOTE | 2.375 | 05/26/20 | 1,030.81 | - | - | 1,278.21 | 247.40 | (36.44) | 210.96 |
| Travelers Cos Inc | NOTE | 3.900 | 11/01/20 | 1,625.00 | - | - | 1,950.00 | 325.00 | (175.74) | 149.26 |
| Public Service Company of Colorado | NOTE | 3.200 | 11/15/20 | 1,390.21 | - | - | 1,696.89 | 306.68 | (113.14) | 193.54 |
| Subtotal | | | | \$ 115,580.87 | \$ 23,802.14 | \$ 3,489.59 | \$ 133,554.15 | \$ 38,285.83 | \$ (16,656.58) | \$ 21,629.25 |
| CASH EQUIVALENTS | | | | | | | | | | |
| Blackrock Liquidity Funds | | | | - | 92.43 | - | - | 92.43 | - | 92.43 |
| Subtotal | | | | \$ - | \$ 92.43 | \$ - | \$ - | \$ 92.43 | \$ - | \$ 92.43 |
| TOTAL | | | | \$ 115,580.87 | \$ 23,894.57 | \$ 3,489.59 | \$ 133,554.15 | \$ 38,378.26 | \$ (16,656.58) | \$ 21,721.68 |

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
MONTH AND FOUR MONTHS ENDED OCTOBER 31, 2016 AND 2015

| Monthly Performance | | | | October 2016 | | | |
|---|--------------------|-------------------------------------|------|----------------------------------|---|----------------------|----------------------------------|
| Actual \$ Oct 2016 | Budget Oct 2016 | Actual \$ Prior Year Oct 2015 | Note | Variance Actual Vs. Budget | Fiscal YTD Performance (July 2016 - October 2016) | | |
| | | | | | Actual \$ Fiscal YTD | Fiscal YTD Budget | Variance Actual Vs. Budget |
| OPERATING ACTIVITY | | | | | | | |
| CASH RECEIPTS FROM OPERATIONS | | | | | | | |
| \$328,320 | \$287,500 | \$284,159 | (2) | \$40,820 | \$1,323,061 | \$1,150,000 | \$173,061 |
| 1,890,159 | 1,855,000 | 1,774,288 | (3) | 35,159 | 6,963,629 | 6,902,000 | 61,629 |
| 937,812 | 920,353 | 695,351 | (4) | 17,459 | 3,821,537 | 3,796,549 | 140,121 |
| 891,028 | 887,980 | 621,998 | (5) | 3,048 | 3,579,435 | 3,551,920 | 27,515 |
| 135,536 | 78,750 | 104,074 | (6) | 56,786 | 527,301 | 315,000 | 212,301 |
| 230,166 | 175,000 | 133,674 | (7) | 55,166 | 967,813 | 700,000 | 267,813 |
| \$4,413,021 | \$4,204,583 | \$3,613,544 | (1) | \$208,438 | \$17,182,776 | \$16,300,336 | \$882,440 |
| CASH DISBURSEMENTS FROM OPERATIONS | | | | | | | |
| (\$80,061) | (\$84,021) | (\$56,455) | (9) | \$3,960 | (\$347,948) | (\$369,084) | \$21,136 |
| (229,194) | (326,127) | (262,614) | (10) | 96,933 | (1,137,573) | (1,304,508) | 166,935 |
| (1,935,896) | (2,121,032) | (653,063) | (11) | 185,136 | (7,148,164) | (7,650,158) | 501,994 |
| (331,016) | (385,908) | (235,958) | (12) | 54,892 | (2,324,994) | (2,433,632) | 108,638 |
| (350,600) | (356,374) | (347,148) | (13) | 5,774 | (1,616,794) | (1,622,279) | 5,485 |
| (12,623) | (40,440) | (62,278) | (14) | 27,817 | (79,197) | (161,760) | 82,563 |
| (380,329) | (380,329) | (358,454) | (15) | 0 | (1,521,316) | (1,433,816) | 87,500 |
| (543,031) | (550,000) | (521,512) | (16) | 6,969 | (1,087,579) | (1,095,000) | 7,421 |
| (\$3,862,750) | (\$4,244,231) | (\$2,497,482) | (8) | \$381,481 | (\$15,263,565) | (\$16,157,737) | \$894,172 |
| \$550,271 | (\$39,648) | \$1,116,062 | | \$589,919 | \$1,919,211 | \$142,599 | \$1,776,612 |
| INCREASE (DECREASE) IN CASH FROM OPERATIONS | | | | | | | |
| FACILITY IMPROVEMENT / NOISE MITIGATION TRANSACTIONS | | | | | | | |
| CASH DISBURSEMENTS | | | | | | | |
| (\$38) | \$0 | (\$3,009) | (16) | (\$38) | (\$1,408) | (\$10,000) | \$8,592 |
| (514,582) | (693,500) | (349,558) | (17) | 178,918 | (4,109,261) | (2,126,500) | (1,982,761) |
| 0 | 0 | 0 | | 0 | 0 | 0 | 0 |
| (\$514,620) | (\$693,500) | (\$352,567) | | \$178,880 | (\$4,110,669) | (\$2,136,500) | (\$1,974,169) |
| CASH RECEIPTS FROM FUNDING SOURCES | | | | | | | |
| \$0 | \$0 | \$0 | (16) | \$0 | \$0 | \$303,958 | \$0 |
| 0 | 0 | 275,335 | (18) | 0 | 395,820 | 43,000 | 352,820 |
| 0 | 0 | 18,462 | (19) | 0 | 7,057 | 0 | 7,057 |
| 0 | 3,400 | 191,264 | (20) | (3,400) | 107,964 | 55,350 | 52,614 |
| 250,346 | 185,000 | 149,096 | (21) | 65,346 | 2,121,457 | 2,075,700 | 45,757 |
| \$250,346 | \$188,400 | \$634,157 | | \$61,946 | \$2,632,298 | \$2,174,050 | \$458,248 |
| INCREASE (DECREASE) - FACILITY / NOISE | | | | | | | |
| (\$264,274) | (\$505,100) | \$281,590 | | \$240,826 | (\$1,478,371) | \$37,550 | (\$1,515,921) |
| \$285,997 | (\$544,748) | \$1,397,652 | | \$830,745 | \$440,840 | \$180,149 | \$260,691 |
| (\$250,346) | (\$185,000) | (\$149,096) | | (\$65,346) | (\$2,121,457) | (\$2,075,700) | (\$45,757) |
| \$35,651 | (\$729,748) | \$1,248,556 | | \$765,399 | (\$1,680,617) | (\$1,895,551) | \$214,934 |

Notes: The FY 2017 adopted budget approved use of \$7,680,000 of Authority Reserves to provide funding for the airport share of capital projects. See additional discussion at note 21.

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTES TO SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS MONTH AND FOUR MONTHS ENDED OCTOBER 31, 2016 AND 2015

General Comments

The Schedule of Cash Receipts and Disbursements ("Schedule") represents the cash basis activity for the month and fiscal year-to-date 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 (a) the Sound Insulation Program, (b) Other Facility Improvement Program Projects, and (c) the Regional Intermodal Transportation Center ("RITC"). The RITC project was completed in FY 2015.

The FY 2017 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 fiscal year-to-date ("FYTD") October due to better than expected performance primarily in parking, concessions and filming revenues. On the accrual basis, all categories of operating revenues are favorably ahead of budget in FYTD October by \$806,517. See notes 2 through 7 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 October. Accrual basis revenues for this line item are ahead of budget in FYTD October by \$152,431.

NOTE (3) - Parking Fees

Parking fee revenues performed ahead of the budget forecast. Accrual basis parking fees are \$14,455 under budget FYTD October.

NOTE (4) - Rental Receipts - Terminal Building

Terminal Building rental receipts exceed the budget FYTD October partially due to the timing of receipts and additional concession revenues received above the minimum annual guarantee. Accrual basis terminal building rents are \$348,249 ahead of budget FYTD October.

(Continued)

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTES TO SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS MONTH AND FOUR MONTHS ENDED OCTOBER 31, 2016 AND 2015

NOTE (5) – Rental Receipts - Other Buildings

Other Buildings rental receipts exceed the budget FYTD October partially due to the timing of receipts. Accrual basis other building receipts are \$81,309 ahead of budget FYTD October.

NOTE (6) – Other Receipts

This category consists primarily of off-airport access fees and film location revenues. This line item favorably exceeds the budget FYTD October primarily due to strong film location revenues. Accrual basis other revenues are \$143,603 ahead of budget FYTD October.

NOTE (7) – 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 FYTD October by \$95,380.

NOTE (8) – Cash Disbursements from Operations

Overall operating disbursements are favorably under budget FYTD October. On an accrual basis operating disbursements are favorably within budget parameters. See additional information on operating disbursements in notes 9 through 15.

NOTE (9) – 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 (10) – Operating Supplies & Maintenance

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

NOTE (11) – 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 (12) – Contractual Professional Services

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

NOTE (13) – 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 2014. Wages and benefits include overtime for film location services which are recovered through the related revenue.

NOTE (14) – 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 FOUR MONTHS ENDED OCTOBER 31, 2016 AND 2015

NOTE (15) – Parking Tax

The 12% City of Burbank parking tax is paid quarterly for the prior three-month period. The amount paid in October 2016 of \$543,031 reflects the parking activity for the months of July, August and September 2016.

