



March 15, 2018

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

NOTICE is hereby given that a regular meeting of the Burbank-Glendale-Pasadena Airport Authority will be held Monday, March 19, 2018, at 9:00 a.m., in the Airport Skyroom of Hollywood Burbank Airport, 2627 Hollywood Way, Burbank, California 91505.

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



REGULAR COMMISSION MEETING

AGENDA

MARCH 19, 2018

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

Regular Meeting of Monday, March 19, 2018

9.00 A.M.

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

- *Turn off cellular telephones and pagers.*
- *Refrain from disorderly or boisterous conduct, including loud, threatening, profane, or abusive language, clapping, whistling, stamping, or other acts that disrupt or otherwise render unfeasible the orderly conduct of the meeting.*
- *If you desire to address the Commission during the Public Comment period, fill out a speaker request card and present it to the Commission's secretary.*
- *Limit public comments to five minutes, or such other period of time as may be specified by the presiding officer, and confine remarks to matters that are on the Commission's agenda for consideration or are otherwise within the subject matter jurisdiction of the Commission.*

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

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

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

[See page 1]

[See page 3]

- 2) Finance and Administration Committee
 - (i) February 5, 2018 ***[See page 5]***
- 3) Legal, Government and Environmental Affairs Committee
 - (i) February 5, 2018 ***[See page 7]***
- b. Commission Minutes
(For Approval)
 - 1) February 20, 2018 ***[See page 9]***
- c. December 2017 Treasurer's Report ***[See page 15]***
- d. Exercise of Second Extension Option
Janitorial Service Agreement
Diverse Facility Solutions, Inc. ***[See page 40]***
- 6. ITEMS FOR COMMISSION APPROVAL
 - a. Award of Contract – Eighth Amendment to
Lease and Concession Agreement
MCS Burbank LLC ***[See page 43]***
 - b. Right of Entry Permit and Indemnity Agreement
Los Angeles County Metropolitan Transportation
Authority – Hollywood Burbank Airport
North Metrolink Station ***[See page 55]***
 - c. Presentation of FY 2017 Financial Statements and
Analysis of Financial Results ***[See page 62]***
- 7. ITEMS FOR COMMISSION INFORMATION
 - a. Airline Schedule Analysis ***[See page 69]***
 - b. January 2018 Passenger/Cargo and
Regional Airport Passenger Statistics ***[See page 76]***
 - c. January 2018 Parking Revenue Statistics ***[No Staff Report]***
 - d. January 2018 Transportation Network
Companies ("TNC") Summary of Activities ***[No Staff Report]***
 - e. Ground Transportation Analysis ***[No Staff Report]***
- 8. COMMISSIONER COMMENTS
(Updates and information items, if any)
- 9. ADJOURNMENT

COMMISSION NEWSLETTER
March 19, 2018

[Regarding agenda items]

5. CONSENT CALENDAR

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

- a. COMMITTEE MINUTES. Approved minutes of the February 1, 2018, and February 5, 2018, Operations and Development Committee; February 5, 2018, Finance and Administration Committee; and February 5, 2018, Legal, Government and Environmental Affairs Committee are included in the agenda packet for information purposes.
- b. COMMISSION MINUTES. Draft minutes of the February 20, 2018, meeting are attached for the Commission's review and approval.
- c. TREASURER'S REPORT. The Treasurer's Report for December 2017 is contained in the agenda packet. At the February 20, 2018, Finance and Administration Committee special meeting, the Committee voted unanimously (3-0) to recommend that the Commission note and file the reports.
- d. AWARD OF CONTRACT – EXERCISE OF SECOND EXTENSION OPTION JANITORIAL SERVICE AGREEMENT – DIVERSE FACILITY SOLUTIONS, INC. At the special meeting of the Operations and Development Committee ("Committee") on February 20, 2018, the Committee voted (2-0, one absent) to seek Commission approval to exercise the second of two one-year options contained in the Janitorial Service Agreement between the Burbank-Glendale-Pasadena Airport Authority and Diverse Facility Solutions, Inc.

6. ITEMS FOR COMMISSION APPROVAL

- a. AWARD OF CONTRACT – EIGHTH AMENDMENT TO LEASE AND CONCESSION AGREEMENT – MCS BURBANK LLC. At the February 20, 2018, special meeting of the Finance and Administration Committee ("Committee"), the Committee unanimously voted (3-0) to recommend that the Commission approve the proposed Eighth Amendment ("Amendment") to the Lease and Concession Agreement with the Authority's exclusive food and beverage concessionaire, MCS Burbank LLC. The proposed Amendment recommends changes to the concession space in both Terminals A and B, and requires new improvements to the proposed spaces as well as adjustments to the Minimum Annual Guarantee from the concessionaire.
- b. RIGHT OF ENTRY PERMIT AND INDEMNITY AGREEMENT – LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY – HOLLYWOOD BURBANK AIRPORT NORTH METROLINK STATION. At the February 20, 2018, special meeting of the Legal, Government and Environmental Affairs Committee ("Committee"), the Committee voted (2-0, one absent) to recommend that the

Commission approve a Right of Entry Permit and Indemnity Agreement with the Los Angeles County Metropolitan Transportation Authority for bus/shuttle access to the new Metrolink station at San Fernando and Hollywood Way. This new station is anticipated to open shortly and Staff is currently seeking proposals from firms to provide this service.

- c. PRESENTATION OF FY 2017 FINANCIAL STATEMENTS AND ANALYSIS OF FINANCIAL RESULTS. A staff report is included in the agenda packet. The Authority's independent auditor, Macias Gini & O'Connell LLP ("MGO"), has completed its audits of the Burbank-Glendale-Pasadena Airport Authority ("Authority") fiscal year 2017 financial statements. Enclosed with the staff report is a copy of the audited Basic Financial Statements for the fiscal years ended June 30, 2017 ("FY 2017") and 2016 ("FY 2016"). Also enclosed are copies of the audited Single Audit Reports (audit of federal grant programs), Passenger Facility Charge Audit Reports, Customer Facility Charge Audit Reports, Independent Auditor's Report on Compliance with Section 6.05 of the Bond Indenture, and the Auditor's Report to the Authority Regarding the FY 2017 Audits.

MGO presented the results of its audits to the Finance and Administration Committee ("Committee") at its February 20, 2018, special meeting. The Committee voted unanimously (3-0) to recommend that the Authority note and file these audit reports.

7. ITEMS FOR COMMISSION INFORMATION

- a. AIRLINE SCHEDULE ANALYSIS - A staff report is included in the agenda packet. Staff has received notice of changes in service, fleet mix, and scheduled operating times from five airlines serving Hollywood Burbank Airport. This report change is reflected in detail on the attached Airline Schedule Analysis.
- b. JANUARY 2018 PASSENGER/CARGO AND REGIONAL AIRPORT PASSENGER STATISTICS – The January 2018 passenger count of 370,230 was up 13.15% compared to last year's count of 327,191 passengers. Air carrier aircraft operations increased 12.2% while cargo volume in January grew marginally, just short of 1% to 8.7 million pounds. A complete report is included in the agenda packet.
- c. JANUARY 2018 PARKING REVENUE STATISTICS – No staff report attached. Staff will present parking revenue data for the month of January 2018.
- d. JANUARY 2018 TRANSPORTATION NETWORK COMPANIES ("TNC") SUMMARY OF ACTIVITIES. No staff report attached. Staff will update the Commission on TNC activity for the month January 2018.
- e. GROUND TRANSPORTATION ANALYSIS. No staff report is attached. Staff will present preliminary analysis of data collected between passenger activity and ground transportation services.

Approved February 20, 2018

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

THURSDAY, FEBRUARY 1, 2018

A special meeting of the Operations and Development Committee was called to order on this date in the Airport Skyroom, 2627 Hollywood Way, Burbank, California, at 9:00 a.m., by Chairman Brown.

ROLL CALL

Present: Commissioners Brown and Tornek

Absent: Commissioner Devine

Also Present: Staff: Frank Miller, Executive Director;
John Hatanaka, Senior Deputy Executive Director;
Patrick Lammerding, Deputy Executive Director,
Planning and Development

Bob Frutos, Councilmember, City of Burbank

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

Commissioner Brown, the Committee Chairman, requested that Commissioner Tornek, the Authority President, lead the discussion and allow Burbank residents and other members of the public to address the Committee regarding concerns about NextGen and Airport operations.

Commissioner Tornek introduced Burbank City Councilmember, Bob Frutos, who was present for the discussion.

3. Items for Discussion This item was taken out of order.

a. NextGen Impacts Audrey Geiger-Ford, Burbank resident, addressed the Committee regarding residents' concerns about NextGen and Airport operations. Following Ms. Fords' presentation, Staff heard from other Burbank residents regarding their concerns. The Committee received their concerns and committed to follow up with them with additional information and a response to their concerns at a future date.

2. Public Comment Audrey Geiger-Ford, Burbank resident;
Laura Ioanou, Burbank resident; Henrik Helgesen, Burbank resident; Greg Sousa, Burbank resident, non-agenda item; Mike Nolan, Burbank resident.

4. Adjournment

There being no further business, the meeting adjourned at 10:37 a.m.

Approved February 20, 2018

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

MONDAY, FEBRUARY 5, 2018

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

ROLL CALL

Present: Commissioners Brown, Tornek, and Devine

Absent: None

Also Present: Staff: Frank Miller, Executive Director;
John Hatanaka, Senior Deputy Executive Director;
Karen Sepulveda, Assistant Airport Engineer

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

2. Public Comment There were no public speakers: Commissioner Brown expressed his appreciation to Commissioner Tornek for his interest with the concerns raised by Burbank residents regarding NextGen and Airport operations.

3. Approval of Minutes

a. January 16, 2018 Commissioner Tornek moved approval of the minutes of the January 16, 2018, meeting, seconded by Commissioner Devine. The minutes were approved (3-0).

4. Contracts and Leases

a. Award of Contract, Project Number E17-19 Airfield Lighting Vault Area Paving Project Staff reported that approximately 18,000 square feet of airfield asphalt has been determined to have exceeded its useful life and in need of rehabilitation. The scope of work is for the removal and replacement of 4" of asphalt and also includes the removal of 30 gate posts that were previously paved over from an old fence alignment.

Staff recommended that the Committee recommend to the Commission approval of the following actions: (i) award of a construction

contract in the amount of \$69,872 to Excel Paving, dba PALP, Inc.; (ii) authorization of a not-to-exceed amount of \$10,000 for the in-house construction management service, field observation and security; and, (iii) establish a project contingency in the amount of \$4,000 which is approximately 5% of the project construction cost.

Motion

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

Motion Approved

The motion was approved unanimously (3-0).

5. Adjournment

There being no further business, the meeting was adjourned at 8:36 a.m.

Approved February 20, 2018

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

MONDAY, FEBRUARY 5, 2018

A regular meeting of the Finance and Administration Committee was called to order this date in the Airport Skyroom, 2627 Hollywood Way, Burbank, California, at 9:47 a.m., by Chairman Gharpetian.

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

ROLL CALL

Present: Commissioners Gharpetian, Adams and Selvidge

Absent: None

Also Present: Staff: Kathy David, Deputy Executive Director, Finance and Administration; David Kwon, Director of Financial Services; David Freedman, Director, Business Development and Administrative Services

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

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

2. Public Comment There were no public speakers.

3. Approval of Minutes

a. January 16, 2018 Draft minutes for the January 16, 2018, Finance and Administration Committee meeting were presented for approval.

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

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

4. Proposed Resolution Adopting the 2018 Authority Investment Policy

Staff, along with James Wilkinson of Columbia Threadneedle Investments who participated via teleconference, reviewed with the Committee the 2018 Authority Investment Policy. After a discussion and answer period, the Commission voted unanimously (3–0) to recommend approval of the 2018 Investment Policy by the Commission.

Motion

Commissioner Adams moved approval; seconded by Commissioner Selvidge.

Motion Approved

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

AYES: Commissioner Gharpetian, Adams and Selvidge

NOES: None

ABSENT: None

5. Items for Information

a. Committee Pending items

Staff updated the Committee on future items.

6. Other Contracts and Leases

There were no other contracts and leases to be discussed.

7. Adjournment

There being no further business, the meeting was adjourned at 9:53 a.m.

Approved February 20, 2018

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

MONDAY, FEBRUARY 5, 2018

A regular meeting of the Legal, Government and Environmental Affairs Committee was called to order on this date in the Burbank Room, 2627 Hollywood Way, Burbank, California, at 9:44 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, Sinanyan and Madison

Absent: None

Also Present: Staff: John Hatanaka, Senior Deputy Executive Director; Mark Hardymont, Director, Transportation and Environmental Programs; Sarah Paulson Sheehy, Senior Director, Government and Public Affairs; Lucy Burghdorf, Director of Public Affairs and Communications

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

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

2. Public Comment There were no public speakers.

3. Approval of Minutes

a. October 16, 2017 Draft minutes for the October 16, 2017, Legal, Government and Environmental Affairs Committee meeting were presented for approval.

Motion Commissioner Sinanyan moved approval of the minutes, seconded by Commissioner Wiggins. Commissioner Madison abstained from commenting on the minutes as he did not attend the October 16, 2017 meeting.

Motion Approved The minutes were approved (2-0; one abstention).

4. Items for Discussion

a. Update: Federal and State Legislative Issues; SCAQMD

Staff updated the committee on airport-related federal and state legislative issues which they have been monitoring and answered various questions from the committee.

Staff reported that the South Coast Air Quality District (SCAQMD) along with California Airports Council and Airlines for America, continue to work with AQMD Staff to avoid an indirect source rule where airports would become the de facto regulators of all sources of emissions at the Airport. On February 16, 2018, Staff will go before the mobile source committee and the full AQMD Board on March 2, 2018, with the Staff recommendation to move away from an ISR Airport to a recommended MOU approach.

5. Adjournment

There being no further business, the meeting was adjourned at 9:55 a.m.

Subject to Approval

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

TUESDAY, FEBRUARY 20, 2018

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 9:07 a.m., by President Tornek.

1. ROLL CALL

Present: Commissioners Tornek, Brown, Adams, Gharpetian (arr. 9:11 a.m.), Sinanyan, Devine, Wiggins and Selvidge

Absent: Commissioner Madison

Also Present: Staff: Frank Miller, Executive Director; John Hatanaka, Senior Deputy Executive Director; Karen Sepulveda, Manager, Construction Services

Also present: Norm Dupont, Esq., Ring Bender

2. PLEDGE OF ALLEGIANCE

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

3. APPROVAL OF AGENDA

The agenda was approved as presented.

President Tornek announced that Public Comments would be made as the intended item number was reached. Three speakers were in attendance to comment on Item 7. Therefore, Item 4. Public Comments, was taken out of order after Item 7, proceeded by items 8 - 10.

5. CONSENT CALENDAR

**a. Committee Reports
(For Noting and filing)**

**1) Operations and
Development
Committee**

(i) January 16, 2018

Approved minutes of the Operations and Development Committee for January 16, 2018, were included in the agenda packet for information purposes.

2) Finance and Administration Committee

Approved minutes of the Finance and Administration Committee for January 16, 2018, were included in the agenda packet for information purposes.

(i) January 16, 2018

3) Legal, Government and Environmental Affairs Committee

Approved minutes of the Legal, Government and Environmental Affairs Committee for October 16, 2017, were included in the agenda packet for information purposes.

(i) October 16, 2017

b. Commission Minutes (For Approval)

Minutes of the February 5, 2018, regular Commission meeting were included in the agenda packet for review and approval.

1) February 5, 2018

c. Resolution No. 477 Adopting the 2018 Authority Investment Policy

At the February 5, 2018, meeting of the Finance and Administration Committee ("Committee"), the Committee voted unanimously (3–0) to recommend to the Commission that it adopt a draft proposed resolution approving the 2018 Investment Policy which affirms the 2017 Investment Policy with no changes.

MOTION

Commissioner Sinanyan moved approval of the Consent Calendar; seconded by Commissioner Wiggins.

MOTION APPROVED

There being no objection, the motion was approved (7–0).

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

NOES: None

ABSENT: Commissioners Gharpetian and
Madison

6. ITEMS FOR COMMISSION APPROVAL

a. Award of Contract – Project Number E-17-19 Airfield Lighting Vault Paving Request

At the February 5, 2018, meeting of the Operations and Development Committee ("Committee"), the Committee recommended that the Commission approve the following

actions: (i) award of a construction contract in the amount of \$69,872 to Excel Paving, dba PALP, Inc.; (ii) authorization of a not-to-exceed amount of \$10,000 for the in-house construction management service, field observation and security; and, (iii) establish a project contingency in the amount of \$4,000 which is approximately 5% of the project construction cost. Staff indicated the appropriations are included in the FY 2017-2018 Capital Budget as part of the Airside Paving Improvements project line item.

Staff reported that approximately 18,000 square feet of airfield asphalt has exceeded its useful life and is in need of rehabilitation. The scope of work is for the removal and replacement of 4" of asphalt and also includes the removal of 30 gate posts that were previously paved over from an old fence alignment.

At the February 5, 2018, meeting of the Operations and Development Committee, the Commission recommended the Commission approve this award of contract.

MOTION

Commissioner Sinanyan moved approval; seconded by Commissioner Selvidge.

MOTION APPROVED

There being no objection, the motion was approved (7-0).

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

NOES: None

ABSENT: Commissioners Gharpetian and
Madison

**b. Acceptance of L.A.
Regional Water Quality
Control Board Approval of
Replacement Passenger
Terminal Project Human
Health Risk Assessment;
Supplemental**

Staff presented for Commission acceptance the Los Angeles Regional Water Quality Control Board ("LARWQCB") approval of the Human Health Risk Assessment ("HHRA") for the Adjacent Property, which is the preferred site for the Replace Passenger Terminal project.

**Authorization for
Associated Expenses**

Additionally, Staff requested authorization from the Commission for a supplemental appropriation in the amount of \$60,000 for: (i) unbilled oversight costs by the State Office of Environmental Health Hazard Assessment ("OEHHA") and LARWQCB; (ii) unbilled work by Geosyntec on the HHRA and new work in connection with the negotiation of a land use covenant required by LARWQCB; and (iii) unbilled work by Ring Bender on the HHRA and new work negotiating and drafting the land use covenant required by LARWQCB.

Mr. Norm Dupont, Esq., of the law firm Ring Bender, made the presentation to the Commission outlining the results received from the LARWQCB. Mr. Dupont indicated that on January 29, 2018, LARWQCB issued a letter approving the Draft HHRA and the Final HHRA. The Letter declared: "the Regional Board considers the Adjacent Property compatible for the construction of and operation of an airport replacement passenger terminal and associated facilities (replacement terminal complex)."

Mr. Dupont also recommended the Commission authorize supplemental appropriations in the amount of \$60,000 to cover unbilled oversight costs by OEHHA, unbilled work on the HHRA by Geosyntec, and new work negotiating and drafting the land use covenant required by LARWQCB.

MOTION

Commissioner Selvidge moved acceptance of the letter and approved authorization for a supplemental appropriation in the amount of \$60,000; seconded by Commissioner Wiggins.

MOTION APPROVED

There being no objection, the motion was approved (8-0).