NOTE (16) – Sound Insulation Program

The Sound Insulation program is funded primarily through FAA Airport Improvement Program ("AIP") grants and Passenger Facility Charge ("PFC") fees. A Part 150 Study is under final FAA review and upon conclusion may result in eligible multi-family and an additional number of single family residences being added to the sound insulation program in the future.

NOTE (17) – Other Facility Improvement Program Projects

Several projects account for most of the Other Facility Improvement Program Projects expenditures: Taxiway B Reconstruction FY 2016 expenditures, Replacement Terminal Project and Emergency Back-Up Generator Project. The budget variance of \$1,982,761 is due to the timing of projects and payment for FY 2016 accrued costs.

NOTE (18) – FAA Grants – Other Facility Improvement Program Projects

FAA Grants – Other Facility Improvement Program Projects are budgeted to fund several projects: Runway 8/26 EMAS Project, Runway 8/26 Rehabilitation Project and the Acquisition of Hollyona Property.

NOTE (19) – 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 (20) – Passenger Facility Charge Receipts/Reserves

A number of capital projects are budgeted to be funded or partially funded by Passenger Facility Charges.

NOTE (21) – Facility Development Fund (Authority Reserves)

The FY 2017 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 FOUR MONTHS ENDED OCTOBER 31, 2016 AND 2015

| Monthly Performance | | | | October 2016 | | | | Fiscal YTD Performance (July 2016 - October 2016) | | | | |
|-----------------------|--------------------|-------------------------------------|------|----------------------------------|---|--|--|---|----------------------|---------------------------------------|------|----------------------------------|
| Actual \$ Oct 2016 | Budget Oct 2016 | Actual \$ Prior Year Oct 2015 | Note | Variance Actual Vs. Budget | | | | Actual \$ Fiscal YTD | Fiscal YTD Budget | Actual \$ Prior Year Fiscal YTD | Note | Variance Actual Vs. Budget |
| \$475,159 | \$420,000 | \$421,884 | (1) | \$55,159 | Customer Facility Charge Receipts | | | \$1,875,194 | \$1,680,000 | \$1,907,766 | (1) | \$195,194 |
| 90,824 | 93,005 | 72,099 | (2) | (2,181) | Facility Rent | | | 390,383 | 372,020 | 352,272 | (2) | 18,363 |
| (486,130) | (486,130) | (486,380) | | 0 | Payments to Bond Trustee for 2012 Bond Debt Service | | | (1,944,520) | (1,944,520) | (1,945,520) | | 0 |
| (26,244) | (26,875) | (18,038) | (3) | 631 | Loan Principal Repayments to the Authority | | | (112,805) | (107,500) | (88,131) | (3) | (5,305) |
| \$53,609 | \$0 | (\$10,435) | (4) | \$53,609 | | | | \$208,252 | \$0 | \$226,387 | (4) | \$208,252 |

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 fiscal year-to-date ("FYTD") October exceeded the budget due to better than expected car rental activity.

Note (2) - Facility Rent

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

Note (3) - Loan Principal Repayments to the Authority

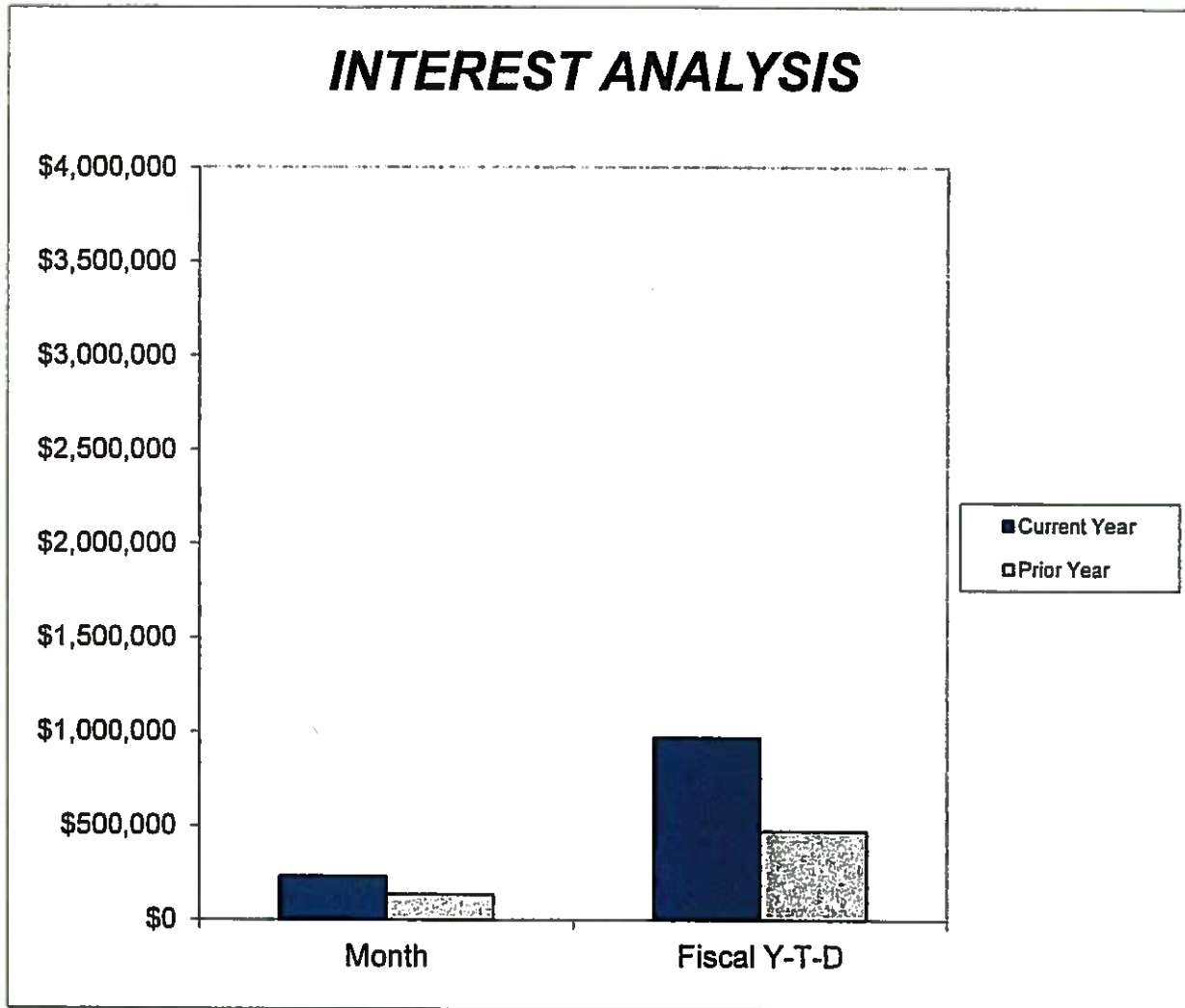
Repayments of the loan principal to the Authority from the Rent-A-Car Companies exceed the budget FYTD October (\$5,305) due to timing of receipts. The principal portion of the payment will be deposited as reimbursement to the Authority's Facility Development Fund. The interest portion of the loan repayment 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



| | October 2016 | October 2015 |
|------------------------------------|---------------|---------------|
| Interest Receipts - - Month | \$230,166 | \$133,674 |
| Interest Receipts - - Fiscal Y-T-D | \$967,813 | \$471,155 |
| Month End Portfolio Balance | \$214,632,370 | \$148,707,686 |
| Yield to Maturity | 0.90% | 0.79% |

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
JANUARY 17, 2017**

**AVIATION RAMP GROUND LEASE
YUCAIPA COMPANIES, LLC**

SUMMARY

At the December 12, 2016, meeting of the Finance and Administration Committee, the Committee voted 3–0 to recommend to the Commission the approval of an Aviation Ramp Ground Lease (“Lease”) for the western half of the ramp space located north of Hangar 2 to Yucaipa Companies, LLC (“Yucaipa”) for the purposes of parking their B757 aircraft. Yucaipa is a tenant of the Airport and currently has a month-to-month lease for the same 49,223 square feet of ramp space that is being proposed for a three-year Lease.

BACKGROUND

Yucaipa is a private equity firm based in the Los Angeles area and has had a presence at the Hollywood Burbank Airport since 1998. Prior to entering into the current month-to-month lease, Yucaipa was a subtenant for a similar portion of the Hangar 2 ramp from the then resident tenant in Hangar 2. When that tenant relocated to facilities provided by Atlantic Aviation, Yucaipa entered into the current month-to-month lease for the ramp to continue the parking of their aircraft with Burbank-Glendale-Pasadena Airport Authority (“Authority”). Yucaipa, a tenant in good standing, now seeks to enter into a longer term lease for the same area with the Authority.

The use of the ramp space will remain dedicated for the parking of the Boeing 757 aircraft owned by Yucaipa.

DETAILS

Key components of the Lease are as follows:

| | |
|----------------------------|--|
| <u>Premises:</u> | Hangar 2 – 49,223 sq. ft. of ramp space |
| <u>Use:</u> | Aircraft parking |
| <u>Term:</u> | Three year term effective January 1, 2017 |
| <u>Options:</u> | One three year extension option |
| <u>Rent:</u> | \$60,544 for the first year (1/1/17 – 12/31/17) \$64,974 for the second year (1/1/18 – 12/31/18) |
| <u>Adjustments</u> | Beginning in the third year of the lease, rent will be increased by either 3% or 120% of CPI, whichever is greater |
| <u>Termination:</u> | 6 months’ prior written notice |

IMPACT ON REVENUE

Yucaipa currently pays \$57,212 annually. The proposed Lease will increase the annual rent to \$60,544 in the first year, rising to \$64,974 in the second year with either the greater of 3% or 120% of CPI in the third year of the lease.

RECOMMENDATION

At its December 12, 2016, meeting, the Finance and Administration Committee voted 3—0 to recommend that the Commission approve an Aviation Ground Lease between the Authority and Yucaipa Companies, LLC and authorize the Authority President to execute the same.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
JANUARY 17, 2017**

**NOISE COMPATIBILITY PROGRAM
RECORD OF APPROVAL; AUTHORIZATION TO INITIATE AVIGATION EASEMENT
APPRAISAL PROCESS**

SUMMARY

Staff has received notice from the Federal Aviation Administration ("FAA") that it has concluded its approval process regarding the Authority's Part 150 Study Noise Compatibility Program ("NCP") and has issued the attached Record of Approval ("ROA") with modifications as described below. At the December 12, 2016, meeting of the Legal, Government and Environmental Affairs Committee, the Committee voted (2-0; one absent) to recommend to the Commission that it authorize Staff, that as soon as federal grant funding is available, Staff shall initiate the appraisal process required to determine the actual value of the avigation easement purchase option as explained further below.

BACKGROUND

Title 14 of the Code of Federal Regulations, Part 150 establishes the requirements that airport sponsors must follow to obtain federal funding for implementation of noise mitigation and abatement measures. Those requirements dictate that airport sponsors must complete and receive FAA approval of an NCP as a precondition to receiving such funding. Further, the FAA requires that airport sponsors update their Noise Exposure Map ("NEM") approximately every five years.

The FAA requires that an updated NEM must be based on a five-year forecast of incompatible noise exposure surrounding the airport and be used as the foundation for developing an updated NCP. An NCP is a prerequisite for federal funding under the Airport and Airway Safety Capacity Expansion Act of 1987 and the Airport Improvement Program ("AIP"). Once the updated NCP is approved, the airport sponsor is then eligible to submit applications for AIP grants to help pay for implementation of any approved noise compatibility measures.

Accordingly, in October 2011, the Authority awarded a \$384,000 professional services agreement ("PSA") to Coffman Associates, Inc. ("Coffman") for the update of the Airport's NEM. Following FAA review and acceptance of the revised NEM in October 2013, the Authority executed an amendment to Coffman's PSA, in the amount of \$128,560, to provide for revision of the Authority's existing NCP.

In June 2015 the Authority approved the NCP Revision No. 2 prepared by Coffman that reflected the required public hearing process as well as FAA initial review comments. The document was subsequently submitted to the FAA for public review and agency approval.

The existing NCP was originally approved by the FAA on November 27, 2000, and identified 28 noise abatement and mitigation measures. A 2004 Revision #1 to the NCP focused on the addition of Land Use Measure Seven, which allowed the Authority to retain a portion of

the former Lockheed Plant B-6 site located in the northeast quadrant of the Airport to ensure permanent future development compatibility within the 2003 65 CNEL noise exposure contour.

REVISED NOISE COMPATIBILITY PROGRAM

Since the adoption and implementation of Revision #1 of the NCP, a number of the mitigation and abatement measures have been implemented and local regulations and policies have changed. Additionally, the updated NEM resulted in smaller noise exposure contours.

Because of the successful implementation of these measures, including the Authority's acoustical treatment of four schools and over 2,400 homes, and the shrinking noise contour, there are only a few additional mitigation and abatement measures which Staff can identify as being practical for implementation through inclusion in the updated NCP. These measures form the basis for Revision #2 to the NCP, and include:

1. \$6,552,000 in continued funding to provide Residential Acoustical Treatment Program ("RATP") benefits 65 homes in Burbank and 79 homes in Los Angeles that are located within the updated eligibility boundary identified in the NEM.
2. \$5,610,000 in grant funding for the Inclusion into the RATP of 3 multi-family units in Burbank and 184 multi-family units in Los Angeles
3. Subject to a separate program-wide appraisal, an estimated \$2,500 per eligible parcel for an Avigation Easement purchase option (see Exhibit A for detail).

Exhibit B is a map that shows the revised eligibility contour and identifies the eligible properties.

In addition, the proposed Revision #2 to the NCP would eliminate certain items previously identified in the NCP as mitigation measures that have now been completed or that are no longer applicable. Those mitigation measures recommended for elimination are as follows:

Noise Abatement Measures

- Build extension of Taxiway D to promote nighttime general aviation departures on Runway 26. **(Completed)**
- Phase out operations by all Stage 2 turbojets. **(Completed through Congressionally Mandated December 31, 2015, phase out)**
- Establish a mandatory curfew on departures by all Stage 2 aircraft between 10:00 p.m. and 7:00 a.m., departures by all aircraft over 75,000 pounds between 10:30 p.m. and 6:30 a.m., and arrivals by all aircraft over 75,000 pounds between 11:00 p.m. and 6:00 a.m. **(Part 161 Study for a Mandatory Curfew on All Aircraft from 10 p.m. to 7 a.m. - Completed and Application Accepted by FAA; Curfew Not Approved by FAA. The Authority remains committed to supporting a mandatory nighttime restriction and is supporting legislative efforts to legalize the implementation of the curfew studied in its Part 161 Application.)**

Noise Mitigation Measures

- Establish acoustical treatment program for schools and preschools not previously treated within the 65 CNEL contour based on 2003 NEM. **(Untreated schools are no longer within the 65 CNEL contour, are outside of the proposed eligibility area, and are not eligible for treatment)**

Land Use Planning Measures

- Amend building codes to establish sound insulation construction standards to implement requirements of state law and in-fill development policies. **(Implemented)**

Regarding the following Land Use Planning Measures, the Airport Authority lacks the legal authority to implement these recommendations, however, Authority Staff made outreach to responsible jurisdictions, some have not adopted these measures and the Part 150 Recommendation was to remove these from the new NCP.

- Use baseline 2010 noise contours as basis for noise compatibility planning
- Establish noise compatibility guidelines for the review of development projects within the 65 CNEL contour
- Amend *Sun Valley-La Tuna Canyon Community Plan* to establish in-fill development standards for noise compatibility.
- Amend *North Hollywood-Valley Village Community Plan* to establish land use policies promoting airport noise compatibility.
- Establish airport noise overlay zoning to implement in-fill development policies of local general plans.

Program Management Measures

- Expand noise monitoring system. **(Completed)**
- Enhance the Authority's geographic information system. **(Completed)**

FAA ROA Modifications to Authority Proposed NCP

The FAA, in issuing its ROA, has made two changes to the Authority's originally proposed Revision #2 to the NCP. Those changes are:

- i) ROA seeks to clarify that the 2017 Contour will be the sole determinate of eligibility for on-going RATP eligibility, and that the previous eligibility map for determining eligibility for participation in the RATP is not applicable.
- ii) ROA modifies the phase at which the offer of an avigation easement becomes a viable option to the property owner. Staff had recommended that the avigation easement purchase option only become available if the property owner had made good faith efforts to apply for the benefits of the RATP, however, was ultimately disqualified from participation because of code deficiencies. FAA desires that this be an equal option available to property owners alongside the option of sound insulation treatment.

RECOMMENDATION

At the December 12, 2016, meeting of the Legal, Government and Environmental Affairs Committee, the Committee voted (2–0; one absent) to recommend to the Commission that with FAA's ROA of the Authority's updated NCP, the Commission authorize Staff to initiate the program-wide appraisal process required to determine the actual value of the aviation easement purchase option as soon as grant funding is available.

EXHIBIT A

AVIGATION EASEMENT PURCHASE OPTION

Measure

Offer to purchase an avigation easement as an option for owners of single family and multi-family properties in the 2017 acoustical treatment eligibility area that have not yet been treated.

Description

The purchase of avigation easements for the purpose of the NCP would be offered only to properties located within the 2017 RATP boundary. It is important to note that FAA provides specific guidance for sound insulation programs, as outlined in FAA Order 5100-38D, *Airport Improvement Program Handbook*, September 2014.