AYES: Commissioners Adams, Brown
Gharpetian, Sinanyan, Tornek,
Devine, Wiggins and Selvidge

NOES: None

ABSENT: Commissioner Madison

7. ITEMS FOR COMMISSION DISCUSSION

a. Joint Letter with the City of Burbank Regarding Federal Aviation Administration NextGen Concerns

Staff presented to the Commission for approval a proposed joint letter from the City of Burbank to the Federal Aviation Administration ("FAA") prepared by the City Attorney's office regarding NextGen concerns. The City of Burbank has asked the Commission to side and join with them in signing the letter.

On January 9, 2018, the Burbank City Council unanimously (5-0) approved the draft letter regarding FAA NextGen concerns and directed that it be submitted to the Commission for consideration of a joint submission by the City of Burbank and the Authority.

Staff supports Burbank's proposed joint letter and recommends that the Commission approve it without change. In signing the letter, it would not be the first time the Authority has notified the FAA of Burbank residents' concerns about NextGen. Sixteen months ago, Executive Director Miller wrote the FAA for clarification regarding both NextGen and the restriction on easterly takeoffs by commercial flights heavier than 12,500 pounds.

Commissioner Tornek advised the Commission of discussions that occurred at the special Operations and Development Committee meeting held on February 1, 2018. The meeting was held at the request of members of the Burbank community to meet with members of the Authority Commission regarding the impacts of NextGen.

MOTION

Commissioner Wiggins moved acceptance of the joint letter to the FAA as drafted by the City of Burbank; seconded by Commissioner Gharpetian.

MOTION APPROVED

There being no objection, the motion was approved (8-0).

AYES: Commissioners Adams, Brown, Gharpetian, Sinanyan, Tornek, Devine, Wiggins and Selvidge

NOES: None

ABSENT: Commissioner Madison

4. PUBLIC COMMENT

Audrey Ford, Laura Ioannu, and Roy Wiegand, all residents of Burbank spoke regarding Item 7.a. on their concerns regarding the issue of NextGen.

8. COMMISSIONER COMMENTS

There were no Commissioner Comments.

9. CLOSED SESSION

The meeting recessed to closed session at 10:36 a.m.

- a. Existing CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (California Government Code Section 54956.9(d)(1))
Name of Case: Maricelli v. Burbank-Glendale-Pasadena Airport Authority et al. (Case No. BC664537)
- b. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of Litigation (California Government Code Section 54956.9(d)(4)):
1 potential case: Noise Variance Application to California Department of Transportation, Division of Aeronautics

**Meeting Reconvened to
Open Session**

The meeting reconvened to open session at 10:57 a.m., with the same Commissioners present.

Commissioner Tornek advised no reportable action was taken during close session.

Closed Session Report

10. ADJOURNMENT

There being no further business, the meeting was adjourned at 10:57 a.m.

Terry Tornek, President

Date

Ray Adams, Secretary

Date



March 19, 2018

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

Dear Commissioners:

The attached report, covering the month of December 2017, 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]

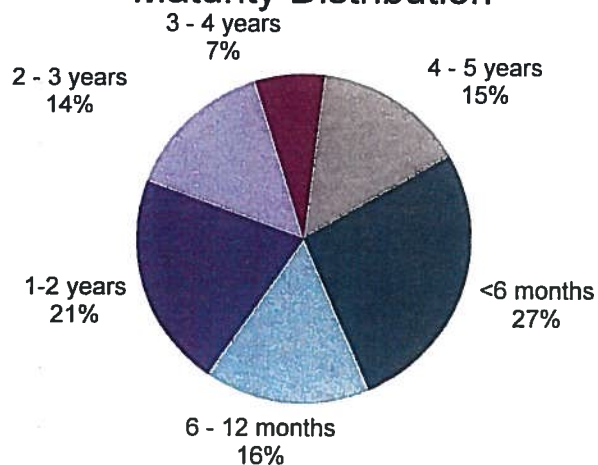
Ross Selvidge, Ph.D.
Treasurer

Attachments

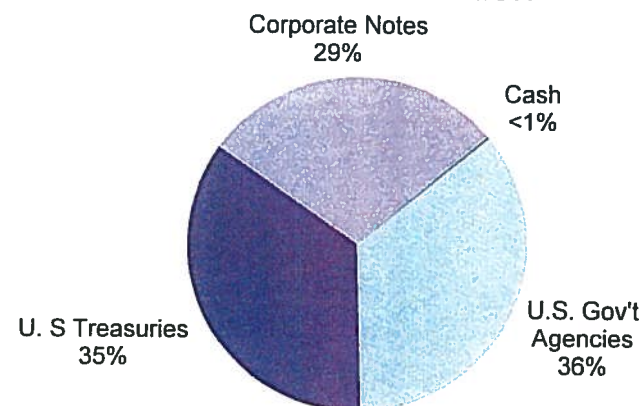
Operating Portfolio Investment Guidelines Conformance as of December 31, 2017

	Legal Max Maturity	Actual Max Maturity	Policy Maximum	Policy Actual
U.S. Gov Agencies	5 Years	4.26 Years	70%	36%
Corporate Notes	5 Years	4.62 Years	30%	29%
LAIF	N/A	N/A	\$20 mil	N/A
Bankers Acceptances	6 Months	N/A	15%	N/A
Negotiable Certificates of Deposit	5 Years	N/A	15%	N/A
Non-Negotiable Certificates of Deposit	5 Years	N/A	15%	N/A
Commercial Paper	270 Days	N/A	15%	N/A
Repurchase Agreements	1 Year	N/A	10%	N/A
Money Market Fund	N/A	N/A	15%	<1%
U.S. Gov Securities (Treasuries)	5 Years	4.75 Years	No Limit	35%

Maturity Distribution



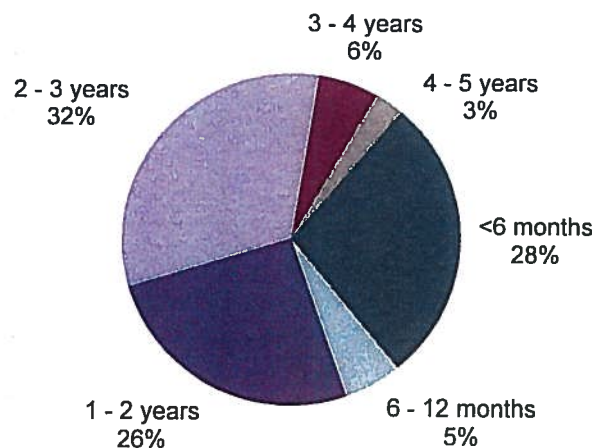
Sector Allocation



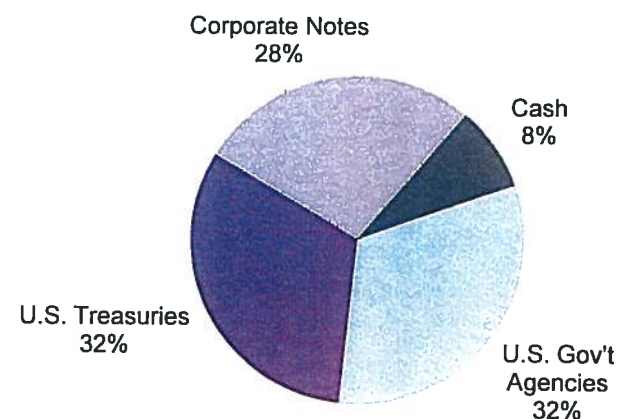
PFC Portfolio Investment Guidelines Conformance as of December 31, 2017

	Legal Max Maturity	Actual Max Maturity	Policy Maximum	Policy Actual
U.S. Gov Agencies	5 Years	3.92 Years	70%	32%
Corporate Notes	5 Years	4.33 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%	8%
U.S. Gov Securities (Treasuries)	5 Years	4.09 Years	No Limit	32%

Maturity Distribution



Sector Allocation



Burbank-Glendale-Pasadena Airport Authority - Operating Account
Statement of Investments
As of 12/31/17

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
12/31/17	Columbia Treasury Reserves	097101307	0.000	12/31/17	12/31/17	\$ 345,293	\$ 345,293	\$ 345,293	\$ -	0.00%	0	0.17%
12/08/14	General Electric Capital Corp	36962G6X7	2.405	04/02/18	01/02/18	1,690,000	1,707,900	1,692,371	(15,529)	1.85%	2	0.81%
04/19/16	FHLMC Reference Notes	3137EADN6	0.750	01/12/18	01/12/18	3,750,000	3,748,050	3,749,291	1,241	1.27%	12	1.80%
01/21/16	Oracle Corporation	68389XAR6	1.939	01/15/19	01/15/18	1,170,000	1,173,824	1,176,297	2,473	1.77%	15	0.56%
04/19/16	FFCB	3133EEZ52	1.565	03/22/18	01/22/18	5,000,000	4,986,879	5,002,220	15,341	1.38%	22	2.40%
07/08/15	Wells Fargo & Company	94974BFK1	1.993	04/23/18	01/23/18	1,500,000	1,502,735	1,502,154	(581)	1.80%	23	0.72%
05/06/14	Bank of New York Mellon Corp	06406HCE7	1.300	01/25/18	01/25/18	1,000,000	992,963	999,606	6,643	1.83%	25	0.48%
08/07/15	Fifth Third Bank	31677QAV1	1.450	02/28/18	01/28/18	1,000,000	996,120	999,483	3,363	1.76%	28	0.48%
05/06/16	Apple Inc	037833AP5	1.691	05/06/19	02/06/18	1,200,000	1,196,747	1,203,884	7,137	1.75%	37	0.58%
12/23/13	FNMA Benchmark Notes	3135G0TG8	0.875	02/08/18	02/08/18	6,000,000	5,904,390	5,997,078	92,688	1.32%	39	2.87%
05/26/17	QualComm Inc	747525AQ6	1.886	05/20/20	02/20/18	850,000	850,915	850,686	(229)	2.12%	51	0.41%
03/02/16	Johnson & Johnson	478160BW3	1.751	03/01/19	03/01/18	1,500,000	1,502,346	1,503,632	1,286	1.75%	60	0.72%
11/18/15	Exxon Mobil Corp	30231GAL6	1.305	03/06/18	03/06/18	700,000	701,862	699,535	(2,327)	1.65%	65	0.34%
04/28/16	American Express Credit Corp	0258M0DY2	2.624	09/14/20	03/14/18	1,000,000	1,007,630	1,017,527	9,897	2.11%	73	0.49%
03/20/17	Citigroup Inc	17325FAB4	1.966	03/20/19	03/20/18	450,000	450,000	450,545	545	1.95%	79	0.22%
09/07/16	Coca-Cola Company (The)	191216BA7	1.150	04/01/18	04/01/18	1,450,000	1,452,871	1,447,932	(4,939)	1.71%	91	0.69%
06/27/16	FHLB	3130A4GJ5	1.125	04/25/18	04/25/18	1,520,000	1,530,579	1,518,246	(12,333)	1.48%	115	0.73%
09/25/15	Boeing Co	097023BE4	0.950	05/15/18	05/15/18	944,000	938,314	940,010	1,696	2.08%	135	0.45%
03/11/14	Merck & Co Inc	58933YAG0	1.300	05/18/18	05/18/18	1,350,000	1,339,553	1,347,701	8,148	1.74%	138	0.65%
06/29/16	Chevron Corp	166764AE0	1.718	06/24/18	05/24/18	900,000	908,865	899,501	(9,364)	1.83%	144	0.43%
12/03/14	Treasury Note	912828VE7	1.000	05/31/18	05/31/18	13,010,000	12,972,601	12,984,038	11,437	1.48%	151	6.22%
08/05/15	FHLMC	3137EABP3	4.875	06/13/18	06/13/18	5,500,000	6,011,095	5,579,706	(431,389)	1.67%	164	2.67%
07/06/15	Southern California Gas Company	842434CN0	1.550	06/15/18	06/15/18	1,175,000	1,182,360	1,172,842	(9,518)	2.00%	166	0.56%
04/19/16	Treasury Note	912828XK1	0.875	07/15/18	07/15/18	7,750,000	7,762,715	7,721,153	(41,562)	1.56%	196	3.70%
04/19/16	FNMA Benchmark Notes	3135G0E33	1.125	07/20/18	07/20/18	4,125,000	4,145,873	4,112,460	(33,413)	1.67%	201	1.97%
07/06/15	Nevada Power Company	641423BW7	6.500	08/01/18	08/01/18	1,050,000	1,189,265	1,077,232	(112,033)	2.04%	213	0.52%
08/07/15	3M Company	88579YAP6	1.375	08/07/18	08/07/18	900,000	898,398	897,107	(1,291)	1.91%	219	0.43%
12/18/15	Berkshire Hathaway Finance Corp	084664BY6	2.000	08/15/18	08/15/18	1,550,000	1,577,051	1,550,191	(26,860)	1.98%	227	0.74%
08/18/15	Treasury Note	912828RE2	1.500	08/31/18	08/31/18	6,400,000	6,482,133	6,391,872	(90,261)	1.69%	243	3.06%
04/19/16	FNMA	3135G0E58	1.125	10/19/18	10/19/18	6,569,000	6,578,874	6,535,728	(43,146)	1.76%	292	3.13%
12/24/15	Simon Property Group LP	828807CQ8	2.200	02/01/19	11/01/18	950,000	961,032	950,608	(10,424)	2.14%	305	0.46%
11/03/15	Microsoft Corporation	594918BF0	1.300	11/03/18	11/03/18	650,000	649,898	647,248	(2,650)	1.81%	307	0.31%
04/13/16	Commonwealth Edison Company	202795JC5	2.150	01/15/19	12/15/18	1,000,000	1,018,088	999,157	(18,931)	2.23%	349	0.48%
09/25/15	Manufacturers & Traders Trust Co	55279HAE0	2.300	01/30/19	12/30/18	1,000,000	1,013,451	1,001,347	(12,104)	2.17%	364	0.48%
12/01/15	Treasury Note	912828A75	1.500	12/31/18	12/31/18	500,000	503,516	498,444	(5,072)	1.81%	365	0.24%

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Statement of Investments
As of 12/31/17

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
06/10/16	John Deere Capital Corp	24422ETE9	1.950	01/08/19	01/08/19	1,200,000	1,222,064	1,199,196	(22,868)	2.02%	373	0.57%
07/01/15	Treasury Note	912828SD3	1.250	01/31/19	01/31/19	4,000,000	4,003,594	3,974,933	(28,661)	1.83%	396	1.90%
01/14/16	IBM Corp	459200HT1	1.950	02/12/19	02/12/19	1,150,000	1,164,229	1,149,618	(14,611)	1.98%	408	0.55%
02/26/16	Cisco Systems Inc	17275RAE2	4.950	02/15/19	02/15/19	1,050,000	1,156,947	1,083,603	(73,344)	2.06%	411	0.52%
06/30/16	Treasury Note	912828P53	0.750	02/15/19	02/15/19	5,000,000	5,008,984	4,939,714	(69,270)	1.83%	411	2.37%
01/21/15	Union Pacific Corporation	907818DW5	2.250	02/15/19	02/15/19	1,050,000	1,078,576	1,051,517	(27,059)	2.12%	411	0.50%
07/11/16	JP Morgan Chase & CO	46625HQU7	1.850	03/22/19	02/22/19	1,900,000	1,921,250	1,893,209	(28,041)	2.14%	418	0.91%
09/15/14	Unitedhealth Group Inc	91324PCB6	1.625	03/15/19	03/15/19	720,000	706,025	715,830	9,805	2.11%	439	0.34%
12/07/15	FHLMC	3137EACA5	3.750	03/27/19	03/27/19	6,000,000	6,332,700	6,138,486	(194,214)	1.86%	451	2.94%
04/16/16	Lowes Companies Inc	548661DL8	1.150	04/15/19	04/15/19	1,000,000	998,565	988,661	(9,904)	2.04%	470	0.47%
09/12/14	Public Service Electric And Gas	74456QBG0	1.800	06/01/19	05/01/19	1,129,000	1,122,407	1,123,544	1,137	2.30%	486	0.54%
12/08/14	Target Corporation	87612EBB1	2.300	06/26/19	06/26/19	1,005,000	1,027,143	1,008,778	(18,365)	2.04%	542	0.48%
11/01/16	Treasury Note	912828VWW6	1.625	07/31/19	07/31/19	2,600,000	2,646,008	2,590,458	(55,550)	1.86%	577	1.24%
03/17/15	FNMA Bench	3135G0ZG1	1.750	09/12/19	09/12/19	4,500,000	4,545,910	4,487,360	(58,550)	1.92%	620	2.15%
11/20/17	FHLB	3130A9EP2	1.000	09/26/19	09/26/19	2,500,000	2,465,175	2,460,713	(4,462)	1.92%	634	1.18%
10/30/16	Honeywell International Inc	438516BJ4	1.400	10/30/19	10/30/19	250,000	249,803	247,083	(2,720)	2.05%	668	0.12%
04/01/16	Treasury Note	912828F62	1.500	10/31/19	10/31/19	3,905,000	3,970,134	3,878,388	(91,746)	1.88%	669	1.86%
11/07/16	Procter & Gamble Company	742718EG0	1.900	11/01/19	11/01/19	1,325,000	1,348,771	1,322,215	(26,556)	2.02%	670	0.63%
05/26/15	Arizona Public Service Company	040555CR3	2.200	01/15/20	12/15/19	1,000,000	1,006,693	995,862	(10,831)	2.41%	714	0.48%
01/19/16	Treasury Note	912828G95	1.625	12/31/19	12/31/19	4,250,000	4,326,504	4,227,894	(98,610)	1.89%	730	2.02%
11/01/17	Treasury Note	912828UF5	1.125	12/31/19	12/31/19	2,800,000	2,771,125	2,758,396	(12,729)	1.88%	730	1.32%
04/21/16	Pepsico Inc	713448BN7	4.500	01/15/20	01/15/20	1,300,000	1,445,831	1,361,196	(84,635)	2.13%	745	0.65%
04/28/17	FNMA	3135G0A78	1.625	01/21/20	01/21/20	4,725,000	4,743,801	4,694,311	(49,490)	1.95%	751	2.25%
04/25/16	Medtronic Inc	585055BG0	2.500	03/15/20	03/15/20	1,200,000	1,241,267	1,206,720	(34,547)	2.24%	805	0.58%
05/08/15	United Technologies Corporation	913017BR9	4.500	04/15/20	04/15/20	1,150,000	1,283,710	1,205,655	(78,055)	2.32%	836	0.58%
05/11/17	Intel Corp	458140AZ3	1.850	05/11/20	05/11/20	1,000,000	999,620	994,963	(4,657)	2.07%	862	0.48%
03/08/16	Public Service Company of Colorado	744448CD1	3.200	11/15/20	05/15/20	1,080,000	1,135,784	1,102,709	(33,075)	2.44%	866	0.53%
05/04/17	State Street Corporation	857477AS2	2.550	08/18/20	08/18/20	1,150,000	1,174,001	1,157,886	(16,115)	2.28%	961	0.55%
02/21/17	Ace InA Holdings Inc	00440EAT4	2.300	11/03/20	10/03/20	1,000,000	1,000,960	998,523	(2,437)	2.35%	1007	0.48%
04/21/16	Travelers Cos Inc	89417EAG4	3.900	11/01/20	11/01/20	900,000	984,933	934,439	(50,494)	2.49%	1036	0.45%
11/01/17	Treasury Note	912828PC8	2.625	11/15/20	11/15/20	8,000,000	8,211,250	8,144,423	(66,827)	1.98%	1050	3.90%
12/19/17	Metlife Inc	59156RAX6	4.750	02/08/21	02/08/21	1,000,000	1,071,340	1,068,353	(2,987)	2.45%	1135	0.51%
11/10/17	Praxair Inc	74005PAY0	4.050	03/15/21	03/15/21	404,000	429,143	424,282	(4,861)	2.41%	1170	0.20%
12/05/16	PNC Bank NA	6935REW4	2.150	04/29/21	03/30/21	1,200,000	1,185,804	1,189,082	3,278	2.44%	1185	0.57%
10/05/17	Florida Power Corporation	341099CP2	3.100	08/15/21	05/15/21	705,000	728,709	719,469	(9,240)	2.50%	1231	0.34%