Costs and Funding

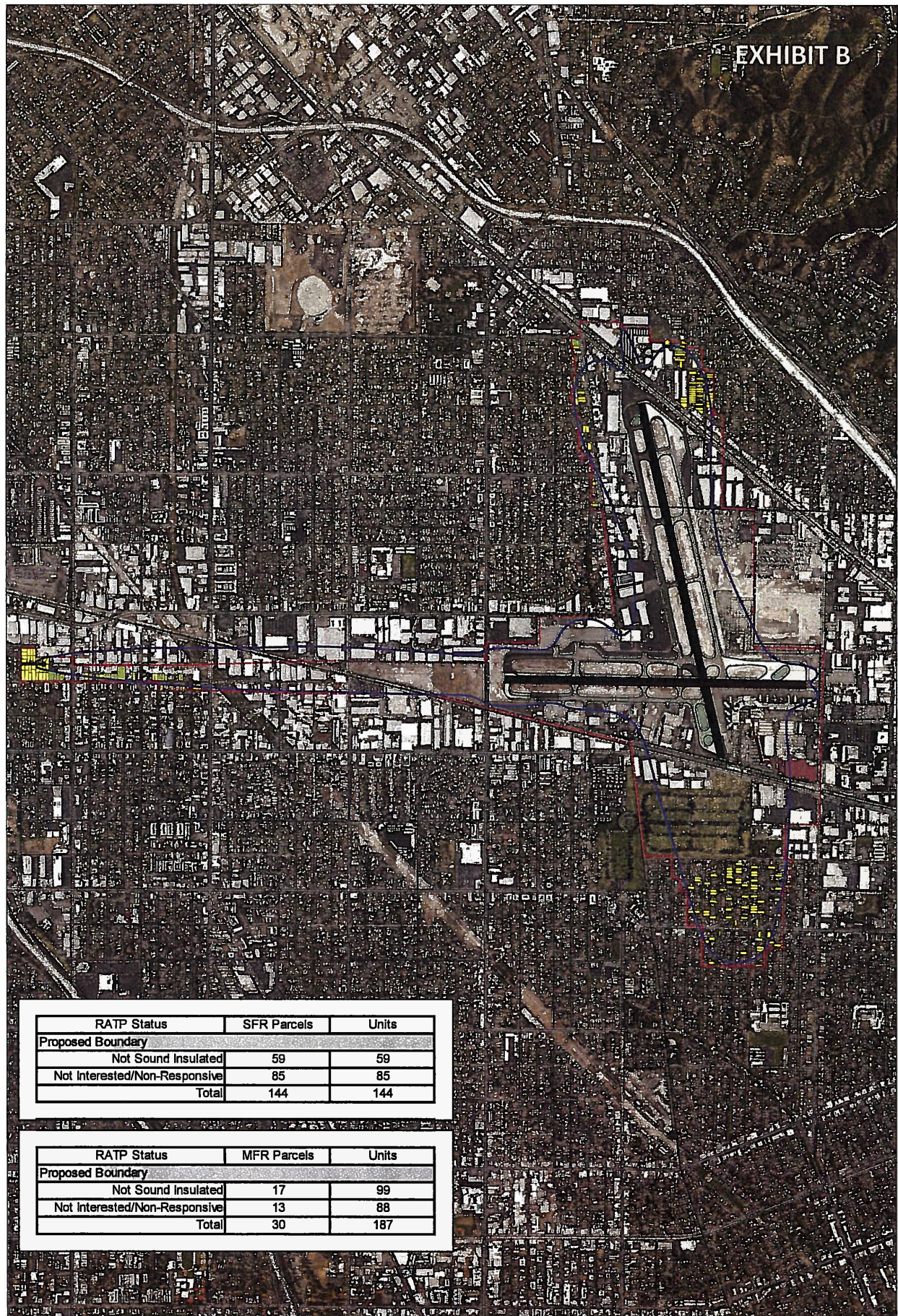
As outlined in FAA AC 150/5100-17 - *Land Acquisition and Relocation Assistance for Airport Improvement Program Assisted Projects*, compensation payments for the outright acquisition of easements from noise-impacted property shall be based on the Fair Market Value (FMV) standard. Generally, the history for the 15+ year old RATP at BUR indicates that the airport acquisition of an easement from noise-impacted property does not significantly impact the current FMV of the property and, therefore, the easement compensation owed participating property owners is nominal. FAA-suggested appraisal methods to value avigation easements are provided in FAA AC 150-15100-17. Where compensation payments are in a nominal range, the airport may waive the "parcel-by-parcel" appraisal process and apply a minimum payment procedure for easement acquisition offers.

A minimum payment procedure provides an equal monetary offer to all similarly affected property owners participating in the airport's NCP easement measure. This procedure recognizes that given the nominal value appraisal waiver, it is also unnecessary to establish an exact just compensation amount specific to each property. Therefore, a single amount may be established from the market or project analysis to be offered as just compensation for similar nominal acquisitions. This procedure is an expedited negotiations process to efficiently provide payment of the indicated nominal compensation. It is FAA policy, however, that just compensation may only include FMV considerations, and the project cost savings secured by this procedure may not be added to the just compensation amount offered to property owners.

Coordination was undertaken with FAA regarding the estimated value of a noise easement. For the purposes of this project, FAA provided an average estimate of \$2,500 per dwelling unit for an avigation easement. Staff proposes that the methodology described above for establishing a single amount of compensation should be used to establish the final equal monetary offer to all property owners participating in the program established by this measure. The cost of preparing a project appraisal is estimated to be \$30,000. It should be noted that for the multi-family parcels, the easement payment would go to the property owner and not be distributed to the residents of the dwelling units.

Term

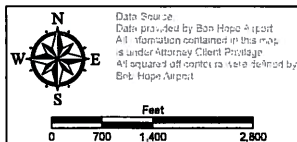
Implementation of the avigation easement program would occur through the duration of the remaining phases of the NCP, which is subject to the availability of AIP grant funding.



| RATP Status | SFR Parcels | Units |
|-------------------------------|-------------|------------|
| Proposed Boundary | | |
| Not Sound Insulated | 59 | 59 |
| Not Interested/Non-Responsive | 85 | 85 |
| Total | 144 | 144 |

| RATP Status | MFR Parcels | Units |
|-------------------------------|-------------|------------|
| Proposed Boundary | | |
| Not Sound Insulated | 17 | 99 |
| Not Interested/Non-Responsive | 13 | 88 |
| Total | 30 | 187 |

— ATTORNEY CLIENT PRIVILEGE —



- Legend**
- 2017 Noise Exposure Contours
 - Centerline
 - Runway Taxiway
 - Runway
 - Proposed RATP Boundary
 - SFR - Not Sound Insulated
 - MFR - Not Sound Insulated
 - City Boundaries
 - Railroad

Exhibit B
14 CFR Part 150
RATP - Proposed Boundary
Single Family Residential/Multi Family Residential
Non Insulated Parcels
Bob Hope Airport

Exhibit B - SFR-MFR Non-Insulated Parcels



U.S Department
of Transportation

**Federal Aviation
Administration**

Western-Pacific Region
Los Angeles Airports District Office

P.O. Box 92007
Los Angeles, CA 90009-2007

November 7, 2016

Mr. Frank R. Miller
Executive Director
Burbank-Glendale-Pasadena Airport Authority
2627 Hollywood Way
Burbank, CA 91505

Dear Mr. Miller:

**Bob Hope Airport
FAR Part 150 Noise Compatibility Program Update**

The Federal Aviation Administration (FAA) has evaluated the Noise Compatibility Program (NCP) for the above referenced airport, prepared to comply with 14 Code of Federal Regulations Part 150. The recommended NCP proposed by the Burbank-Glendale-Pasadena Airport Authority is described in Section 2 of the Program. This is to inform you that the Manager of the Airports Division, Western-Pacific Region has approved eight (8) of nine (9) Noise Abatement elements, one (1) Land Use Planning element, all four (4) Program Management elements and approved two (2) of four (4) Noise Mitigation elements. Additionally, two (2) of four (4) Noise Mitigation Measures were disapproved in part. The specific FAA action for each NCP element is set forth in the enclosed Record of Approval. The effective date of this approval is October 24, 2016. All of the FAA actions on your program recommendations are more fully described in the Record of Approval.

Each Airport NCP developed in accordance with FAR Part 150 is a local program and not a Federal program. The FAA does not substitute its judgment for that of the airport sponsor with respect to which measures should be recommended for action. The FAA's approval, disapproval or other action of the Part 150 program recommendations is based on the approval criteria in Part 150 and applicable sections of the statute (49 U.S.C. section 475). FAA's decisions are limited to the following determinations:

- a. The Noise Compatibility Program was developed in accordance with the provisions and procedures of FAR Part 150;
- b. Program measures are reasonably consistent with achieving the goals of reducing existing incompatible land uses around the airport and preventing the introduction of new incompatible land uses;
- c. Program measures would not create an undue burden on interstate or foreign commerce, unjustly discriminate against types or classes of aircraft, or intrude into areas preempted by the Federal government; and

d. Program measures relating to the use of flight procedures can be implemented within the period covered by the program without derogating safety, adversely affecting the efficient use and management of the navigable airspace and air traffic control responsibilities of the Administrator prescribed by law.

Specific limitations with respect to FAA's approval of an Airport Noise Compatibility Program are delineated in FAR Part 150, Section 150.5. Approval is not a determination concerning the acceptability of land uses under Federal, State or local law. Approval does not, by itself, constitute a FAA implementation action. A request for Federal action or approval to implement specific Noise Compatibility Measures may be required. Prior to an FAA decision on the request to implement the action, an environmental review of the proposed action may be required. Approval does not constitute a commitment by the FAA to financially assist in the implementation of the program nor a determination that all measures covered by the program are eligible for grant-in-aid funding from the FAA. Where Federal funding is sought, requests for project grants must be submitted to the Los Angeles Airports District Office.

The FAA will publish a notice in the *Federal Register* announcing the approval of this Noise Compatibility Program. You are not required to give local official notice; however, you may do so if you wish.

Thank you for your continued interest in noise compatibility planning. If you have questions concerning this matter, please contact Victor Globa at 310-725-3637 or victor.globa@faa.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. F. Cushing', with a stylized flourish at the end.

David F. Cushing
Manager, Los Angeles Airports District Office

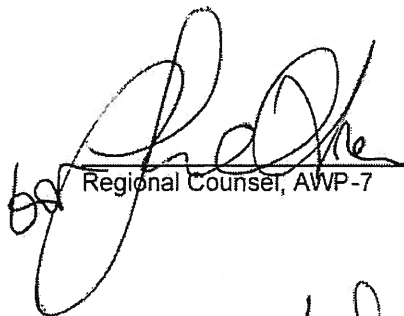
Enclosure

cc: AWP-610, APP-400

**U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION
RECORD OF APPROVAL
14 CFR PART 150
NOISE COMPATIBILITY PROGRAM**



**BOB HOPE AIRPORT
BURBANK, CALIFORNIA**


Regional Counsel, AWP-7

10/24/2016 ✓
Date CONCUR

NONCONCUR


Director, Office of Airports,
Western-Pacific Region, AWP-600

11/21/16
Date

✓
APPROVED

DISAPPROVED

Record of Approval
Bob Hope Airport
Burbank, California
Noise Compatibility Program Revision #2

INTRODUCTION

The Bob Hope Airport (Airport), Burbank, California, Noise Compatibility Program (NCP) Revision #2 describes the current and future noncompatible land uses based upon the parameters established in Title 14, Code of Federal Regulations (CFR), Part 150, *Airport Noise Compatibility Planning*. The NCP revision replaces the various NCP measures approved by the Federal Aviation Administration (FAA) on November 27, 2000. Additionally, on August 4, 2004, the Bob Hope Airport added Land Use Measure 7 (seven), which was to retain property located in the northeast quadrant within the 2003, 65 Community Noise Equivalent Level (CNEL) noise exposure contour. The NCP Update recommends a total of 18 (eighteen) measures to reduce the effect of noise generated at the Airport. The recommendations include 9 (nine) Noise Abatement measures, 4 (four) Noise Mitigation measures, 1 (one) Land Use measure, and 4 (four) Program Management measures. The recommended program measures are summarized in Table 7E, and described in detail in Chapter 1 and Appendix A of the NCP Update. During the 14 CFR Part 150 review process, the FAA identified a typographical error throughout the signed November 27, 2000, Record of Approval (Appendix A) that references the 1988 NCP. The NCP was approved by FAA on July 27, 1989. Thus, the correct approval reference for the original 14 CFR Part 150 NCP is 1989 NCP.

The approvals listed herein include approvals of actions that the Burbank-Glendale-Pasadena Airport Authority (the Airport Operator) recommends be taken by the FAA. It should be noted that these approvals indicate only that the actions would, if implemented, be consistent with the purposes of 14 CFR Part 150. These approvals do not constitute decisions to implement the actions. These approvals do not constitute a commitment by the FAA to provide Federal financial assistance for these projects. Later decisions concerning possible implementation of the actions may be subject to applicable environmental or other procedures or requirements.

The recommendations below summarize, as closely as possible, the Airport Operator's recommendations in the NCP and are cross-referenced to the program. The statements contained within the summarized recommendations and before the indicated FAA approval, disapproval, or other determinations do not represent the opinions or decisions of the FAA.

NOISE ABATEMENT MEASURES

1. Continue Requiring All Transport Category and Turbojet Aircraft to Comply with Federal Aircraft Noise Regulations.

Description: This measure recommends the continuation of an existing noise abatement rule. The rule states: *"All subsonic transport category airplanes and all subsonic turbojet powered airplanes regardless of category operating at the Burbank airport shall be in compliance with all Federal Air Regulations respecting noise, as the same may be amended from time to time."* The applicable Federal aircraft noise rules are in Title 14 of the Code of Federal Regulations (14 CFR) Parts 36 and 91. This measure was previously approved by the FAA as an element of the 1989 NCP. This measure was previously approved by the FAA as an element of the 2000 NCP. (NCP Page 1, Table 7E, Appendix A - page A-10).

FAA Action: Approved.

2. Continue Requiring Compliance with the Airport's Engine Test Run-up Policy.

Description: This measure recommends the continuation of an existing noise abatement rule. The rule states: *"Each aircraft operator and maintenance and repair facility shall adhere to the Authority Engine Test Run Up Policy as contained in the Airport Operations Manual, as the same may be amended from time to time."* Among these policies are a prohibition on maintenance engine run-ups between 10:00 p.m. and 7:00 a.m., unless delay of the run-up would cause an aircraft to arrive or depart after 10:00 p.m. in the succeeding 24-hour period. In addition, specific run-up locations are designated at the run-up pad on the north edge of Taxiway D and in front of the Ameriflight hangar. The element of this measure related to the prohibition on maintenance engine run-ups between 10:00 p.m. and 7:00 a.m. was previously disapproved by the FAA pending the submittal of additional information. The element of this measure related to the designation of specific run-up locations was previously approved by the FAA. This measure was previously approved by the FAA as an element of the 1989 NCP and 2000 NCP. (NCP Page 1, Table 7E, Appendix A - page A-11).

FAA Action: Approved.

3. Continue Promoting Use of AC 91-53A, Noise Abatement Departure Procedures by Air Carrier Jets.

Description: This measure recommends that the Airport Authority continue promoting the use of noise abatement departure procedures in Advisory Circular 91-53A by airlines operating jet aircraft over 75,000 pounds, certificated gross takeoff weight. This measure was previously approved by the FAA as a

voluntary measure only, as an element of the 1989 NCP and 2000 NCP. (NCP Page 1, Table 7E, Appendix A - page A-11).

FAA Action: Approved as Voluntary Only.

4. Continue Promoting Use of NBAA Noise Abatement Procedures, or Equivalent Manufacturer Procedures, by General Aviation Jet Aircraft.

Description: This measure recommends that the Airport Authority continue to actively encourage jet operators to use the National Business Aviation Association (NBAA) Approach and Landing Procedure and Standard Noise Abatement Departure Procedures, or equivalent quiet flying procedures developed by aircraft manufacturer. This measure was previously approved by the FAA as an element of the 1989 and 2000 NCP. (NCP Page 2, Table 7E, Appendix A - page A-11).

FAA Action: Approved as Voluntary Only.

5. Continue Working with the FAA Airport Traffic Control Tower to Maintain the Typical Traffic Pattern Altitude of 1,800 feet MSL.

Description: This measure recommends that the Airport Authority continue to work with the FAA Airport Traffic Control Tower to maintain the typical traffic pattern altitude of 1,800 feet above mean sea level (MSL). This altitude corresponds to a typical traffic pattern altitude of 1,000 feet above ground level. A similar measure was previously approved by the FAA as an element of the 1989 NCP. This measure was previously approved by the FAA as a voluntary measure only, as an element of the 1989 NCP and 2000 NCP. (NCP Page 2, Table 7E, Appendix A - pages A-11, and A-12).

FAA Action: Approved as Voluntary Only. Specific language for inclusion or amendment to existing FAA tower procedures is subject to separate FAA review and approval.

6. Continue the Placement of New Buildings on the Airport North of Runway 8-26 to Shield Nearby Neighborhood From Noise on Runway.

Description: This measure recommends new hangars and other aviation related buildings constructed in the area north of Runway 8-26 and west of Runway 15-33 be positioned to attenuate some of the noise of aircraft on the ground, shielding nearby residential neighborhoods. This measure was previously approved by the FAA as an element of the 2000 NCP. (NCP Page 2, Table 7E, Appendix A - page A-12).

FAA Action: Approved.

7. Designate Runway 26 as Nighttime Preferential Departure Runway.

Description: This measure recommends that Runway 26 be designated the preferential departure runway, weather and traffic permitting, after 10:00 p.m. and before 7:00 a.m. The primary effect of this policy would be to reduce noise exposure over the areas south of the airport exposed to noise from takeoffs on Runway 15. While aircraft noise would increase over areas west of the airport, most of the increase at levels above 65 CNEL would be confined to the commercial/industrial corridor along Sherman Way and the Southern Pacific Railroad tracks. This measure is proposed as an official, informal runway use program. This measure was previously approved by the FAA as a voluntary measure only, as an element of the 2000 NCP. (NCP Page 2, Table 7E, Appendix A - page A-12).

FAA Action: Approved as Voluntary Only. Specific language for inclusion or amendment to FAA tower procedures is subject to separate FAA review and approval. Airfield signs and other publications must not construe the procedure as mandatory and must be consistent with applicable FAA airfield signage standards

8. Establish Noise Abatement Departure Turn for Jet Takeoffs on Runway 26.

Description: This measure recommends a right turn to a heading of 275 degrees, beginning approximately 1,000 feet off the west end of Runway 26. Aircraft would continue to climb on this heading for at least three miles before turning to assigned headings. The intent is to confine departures to the Southern Pacific Railroad corridor extending west-northwest from the runway. By confining departing aircraft to this corridor, overflights of nearby residential neighborhoods can be reduced. It is recommended that this turn apply only to jet aircraft. This measure is recommended for implementation simultaneously with the nighttime preferential runway use program recommended in Measure 7 above. This measure was previously identified by the FAA as no action required at this time, as an element of the 2000 NCP. (NCP Page 2, Table 7E, Appendix A - page A-12).

FAA Action: No Action Required at This Time. This measure relates to flight procedures under Section 104(b). Additional review by FAA is necessary to evaluate the operational safety, feasibility, and environmental effects of this proposal.

9. Build Engine Maintenance Run-Up Enclosure

Description: This measure recommends the construction of an engine run-up enclosure to attenuate noise from maintenance run-ups. This measure further recommends the Airport Authority establish policies governing the use of the run-up enclosure. Such policies may include the requirement that all maintenance

run-ups done at more than idle power be required to use the facility. With the required use of the run-up enclosure, consideration may also be given to the removal of existing nighttime maintenance run-up restrictions (Measure 2) if it can be demonstrated that no adverse noise impacts will be caused in residential areas as a result of such action. This measure was previously approved by the FAA as an element of the 2000 NCP. (NCP Page, 3, Table 7E, Appendix A - page A-13).