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Statement of Investments
As of 12/31/17

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Eff. Mat. Date	Par Value	Purchase Cost	Market Value	Unrealized Gain/Loss	YTM	Days to Eff. Mat.	% Mkt Value
12/23/16	Federal Home Loan Banks	3130AABG2	1.875	11/29/21	11/29/21	7,000,000	6,925,456	6,926,521	1,065	2.16%	1429	3.32%
01/23/17	Pfizer Inc	717081DZ3	2.200	12/15/21	12/15/21	1,500,000	1,498,845	1,492,011	(6,834)	2.34%	1445	0.71%
01/23/17	Comcast Corporation	20030NBV2	1.625	01/15/22	12/15/21	1,500,000	1,437,900	1,450,508	12,608	2.49%	1445	0.69%
06/23/17	FHLMC	3137EADB2	2.375	01/13/22	01/13/22	4,500,000	4,613,235	4,536,099	(77,136)	2.17%	1474	2.17%
02/03/17	Treasury Note	912828H86	1.500	01/31/22	01/31/22	1,700,000	1,665,766	1,658,275	(7,491)	2.13%	1492	0.79%
02/21/17	Walt Disney Co	25468PCT1	2.550	02/15/22	02/15/22	1,200,000	1,207,588	1,203,016	(4,572)	2.49%	1507	0.58%
04/17/17	BB&T Corp	05531FAX1	2.750	04/01/22	03/01/22	1,000,000	1,009,060	1,007,312	(1,748)	2.57%	1521	0.48%
09/28/17	FHLB	313378CR0	2.250	03/11/22	03/11/22	4,000,000	4,059,139	4,006,084	(53,055)	2.21%	1531	1.92%
05/18/17	Federal National Mortgage Association	3135G0T45	1.875	04/05/22	04/05/22	4,500,000	4,502,731	4,443,350	(59,381)	2.19%	1556	2.13%
10/03/17	Home Depot Inc	437076BG6	2.625	06/01/22	05/01/22	650,000	661,333	653,487	(7,846)	2.50%	1582	0.31%
09/25/17	Caterpillar Financial Services	14913QAA7	2.400	06/06/22	06/06/22	718,000	720,491	713,495	(6,996)	2.55%	1618	0.34%
08/01/17	Treasury Note	912828XQ8	2.000	07/31/22	07/31/22	1,300,000	1,309,851	1,290,231	(19,620)	2.17%	1673	0.62%
09/25/17	National Rural Utilities Coop	63743HEQ1	2.300	09/15/22	08/15/22	1,000,000	995,979	985,567	(10,412)	2.63%	1688	0.47%
10/03/17	Treasury Note	912828W9	1.875	09/30/22	09/30/22	9,000,000	8,976,444	8,870,205	(106,239)	2.20%	1734	4.25%
Subtotal						\$198,164,293	\$200,476,764	\$198,135,755	\$ (2,341,009)	1.89%	625	94.89%
Local Agency Investment Fund (LAIF)						10,699,404	10,699,404	10,679,006	(20,398)	1.24%	180	5.11%
Subtotal						\$208,863,697	\$211,176,168	\$208,814,761	\$ (2,361,407)	1.86%	602	100.00%
Operating Bank Balance							3,211,318					
TOTAL							\$214,387,486					

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Prepaid Interest
12/19/17	Metlife Inc	59156RAX6	4.750	02/08/21	1,000,000.00	107.13400	\$ 1,071,340.00	\$ (17,284.72)
							-	
							-	
							-	
							-	
							-	
							-	
							-	
TOTAL PURCHASES					\$ 1,000,000.00		\$ 1,071,340.00	\$ (17,284.72)

Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Gain / (Loss)
10/07/14	Metlife Inc	59156RBK3	1.903	12/15/17	\$ 800,000.00	100.70456	\$ 805,636.46	\$ (5,636.46)
							-	-
							-	-
							-	-
							-	-
TOTAL MATURITIES					\$ 800,000.00		\$ 805,636.46	\$ (5,636.46)

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
12/01/17-12/31/17

Type of Investment	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned	
FIXED INCOME										
Metlife Inc	NOTE	1.903	12/15/17	3,213.96	3,806.00	-	-	592.04	(68.74)	523.30
FHLMC Reference Notes	NOTE	0.750	01/12/18	10,859.38	-	-	13,203.13	2,343.75	93.90	2,437.65
Bank of New York Mellon Corp	NOTE	1.300	01/25/18	4,550.00	-	-	5,633.33	1,083.33	1.70	1,085.03
FNMA Benchmark Notes	NOTE	0.875	02/08/18	16,479.17	-	-	20,854.16	4,374.99	2,127.74	6,502.73
Fifth Third Bank	NOTE	1.450	02/28/18	3,665.28	-	-	4,873.62	1,208.34	136.55	1,344.89
Exxon Mobil Corp	NOTE	1.305	03/06/18	2,156.88	-	-	2,918.13	761.25	(67.47)	693.78
FFCB	NOTE	1.565	03/22/18	1,655.23	5,517.42	-	2,173.44	6,035.63	579.41	6,615.04
Coca-Cola Company (The)	NOTE	1.150	04/01/18	2,779.16	-	-	4,168.75	1,389.59	(152.86)	1,236.73
General Electric Capital Corp	NOTE	2.405	04/02/18	5,760.08	-	-	10,272.53	4,512.45	(541.95)	3,970.50
Wells Fargo & Company	NOTE	1.993	04/23/18	3,237.82	-	-	5,811.46	2,573.64	(89.51)	2,484.13
FHLB	NOTE	1.125	04/25/18	1,710.00	-	-	3,135.00	1,425.00	(482.33)	942.67
Boeing Co	NOTE	0.950	05/15/18	398.57	-	-	1,145.91	747.34	181.03	928.37
Merck & Co Inc	NOTE	1.300	05/18/18	633.75	-	-	2,096.24	1,462.49	155.26	1,617.75
Treasury Note	NOTE	1.000	05/31/18	357.42	-	-	11,437.37	11,079.95	782.46	11,862.41
FHLMC	NOTE	4.875	06/13/18	125,125.00	134,062.50	-	13,406.25	22,343.75	(17,787.45)	4,556.30
Southern California Gas Company	NOTE	1.550	06/15/18	8,397.99	9,106.25	-	809.45	1,517.71	(273.94)	1,243.77
Chevron Corp	NOTE	1.718	06/24/18	6,743.15	7,731.00	-	300.65	1,288.50	(388.25)	900.25
Treasury Note	NOTE	0.875	07/15/18	25,613.96	-	-	31,326.43	5,712.47	(482.45)	5,230.02
FNMA Benchmark Notes	NOTE	1.125	07/20/18	16,886.72	-	-	20,753.91	3,867.19	(687.78)	3,179.41
Nevada Power Company	NOTE	6.500	08/01/18	22,750.01	-	-	28,437.49	5,687.48	(4,159.45)	1,528.03
3M Company	NOTE	1.375	08/07/18	3,918.75	-	-	4,950.00	1,031.25	44.50	1,075.75
Berkshire Hathaway Finance Corp	NOTE	2.000	08/15/18	9,127.77	-	-	11,711.11	2,583.34	(899.66)	1,683.68
Treasury Note	NOTE	1.500	08/31/18	24,397.79	-	-	32,618.79	8,221.00	(2,309.02)	5,911.98
FNMA	NOTE	1.125	10/19/18	8,621.82	-	-	14,780.25	6,158.43	403.44	6,561.87
Microsoft Corporation	NOTE	1.300	11/03/18	657.22	-	-	1,361.38	704.16	2.56	706.72
Treasury Note	NOTE	1.500	12/31/18	3,138.59	3,750.00	-	20.72	632.13	(96.79)	535.34
John Deere Capital Corp	NOTE	1.950	01/08/19	9,295.00	-	-	11,245.00	1,950.00	(713.27)	1,236.73
Commonwealth Edison Company	NOTE	2.150	01/15/19	8,122.22	-	-	9,913.89	1,791.67	(566.04)	1,225.63
Oracle Corporation	NOTE	1.939	01/15/19	2,962.08	-	-	4,915.80	1,953.72	(115.37)	1,838.35
Manufacturers & Traders Trust Co	NOTE	2.300	01/30/19	7,730.55	-	-	9,647.23	1,916.68	(374.87)	1,541.81
Treasury Note	NOTE	1.250	01/31/19	16,711.96	-	-	20,923.91	4,211.95	(85.04)	4,126.91
Simon Property Group LP	NOTE	2.200	02/01/19	6,966.67	-	-	8,708.33	1,741.66	(357.85)	1,383.81
IBM Corp	NOTE	1.950	02/12/19	6,789.79	-	-	8,658.54	1,868.75	(404.58)	1,464.17
Cisco Systems Inc	NOTE	4.950	02/15/19	15,303.75	-	-	19,635.00	4,331.25	(3,056.13)	1,275.12

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Earnings Report
12/01/17-12/31/17

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
Treasury Note	NOTE	0.750	02/15/19	11,005.43	-	-	14,164.40	3,158.97	(290.12)	2,868.85
Union Pacific Corporation	NOTE	2.250	02/15/19	6,956.26	-	-	8,925.00	1,968.74	(687.25)	1,281.49
Johnson & Johnson	NOTE	1.751	03/01/19	6,637.81	6,014.00	-	2,261.23	1,637.42	(69.49)	1,567.93
Unitedhealth Group Inc	NOTE	1.625	03/15/19	2,470.00	-	-	3,445.00	975.00	258.80	1,233.80
Citigroup Inc	NOTE	1.966	03/20/19	1,477.69	1,893.94	-	270.25	686.50	-	686.50
JP Morgan Chase & CO	NOTE	1.850	03/22/19	6,737.09	-	-	9,666.26	2,929.17	(676.35)	2,252.82
FHLMC	NOTE	3.750	03/27/19	40,000.00	-	-	58,750.00	18,750.00	(10,891.14)	7,858.86
Lowes Companies Inc	NOTE	1.150	04/15/19	1,469.45	-	-	2,427.78	958.33	40.14	998.47
Apple Inc	NOTE	1.691	05/06/19	1,409.49	-	-	3,157.26	1,747.77	92.10	1,839.87
Public Service Electric And Gas	NOTE	1.800	06/01/19	10,161.00	10,161.00	-	1,693.50	1,693.50	90.00	1,783.50
Target Corporation	NOTE	2.300	06/26/19	9,952.30	11,557.50	-	321.05	1,926.25	(509.90)	1,416.35
Treasury Note	NOTE	1.625	07/31/19	14,121.60	-	-	17,680.71	3,559.11	(1,423.40)	2,135.71
FNMA Bench	NOTE	1.750	09/12/19	17,281.26	-	-	23,843.75	6,562.49	(913.81)	5,648.68
FHLB	NOTE	1.000	09/26/19	4,513.89	-	-	6,597.22	2,083.33	1,568.69	3,652.02
Honeywell International Inc	NOTE	1.400	10/30/19	301.39	-	-	593.05	291.66	5.49	297.15
Treasury Note	NOTE	1.500	10/31/19	5,016.09	-	-	10,032.18	5,016.09	(1,543.70)	3,472.39
Procter & Gamble Company	NOTE	1.900	11/01/19	2,097.92	-	-	4,195.83	2,097.91	(663.98)	1,433.93
Treasury Note	NOTE	1.625	12/31/19	28,901.16	34,531.25	-	190.78	5,820.87	(1,837.30)	3,983.57
Treasury Note	NOTE	1.125	12/31/19	13,182.07	15,750.00	-	87.02	2,654.95	1,133.07	3,788.02
Arizona Public Service Company	NOTE	2.200	01/15/20	8,311.11	-	-	10,144.45	1,833.34	(144.31)	1,689.03
Pepsico Inc	NOTE	4.500	01/15/20	22,100.00	-	-	26,975.00	4,875.00	(3,292.50)	1,582.50
FNMA	NOTE	1.625	01/21/20	27,726.56	-	-	34,125.00	6,398.44	(573.78)	5,824.66
Medtronic Inc	NOTE	2.500	03/15/20	6,333.33	-	-	8,833.33	2,500.00	(884.29)	1,615.71
United Technologies Corporation	NOTE	4.500	04/15/20	6,612.50	-	-	10,925.00	4,312.50	(2,441.44)	1,871.06
Intel Corp	NOTE	1.850	05/11/20	1,027.78	-	-	2,569.44	1,541.66	10.56	1,552.22
QualComm Inc	NOTE	1.886	05/20/20	489.75	-	-	1,869.95	1,380.20	(26.01)	1,354.19
State Street Corporation	NOTE	2.550	08/18/20	8,390.21	-	-	10,833.96	2,443.75	(608.12)	1,835.63
American Express Credit Corp	NOTE	2.624	09/14/20	5,133.20	5,988.74	-	1,311.75	2,167.29	(165.74)	2,001.55
Travelers Cos Inc	NOTE	3.900	11/01/20	2,925.00	-	-	5,850.00	2,925.00	(1,581.69)	1,343.31
Ace InA Holdings Inc	NOTE	2.300	11/03/20	1,788.89	-	-	3,705.56	1,916.67	(22.12)	1,894.55
Public Service Company of Colorado	NOTE	3.200	11/15/20	1,535.99	-	-	4,416.00	2,880.01	(1,126.97)	1,753.04
Treasury Note	NOTE	2.625	11/15/20	9,281.77	-	-	27,265.19	17,983.42	(5,899.77)	12,083.65
Metlife Inc	NOTE	4.750	02/08/21	-	-	17,284.72	18,868.06	1,583.34	(758.26)	825.08
Praxair Inc	NOTE	4.050	03/15/21	3,454.20	-	-	4,817.70	1,363.50	(625.72)	737.78
PNC Bank NA	NOTE	2.150	04/29/21	2,293.33	-	-	4,443.33	2,150.00	273.87	2,423.87

Burbank-Glendale-Pasadena Airport Authority - Operating Account
Earnings Report
12/01/17-12/31/17

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	
Florida Power Corporation	NOTE	3.100	08/15/21	6,435.08	-	-	8,256.34	(547.13)	1,274.13	
Federal Home Loan Banks	NOTE	1.875	11/29/21	729.17	-	-	11,666.67	1,312.02	12,249.52	
Pfizer Inc	NOTE	2.200	12/15/21	15,216.67	16,500.00	-	1,466.67	19.66	2,769.66	
FHLMC	NOTE	2.375	01/13/22	40,949.39	-	-	49,952.44	(2,119.67)	6,883.38	
Comcast Corporation	NOTE	1.625	01/15/22	9,208.33	-	-	11,239.58	1,057.33	3,088.58	
Treasury Note	NOTE	1.500	01/31/22	8,523.10	-	-	10,671.19	585.82	2,733.91	
Walt Disney Co	NOTE	2.550	02/15/22	9,010.00	-	-	11,560.00	(126.88)	2,423.12	
FHLB	NOTE	2.250	03/11/22	20,000.00	-	-	27,500.00	(1,107.36)	6,392.64	
BB&T Corp	NOTE	2.750	04/01/22	4,583.33	-	-	6,875.00	(154.08)	2,137.59	
Federal National Mortgage Association	NOTE	1.875	04/05/22	13,125.00	-	-	20,156.25	(46.63)	6,984.62	
Home Depot Inc	NOTE	2.625	06/01/22	8,531.25	8,531.25	-	1,421.88	(206.55)	1,215.33	
Caterpillar Financial Services	NOTE	2.400	06/06/22	8,376.67	8,616.00	-	1,196.67	(44.37)	1,391.63	
Treasury Note	NOTE	2.000	07/31/22	8,690.22	-	-	10,880.43	(167.34)	2,022.87	
National Rural Utilities Coop	NOTE	2.300	09/15/22	5,813.89	-	-	7,730.56	68.52	1,985.19	
Treasury Note	NOTE	1.875	09/30/22	28,743.13	-	-	43,114.70	400.55	14,772.12	
Subtotal				\$ 865,748.24	\$ 283,516.85	\$ 17,284.72	\$ 910,791.57	\$ 311,275.46	\$ (64,912.80)	\$ 246,362.66
CASH EQUIVALENTS										
Blackrock Liquidity Funds				-	915.86	-	-	915.86	-	915.86
BOA Temp Overnight Deposit				-	0.34	-	-	0.34	-	0.34
Cash Interest (MISC)				-	2.08	-	-	2.08	-	2.08
Subtotal				\$ -	\$ 918.28	\$ -	\$ -	\$ 918.28	\$ -	\$ 918.28
LAIF										
Local Agency Investment Fund				25,511.08	-	-	39,082.53	13,571.45	-	13,571.45
TOTAL				\$ 891,259.32	\$ 284,435.13	\$ 17,284.72	\$ 949,874.10	\$ 325,765.19	\$ (64,912.80)	\$ 260,852.39

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Statement of Investments
As of 12/31/17