FAA Action: Approved.

NOISE MITIGATION MEASURES

1. Continue Existing Acoustical Treatment Program for Single Family Homes.

Description: This measure recommends the Airport Authority continue the acoustical treatment program for all single-family homes within the 65 CNEL noise contour based on projected noise for the year 2000 developed in the 1989 Noise Compatibility Study. This measure was previously approved by the FAA as an element of the 1989 NCP and 2000 NCP. (NCP Page 3, Table 7E, Appendix A - page A-14).

FAA Action: Approved in part, Disapproved in part. The portion of this measure that is approved is the Airport Authority may continue its acoustical treatment of single family homes that are located within the 65 CNEL noise contour for the forecasted year 2017 accepted by the FAA on October 10, 2013.

The portion that is disapproved is acoustical treatment of homes that previously were within the 65 CNEL contour for the forecast year 2000 NEM submitted in 1988, but that are now outside of the 65 CNEL contours for the NEMs submitted with this Part 150 update. Those homes are now outside of the 65 CNEL contour and thus are considered compatible with airport operations pursuant to 14 CFR Part 150. Thus, acoustical treatment of homes outside the 65 CNEL is inconsistent with FAA's Airport Revenue Use Policy.

2. Revise Residential Acoustical Treatment Program to Include Single Family Homes Within 65 CNEL Contour Based on 2017 NEM.

Description: This measure recommends that the eligibility area for the residential acoustical treatment program be expanded to include homes within the 65 CNEL noise contour based on the 2017 NEM which are not eligible under the existing acoustical treatment program. This measure was previously approved by the FAA as an element of the 2000 NCP and has been updated to reflect the 2017 NEM. (NCP Pages 9-10, Exhibits 1B and 1C, Table 7E, Appendix A, page A-14).

FAA Action: Approved. This measure is similar to Noise Mitigation Measure No.1. The Airport Authority may continue its acoustical treatment of single family homes that are located within the 65 CNEL noise contour for the forecasted year 2017 accepted by the FAA on October 10, 2013.

3. Establish Acoustical Treatment Program for Multi-Family Dwelling Units Within the 2017 Acoustical Treatment Eligibility Area.

Description: Through the Residential Acoustical Treatment Program (RATP), which was initiated in 1997, the Authority has provided sound insulation for over 2,000 dwelling units. As part of an earlier phase of the RATP, 363 multi-family residential dwelling units were insulated. However, through coordination with FAA, it was determined that sound insulation for multi-family dwellings, although allowable by Part 150 regulations, were not eligible for Federal funding since the Authority's 2000 NCP did not specify multi-family dwellings within its Noise Mitigation measure or NCP. Since the inception of the RATP, it has been the Authority's intent to pursue sound insulation for multi-family parcels where practical. (NCP Page 16, Table 7E, Exhibit 1E).

FAA Action: Approved. The specific identification of structures recommended for inclusion in the program and specific definition of the scope of the program will be required prior to approval for Federal funding based on the 2017 NEM.

4. For Otherwise Qualified Property Owners Who Have Been Unable to Participate in the Residential Acoustical Treatment Program (RATP) Due to Building Code Deficiencies, Offer to Purchase a Noise Easement as an Option for Owners of Single Family and Multi-Family Properties in the 2017 Acoustical Treatment Eligibility Area That Have Not Been Treated.

Description: Noise easements for the purpose of the NCP would be offered only after the following conditions are met: 1) the property owner enrolls in and is within the RATP boundary, 2) the property has an existing interior noise level of 45 CNEL or greater as measured with the windows closed, and 3) the property has code violation issues that the homeowner is unwilling/unable to remedy and is therefore unable to fully participate in the sound insulation program. (NCP Pages 17, 18, Table 7E).

FAA Action: Approved in part, Disapproved in part. The portion of this measure that is approved is the Airport Authority may offer avigation easements to property owners within the 2017 65 CNEL noise contour accepted by the FAA on October 10, 2013.

The portions that are disapproved are the additional local requirements proposed for easement eligibility.

LAND USE PLANNING MEASURES

1. **Provision for Retention or an Easement Preventing Noise-Sensitive Land Uses of Property Located in the Northeast Quadrant of the Airport within the 2017 65 CNEL Noise Exposure Contour.**

Description: The primary reason for retaining property impacted by high noise levels is to remove or prevent the development of noise-sensitive land uses on the subject property. The Burbank-Glendale-Pasadena Airport Authority does not have land use planning authority off airport property. Therefore, a potential exists for noise sensitive development to occur on the subject property under the current zoning by the City of Burbank. This measure would ensure future land use compatibility within the 65 CNEL noise contour for Bob Hope Airport. This measure was previously approved by the FAA as an element of the 2004 amendment to the NCP and has been updated to include an easement and reflect the 2017 NEM. (NCP page 12, Exhibit 1D, Table 7E, Appendix A - pages A-18 and A-19).

FAA Action: Approved. The subject land was originally acquired from Lockheed-Martin Corporation for a proposed passenger terminal partly on the former Lockheed Martin "B-6" property. The City of Burbank has prevented the Burbank-Glendale-Pasadena Airport Authority from constructing the replacement passenger terminal. This new measure would enable the Burbank-Glendale-Pasadena Airport Authority to retain property impacted by high noise levels to prevent the development of noise-sensitive land uses within the 65 CNEL noise contour and that would jeopardize the long-term viability of the airport. This revision does not affect the noise contours; increase the number of individuals affected by aircraft noise; delay the implementation of the other elements of the program; or result in an increased cost to the program.

PROGRAM MANAGEMENT MEASURES

1. **Continue Noise Abatement Information Program.**

Description: This measure recommends the Airport Authority continue use of the noise monitoring and flight track system to provide general information to the public and airport users upon request. This measure also recommends that the Airport Authority maintain the noise complaint phone number to log aircraft noise complaints and better respond to area residents. This measure was previously approved by the FAA as an element of the 2000 NCP and has been updated to reflect that Federal law now prohibits operation of Stage 2 aircraft in the continental United States. 49 United States Code (USC) §47354 completed the full phase-out of operations by Stage 2 jets as of December 31, 2015. (NCP Page 15, Table 7E, Appendix A - page A-16).

FAA Action: Approved. For reasons of aviation safety, this approval does not extend to use of the noise monitoring equipment for enforcement purposes by in situ measurement of any pre-determined noise thresholds.

2. Monitor Implementation of Updated Noise Compatibility Program.

Description: This measure recommends that the Airport Authority monitor implementation and compliance with the Noise Abatement Element of the Noise Compatibility Plan through periodic communications with the FAA Airport Traffic Control Tower, airport users, and planning officials of the cities of Burbank and Los Angeles. This measure also recommends that the Airport Authority develop informational and promotional materials explaining the noise abatement program to pilots. This measure was previously approved by the FAA as an element of the 2000 NCP. (NCP Page 6, Table 7E, Appendix A - page A-17).

FAA Action: Approved.

3. Update Noise Exposure Maps and Noise Compatibility Program.

Description: This measure recommends that the Airport Authority review the Noise Exposure Maps and the Noise Compatibility Program and consider revisions and refinements as necessary. This measure was previously approved by the FAA as an element of the 2000 NCP. (NCP Page 6, Table 7E, Appendix A - page A-17).

FAA Action: Approved. The program should be updated to respond to changing conditions in the local area and in the aviation industry. Any update, or changes to the NCP should be reviewed by the FAA, all affected aircraft operators, and local agencies. In order to comply with 14 CFR Part 150, the proposed changes should be submitted to FAA for approval after local consultation and a public hearing has been conducted.

4. Maintain Log of Nighttime Runway Use and Operations by Aircraft Type.

Description: This measure recommends that the Airport Authority standardize its nighttime operations log recording the date, time, aircraft identification number, aircraft type, operations type, runway used, and weather information for each operation. This measure was previously approved by the FAA as an element of the 2000 NCP. (NCP Page 6, Table 7E, Appendix A, page A-17).

FAA Action: Approved.

END OF RECORD OF APPROVAL

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
JANUARY 17, 2017**

**PROJECT NUMBER E15-12
EMERGENCY GENERATOR REPLACEMENT PROJECT
PHASE 1 AND PHASE 2
INCREASE IN PROJECT CONTINGENCY**

DESCRIPTION

At the December 12, 2016, meeting of the Operations and Development Committee, the Committee voted unanimously (3–0) to recommend to the Commission that it increase the previously approved contingency for the Emergency Generator Replacement Project by \$183,936.80 making the total project contingency \$373,436.80 to cover additional costs for unforeseen necessary repairs to existing switchgear, and the resultant expenditure of force account labor relative to implementing a complete power shut down to most of the terminal complex that was required to affect these repairs.

BACKGROUND

In January 2016 the Commission awarded a construction contract for Phase 2 of the Emergency Generator Replacement Project ("Phase 2") to Pacific Industrial Electric ("PIE") in the amount of \$1,728,569. As part of that authorization, the Commission authorized a contingency for Phase 2 in the amount of \$173,000 to cover any unforeseen costs and/or schedule delays, and costs that might materialize during the construction phase. This brought the total Commission authorizations to \$2,671,640 for all services and construction costs associated with Phases 1 and 2 (including project design) with a combined contingency of \$189,500.

During the installation phase of the new emergency back-up generator, the contractor discovered an unforeseen safety condition in the Airport's existing transfer switch and switchgear which was outside the scope of the PIE contract. Correction of this safety condition required a third party certified high-voltage electrical contractor to address functionality of the transfer switch and switchgear, which is integral to operating the two emergency backup generators. Left unresolved the high-voltage system feeding the terminal could have experienced a catastrophic failure.

Staff notified the Commission via e-mail of the need to establish an Emergency Purchase Order in the amount of \$171,000 with Hampton Tedder Technical Services ("Hampton Tedder"), a high-voltage specialty contractor, to evaluate, further diagnose and address the condition of the existing switchgear, switchboard assemblies, and other components. The functionality of these components is critical to the operation of the stand-by generator system and, ultimately, to providing uninterrupted power to the terminal in the event of an emergency. Hampton Tedder is the firm that the Authority has used in the past to perform preventive maintenance and make repairs to the high-voltage system, hence, it was the logical source to provide the most expedient remedy.

To accomplish this scope of work, the power feed from the City of Burbank needed to be disconnected until such time as one of the 2-megawatt stand-by generators could be

activated to supply power to the terminal building. A design feature of the original transfer switch did not permit work to be performed on the transfer switch while City power was energized to the terminal. Thus, to repair the transfer switch and associated switchgear, Airport staff, in conjunction with Hampton Tedder, was tasked with providing staffing and stand-by generators to power key locations in the Terminal building. To accomplish this task, Airport Maintenance, Parking Operations, Engineering, Operations, Airport Fire and Airport Police also provided staff. Hampton Tedder performed extensive cleaning and replacement of several worn out components. After the completion of Hampton Tedder's work, it was determined by PIE that there was a need to redesign the programming associated with the transfer switch and the switchgear in order to make the existing and new generators function properly and optimally. PIE has submitted a Change Order Request in the amount of \$17,375 for that reprogramming effort.

FUNDING

This project was included in the FY 2015-2016 Facility Development budget under the \$2,100,000 line item for Emergency Back-up Generator Replacement. An update of the project was brought to the Commission in January 2016 that indicated the estimated project cost increased by \$571,640 for a total of \$2,671,640. The FY 2016-2017 Facilities Development budget allocated \$400,000 to complete the original project in the current fiscal year. Current actual and projected costs/estimates based on the force account increase and the emergency work required on the transfer switch and switchgear is as follows:

| PHASE 1 | | | |
|---|---------------------------------|---------------------------------|--|
| DESCRIPTION | "A" COMMISSION AUTHORIZED | "B" PROJECTED TOTAL COSTS | "C" = "B" - "A" USE OF CONTINGENCY |
| Design Phase 1 (AECOM) | \$ 73,239.00 | \$ 91,058.65 | \$17,819.65 |
| Airport Staff – Design Support (TBI & In-House Consultants) | 4,622.00 | 5,051.03 | 429.03 |
| Construction Administration (AECOM) | 93,511.00 | 94,006.42 | 495.42 |
| Construction Costs (Pacific Industrial Electric-site preparation) | 265,000.00 | 265,000.00 | — |
| Construction Management (In-House) | 15,000.00 | 32,644.44 | 17,644.44 |
| Contingency | 16,500.00 | 1,118.20 | (15,381.80) |
| TOTAL PHASE 1: | \$467,872.00 | \$488,878.74 | \$21,006.74 |

| PHASE 2 | | | |
|---|---------------------------------|---------------------------------|--|
| DESCRIPTION | "A" COMMISSION AUTHORIZED | "B" PROJECTED TOTAL COSTS | "C" = "B" – "A" USE OF CONTINGENCY |
| Design Phase 2 (AECOM) | \$ 139,699.00 | \$ 130,993.58 | \$ (8,705.42) |
| Airport Staff – Design Support (TBI & In-House Consultants) | 7,500.00 | 7,328.89 | (171.11) |
| Construction Administration (AECOM) | 130,000.00 | 130,000.00 | — |
| Construction Costs (Pacific Industrial Electric-generator installation) | 1,728,569.00 | 1,752,334.96 | 23,765.96 |
| Construction Management (In-House) | 25,000.00 | 165,923.12 | 140,923.12 |
| Contingency | 173,000.00 | 180,117.51 | 7,117.51 |
| TOTAL PHASE 2: | \$2,203,768.00 | \$2,366,698.06 | \$162,930.06 |
| TOTAL – PHASES 1 AND 2 | \$2,671,640.00 | \$2,855,576.80 | \$183,936.80 |

| | AUTHORIZED CONTINGENCY | PROJECTED CONTINGENCY | INCREASE IN CONTINGENCY |
|-----------------------------|---------------------------|--------------------------|----------------------------|
| PHASE 1 | \$ 16,500.00 | \$ 37,506.74 | \$ 21,006.74 |
| PHASE 2 | 173,000.00 | 335,930.06 | 162,930.06 |
| TOTAL PHASES 1 AND 2 | \$189,500.00 | \$373,436.80 | \$183,936.80 |

A breakdown of the use of the combined Project Contingency (both phases) is as follows:

| DESCRIPTION | USE OF CONTINGENCY |
|--|-----------------------|
| Design and CA services (AECOM – both phases) | \$ 9,609.65 |
| Airport in-house design support | 257.92 |
| Construction costs (PIE – both phases) | 23,765.96 |
| Construction management (in-house; in scope – to date) | 46,164.51 |
| Construction management (in-house; in scope – future) | 30,000.00 |
| Subtotal | 109,798.04 |
| Other contingency uses: | |
| • Staff support | 82,403.05 |
| • Ahern Rentals (temporary generator) | 3,139.67 |
| • Fuel expenses (temporary generator) | 4,120.19 |
| • All Phase (electrical supplies – generator testing) | 3,548.65 |
| • BWP – connect/disconnect and fees | 5,002.62 |
| • Carter Fence (fencing around temporary generator)_ | 514.47 |
| • Excel paving (pot holing) | 1,594.09 |

| | |
|--|---------------------------|
| • Hampton Tedder (emergency diagnostics/repairs) (see Note 1) | 158,316.72 |
| • Advertising, FedEx, supplies | 3,662.52 |
| • Grainger (lighting, night shift emergency work) | 1,336.78 |
| | <hr/> |
| Subtotal | 263,638.76 |
| | <hr/> |
| Total | \$ 373,436.80 |
| | <hr/> |
| | (15% of Project Costs) |

Note 1: Hampton Tedder's final costs are \$158,316, which is below the emergency P.O. authorized amount of \$171,000.

The projected costs for all phases to complete the project is \$2,855,576. This amount exceeds the Commission authorized amount of \$2,671,640 by \$183,936.

SCHEDULE

The emergency repair work and associated force account work has already been completed, however, the final remaining PIE in-scope work associated with the Phase 2 stand-by generator installation is now scheduled to be complete by March 2017.

RECOMMENDATION

At its December 12, 2016, meeting, the Operations and Development Committee voted unanimously (3-0) to recommend to the Commission that it increase the previously approved contingency for the Emergency Generator Replacement Project from \$189,500 to \$373,436, an increase of \$183,936, required due to the unforeseen emergency repairs and directly-related costs associated with the necessary repairs to the existing switchgear and switchboard assemblies to complete the installation of the Emergency Generator replacement and ensure its functionality.

Hollywood Burbank Airport

| REVENUE PASSENGERS | November | | | January - November | | |
|---------------------------------|----------------|----------------|---------------|--------------------|------------------|--------------|
| | 2016 | 2015 | % Change | 2016 | 2015 | % Change |
| Signatory Airlines | | | | | | |
| Alaska Airlines | 33,445 | 32,755 | 2.11% | 397,258 | 383,616 | 3.56% |
| American Airlines (US Airways) | 13,194 | 17,218 | -23.37% | 139,328 | 170,643 | -18.35% |
| Delta Air Lines | 8,672 | 7,078 | 22.52% | 84,236 | 71,040 | 18.58% |
| JetBlue Airways | 7,476 | 7,741 | -3.42% | 85,837 | 85,701 | 0.16% |
| SeaPort Airlines | 0 | 1,105 | -100.00% | 277 | 14,020 | -98.02% |
| Southwest Airlines | 290,078 | 252,085 | 15.07% | 2,825,212 | 2,675,847 | 5.58% |
| United Airlines | 22,567 | 19,590 | 15.20% | 245,839 | 206,527 | 19.03% |
| Total Revenue Passengers | 375,432 | 337,572 | 11.22% | 3,777,987 | 3,607,394 | 4.73% |
| Inbound (deplaned) | 187,246 | 168,904 | 10.86% | 1,888,644 | 1,801,085 | 4.86% |
| Outbound (enplaned) | 188,186 | 168,668 | 11.57% | 1,889,343 | 1,806,309 | 4.60% |