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
12/31/17	Columbia Treasury Reserves	097101307	0.000	12/31/17	12/31/17	\$ 2,544,580	\$ 2,544,580	\$ 2,544,580	\$ -	0.00%	0	8.40%
01/21/15	General Electric Capital Corp	36962G6X7	2.045	04/02/18	01/02/18	185,000	186,693	185,260	(1,433)	1.85%	2	0.61%
01/21/16	Oracle Corporation	68389XAR6	1.939	01/15/19	01/15/18	175,000	175,728	175,942	214	1.77%	15	0.58%
10/05/15	Wells Fargo & Company	94974BFBK1	1.993	04/23/18	01/23/18	225,000	225,823	225,323	(500)	1.80%	23	0.74%
07/09/14	Bank Of New York Mellon Corp	06406HCE7	1.300	01/25/18	01/25/18	125,000	123,915	124,951	1,036	1.83%	25	0.41%
12/29/16	Fifth Third Bank	31677QAV1	1.450	02/28/18	01/28/18	200,000	199,584	199,897	313	1.76%	28	0.66%
05/06/16	Apple Inc	037833AP5	1.691	05/06/19	02/06/18	143,000	142,668	143,463	795	1.75%	37	0.47%
07/07/14	FNMA Benchmark Notes	3135G0TG8	0.875	02/08/18	02/08/18	1,000,000	986,045	999,513	13,468	1.32%	39	3.30%
05/24/17	Qualcomm Inc	747525AQ6	1.886	05/20/20	02/20/18	150,000	150,161	150,121	(40)	2.12%	51	0.50%
05/31/17	US Bank NA/Cincinnati OH	90331HNE9	1.612	05/24/19	02/24/18	250,000	250,000	250,019	19	1.83%	55	0.83%
03/02/16	Johnson & Johnson	478160BW3	1.751	03/01/19	03/01/18	160,000	160,136	160,387	251	1.75%	60	0.53%
10/28/15	Exxon Mobil Corp	30231GAL6	1.305	03/06/18	03/06/18	150,000	150,773	149,900	(873)	1.65%	65	0.49%
03/20/17	Citigroup Inc	17325FAB4	1.966	03/20/19	03/20/18	250,000	250,000	250,303	303	1.95%	79	0.83%
09/07/16	Coca-Cola Company (The)	191216BA7	1.150	04/01/18	04/01/18	175,000	175,346	174,750	(596)	1.71%	91	0.58%
06/25/16	FHLB	3130A4GJ5	1.125	04/25/18	04/25/18	555,000	559,246	554,360	(4,886)	1.48%	115	1.83%
09/25/15	Boeing Co	097023BE4	0.950	05/15/18	05/15/18	94,000	93,432	93,603	171	2.08%	135	0.31%
07/09/14	Merck & Co Inc	58933YAG0	1.300	05/18/18	05/18/18	150,000	148,778	149,745	967	1.74%	138	0.49%
06/29/16	Chevron Corp	166764AE0	1.718	06/24/18	05/24/18	150,000	151,136	149,917	(1,219)	1.83%	144	0.49%
02/18/15	Treasury Note	912828VE7	1.000	05/31/18	05/31/18	825,000	825,248	823,354	(1,894)	1.48%	151	2.72%
09/25/14	FHLMC	3137EABP3	4.875	06/13/18	06/13/18	750,000	834,773	760,869	(73,904)	1.67%	164	2.51%
04/21/16	Southern California Gas Company	842434CN0	1.550	06/15/18	06/15/18	175,000	175,894	174,679	(1,215)	2.00%	166	0.58%
02/29/16	Nevada Power Company	641423BW7	6.500	08/01/18	08/01/18	115,000	127,818	117,983	(9,835)	2.04%	213	0.39%
06/30/16	3M Company	88579YAP6	1.375	08/07/18	08/07/18	100,000	101,129	99,679	(1,450)	1.91%	219	0.33%
12/18/15	Berkshire Hathaway Finance Corp	084664BY6	2.000	08/15/18	08/15/18	165,000	167,603	165,020	(2,583)	1.98%	227	0.54%
12/10/15	Treasury Note	912828RE2	1.500	08/31/18	08/31/18	800,000	809,246	798,984	(10,262)	1.69%	243	2.64%
12/24/15	Simon Property Group LP	828807CQ8	2.200	02/01/19	11/01/18	152,000	153,346	152,097	(1,249)	2.14%	305	0.50%
01/21/16	Microsoft Corporation	5594918BF0	1.300	11/03/18	11/03/18	100,000	100,032	99,577	(455)	1.81%	307	0.33%
08/04/16	Caterpillar Financial Services	14912L6M8	1.800	11/13/18	11/13/18	135,000	137,086	134,809	(2,277)	1.96%	317	0.45%
04/13/16	Commonwealth Edison Company	202795JC5	2.150	01/15/19	12/15/18	115,000	117,094	114,903	(2,191)	2.23%	349	0.38%
11/16/15	Treasury Note	912828A75	1.500	12/31/18	12/31/18	600,000	604,953	598,132	(6,821)	1.81%	365	1.97%
09/25/15	BB&T Corp	05531FAQ6	2.250	02/01/19	01/02/19	110,000	111,642	110,112	(1,530)	2.15%	367	0.36%
06/30/16	John Deere Capital Corp	24422ETE9	1.950	01/08/19	01/08/19	160,000	163,115	159,893	(3,222)	2.02%	373	0.53%
04/01/15	Treasury Note	912828SD3	1.250	01/31/19	01/31/19	900,000	905,625	894,360	(11,265)	1.83%	396	2.95%
01/14/16	IBM Corp	459200HT1	1.950	02/12/19	02/12/19	110,000	111,065	109,963	(1,102)	1.98%	408	0.36%

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Statement of Investments
As of 12/31/17

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
02/26/16	Cisco Systems Inc	17275RAE2	4.950	02/15/19	02/15/19	150,000	164,276	154,800	(9,476)	2.06%	411	0.51%
11/01/16	Treasury Note	912828P53	0.750	02/15/19	02/15/19	500,000	498,164	493,971	(4,193)	1.83%	411	1.63%
01/21/15	Union Pacific Corporation	907818DW5	2.250	02/15/19	02/15/19	165,000	168,822	165,238	(3,584)	2.12%	411	0.55%
07/11/16	JP Morgan Chase & CO	46625HQU7	1.850	03/22/19	02/22/19	240,000	242,332	239,142	(3,190)	2.14%	418	0.79%
09/15/14	Unitedhealth Group Inc	91324PCB6	1.625	03/15/19	03/15/19	100,000	98,472	99,421	949	2.11%	439	0.33%
08/31/16	FHLMC	3137EACA5	3.750	03/27/19	03/27/19	400,000	428,344	409,232	(19,112)	1.86%	451	1.35%
04/20/16	Lowes Companies Inc	548661DL8	1.150	04/15/19	04/15/19	140,000	139,491	138,413	(1,078)	2.04%	470	0.46%
09/12/14	Public Service Electric And Gas	74456QBG0	1.800	06/01/19	05/01/19	124,000	123,022	123,401	379	2.30%	486	0.41%
01/21/15	Target Corporation	87612EBB1	2.300	06/26/19	06/26/19	135,000	138,583	135,507	(3,076)	2.04%	542	0.45%
07/29/16	Treasury Note	912828VW6	1.625	07/31/19	07/31/19	800,000	817,703	797,064	(20,639)	1.86%	577	2.63%
01/28/15	FNMA Bench	3135G0ZG1	1.750	09/12/19	09/12/19	990,000	1,004,663	987,219	(17,444)	1.92%	620	3.26%
06/23/17	FHLB	3130A9EP2	1.000	09/26/19	09/26/19	1,000,000	990,820	984,285	(6,535)	1.92%	634	3.25%
10/30/16	Honeywell International Inc	438516BJ4	1.400	10/30/19	10/30/19	150,000	149,882	148,250	(1,632)	2.05%	668	0.49%
04/01/16	Treasury Note	912828F62	1.500	10/31/19	10/31/19	610,000	620,175	605,843	(14,332)	1.88%	669	2.00%
11/07/16	Procter & Gamble Company	742718EG0	1.900	11/01/19	11/01/19	175,000	178,140	174,632	(3,508)	2.02%	670	0.58%
05/26/15	Arizona Public Service Company	040555CR3	2.200	01/15/20	12/15/19	125,000	125,427	124,483	(944)	2.41%	714	0.41%
09/02/16	National Rural Utilities Coop	637432NC5	2.000	01/27/20	12/27/19	150,000	151,841	149,220	(2,621)	2.26%	726	0.49%
01/11/16	Treasury Note	912828G95	1.625	12/31/19	12/31/19	960,000	975,537	955,007	(20,530)	1.89%	730	3.15%
09/26/16	Treasury Note	912828UF5	1.125	12/31/19	12/31/19	700,000	697,922	689,599	(8,323)	1.88%	730	2.28%
12/14/15	Pepsico Inc	713448BN7	4.500	01/15/20	01/15/20	140,000	153,849	146,590	(7,259)	2.13%	745	0.48%
04/05/17	FNMA	3135G0A78	1.625	01/21/20	01/21/20	1,100,000	1,103,600	1,092,856	(10,744)	1.95%	751	3.61%
09/02/16	PNC Funding Corp	693476BJ1	5.125	02/08/20	02/08/20	165,000	182,818	174,233	(8,585)	2.39%	769	0.58%
05/18/17	FHLB	313378J77	1.875	03/13/20	03/13/20	875,000	884,363	872,598	(11,765)	2.00%	803	2.88%
04/25/16	Medtronic Inc	585055BG0	2.500	03/15/20	03/15/20	160,000	164,692	160,896	(3,796)	2.24%	805	0.53%
05/30/17	Treasury Note	912828W63	1.625	03/15/20	03/15/20	550,000	552,156	546,671	(5,485)	1.91%	805	1.80%
05/18/15	United Technologies Corporation	913017BR9	4.500	04/15/20	04/15/20	150,000	166,595	157,259	(9,336)	2.32%	836	0.52%
09/25/15	American Express Credit Corp	0258MODT3	2.375	05/26/20	04/25/20	150,000	151,913	149,808	(2,105)	2.43%	846	0.49%
10/25/16	FHLMC Reference Notes	3137EADR7	1.375	05/01/20	05/01/20	1,350,000	1,339,018	1,331,343	(7,675)	1.98%	852	4.39%
05/11/17	Intel Corp	458140AZ3	1.850	05/11/20	05/11/20	150,000	149,943	149,244	(699)	2.07%	862	0.49%
03/08/16	Public Service Company of Colorado	744448CD1	3.200	11/15/20	05/15/20	115,000	120,649	117,418	(3,231)	2.44%	866	0.39%
10/02/17	Manufacturers & Traders Trust Co	55279HAN0	2.050	08/17/20	07/17/20	250,000	250,163	247,983	(2,180)	2.37%	929	0.82%
05/04/17	State Street Corporation	524144AS2	2.550	08/18/20	08/18/20	175,000	178,652	176,200	(2,452)	2.28%	961	0.58%
09/29/17	FHLB	3130ACE26	1.375	09/28/20	09/28/20	1,000,000	991,915	982,514	(9,401)	2.03%	1002	3.24%
02/21/17	Ace InA Holdings Inc	00440EAT4	2.300	11/03/20	10/03/20	150,000	150,144	149,778	(366)	2.35%	1007	0.49%

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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
04/21/16	Travelers Cos Inc	89417EAG4	3.900	11/01/20	11/01/20	100,000	109,437	103,827	(5,610)	2.49%	1036	0.34%
10/27/17	Treasury Note	912828PC8	2.625	11/15/20	11/15/20	1,525,000	1,564,256	1,552,531	(11,725)	1.98%	1050	5.13%
11/10/17	Praxair	74005PAY0	4.050	03/15/21	03/15/21	56,000	59,485	58,811	(674)	2.41%	1170	0.19%
10/02/17	Florida Power Corporation	341099CP2	3.100	08/15/21	05/15/21	150,000	155,101	153,079	(2,022)	2.50%	1231	0.51%
12/23/16	Treasury Note	912828WR7	2.125	06/30/21	06/30/21	400,000	402,187	400,820	(1,367)	2.06%	1277	1.32%
12/23/16	Federal Home Loan Banks	3130AABG2	1.875	11/29/21	11/29/21	750,000	742,527	742,127	(400)	2.16%	1429	2.45%
01/23/17	Pfizer Inc	717081DZ3	2.200	12/15/21	12/15/21	200,000	199,845	198,935	(910)	2.34%	1445	0.66%
01/23/17	Comcast Corporation	20030NBV2	1.625	01/15/22	12/15/21	200,000	191,719	193,401	1,682	2.49%	1445	0.64%
02/03/17	Treasury Note	912828H86	1.500	01/31/22	01/31/22	550,000	538,354	536,501	(1,853)	2.13%	1492	1.77%
02/21/17	Walt Disney Co	25468PCT1	2.550	02/15/22	02/15/22	175,000	176,106	175,440	(666)	2.49%	1507	0.58%
10/03/17	Home Depot Inc	437076BG6	2.625	06/01/22	05/01/22	150,000	152,590	150,805	(1,785)	2.50%	1582	0.50%
Subtotal						\$ 30,343,580	\$ 30,665,406	\$ 30,292,843	\$ (372,563)	1.77%	568	100.00%
PFC Bank Balance							346,194					
TOTAL							\$ 31,011,600					

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Statement of Purchases - Maturities - Sales
As of 12/31/17

PURCHASES								
Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Prepaid Interest
							\$ -	
							-	
							-	
							-	
							-	
							-	
							-	
							-	
TOTAL PURCHASES					\$ -		\$ -	\$ -

MATURITIES								
Purchase Date	Type of Investment	CUSIP	Coupon	Maturity Date	Par Value	Purchase Price	Purchase Cost	Gain / (Loss)
10/07/14	Metlife Inc	59156RBK3	1.903	12/15/17	\$ 100,000.00	100.66326	\$ 100,663.26	\$ (663.26)
							-	-
							-	-
							-	-
							-	-
TOTAL MATURITIES					\$ 100,000.00		\$ 100,663.26	\$ (663.26)

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
12/01/17-12/31/17

Type of Investment	Type	Coupon	Maturity Date	Previous Accrual	Realized Interest For Period	Interest Paid At Purc/Recv	Current Accrual	Interest Earned	Amrt/Accrt For Period	Adjusted Total Int. Earned
FIXED INCOME										
Metlife Inc	NOTE	1.903	12/15/17	401.74	475.75	-	-	74.01	(8.09)	65.92
Bank Of New York Mellon Corp	NOTE	1.300	01/25/18	568.75	-	-	704.16	135.41	0.55	135.96
FNMA Benchmark Notes	NOTE	0.875	02/08/18	2,746.53	-	-	3,475.70	729.17	337.87	1,067.04
Fifth Third Bank	NOTE	1.450	02/28/18	733.05	-	-	974.72	241.67	32.08	273.75
Exxon Mobil Corp	NOTE	1.305	03/06/18	462.19	-	-	625.32	163.13	(27.02)	136.11
Coca-Cola Company (The)	NOTE	1.150	04/01/18	335.41	-	-	503.13	167.72	(18.44)	149.28
General Electric Capital Corp	NOTE	2.045	04/02/18	630.54	-	-	1,124.50	493.96	(48.99)	444.97
Wells Fargo & Company	NOTE	1.993	04/23/18	485.67	-	-	871.73	386.06	(44.67)	341.39
FHLB	NOTE	1.125	04/25/18	624.38	-	-	1,144.69	520.31	(193.73)	326.58
Boeing Co	NOTE	0.950	05/15/18	39.68	-	-	114.10	74.42	18.10	92.52
Merck & Co Inc	NOTE	1.300	05/18/18	70.42	-	-	232.92	162.50	21.71	184.21
Treasury Note	NOTE	1.000	05/31/18	22.66	-	-	725.27	702.61	(37.09)	665.52
FHLMC	NOTE	4.875	06/13/18	17,062.50	18,281.25	-	1,828.13	3,046.88	(2,150.83)	896.05
Southern California Gas Company	NOTE	1.550	06/15/18	1,250.76	1,356.25	-	120.55	226.04	(34.52)	191.52
Chevron Corp	NOTE	1.718	06/24/18	1,123.86	1,288.50	-	50.11	214.75	(57.08)	157.67
Nevada Power Company	NOTE	6.500	08/01/18	2,491.67	-	-	3,114.58	622.91	(444.46)	178.45
3M Company	NOTE	1.375	08/07/18	435.42	-	-	550.00	114.58	(44.74)	69.84
Berkshire Hathaway Finance Corp	NOTE	2.000	08/15/18	971.66	-	-	1,246.66	275.00	(83.16)	191.84
Treasury Note	NOTE	1.500	08/31/18	3,049.73	-	-	4,077.35	1,027.62	(323.13)	704.49
Microsoft Corporation	NOTE	1.300	11/03/18	101.11	-	-	209.44	108.33	(0.96)	107.37
Caterpillar Financial Services	NOTE	1.800	11/13/18	121.50	-	-	324.00	202.50	(76.40)	126.10
Treasury Note	NOTE	1.500	12/31/18	3,766.31	4,500.00	-	24.86	758.55	(133.63)	624.92
John Deere Capital Corp	NOTE	1.950	01/08/19	1,239.34	-	-	1,499.33	259.99	(103.75)	156.24
Commonwealth Edison Company	NOTE	2.150	01/15/19	934.06	-	-	1,140.10	206.04	(65.41)	140.63
Oracle Corporation	NOTE	1.939	01/15/19	443.04	-	-	735.28	292.24	(32.18)	260.06
Treasury Note	NOTE	1.250	01/31/19	3,760.20	-	-	4,707.88	947.68	(142.47)	805.21
BB&T Corp	NOTE	2.250	02/01/19	825.00	-	-	1,031.26	206.26	(48.56)	157.70
Simon Property Group LP	NOTE	2.200	02/01/19	1,114.66	-	-	1,393.34	278.68	(50.82)	227.86
IBM Corp	NOTE	1.950	02/12/19	649.46	-	-	828.21	178.75	(28.83)	149.92
Cisco Systems Inc	NOTE	4.950	02/15/19	2,186.26	-	-	2,805.00	618.74	(419.16)	199.58
Treasury Note	NOTE	0.750	02/15/19	1,100.54	-	-	1,416.44	315.90	68.08	383.98
Union Pacific Corporation	NOTE	2.250	02/15/19	1,093.15	-	-	1,402.50	309.35	(101.30)	208.05
Johnson & Johnson	NOTE	1.751	03/01/19	708.03	641.49	-	241.20	174.66	(4.01)	170.65

Burbank-Glendale-Pasadena Airport Authority - PFC Account
Earnings Report
12/01/17-12/31/17

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
Unitedhealth Group Inc	NOTE	1.625	03/15/19	343.05	-	-	478.47	135.42	28.24	163.66
Citigroup Inc	NOTE	1.966	03/20/19	820.94	1,052.19	-	150.14	381.39	-	381.39
JP Morgan Chase & CO	NOTE	1.850	03/22/19	851.00	-	-	1,221.01	370.01	(74.04)	295.97
FHLMC	NOTE	3.750	03/27/19	2,666.67	-	-	3,916.67	1,250.00	(917.28)	332.72
Lowes Companies Inc	NOTE	1.150	04/15/19	205.72	-	-	339.89	134.17	17.47	151.64
Apple Inc	NOTE	1.691	05/06/19	167.97	-	-	376.24	208.27	9.13	217.40
US Bank NA/Cincinnati OH	NOTE	1.612	05/24/19	78.38	-	-	425.48	347.10	-	347.10
Public Service Electric And Gas	NOTE	1.800	06/01/19	1,116.00	1,116.00	-	186.00	186.00	15.51	201.51
Target Corporation	NOTE	2.300	06/26/19	1,336.88	1,552.50	-	43.13	258.75	(77.29)	181.46
Treasury Note	NOTE	1.625	07/31/19	4,345.10	-	-	5,440.22	1,095.12	(507.44)	587.68
FNMA Bench	NOTE	1.750	09/12/19	3,801.88	-	-	5,245.62	1,443.74	(319.56)	1,124.18
FHLB	NOTE	1.000	09/26/19	1,805.56	-	-	2,638.89	833.33	338.74	1,172.07
Honeywell International Inc	NOTE	1.400	10/30/19	180.83	-	-	355.84	175.01	3.29	178.30
Treasury Note	NOTE	1.500	10/31/19	783.56	-	-	1,567.13	783.57	(241.14)	542.43
Procter & Gamble Company	NOTE	1.900	11/01/19	277.08	-	-	554.17	277.09	(87.70)	189.39
Treasury Note	NOTE	1.625	12/31/19	6,528.25	7,800.00	-	43.10	1,314.85	(370.90)	943.95
Treasury Note	NOTE	1.125	12/31/19	3,295.52	3,937.50	-	21.76	663.74	76.32	740.06
Arizona Public Service Company	NOTE	2.200	01/15/20	1,038.89	-	-	1,268.05	229.16	(8.63)	220.53
Pepsico Inc	NOTE	4.500	01/15/20	2,380.00	-	-	2,905.00	525.00	(285.71)	239.29
FNMA	NOTE	1.625	01/21/20	6,454.86	-	-	7,944.44	1,489.58	(110.85)	1,378.73
National Rural Utilities Coop	NOTE	2.000	01/27/20	1,033.33	-	-	1,283.33	250.00	(47.36)	202.64
PNC Funding Corp	NOTE	5.125	02/08/20	2,654.32	-	-	3,359.01	704.69	(447.46)	257.23
FHLB	NOTE	1.875	03/13/20	3,554.69	-	-	4,921.88	1,367.19	(276.72)	1,090.47
Medtronic Inc	NOTE	2.500	03/15/20	844.44	-	-	1,177.78	333.34	(101.55)	231.79
Treasury Note	NOTE	1.625	03/15/20	1,901.07	-	-	2,666.44	765.37	(65.08)	700.29
United Technologies Corporation	NOTE	4.500	04/15/20	862.50	-	-	1,425.00	562.50	(296.22)	266.28
FHLMC Reference Notes	NOTE	1.375	05/01/20	1,546.88	-	-	3,093.75	1,546.87	296.54	1,843.41
Intel Corp	NOTE	1.850	05/11/20	154.17	-	-	385.42	231.25	1.58	232.83
Qualcomm Inc	NOTE	1.886	05/20/20	86.42	-	-	330.00	243.58	(4.59)	238.99
American Express Credit Corp	NOTE	2.375	05/26/20	49.48	-	-	346.36	296.88	(43.93)	252.95
Manufacturers & Traders Trust Co	NOTE	2.050	08/17/20	1,480.56	-	-	1,907.64	427.08	(4.85)	422.23
State Street Corporation	NOTE	2.550	08/18/20	1,276.77	-	-	1,648.65	371.88	(92.54)	279.34
FHLB	NOTE	1.375	09/28/20	2,406.25	-	-	3,552.08	1,145.83	224.79	1,370.62
Travelers Cos Inc	NOTE	3.900	11/01/20	325.00	-	-	650.00	325.00	(175.73)	149.27