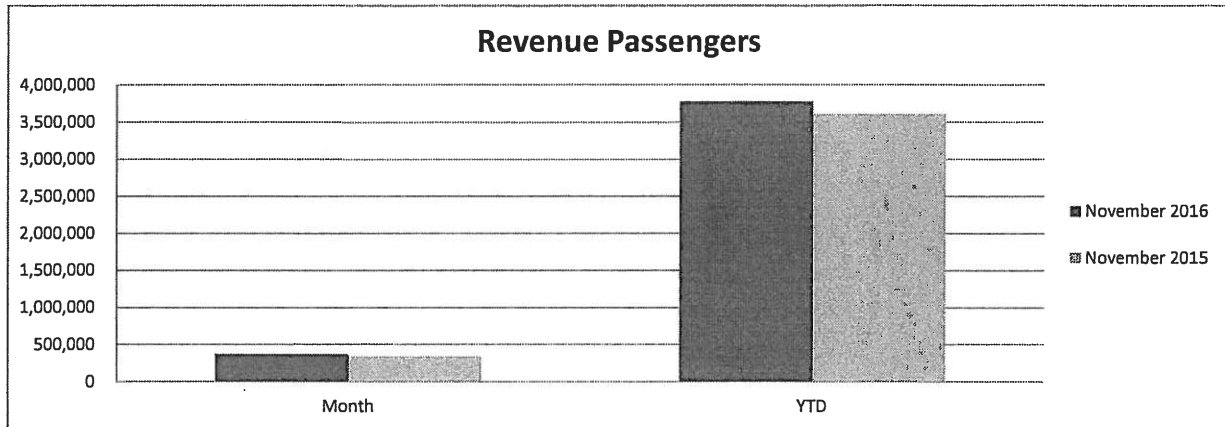
| AIRCRAFT OPERATIONS * | November | | | January - November | | |
|----------------------------------|---------------|---------------|---------------|--------------------|----------------|--------------|
| | 2016 | 2015 | % Change | 2016 | 2015 | % Change |
| Air Carrier | 4,123 | 3,972 | 3.80% | 45,234 | 42,606 | 6.17% |
| Air Taxi | 1,397 | 1,073 | 30.20% | 13,199 | 13,180 | 0.14% |
| General Aviation | 3,294 | 2,979 | 10.57% | 37,111 | 34,599 | 7.26% |
| Military Itinerant | 87 | 91 | -4.40% | 1,101 | 934 | 17.88% |
| Civil Local | 2,224 | 1,948 | 14.17% | 25,847 | 26,714 | -3.25% |
| Military Local | 0 | 0 | N/A | 3 | 26 | -88.46% |
| Total Aircraft Operations | 11,125 | 10,063 | 10.55% | 122,495 | 118,059 | 3.76% |

* Source: FAA Tower Daily Airport Operations Count, adjusted to show Canadair Regional Jet-200 operations as Air Carrier. Includes Hollywood Burbank Airport arrivals/departures only; excludes aircraft that enter local air space but do not land or take off at Hollywood Burbank Airport.

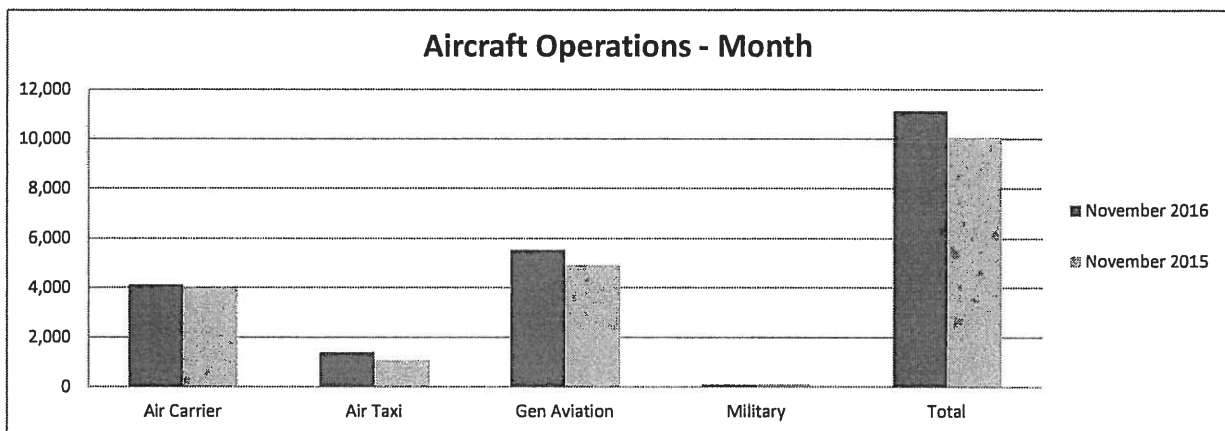
Hollywood Burbank Airport

| AIR CARGO (lbs.) | November | | | January - November | | |
|--------------------------------|------------------|------------------|---------------|--------------------|-------------------|---------------|
| | 2016 | 2015 | % Change | 2016 | 2015 | % Change |
| Signatory Airlines | | | | | | |
| Alaska Airlines | 704 | 338 | 108.28% | 7,799 | 5,664 | 37.69% |
| American Airlines (US Airways) | 0 | 0 | N/A | 40 | 1,524 | -97.38% |
| Delta Air Lines | | | | | | |
| JetBlue Airways | | | | | | |
| SeaPort Airlines | | | | | | |
| Southwest Airlines | 146,893 | 153,312 | -4.19% | 1,768,420 | 1,918,361 | -7.82% |
| United Airlines | | | | | | |
| Other Scheduled Carriers | | | | | | |
| Federal Express | 4,932,160 | 3,943,886 | 25.06% | 47,508,138 | 47,390,606 | 0.25% |
| United Parcel Service | 4,454,402 | 4,018,182 | 10.86% | 44,323,228 | 46,236,893 | -4.14% |
| Charter/Contract Carriers | | | | | | |
| AirNet Express | 2,930 | 3,338 | -12.22% | 32,780 | 68,316 | -52.02% |
| Ameriflight | 221,043 | 203,044 | 8.86% | 2,414,595 | 2,477,572 | -2.54% |
| Total Air Cargo | 9,758,132 | 8,322,100 | 17.26% | 96,055,000 | 98,098,936 | -2.08% |
| Inbound (deplaned) | 5,065,149 | 4,120,188 | 22.93% | 48,183,986 | 46,819,299 | 2.91% |
| Outbound (enplaned) | 4,692,983 | 4,201,912 | 11.69% | 47,871,014 | 51,279,637 | -6.65% |

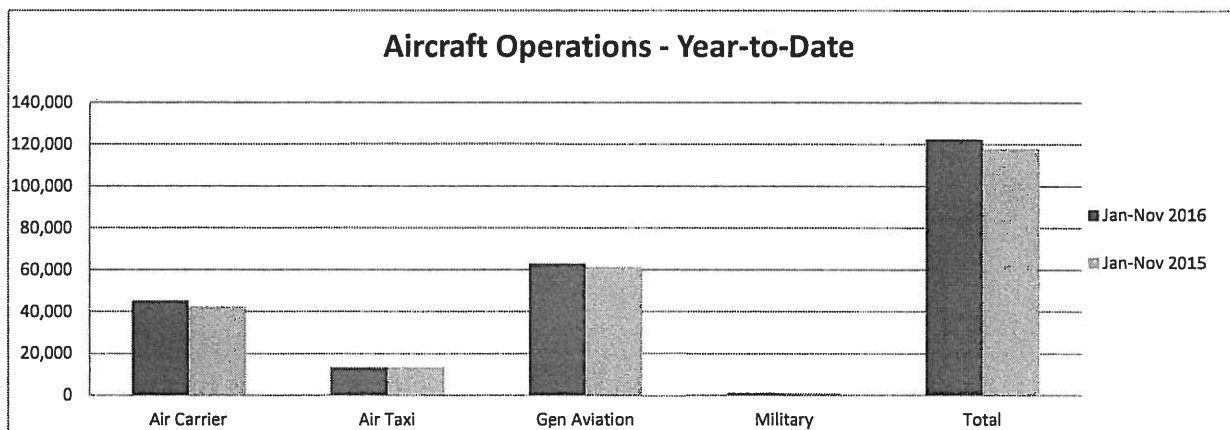
| MAIL (lbs.) | November | | | January - November | | |
|-----------------------|--------------|----------------|----------------|--------------------|------------------|----------------|
| | 2016 | 2015 | % Change | 2016 | 2015 | % Change |
| United Parcel Service | 3,370 | 124,594 | -97.30% | 165,013 | 2,856,799 | -94.22% |
| Alaska Airlines | 16 | 0 | N/A | 16 | 0 | N/A |
| Total Mail | 3,386 | 124,594 | -97.28% | 165,029 | 2,856,799 | -94.22% |
| Inbound (deplaned) | 3,386 | 66,270 | -94.89% | 86,501 | 1,781,025 | -95.14% |
| Outbound (enplaned) | 0 | 58,324 | -100.00% | 78,528 | 1,075,774 | -92.70% |



| Revenue Passengers | Month | YTD |
|--------------------|---------|-----------|
| November 2016 | 375,432 | 3,777,987 |
| November 2015 | 337,572 | 3,607,394 |
| % Change | 11.22% | 4.73% |



| Aircraft Operations - MO | Air Carrier | Air Taxi | Gen Aviation | Military | Total |
|--------------------------|-------------|----------|--------------|----------|--------|
| November 2016 | 4,123 | 1,397 | 5,518 | 87 | 11,125 |
| November 2015 | 3,972 | 1,073 | 4,927 | 91 | 10,063 |
| % Change | 3.80% | 30.20% | 12.00% | -4.40% | 10.55% |



| Aircraft Operations - YTD | Air Carrier | Air Taxi | Gen Aviation | Military | Total |
|---------------------------|-------------|----------|--------------|----------|---------|
| Jan-Nov 2016 | 45,234 | 13,199 | 62,958 | 1,104 | 122,495 |
| Jan-Nov 2015 | 42,606 | 13,180 | 61,313 | 960 | 118,059 |
| % Change | 6.17% | 0.14% | 2.68% | 15.00% | 3.76% |