**Burbank-Glendale-Pasadena Airport Authority - PFC Account
Earnings Report
12/01/17-12/31/17**

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
Ace InA Holdings Inc	NOTE	2.300	11/03/20	268.33	-	-	555.83	287.50	(3.32)	284.18
Public Service Company of Colorado	NOTE	3.200	11/15/20	163.55	-	-	470.21	306.66	(113.14)	193.52
Treasury Note	NOTE	2.625	11/15/20	1,769.33	-	-	5,197.43	3,428.10	(1,094.45)	2,333.65
Praxair	NOTE	4.050	03/15/21	478.80	-	-	667.80	189.00	(86.73)	102.27
Treasury Note	NOTE	2.125	06/30/21	3,557.07	4,250.00	-	23.48	716.41	(41.10)	675.31
Florida Power Corporation	NOTE	3.100	08/15/21	1,369.17	-	-	1,756.67	387.50	(117.45)	270.05
Federal Home Loan Banks	NOTE	1.875	11/29/21	78.13	-	-	1,250.00	1,171.87	126.57	1,298.44
Pfizer Inc	NOTE	2.200	12/15/21	2,028.89	2,200.00	-	195.56	366.67	2.62	369.29
Comcast Corporation	NOTE	1.625	01/15/22	1,227.78	-	-	1,498.61	270.83	140.97	411.80
Treasury Note	NOTE	1.500	01/31/22	2,757.47	-	-	3,452.45	694.98	198.01	892.99
Walt Disney Co	NOTE	2.550	02/15/22	1,313.96	-	-	1,685.84	371.88	(18.52)	353.36
Home Depot Inc	NOTE	2.625	06/01/22	1,968.75	1,968.75	-	328.13	328.13	(47.16)	280.97
Subtotal				\$ 125,184.53	\$ 50,420.18	\$ -	\$ 118,193.06	\$ 43,428.71	\$ (8,843.70)	\$ 34,585.01
CASH EQUIVALENTS										
Blackrock Liquidity Funds				-	815.01	-	-	815.01	-	815.01
BOA Temp Overnight Deposit				-	0.09	-	-	0.09	-	0.09
Subtotal				\$ -	\$ 815.10	\$ -	\$ -	\$ 815.10	\$ -	\$ 815.10
TOTAL				\$ 125,184.53	\$ 51,235.28	\$ -	\$ 118,193.06	\$ 44,243.81	\$ (8,843.70)	\$ 35,400.11

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS MONTH AND SIX MONTH ENDED DECEMBER 31, 2017 & 2016

Monthly Performance					December 2017	Fiscal YTD Performance (July 2017 - December 2017)				
Actual \$ Dec 2017	Budget Dec 2017	Actual \$ Prior Year Dec 2016	Note	Variance Actual Vs. Budget		Actual \$ Fiscal YTD	Fiscal YTD Budget	Actual \$ Prior Year Fiscal YTD	Note	Variance Actual Vs. Budget
OPERATING ACTIVITY										
CASH RECEIPTS FROM OPERATIONS										
\$365,855	\$317,500	\$310,086	(2)	\$48,355	Landing/Fuel Fees	\$2,174,804	\$1,905,000	\$1,972,468	(2)	\$269,804
1,494,390	1,418,265	1,511,440	(3)	76,125	Parking Fees	10,480,096	9,601,809	10,187,912	(3)	878,287
905,263	929,501	1,118,652	(4)	(24,238)	Rental Receipts - Terminal Building	6,380,466	5,655,791	6,080,376	(4)	724,675
1,112,096	954,767	1,089,643	(5)	157,329	Rental Receipts - Other Buildings	6,379,624	5,728,602	5,701,842	(5)	651,022
353,824	178,750	105,090	(6)	175,074	Ground Transportation	1,329,479	1,072,500	367,821	(6)	256,979
81,006	38,334	86,967	(7)	42,672	Other Receipts	591,485	230,000	429,138	(7)	361,485
285,603	220,834	265,770	(8)	64,769	Investment Receipts - Treasurer/Other Interest Earned	1,075,265	1,325,000	1,696,752	(8)	(249,735)
<u>\$4,598,037</u>	<u>\$4,057,951</u>	<u>\$4,487,648</u>	<u>(1)</u>	<u>\$540,086</u>		<u>\$28,411,219</u>	<u>\$25,518,702</u>	<u>\$26,436,309</u>	<u>(1)</u>	<u>\$2,892,517</u>
CASH DISBURSEMENTS FROM OPERATIONS										
(\$56,584)	(\$63,723)	(\$36,891)	(10)	\$7,139	Administrative Supplies & Costs	(\$561,478)	(\$584,838)	(\$502,933)	(10)	\$23,360
(315,642)	(317,867)	(245,237)	(11)	2,225	Operating Supplies & Maintenance	(1,762,158)	(1,977,202)	(1,727,307)	(11)	215,044
(2,462,225)	(2,540,028)	(399,088)	(12)	77,803	Contractual Operating Costs	(10,860,360)	(11,705,918)	(10,769,648)	(12)	845,558
(219,831)	(262,458)	(147,240)	(13)	42,627	Contractual Professional Services	(2,790,247)	(3,059,748)	(2,740,175)	(13)	269,501
(373,977)	(420,000)	(350,436)	(14)	46,023	Wages & Benefits	(2,482,822)	(2,565,000)	(2,327,298)	(14)	82,178
(4,304)	(41,583)	(38,453)	(15)	37,279	Other Operating Costs	(426,693)	(484,498)	(170,931)	(15)	57,805
(380,479)	(380,479)	(380,329)		0	Bond Debt Service - 2015 Bonds	(2,282,874)	(2,282,874)	(2,281,974)		0
0	0	0	(16)	0	Parking Tax	(1,127,599)	(1,055,000)	(1,087,579)	(16)	(72,599)
<u>(\$3,813,042)</u>	<u>(\$4,026,138)</u>	<u>(\$1,597,674)</u>	<u>(9)</u>	<u>\$213,096</u>		<u>(\$22,294,231)</u>	<u>(\$23,715,078)</u>	<u>(\$21,607,845)</u>	<u>(9)</u>	<u>\$1,420,847</u>
INCREASE (DECREASE) IN CASH FROM OPERATIONS										
<u>\$784,995</u>	<u>\$31,813</u>	<u>\$2,889,974</u>		<u>\$753,182</u>		<u>\$6,116,988</u>	<u>\$1,803,624</u>	<u>\$4,828,464</u>		<u>\$4,313,364</u>
FACILITY IMPROVEMENT / NOISE MITIGATION TRANSACTIONS										
CASH DISBURSEMENTS										
(\$292)	(\$125,000)	(\$456)	(17)	\$124,708	Sound Insulation Program Costs	(\$945)	(\$330,000)	(\$2,922)	(17)	\$329,055
(4,886,942)	(5,708,000)	(904,673)	(18)	821,058	Other Facility Improvement Program Project Costs	(11,410,617)	(12,375,000)	(7,224,776)	(18)	964,383
<u>(\$4,887,234)</u>	<u>(\$5,833,000)</u>	<u>(\$905,129)</u>		<u>\$945,766</u>		<u>(\$11,411,562)</u>	<u>(\$12,705,000)</u>	<u>(\$7,227,698)</u>		<u>\$1,293,438</u>
CASH RECEIPTS FROM FUNDING SOURCES										
\$0	\$100,738	\$0	(17)	(\$100,738)	FAA Grants - Sound Insulation Program	\$0	\$265,948	\$0	(17)	(\$265,948)
0	3,969,058	912,052	(19)	(3,969,058)	FAA Grants - Facility Improvement Program	4,376,229	7,656,052	1,307,872	(19)	(3,279,823)
6,572	8,000	0	(20)	(1,428)	Other Grants	37,169	60,000	12,572	(20)	(22,831)
0	1,231,550	0	(21)	(1,231,550)	Passenger Facility Charge Receipts/Reserves	3,578,688	2,814,773	107,964	(21)	763,915
72,513	463,654	165,052	(22)	(391,141)	Facility Development Fund (Authority Reserves)	823,919	1,798,227	2,482,684	(22)	(974,308)
<u>\$79,085</u>	<u>\$5,773,000</u>	<u>\$1,077,104</u>		<u>(\$5,693,915)</u>		<u>\$8,816,005</u>	<u>\$12,595,000</u>	<u>\$3,911,092</u>		<u>(\$3,778,995)</u>
INCREASE (DECREASE) - FACILITY / NOISE MITIGATION TRANSACTIONS										
<u>(\$4,808,149)</u>	<u>(\$60,000)</u>	<u>\$171,975</u>		<u>(\$4,748,149)</u>		<u>(\$2,595,557)</u>	<u>(\$110,000)</u>	<u>(\$3,316,606)</u>		<u>(\$2,485,557)</u>
NET ACTIVITY VS. BUDGET										
<u>(\$4,023,154)</u>	<u>(\$28,187)</u>	<u>\$3,061,949</u>		<u>(\$3,994,967)</u>		<u>\$3,521,431</u>	<u>\$1,693,624</u>	<u>\$1,511,858</u>		<u>\$1,827,807</u>
<u>(\$72,513)</u>	<u>(\$463,654)</u>	<u>(\$165,052)</u>		<u>\$391,141</u>	LESS USE OF AUTHORITY RESERVES	<u>(\$823,919)</u>	<u>(\$1,798,227)</u>	<u>(\$2,482,684)</u>		<u>\$974,308</u>
NET INCREASE (DECREASE) IN CASH - TOTAL										
<u>(\$4,095,667)</u>	<u>(\$491,841)</u>	<u>\$2,896,897</u>		<u>(\$3,603,826)</u>	<u>(see note below)</u>	<u>\$2,697,512</u>	<u>(\$104,603)</u>	<u>(\$970,826)</u>		<u>\$2,802,115</u>

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

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTES TO SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

MONTH AND SIX MONTH ENDED DECEMBER 31, 2017 & 2016

General Comments

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

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

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

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

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

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

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

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

NOTE (1) – Cash Receipts from Operations

Cash receipts from operations are ahead of budget FYTD December. On an accrual basis, operating revenues are favorably ahead of budget FYTD December by \$3,012,217. See notes 2 through 8 for additional information regarding operating receipts.

NOTE (2) – Landing/Fuel Fees

Landing fees are based on landed weight of the aircraft. Fuel fees are charged at a rate of \$0.05 a gallon to non-signatory air carriers for fuel loaded at BUR. Landing fees and fuel fees performed ahead of the budget forecast FYTD December. Accrual basis revenues for this line item are ahead of budget FYTD December by \$312,400.

NOTE (3) – Parking Fees

Parking fee revenues are performing ahead of the budget forecast. Accrual basis parking fees are \$874,019 ahead of budget FYTD December.

NOTE (4) – Rental Receipts - Terminal Building

Terminal Building rental receipts exceed the budget FYTD December due to the timing of receipts and additional concession revenues received above the minimum annual guarantee. Accrual basis terminal building rents are \$688,412 ahead of budget FYTD December. The positive FYTD December passenger growth of 15.75% has contributed to achieving the favorable performance results.

(Continued)

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTES TO SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

MONTH AND SIX MONTH ENDED DECEMBER 31, 2017 & 2016

NOTE (5) – Rental Receipts - Other Buildings

Other Buildings rental receipts exceed the budget FYTD December partially due to the timing of receipts. Accrual basis other building receipts are \$318,334 ahead of budget FYTD December.

NOTE (6) – Ground Transportation

This category consists of off-airport access fees and TNC activity. Ground Transportation receipts exceed the budget FYTD December. Accrual basis ground transportation receipts are \$370,847 ahead of budget FYTD December primarily due to TNC activity.

NOTE (7) – Other Receipts

This category consists primarily of film location revenues. Accrual basis other receipts are \$185,741 ahead of budget FYTD December.

NOTE (8) – Investment Receipts - Treasurer

This line item represents cash received from the investment of funds. These receipts fluctuate in response to interest rate and portfolio balance changes and the timing of coupon payments and individual investment maturities and sales. Accrual basis investment income, including the interest earned on loans to Rent-A-Car Companies, exceeds the budget by \$262,464 FYTD December.

NOTE (9) – Cash Disbursements from Operations

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

NOTE (10) – Administrative Supplies & Costs

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

NOTE (11) – Operating Supplies & Maintenance

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

NOTE (12) – Contractual Operating Costs

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

NOTE (13) – Contractual Professional Services

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

NOTE (14) – Wages and Benefits

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

NOTE (15) – Other Operating Costs

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

(Continued)

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTES TO SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

MONTH AND SIX MONTH ENDED DECEMBER 31, 2017 & 2016

NOTE (16) – Parking Tax

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

NOTE (17) – Sound Insulation Program

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

NOTE (18) – Other Facility Improvement Program Projects

Other Facility Improvement Program Projects costs are under budget FYTD December by \$964,383. FYTD December expenditures consist primarily of expenditures relating to the Runway 15/33 Rehabilitation Project.

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

FAA Grants are budgeted to partially fund the Runway 15/33 Rehabilitation Project and Taxiway C & D and GA Ramp Rehabilitation Design. FAA Grants receipts for Other Facility Improvement Program Projects are under budget due to the timing of receipts primarily relating to the Runway 15/33 Rehabilitation Project.

NOTE (20) – Other Grants

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

NOTE (21) – Passenger Facility Charge Receipts/Reserves

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

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

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

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
SUPPLEMENT SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
REGIONAL INTERMODAL TRANSPORTATION CENTER / CONSOLIDATED RENTAL CAR FACILITY PAYMENTS AND COLLECTIONS
MONTH AND SIX MONTH ENDED DECEMBER 31, 2017 & 2016

Monthly Performance					December 2017	Fiscal YTD Performance (July 2017 - December 2017)				
Actual \$ Dec 2017	Budget Dec 2017	Actual \$ Prior Year Dec 2016	Note	Variance Actual Vs. Budget		Actual \$ Fiscal YTD	Fiscal YTD Budget	Actual \$ Prior Year Fiscal YTD	Note	Variance Actual Vs. Budget
\$467,142	\$420,000	\$420,654	(1)	\$47,142	Customer Facility Charge Receipts	\$2,952,438	\$2,520,000	\$2,760,480	(1)	\$432,438
87,577	87,577	94,595	(2)	0	Facility Rent	529,568	525,462	576,067	(2)	4,106
(486,250)	(486,250)	(486,130)		0	Payments to Bond Trustee for 2012 Bond Debt Service	(2,917,500)	(2,917,500)	(2,916,780)		0
(21,327)	(21,327)	(27,334)	(3)	0	Loan Principal Repayments to the Authority	(128,964)	(127,962)	(166,460)	(3)	(1,002)
<u>\$47,142</u>	<u>\$0</u>	<u>\$1,785</u>	(4)	<u>\$47,142</u>		<u>\$435,542</u>	<u>\$0</u>	<u>\$253,307</u>	(4)	<u>\$435,542</u>

General Comments

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

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

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

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

Note (2) – Facility Rent

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

Note (3) – Loan Principal Repayments to the Authority

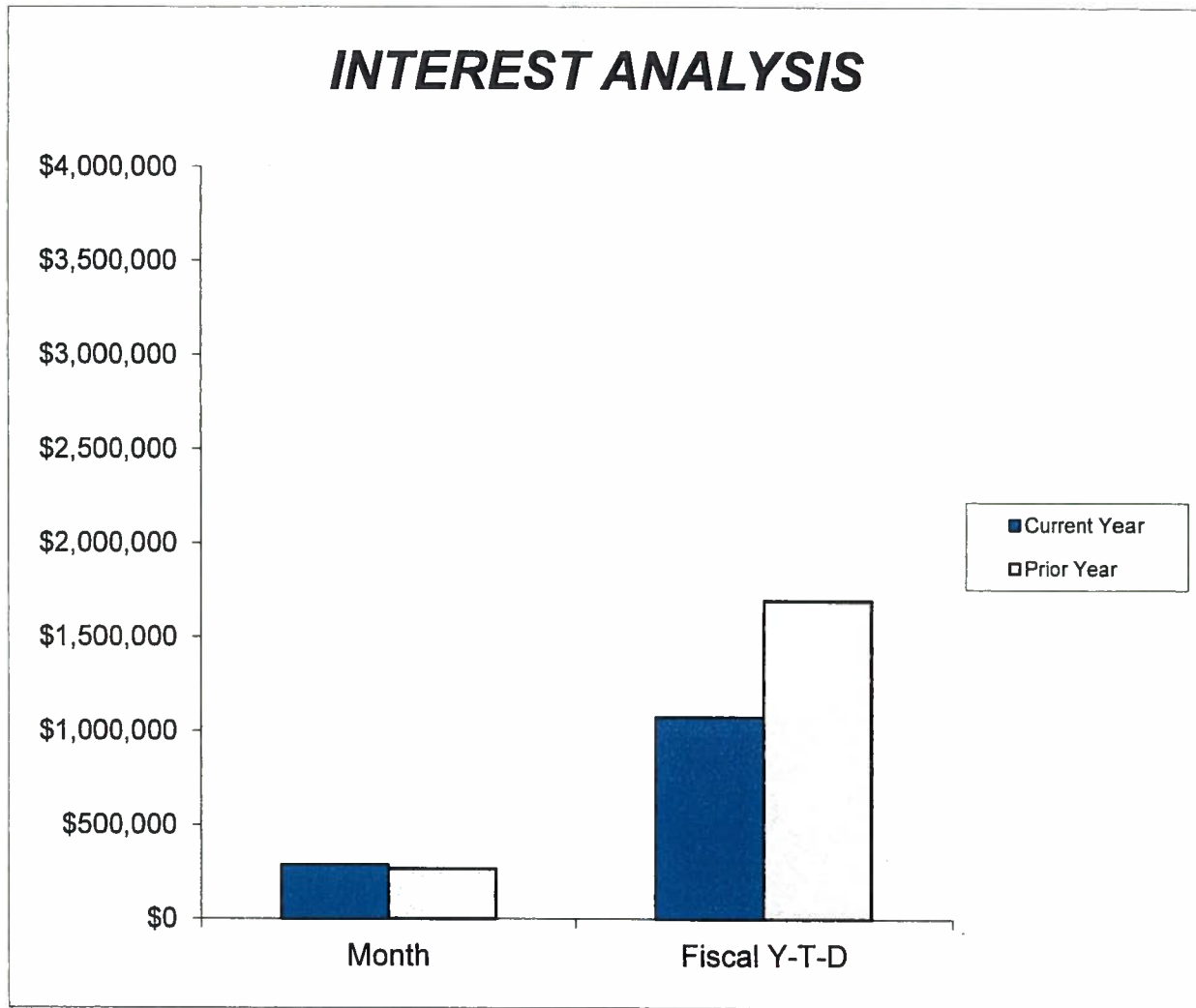
Repayments of the loan principal to the Authority from the Rent-A-Car Companies exceed the budget FYTD December due to timing of receipts. The principal portion of the payment will be deposited as reimbursement to the Authority's Facility Development Fund. The interest portion of the loan repayment is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



	December 2017	December 2016
Interest Receipts - - Month	\$285,603	\$265,770
Interest Receipts - - Fiscal Y-T-D	\$1,075,265	\$1,696,752
Month End Portfolio Balance	\$214,387,486	\$212,829,458
Yield to Maturity	1.86%	1.15%

Supplement to the December 2017 Treasurer's Report

December 2017 Cash Disbursements

Facility Improvement / Noise Mitigation Transactions

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
FY 2018 Cash Disbursements - Facility Improvement / Noise Mitigation Transactions

PROJECT DESCRIPTION	Annual Budgeted Cost	FYTD 2018 (July - Dec.) Budgeted Cost	FYTD 2018 (July - Dec.) Cash Basis Cost	FYTD 2018 (July - Dec.) Budget Variance Fav. / (Unfav.)	Project Status FYTD - December
BUILDING IMPROVEMENTS					
Hangar #34 Roof Replacement	\$ 485,000	\$ 100,000	\$ 18,907	\$ 81,093	Project underway
Maintenance Bldg. Electrical Upgrade	225,000	225,000	74,249	150,751	Project underway
Building #36 Server Room Upgrade	100,000	100,000	75,554	24,446	Project underway
Terminal High Voltage Electrical Upgrades	250,000	70,000	-	70,000	Project under review - deferred to FY 2019
Minor Building Improvements	250,000	45,000	21,123	23,877	Projects underway
Hangar Floor Rehabilitation	-	-	8,897	(8,897)	Funded with FY 2009 insurance settlement
TOTAL BUILDING IMPROVEMENTS	\$ 1,310,000	\$ 540,000	\$ 198,730	\$ 341,270	
OTHER IMPROVEMENTS					
Airport Branding: Infrastructure / Sign Mods.	250,000	130,000	\$ 50,295	\$ 79,705	Project underway
Reclaimed Water Connection and Hydrant	-	-	116,568	(116,568)	Accrued FY 2017 project
Emergency Back-up Generator Replacement	-	-	201,307	(201,307)	Accrued FY 2017 project
Terminal Baggage Phase 2 (TSA OTA)	-	-	20,490	(20,490)	TSA reimbursable
Replacement Wash Pad	-	-	32,088	(32,088)	Accrued FY 2017 project
TOTAL OTHER IMPROVEMENTS	\$ 250,000	\$ 130,000	\$ 420,748	\$ (290,748)	
IT / COMMUNICATIONS / SECURITY					
Access Control / IET Replacement	\$ 200,000	\$ 30,000	\$ -	\$ 30,000	Project underway - P.O. awarded Oct. 2017
DVSS Camera Replacement	100,000	100,000	111,643	(11,643)	On going replacement project
Network Switch Replacement	100,000	40,000	24,053	15,947	Switch replacements anticipated during year
Primary LAN Blade Server Replacements	80,000	20,000	-	20,000	Server replacements anticipated during year
TOTAL IT / COMMUNICATIONS / SECURITY	\$ 480,000	\$ 190,000	\$ 135,695	\$ 54,305	
EQUIPMENT					
Parking Revenue Control Equipment - Valet	\$ 185,000	\$ 10,000	\$ -	\$ 10,000	Anticipate on agenda for approval: April 2018
Airfield Maintenance Equipment	425,000	10,000	-	10,000	Pending PFC application approval
TOTAL EQUIPMENT	\$ 610,000	\$ 20,000	\$ -	\$ 20,000	
RUNWAY / TAXIWAY / ROADWAY PROJECTS					
Runway 15-33 Rehabilitation	\$ 11,300,000	\$ 9,170,000	\$ 7,487,173	\$ 1,682,827	Project underway - close to completion
Taxiway C&D and GA Ramp Rehab. Design	900,000	330,000	16,032	313,968	Design contract awarded - design underway
Ramp/Taxilane Rehabilitation	700,000	170,000	5,151	164,849	Scope modification - under airline review
Airside Paving Replacement	350,000	75,000	1,579	73,421	Projects under review / award process
Landside Paving Replacement	360,000	75,000	712	74,288	Projects under review / award process
Public Parking Lot Improvements	200,000	55,000	6,279	48,721	Project under planning review
Runway 8-26 and EMAS Rehabilitation	-	-	2,029,749	(2,029,749)	Accrued FY 2017 project
Airfield Lighting Improvement	-	-	220	(220)	Accrued FY 2017 project
TOTAL RUNWAY / TAXIWAY / ROADWAY	\$ 13,810,000	\$ 9,875,000	\$ 9,546,895	\$ 328,105	
NOISE MITIGATION					
Residential Acoustical Treatment Program	\$ 1,000,000	\$ 330,000	\$ 945	\$ 329,055	Pending award of FAA grant
TOTAL NOISE MITIGATION	\$ 1,000,000	\$ 330,000	\$ 945	\$ 329,055	
DEVELOPMENT					
Replacement Terminal Development	\$ 3,100,000	\$ 1,450,000	\$ 901,887	\$ 548,113	Ongoing including FY 2017 accrued costs
Transportation Planning	100,000	60,000	25,845	34,155	Ongoing
RITC Public Art	-	-	814	(814)	CFC Reimbursable
RPZ Land Acquisition: Hollyona Property	-	-	536	(536)	Deferred
TOTAL DEVELOPMENT	\$ 3,200,000	\$ 1,510,000	\$ 929,082	\$ 580,918	
O & M CAPITAL	\$ 296,200	\$ 110,000	\$ 179,465	\$ (69,465)	Lower value O & M projects - ongoing
Total	\$ 20,956,200	\$ 12,705,000	\$ 11,411,562	\$ 1,293,438	

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
MARCH 19, 2018**

**EXERCISE OF SECOND EXTENSION OPTION
JANITORIAL SERVICE AGREEMENT
DIVERSE FACILITY SOLUTIONS, INC.**

SUMMARY

At the special meeting of the Operations and Development Committee ("Committee") on February 20, 2018, the Committee voted (2–0, one absent) to seek Commission approval to exercise the second of two one-year options contained in the Janitorial Service Agreement ("Service Agreement") between the Burbank-Glendale-Pasadena Airport Authority ("Authority") and Diverse Facility Solutions, Inc. ("DFS").

BACKGROUND

On June 1, 2014, the Authority entered into a Service Agreement with DFS for a three-year period, with two one-year extension options for a fixed price of \$1,060,574.40 annually (\$88,381.20 per month). The initial three-year term expired on May 31, 2017. Staff exercised the first of two one-year options in FY2017. Staff is recommending that the Authority exercise the second of two one-year options to extend the Service Agreement through May 31, 2019. The terms and conditions of the Service Agreement shall apply during the second one-year extension period.

DFS is in good standing with the Authority and is prepared to continue to provide the services under the second one-year extension, as it has in the initial three-year period and first one-year extension of the Service Agreement. During the first one-year extension period, the Airport experienced a significant increase in passenger volume and DFS has met the required performance level of service for the Authority.

IMPACT ON REVENUE

The proposed transaction will not impact the Authority's Adopted FY2018 Budget as the fixed monthly cost of the Service Agreement remains unchanged during the extension option period.

RECOMMENDATION

With the recommendation of the Operations and Development Committee ("Committee"), it was voted (2–0, one absent) at its special meeting of February 20, 2018, that the Committee seek the approval of the Commission to exercise the second of two one-year extension options to the Janitorial Service Agreement between the Authority and Diverse Facility Solutions, Inc.

**AMENDMENT NO. 1 TO
JANITORIAL SERVICES AGREEMENT
(Burbank-Glendale-Pasadena Airport Authority/Diverse Facility Solutions, Inc.)**

THIS AMENDMENT NO. 1 ("First Amendment") to the April 21, 2014 Janitorial Services Agreement ("Agreement") executed by the Burbank-Glendale-Pasadena Airport Authority, a California joint powers agency ("Authority"), and Diverse Facility Solutions, Inc. ("Contractor"), an Illinois corporation, is dated May 1, 2017 for reference purposes.

RECITALS

A. The parties executed the Agreement to provide for the Authority's retention of Consultant as an independent contractor to provide janitorial maintenance services at the Bob Hope Airport.

B. The parties desire to amend the Agreement to extend the term by one year.

NOW, THEREFORE, the parties agree as follows:

1. **Amendment of Section 3.** Section 3 ("Term") of the Agreement is amended to read as follows:

"3. TERM.

3.1 **Base Term.** The base term of this Agreement shall be for four (4) years, commencing on June 1, 2014 and, unless sooner terminated pursuant to Section 14, shall expire on May 31, 2018.

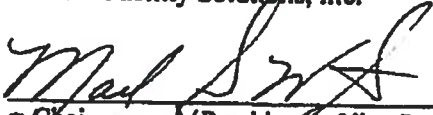
3.2 **Option to Extend.** The Authority shall have one (1) option to extend the term of this Agreement for one (1) year. The option shall be exercisable by delivering to Contractor written notice on or before April 1, 2018. The terms and provisions of this Agreement shall apply during the extension period except as otherwise provided herein."

2. **Preservation of Agreement.** Except as expressly modified by this First Amendment, all of the provisions of the Agreement shall remain unaltered and in full force and effect. In the event of a conflict between the provisions of this First Amendment and the provisions of the Agreement, the provisions of this First Amendment shall control.

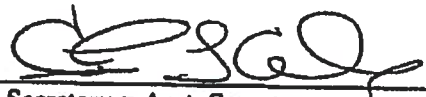
[SIGNATURES ON FOLLOWING PAGE]

TO EXECUTE THIS FIRST AMENDMENT, the parties have caused their authorized representatives to sign below.

Diverse Facility Solutions, Inc.




☐ Chairperson ☒ President ☐ Vice President



☐ Secretary ☐ Asst. Secretary
☒ Chief Finance Officer ☐ Asst. Treasurer

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

Burbank-Glendale-Pasadena Airport Authority



President

Approved as to form:



Richards, Watson & Gershon
A Professional Corporation

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
MARCH 19, 2018**

**EIGHTH AMENDMENT TO
LEASE AND CONCESSION AGREEMENT
MCS BURBANK LLC**

SUMMARY

At the February 20, 2018, special meeting of the Finance and Administration Committee ("Committee"), the Committee unanimously voted (3–0) to recommend that the Commission approve the proposed Eighth Amendment ("Amendment") to the Lease and Concession Agreement ("Agreement") with the Authority's exclusive food and beverage concessionaire, MCS Burbank LLC ("MCS"). The proposed Amendment recommends changes to the concession space in both Terminals A and B, and requires new improvements to the proposed spaces as well as adjustments to the Minimum Annual Guarantee ("MAG") from the concessionaire.

BACKGROUND

MCS has had a presence at the airport since May 1992, and on December 31, 2000, the Authority entered into a new Lease and Concession Agreement with MCS for the operation of a food and beverage concession at the Airport. The original ten-year term of the Agreement was extended under the Second Amendment to June 30, 2013, and subsequent Amendments have extended the term to June 30, 2023. MCS currently leases over 15,000 square feet of terminal space, which is comprised of food and beverage concessions, offices, and storage space.

MCS is a tenant in good standing and has performed over the MAG for the past few years. Under the terms of the Agreement, MCS pays the Authority the greater of MAG or a percentage of gross revenues (12% food and beverage/17% alcohol). The current MAG is \$1,184,917.56 with a space rental requirement of \$284,072.10 annually.

AMENDMENT DETAILS

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

Terminal A	Terminal B (Part 1)	Terminal B (Part 2)
287 square feet of new space to take effect upon execution of the Amendment	312 square feet of new space to take effect upon completion of new pre-security men's restroom and family restroom	647 square feet of space to be reduced upon completion of new pre-security men's restroom and family restroom

Terminal A:

- An additional 287 square feet of space for a “Guy Fieri Brew Pub” adjacent to the existing “Guy’s Burger Joint” concession near gate A5.
- The proposed brew pub will have 16 seats.
- There will be no reduction of holdroom seating near gate A5.

Terminal B:

Phase 1:

- MCS would rebrand the current post-security “Peet’s Coffee” and bar concession to a “Guy Fieri Kitchen” restaurant and bar concept;
 - For this rebranding, the redesign requires expanding the current concession space into the current pre-security men’s restroom.
- This rebranding concept requires MCS to utilize an additional 312 square feet of space for the post-security restaurant and bar expansion. This proposed remodel would provide an additional 10 seats over the current bar concession.

Phase 2:

- The current 647-square-foot pre-security food and beverage concession has not performed to expectations. This location has not had a level of success either as the current food and beverage concession or the previous news and gift operation;
- The proposed Amendment reduces the current Agreement by 647 square feet and converts it into ADA-compliant men’s and family restroom facilities. The Airport currently only has one family restroom, which is located in in Terminal A.
 - As part of the required new improvements, MCS will incur all costs associated to build the pre-security men’s and family restroom facilities in this location.

Lease Term:	No change, expires on June 30, 2023
Annual Adjustment:	CPI adjusted annually with a 3% cap
MAG:	Increase of \$12,822.12 annually to \$1,197,739.68
Space Rent:	Reduction of \$892.80 annually to \$283,179.30
Other:	Concessionaire responsible for expenses related to occupancy including maintenance, utilities, insurance, permits, and applicable taxes

IMPACT ON REVENUE

The proposed Amendment will generate an additional \$12,822.12 annually through an increase to the MAG and a reduction of \$892.80 annually to the space rent.

-2-

RECOMMENDATION

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

EIGHTH AMENDMENT TO LEASE AND CONCESSION AGREEMENT

This EIGHTH AMENDMENT TO LEASE AND CONCESSION AGREEMENT (this "Eighth Amendment") is dated as of March 19, 2018 and is entered into by and between the BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY, a public entity formed under a joint exercise of powers agreement among the Cities of Burbank, Glendale and Pasadena, California, pursuant to the California Joint Exercise of Powers Act ("Lessor"), and MCS BURBANK, LLC, a Nevada limited liability company ("Concessionaire").

RECITALS

A. Lessor and Concessionaire entered into a Lease and Concession Agreement dated December 31, 2000, a First Amendment dated October 15, 2001, a Second Amendment dated September 2, 2003, a Third Amendment dated November 5, 2012, a Fourth Amendment dated May 5, 2014, a Fifth Amendment to Lease and Concession Agreement dated February 2, 2015, a Sixth Amendment to Lease and Concession Agreement dated September 6, 2016, and a Seventh Amendment to Lease and Concession Agreement dated October 2, 2017 (the "Agreement"), pursuant to which Concessionaire was granted a food and beverage sales concession at locations within the air passenger terminal of the Burbank-Glendale-Pasadena Airport ("Airport").

B. Lessor and Concessionaire desire to amend the Agreement to add two areas of space to the Premises, remove some other space in another area from the Premises, and require Concessionaire to make certain improvements in the space that is to be removed prior to the effective date of the removal of such space from the Premises.

THEREFORE, the parties hereto agree as follows:

1. **Defined Terms.** Unless this Eighth Amendment provide otherwise, capitalized terms used herein shall have the meanings set forth in the Agreement.
2. **Premises.** As of March 19, 2018, the area shown on Exhibit "A" shall be added to Premises, and all references to the "Premises" in the Agreement shall include such area.

As of the Completion Date (defined in Section 5 below), the area shown on Exhibit "B" as "New Concession Area" shall be added to Premises, and all references to the "Premises" in the Lease shall include such area, and the area shown on Exhibit "B" as the "Take Back Area" shall be removed/omitted from the Premises and all references in the Agreement to the Premises shall not include such area.

3. **Minimum Annual Privilege Fee: Minimum Annual Guarantee.** Section 7.1.1 of the Agreement is hereby amended as of March 19, 2018 to read in full as follows:

"7.1.1 Minimum Annual Guarantee: Annual Adjustment. The Minimum Annual Guarantee shall be One Million Two Hundred Seven Thousand and One Hundred Thirty-One and 36/100 Dollars (\$1,207,131.36). Beginning on January 1, 2019, and on each January 1 thereafter during the remainder of the Term ("Adjustment Date"), the Minimum Annual Guarantee shall be increased (an "Adjustment") in

proportion to the percentage increase, if any, in the Consumer Price Index published by the Bureau of Labor Statistics of the United States Department of Labor for all Urban Consumers – all items (base years 1982-1984 = 100) for Los Angeles – Riverside – Orange County, CA (SMSA) (“Index”) for the month of December immediately preceding the Adjustment Date as compared to the Index for the month of December in the immediately preceding calendar year, provided that, in no event shall any Adjustment be greater than three percent (3%) of the amount of the Minimum Annual Guarantee immediately preceding such Adjustment. Lessor shall calculate the amount of increase in the Minimum Annual Guarantee after United States Department of Labor publishes the applicable December Index and shall give Concessionaire notice of the amount of the increase. Concessionaire shall continue to pay installments of the unadjusted Minimum Annual Guarantee until Lessor notified Concessionaire of the amount of increase. Concessionaire shall pay the amount of the increase in the Minimum Annual Guarantee, multiplied by the number of installments coming due since the Adjustment Date, with the installment of Minimum Annual Guarantee next coming due under this Agreement, and shall thereafter pay the installments of Minimum Annual Guarantee due under this Agreement at such increased rate. If the Index referred to in this section is changed, discontinued, or revised during the Term, Lessor shall use the available Consumer Price Index published by the United States Department of Labor that obtains substantially the same result provided by the Index referred to herein.

As of the date (“Completion Date”) on which the Required New Improvements (defined in Section 5 below) are completed (as confirmed in writing by Lessor), Section 7.1.1 of the Agreement shall be automatically amended to read in full as follows:

7.1.1 Minimum Annual Guarantee: Annual Adjustment. The Minimum Annual Guarantee shall be One Million One Hundred Ninety-Seven Thousand Seven Hundred Thirty-Nine and 68/100 Dollars (\$1,197,739.68). Beginning on January 1, 2019, and on each January 1 thereafter during the remainder of the Term (“Adjustment Date”), the Minimum Annual Guarantee shall be increased (an “Adjustment”) in proportion to the percentage increase, if any, in the Consumer Price Index published by the Bureau of Labor Statistics of the United States Department of Labor for all Urban Consumers – all items (base years 1982-1984 = 100) for Los Angeles – Riverside – Orange County, CA (SMSA) (“Index”) for the month of December immediately preceding the Adjustment Date as compared to the Index for the month of December in the immediately preceding calendar year, provided that, in no event shall any Adjustment be greater than three percent (3%) of the amount of the Minimum Annual Guarantee immediately preceding such Adjustment. Lessor shall calculate the amount of increase in the Minimum Annual Guarantee after United States Department of Labor publishes the applicable December Index and shall give Concessionaire notice of the amount of the increase. Concessionaire shall continue to pay installments of the unadjusted Minimum Annual Guarantee until Lessor notified Concessionaire of the amount of increase. Concessionaire shall pay the amount of the increase in the Minimum Annual Guarantee, multiplied by the number of installments coming due since the

Adjustment Date, with the installment of Minimum Annual Guarantee next coming due under this Agreement, and shall thereafter pay the installments of Minimum Annual Guarantee due under this Agreement at such increased rate. If the Index referred to in this section is changed, discontinued, or revised during the Term, Lessor shall use the available Consumer Price Index published by the United States Department of Labor that obtains substantially the same result provided by the Index referred to herein.

4. Other Payments/Rent. As of March 19, 2018, Section 7.2.1 of the Agreement is hereby deleted in its entirety and replaced with the following:

"Rental Payments. In addition to the amounts payable under Subsection 7.1, during the remaining Term of this Agreement, monthly in advance, without deduction or offset, the Concessionaire shall pay to the Lessor as Premises rent ("Rental Payment") the amount of Twenty Four Thousand One Hundred Seventeen and 53/100 Dollars (\$24,117.53)."

As of the Completion Date (defined in Section 3 above), Section 7.2.1 of the Agreement shall be automatically deleted in its entirety and replaced with the following:

"Rental Payments. In addition to the amounts payable under Subsection 7.1, during the remaining Term of this Agreement, monthly in advance, without deduction or offset, the Concessionaire shall pay to the Lessor as Premises rent ("Rental Payment") the amount of Twenty-Three Thousand Five Hundred Ninety-Eight and 28/100 Dollars (\$23,598.28)."

5. Required New Improvements. On or before July 23, 2018 (as extended by delays beyond the control of Concessionaire, excluding: (i) unavailability of funds, and (ii) reasonable delays by the City of Burbank in processing submittals, approvals and permits), Concessionaire shall, at Concessionaire's cost and expense, construct the improvements ("Required New Improvements") described on Exhibit "C" in the Take Back Area described on Exhibit "B" in accordance with applicable laws and comply with Sections 6.2, 6.3, 6.4 and 6.6 of the Agreement in connection therewith. Concessionaire's failure to timely comply with this Section shall constitute a curable default under paragraph Section 13.3.1.9 of the Agreement and shall be subject to the notice and cure provisions thereof, but shall also be subject to the following.

CONCESSIONAIRE ACKNOWLEDGES THAT ITS CONSTRUCTION OF THE REQUIRED NEW IMPROVEMENTS WILL HAVE VARIOUS ADVERSE IMPACTS ON THE AIRPORT AND THE PUBLIC USING THE AIRPORT, AND THAT IF CONCESSIONAIRE DOES NOT TIMELY COMPLETE THE REQUIRED NEW IMPROVEMENTS, SUCH ADVERSE IMPACTS WILL HAVE CONTINUED FOR AN UNREASONABLE PERIOD OF TIME GIVEN THE SCOPE OF THE REQUIRED NEW IMPROVEMENTS AND THE DAMAGE TO THE AIRPORT AND LESSOR WILL BE IMPRACTICABLE TO DETERMINE WITH ANY CERTAINTY. CONSEQUENTLY, IF CONCESSIONAIRE FAILS TO TIMELY COMPLETE

THE REQUIRED NEW IMPROVEMENTS, CONCESSIONAIRE SHALL PAY TO LESSOR AS LIQUIDATED DAMAGES THE SUM OF TWO HUNDRED AND NO/100 DOLLARS (\$200.00) FOR EACH DAY THAT THE REQUIRED NEW IMPROVEMENTS ARE NOT COMPLETED (BEYOND THE DATE FOR COMPLETION, AS EXTENDED BY FORCE MAJEURE DELAYS, DESCRIBED ABOVE). CONCESSIONAIRE AND LESSOR AGREE THAT SUCH DAILY SUM IS A REASONABLE ESTIMATE OF THE DAMAGES THAT LESSOR WILL SUFFER AS A RESULT OF CONCESSIONAIRE'S FAILURE TO TIMELY COMPLETE THE NEW IMPROVEMENTS.

FAILURE TO PAY SUCH LIQUIDATED DAMAGES TO LESSOR WITHIN TEN (10) DAYS AFTER WRITTEN DEMAND (GIVEN FROM TIME TO TIME) SHALL CONSTITUTE A MATERIAL EVENT OF DEFAULT BY CONCESSIONAIRE UNDER SECTION 13.3.1 OF THE AGREEMENT.

IN WITNESS WHEREOF, this Eighth Amendment has been executed by the undersigned as of the date first written above.

LESSOR:

BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY, a public entity

By: _____
Print Name: _____
Title: _____

CONCESSIONAIRE:

MCS BURBANK, LLC,
a Nevada limited liability company

By: Tamara Mora
Print Name: TAMARA MORA
Title: PRESIDENT

EXHIBIT "A"

SPACE ADDED AS OF MARCH 19, 2018

(Attached.)

[illegible]

EXHIBIT "B"

**SPACE TO BE REMOVED FROM PREMISES AND OTHER SPACE TO BE ADDED,
BOTH UPON COMPLETION OF REQUIRED NEW IMPROVEMENTS IN THE SPACE
TO BE REMOVED**

(See attached diagram.)

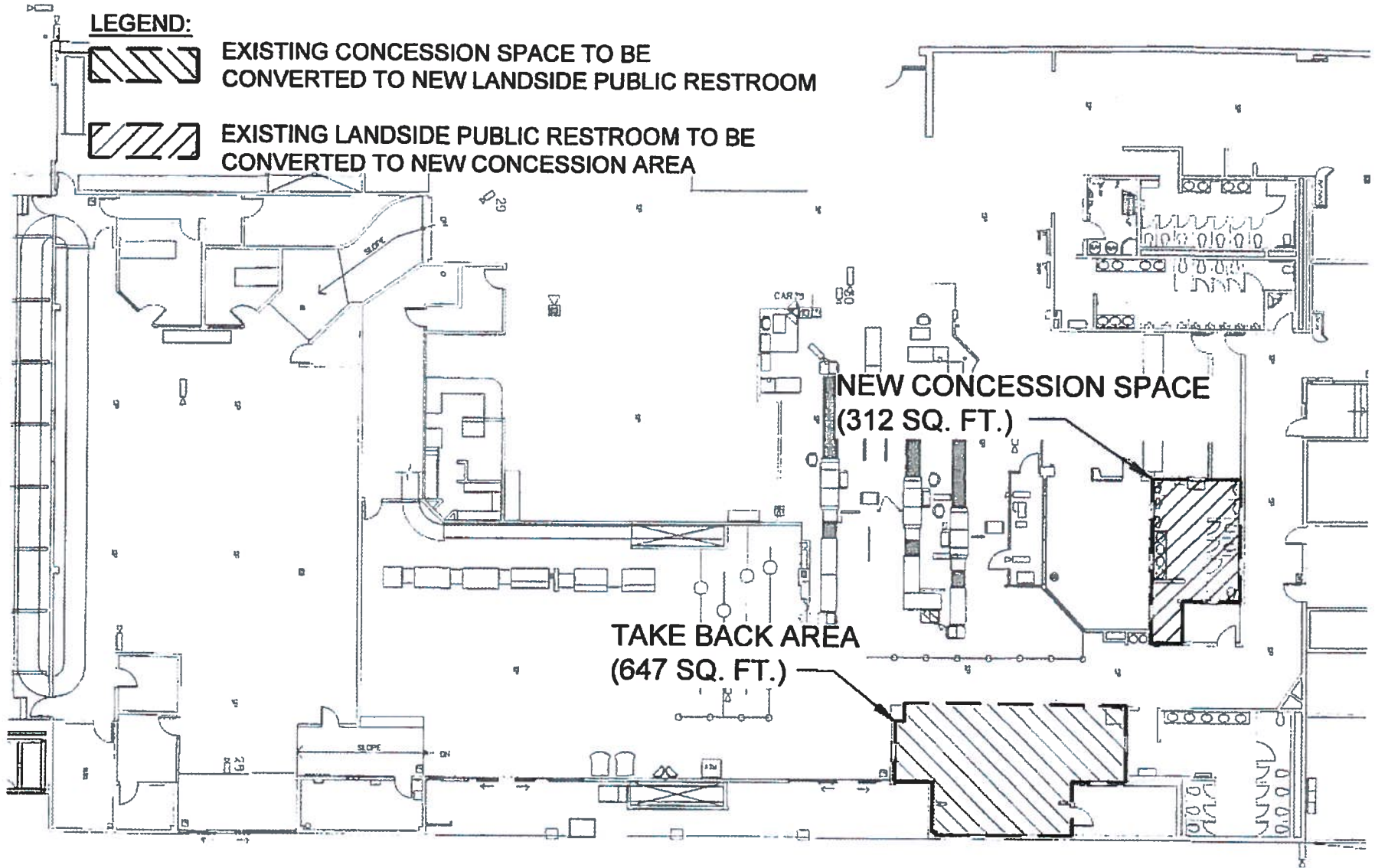
LEGEND:



EXISTING CONCESSION SPACE TO BE
CONVERTED TO NEW LANDSIDE PUBLIC RESTROOM



EXISTING LANDSIDE PUBLIC RESTROOM TO BE
CONVERTED TO NEW CONCESSION AREA



MCS TERMINAL B CONCESSION SPACE AND RESTROOM CONVERSION

S:\DRAWINGS\LEASE\TERMINAL B MCS RESTROOM CONVERSION.dwg Jan 24, 2018 - 1:47pm



DATE		DESCRIPTION		BY	A	DATE	DESCRIPTION	BY					AIRPORT AUTHORITY APPROVAL APPROVED BY: _____		PROJECT: TERMINAL B		SHEET TITLE: MCS CONCESSION AREA		DATE: 01/14 DRAWN BY: CHECKED BY: SCALE: 1" = 1'		SHEET NO. 1 REV. 1	

EXHIBIT "C"

REQUIRED NEW IMPROVEMENTS

The improvements shown on the following plans submitted to Lessor:

Sheet Numbers: GN1-GN7, A0.0 – A0.2, A1.0 – A4.0, and A4.1

Dated: 12/1/17

Prepared by: Deborah Lee Sylva, Architect

Project/Job Number: 17-212

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
MARCH 19, 2018**

**RIGHT OF ENTRY PERMIT AND INDEMNITY AGREEMENT
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
HOLLYWOOD BURBANK AIRPORT - NORTH METROLINK STATION**

SUMMARY

At the February 20, 2018, special meeting of the Legal, Government and Environmental Affairs Committee ("Committee"), the Committee voted (2–0, one absent) to recommend that the Commission approve a Right of Entry Permit and Indemnity Agreement ("Entry Agreement") with the Los Angeles County Metropolitan Transportation Authority ("Metro") for bus/shuttle access to the new Metrolink station at San Fernando and Hollywood Way. This new station is anticipated to open shortly and Staff is currently seeking proposals from firms to provide this service.

BACKGROUND

The Airport Authority was the beneficiary of a Surface Transportation and Uniform Relocation Assistance Act ("STURAA") grant from the Federal Highway Administration. A portion of those funds, together with local match funding provided by Metro, was used to perform a study that would identify future ground access improvements serving the Airport. Thanks in large measure to leadership from Metro Chair Mike Antonovich and supported by his successor, Diane DuBois, the Airport Authority enjoyed success from the very start of the Study. In particular, Metro's commitment to construct a new Metrolink Station at Hollywood Way was a leading factor in a series of three Commission resolutions authorizing the transfer of approximately \$2.7 million of the STURAA funds to Metro to help offset construction costs of the new station.

PROPOSED ENTRY AGREEMENT

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

The proposed Entry Agreement is attached. It was prepared by Metro and incorporates revisions requested by Airport Authority staff and counsel. Essentially, the Entry Agreement will give the Airport Authority the ability to use the shuttle/bus drop off area at the new Metrolink station. The Airport Authority will have absolute discretion to determine the frequency of its shuttles. If the Airport Authority should ever desire to cease providing the shuttle service, then it would have to submit a request to Metro with at least 60 days' notice. Metro would not be able to unreasonably withhold approval of such a request. The Entry Agreement also will require the Airport Authority to indemnify Metro and the Southern

California Regional Rail Authority for any claims arising from the Airport Authority's use of the shuttle/bus drop off area at the new station.

RECOMMENDATION

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

RIGHT OF ENTRY PERMIT AND INDEMNITY AGREEMENT

THIS RIGHT OF ENTRY PERMIT AND INDEMNITY AGREEMENT ("Permit"), dated for reference purposes only, _____, 2018, is made by and between **THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY**, a public agency existing under the authority of the State of California ("LACMTA"), and **THE BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**, a California joint powers agency ("Permittee").

For the consideration hereinafter stated, the parties agree as follows:

1. LACMTA hereby permits Permittee to enter upon and use the shuttle/bus drop off area as illustrated on Exhibit "A" attached hereto and incorporated herein by reference ("Property") located at the Burbank Airport – North Metrolink Station ("Station") at 3600 North San Fernando Boulevard, in the City of Burbank, County of Los Angeles, State of California, subject to the following terms and conditions.
2. Permittee's right to enter the Property at the Station is non-exclusive and personal to Permittee, its agents, employees and invitees and, therefore is not assignable.
3. This Permit is granted to Permittee for the purpose of picking up and dropping off passengers at the Station. Permittee shall provide at its own cost, a shuttle to meet Metrolink trains stopping at the Station and transport passengers to the Hollywood Burbank Airport. Permittee shall have sole discretion to determine the frequency of its shuttles. Since Permittee has committed to providing a courtesy shuttle service, Permittee may request from LACMTA to cease use of this Permit with a minimum of 60 days advance notification. LACMTA may not unreasonably withhold approval of Permittee's request.
4. This Permit is granted to Permittee, its employees, subcontractors, successors or assigns to enter the Property.
5. Permission to enter the Property is granted for a specific time period commencing at the Station opening and ending at the mutual agreement of both parties. Permittee shall pay the sum of \$-0- for use of the Property.
6. Prior to operations, Permittee's duly designated representatives shall fully examine the Property and accept in writing, the use and occupancy thereof with full knowledge of the conditions thereof. Permittee agrees that LACMTA shall not be liable

for any loss, injury to persons or property damage caused by or resulting from the condition of state of repair of the Property.

7. Permittee, on behalf of its successors and assigns, shall indemnify, defend, release and forever hold harmless LACMTA, the Southern California Regional Rail Authority ("SCRRA") and its subsidiaries, and their respective, members, directors, partners, officers, commissioners, employees, agents, licensees, invitees, successors and assigns from and against any and all loss, claims, demands, liabilities, penalties, liens, claims of lien, damages (including consequential damages), costs and expenses, which LACMTA or SCRRA may sustain, incur or become liable for, including without limitation, loss of or damage to property or injury to or death of any person or persons arising out of or in any manner connected with Permittee's use of the Property or exercise of this Permit, except to the extent caused by the gross negligence or willful misconduct of LACMTA or SCRRA.

8. Permittee, at its expense, shall comply with all applicable federal, state and local laws, ordinances, regulations, rules orders, and LACMTA policies and procedures with respect to the use of the Property.

9. While this Permit is in effect, Permittee shall maintain and furnish evidence of the following insurance:

a. A policy of comprehensive general liability insurance including automobile having a combined single limit of not less than two million dollars (\$2,000,000) per occurrence naming LACMTA, its officers, agents and employees as additional insured.

b. Worker's Compensation coverage as provided by the California Labor Code.

Permittee shall pay all premiums and assessments on the insurance coverage required by this paragraph when due and shall provide LACMTA certificates of insurance for all insurance required to be maintained by Permittee prior to the date of the commencement or any activities by same on the Property. Each certificate shall expressly provide that such policies shall not be cancelable or otherwise subject to modification except after thirty (30) calendar days prior written notice to LACMTA.

Notwithstanding the foregoing, the insurance requirements may be satisfied by providing evidence that Permittee is legally self-insured. Permittee agrees that any program of self-insurance shall protect the interests of LACMTA in the same manner as those interests would have been protected had a policy of commercial insurance been in effect.

10. Permittee shall not enter upon the Property until advised by LACMTA that the evidence of insurance furnished above is satisfactory to LACMTA.

11. LACMTA may inspect the Property covered by the Permit at any or all times.
12. LACMTA may terminate this Permit and be relieved of any further performance if Permittee fails to perform any covenant herein contained at the time and in the manner herein provided or if LACMTA or any other person discovers any dangerous condition on the Station.
13. LACMTA may, by written notice to Permittee, terminate this Permit in whole or in part at any time for LACMTA's convenience. Upon receipt of such Notice, Permittee shall immediately vacate the Property. Termination of this Permit shall be effective as of the date of receipt by Permittee of such Notice.
14. Permittee shall not interfere with any of LACMTA's and SCRRA's normal activities and shall promptly remove any vehicle or equipment that might be a source of interference to LACMTA's or SCRRA's operations.
15. **Notices to LACMTA shall be given as follows:**

Los Angeles County
Metropolitan Transportation Authority
One Gateway Plaza 18th Floor
Los Angeles, CA 90012-2952
ATTN: Diane Dominguez, Project Manager, Asset Management
Tel: (213) 922-5253; Email: dominguezd@metro.net

Notices to Permittee shall be given as follows:

Burbank-Glendale-Pasadena Airport Authority
2627 N. Hollywood Way
Burbank, CA 91505
ATTN: Frank R. Miller

All written notices shall be deposited in the United States mail, postage prepaid, or delivered personally or by overnight courier.

18. The parties hereto agree that to their knowledge, no Board member, officer or employee of the Los Angeles County Metropolitan Transportation Authority has any financial interest, in this transaction, and that if any such interest comes to the knowledge of either party at any time, full and complete disclosure of all such information will be made in writing to the other party or parties, even if such interest would not be considered a conflict of interest under the laws of the State of California.

**THE UNDERSIGNED REPRESENTS AND WARRANTS THAT HE/SHE IS DULY
AUTHORIZED TO EXECUTE AND DELIVER ON BEHALF OF PERMITTEE.**

LACMTA:

PERMITTEE:

**LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION
AUTHORITY**

**BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY**

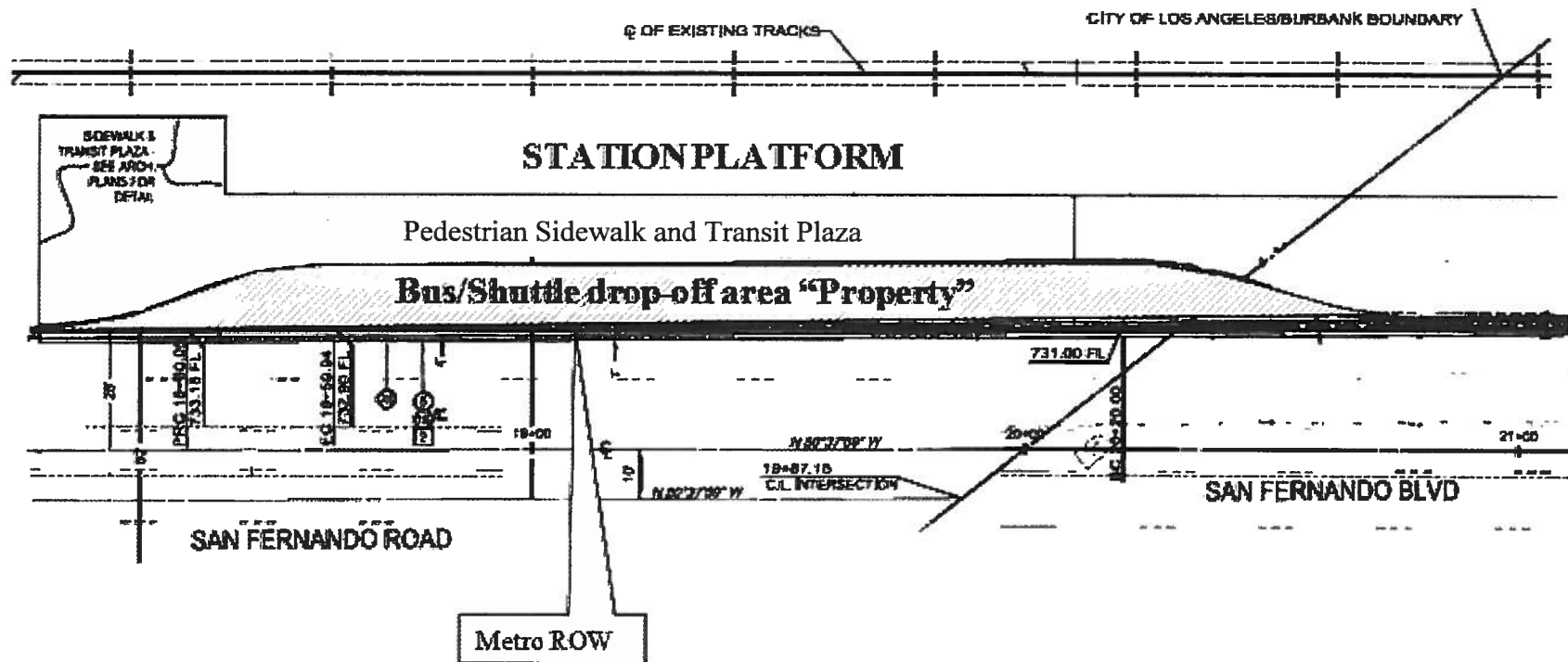
BY: _____
Diane H. Dominguez
Project Manager-Asset Management

BY: _____

DATE: _____

DATE: _____

EXHIBIT "A"



**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
MARCH 19, 2018**

**PRESENTATION OF FY 2017 FINANCIAL STATEMENTS AND
ANALYSIS OF FINANCIAL RESULTS**

SUMMARY

The Authority's independent auditor, Macias Gini & O'Connell LLP ("MGO") has completed its audits of the Burbank-Glendale-Pasadena Airport Authority ("Authority") fiscal year 2017 financial statements. Enclosed with this staff report is a copy of the audited Basic Financial Statements for the fiscal years ended June 30, 2017 ("FY 2017") and 2016 ("FY 2016"). Also enclosed are copies of the audited Single Audit Reports (audit of federal grant programs), Passenger Facility Charge Audit Reports, Customer Facility Charge Audit Reports, Independent Auditor's Report on Compliance with Section 6.05 of the Bond Indenture, and the Auditor's Report to the Authority Regarding the FY 2017 Audits.

The results are summarized below.

- MGO's "unmodified" opinions are:
 - The Basic Financial Statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles.
 - The Authority complied in all material respects with compliance requirements applicable to its major federal program, the Passenger Facility Charge program and the Customer Facility Charge program and identified no reportable deficiencies in internal control over compliance.
 - MGO identified no reportable deficiencies in internal control over financial reporting or compliance that are required to be reported under Government Auditing Standards.
 - The Schedule of Expenditures of Federal Awards, Schedule of Passenger Facility Charge Revenues and Expenditures and Schedule of Customer Facility Charge Revenues and Expenditures are fairly stated in relation to the Basic Financial Statements as a whole.
 - Based on auditing procedures performed, the Authority complied with the terms, covenants, provisions or conditions of Section 6.05 (Rates and Charges) to Article VI of the Bond Indenture, as amended.

Staff will present each report and provide an overview and analysis of financial results for the fiscal year ended June 30, 2017. MGO will present a summary of its audits. Staff seeks a Finance and Administration Committee recommendation to the Commission that it note and file these audit reports.

BASIC FINANCIAL STATEMENTS

The Basic Financial Statements ("BFS") of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The Government Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing accounting and financial reporting principles.

The Authority reports its financial operations as a government enterprise activity, and as such, its financial statements are presented using the “economic resources” measurement focus and the accrual method of accounting. Under this method of accounting, revenues are recorded when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. The measurement focus is on determination of changes in net position, financial position, and cash flows. Operating revenues include charges for services, tenant rent, fuel flowage fees and other operating revenues. Operating expenses include costs of services as well as materials, contracts, personnel, and depreciation. Grants and similar items are recognized as revenue as soon as all eligibility requirements for reimbursement of expenses have been met.

The BFS report is composed of three parts:

- (i) The Independent Auditor’s Report;
- (ii) Management’s Discussion and Analysis (“MD&A”), a narrative overview and analysis of the Authority’s financial activities; and
- (iii) The basic financial statements, consisting of the Statements of Net Position (Balance Sheets), Statements of Revenues, Expenses and Changes in Net Position (Income Statements), Statements of Cash Flows and Notes to Basic Financial Statements.

The Independent Auditor’s Report reflects an unmodified opinion, indicating that the BFS present fairly, in all material respects, the financial position of the Authority at June 30, 2017 and 2016, and the change in financial position and cash flows for the years then ended, in conformity with GAAP. The audits were conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

The MD&A is required supplementary information. The discussion and analysis in the MD&A is intended to serve as an introduction to the Authority’s basic financial statements.

A summary of the Statements of Net Position at June 30, 2017 and 2016 is as follows:

Summary Statements of Net Position				
June 30, 2017 and 2016				
	2017	2016	Change	
			\$	%
Current assets	\$ 28,038,471	\$ 30,397,449	\$ (2,358,978)	-7.76%
Restricted assets	66,532,659	56,908,877	9,623,782	16.91%
Facility Development Reserve	167,632,453	167,334,136	298,317	0.18%
Bond debt service reserve surety, net	33,094	38,615	(5,521)	-14.30%
Capital assets, net	343,910,005	346,025,062	(2,115,057)	-0.61%
Total assets	606,146,682	600,704,139	5,442,543	0.91%
Liabilities:				
Current liabilities and liabilities payable from restricted assets	18,131,404	16,913,958	1,217,446	7.20%
Noncurrent liabilities	107,427,859	112,600,118	(5,172,259)	-4.59%
Total liabilities	125,559,263	129,514,076	(3,954,813)	-3.05%
Deferred inflows of resources –				
Deferred amount on refunding of 2005 Bonds	714,063	816,073	(102,010)	-12.50%
Net position:				
Net investment in capital assets	236,974,240	234,200,550	2,773,690	1.18%
Restricted	54,847,653	45,247,384	9,600,269	21.22%
Unrestricted	188,051,463	190,926,056	(2,874,593)	-1.51%
Total net assets	\$ 479,873,356	\$ 470,373,990	\$ 9,499,366	2.02%

A summary of the Statements of Revenue, Expenses and Changes in Net Position for the years ended June 30, 2017 and 2016 is as follows:

Summary Statements of Revenues, Expenses and Changes in Net Position

Years Ended June 30, 2017 and 2016

	2017	2016	Change	
			\$	%
Operating revenues	\$ 50,443,155	\$ 48,893,333	\$ 1,549,822	3.17%
Operating expenses before depreciation	41,226,440	39,018,761	2,207,679	5.66%
Operating income before depreciation	9,216,715	9,874,572	(657,857)	-6.66%
Depreciation	17,604,416	18,872,310	(1,267,894)	-6.72%
Operating loss	(8,387,701)	(8,997,738)	610,037	-6.78%
Nonoperating revenues, net	7,625,208	13,099,068	(5,473,860)	-41.79%
Income before capital contributions	(762,493)	4,101,330	(4,863,823)	-118.59%
Capital contributions	10,261,859	4,230,291	6,031,568	142.58%
Changes in net position	9,499,366	8,331,621	1,167,745	14.02%
Net position, beginning of year	470,373,990	462,042,369	8,331,621	1.80%
Net position, end of year	\$ 479,873,356	\$ 470,373,990	\$ 9,499,366	2.02%

SINGLE AUDIT REPORTS

The Single Audit Reports present the activity of federal award programs of the Authority for the year ended June 30, 2017. The Single Audit Reports include:

- An unmodified independent auditor's report which indicates that MGO identified no instances of noncompliance, reportable deficiencies or other matters that are required to be reported under *Government Auditing Standards*.
- An independent auditor's report that provides an unmodified opinion on compliance with compliance requirements applicable to the Authority's major program and identified no reportable deficiencies related to compliance for that program. The report also indicated that the Schedule of Expenditures of Federal Awards is fairly stated in relation to the Basic Financial Statements as a whole.
- Schedule of expenditures of federal awards
- Notes to schedule of expenditures of federal awards
- Schedule of Findings and Questioned Costs
No findings or questioned costs were noted.
- Summary Schedule of Prior Audit Findings and Questioned Costs
None noted

PASSENGER FACILITY CHARGE AUDIT REPORTS

The Passenger Facility Charge Audit Reports present the cash receipts and disbursements of the Authority's Passenger Facility Charge ("PFC") program. The Aviation Safety and Capacity Expansion Act of 1990 authorized the local imposition of Passenger Facility Charges and use of the PFC revenue on Federal Aviation Administration ("FAA") approved projects.

The PFC audit reports include the following:

- An unmodified independent auditor's report, which indicates that: (i) the Authority complied in all material respects with compliance requirements applicable to the Passenger Facility Charge program; (ii) MGO identified no reportable deficiencies in internal control over compliance; and (iii) the Schedule of Passenger Facility Charge Revenues and Expenditures is fairly stated in relation to the Basic Financial Statements taken as a whole.
- Schedule of Passenger Facility Charge revenues and expenditures
- Notes to schedule of Passenger Facility Charge revenues and expenditures

No findings or questioned costs were noted.

CUSTOMER FACILITY CHARGE AUDIT REPORTS

The Customer Facility Charge Audit Reports present the cash receipts and disbursements of the Authority's Customer Facility Charge ("CFC") program. Assembly Bill 491 of the 2001-2002 California Legislature (codified in California Civil Code Section 1936 et seq. ("Code"))

-5-

authorized the local imposition of Customer Facility Charges and use of CFC revenue to plan, finance, design and construct on-airport consolidated rental car facilities (CRCF). The Authority established the CFC effective December 1, 2009 with adoption of Resolution 429. Based on an amendment of the enabling legislation for the CFC (S.B. 1192; Chapter 642, Statutes of 2010), on December 10, 2010 the Authority approved Resolution 439 which repealed Resolution 429 and authorized collection of an alternative CFC, effective July 1, 2011, of \$6 per rental car transaction day up to a maximum of five days. Resolution 439 authorized collection of the alternative CFC through the period that any debt related to the CRCF is outstanding. The Code was further amended on October 4, 2013 by Assembly Bill no. 359, Chapter 549, Statutes of 2013.

The CFC audit reports include the following:

- An unmodified independent auditor's report, which indicates that: (i) the Authority complied in all material respects with compliance requirements applicable to the Customer Facility Charge program; (ii) MGO identified no reportable deficiencies in internal control over compliance; and (iii) the Schedule of Customer Facility Charge Revenues and Expenditures is fairly stated in relation to the Basic Financial Statements taken as a whole.
- Schedule of Customer Facility Charge revenues and expenditures
- Notes to schedule of Customer Facility Charge revenues and expenditures

No findings or questioned costs were noted.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SECTION 6.05
OF THE BOND INDENTURE**

Based on audit procedures performed, MGO identified no instances of noncompliance with the terms, covenants, provisions or conditions with Section 6.05 (Rates and Charges) to Article VI of the Indenture dated May 1, 2005 with Bank of New York Mellon Trust Company, as amended (Bond Indenture), insofar as they relate to accounting matters. The report also contains a calculation of the rates and charges ratio and the debt service ratio for the year ended June 30, 2017, as follows:

Rates and Charges Ratio	
Pledged revenues	\$ 51,574,115
Less operating expenses	<u>41,226,440</u>
Net revenues	\$ 10,347,675
Transfers to Surplus Fund	<u>2,599,378</u>
Net revenues plus transfers to Surplus Fund	<u>\$ 12,947,053</u>
Deposits and charges:	
Accrued debt service	\$ 4,847,453
Deposits to operating reserve account	<u>366,400</u>
Total deposits and charges	<u>\$ 5,213,853</u>
Deposits and charges coverage ratio	2.48
Required deposits and charges coverage ratio	1.00
Debt Service Coverage Ratio	
Net revenues plus transfers to Surplus Fund	<u>\$ 12,947,053</u>
Accrued debt service	<u>\$ 4,847,453</u>
Debt service coverage ratio	2.67
Required debt service coverage ratio	1.25

STAFF RECOMMENDATION

At the February 20, 2018, special meeting of the Finance and Administration Committee ("Committee"), the Committee voted unanimously (3-0) to recommend that the Commission note and file the Basic Financial Statements as of and for the fiscal years ended June 30, 2017 and 2016; the Single Audit Reports for the year ended June 30, 2017; the Passenger Facility Charge Audit Reports for the year ended June 30, 2017; the Customer Facility Charge Audit Reports for the year ended June 30, 2017; the Independent Auditor's Report on Compliance with Section 6.05 of the Bond Indenture; and the Auditor's Report to the Authority Regarding the FY 2017 Audits.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
MARCH 19, 2018**

AIRLINE SCHEDULE ANALYSIS

Staff has received notice of changes in service, fleet mix, and scheduled operating times from five airlines serving Hollywood Burbank Airport. This report change is reflected in detail below and on the attached Schedule Change Analysis.

ALASKA AIRLINES

Effective March 11, 2018, Alaska Airlines made an adjustment to its schedule by adding one weekly round-trip flight to San Jose on Saturday. At the same time, Alaska will be eliminating two weekly round-trip flights to Portland. In addition, the carrier made an equipment adjustment by increasing the use of its larger B737-800 equipment over the Embraer 175 aircraft.

AMERICAN AIRLINES

Effective April 3, 2018, American Airlines will be making a schedule adjustment by adding six weekly round-trip flights to Phoenix during the daytime hours. Additionally, the carrier will change its Saturday morning departure from 6:50 a.m. to 9:46 a.m.

DELTA AIRLINES

Effective April 3, 2018, Delta will be making an equipment adjustment by replacing its CRJ-700 equipment with its larger CRJ-900 aircraft. The number of operations will remain the same.

UNITED AIRLINES

Effective April 8, 2018, United will be making a schedule adjustment by adding five weekly round-trip flights to Denver operating during the daytime hours. In addition, United Airlines will be making an equipment adjustment by reducing the use of its CRJ-200 aircraft and replacing it with a mixture of Airbus and Embraer equipment as detailed in the attached analysis page.

SOUTHWEST AIRLINES

Effective March 9, 2018, Southwest Airlines made a seasonal adjustment to its schedule. The number of scheduled flight changes in arrivals and departures represents a net increase of four round-trip flights per week, as detailed below. In addition, Southwest Airlines made an equipment adjustment by decreasing the use of its larger B737-800 and replacing it with its B737-700 aircraft.

	Monday - Friday		Saturday		Sunday	
City	Arrival	Departure	Arrival	Departure	Arrival	Departure
Dallas	0	0	0	0	0	0
Denver	0	0	0	0	0	0
Las Vegas	0	0	-2	-2	0	0
Oakland	0	0	2	2	1	1
Portland	0	0	-1	-1	0	0
Phoenix	0	0	1	1	2	2
San Francisco	0	0	0	0	0	0
San Jose	0	0	0	0	0	0
Salt Lake City	-1	-1	0	0	0	0
Sacramento	1	1	1	1	0	0
Daily Total	0	0	1	1	3	3

OVERALL IMPACT

After incorporating all schedule adjustments, this schedule results in an increase of 4,666 weekly seats or a 3.5% increase from the prior schedule, leaving the revised schedule with a combined total of 138,026 available weekly seats.

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY*

SCHEDULE ANALYSIS

Airline: **Alaska Airlines**

Report Date: 03/19/18

Effective Date: 03/11/18

1) Aircraft Operations Summary (includes both arrivals and departures):

<u>Aircraft Type</u>	<u>Seats</u>	<u>Weekly Operations</u>			<u>Weekly Seats</u>		
		<u>Current Operations</u>	<u>Proposed Operations</u>	<u>Difference</u>	<u>Current Available Seats</u>	<u>Proposed Available Seats</u>	<u>Difference</u>
B737-700	124	0	0	0	0	0	0
B737-800	159	70	80	10	11,130	12,720	1,590
CRJ-200	50	0	0	0	0	0	0
CRJ-700	70	0	0	0	0	0	0
EMB-175	76	52	40	-12	3,952	3,040	-912
Total		122	120	-2	15,082	15,760	678

2) Discussion of the change in operations and voluntary curfew

Effective March 11, 2018, Alaska Airlines made an adjustment to its schedule by adding one weekly round-trip flight to San Jose on Saturday. At the same time, Alaska will be eliminating two weekly round-trip flights to Portland. In addition, the carrier made an equipment adjustment by increasing the use of its larger B737-800 equipment over the Embraer 175 aircraft.

Is there an impact on the voluntary curfew
with this schedule change?

Yes

No

 X

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY*

SCHEDULE ANALYSIS

Airline: **Delta**

Report Date: 03/19/18

Effective Date: 04/03/18

1) Aircraft Operations Summary (includes both arrivals and departures):

<u>Aircraft Type</u>	<u>Seats</u>	<u>Weekly Operations</u>			<u>Weekly Seats</u>		
		<u>Current Operations</u>	<u>Proposed Operations</u>	<u>Difference</u>	<u>Current Available Seats</u>	<u>Proposed Available Seats</u>	<u>Difference</u>
CRJ-200	50	0	0	0	0	0	0
CRJ-700	70	12	0	-12	840	0	-840
CRJ-900	76	0	12	12	0	912	912
EMB-175	76	28	28	0	2,128	2,128	0
Total		40	40	0	2,968	3,040	72

2) Discussion of the change in operations and voluntary curfew

Effective April 3, 2018, Delta will be making an equipment adjustment by replacing its CRJ-700 equipment with its larger CRJ-900 aircraft. The number of operations will remain the same.

Is there an impact on the voluntary curfew with this schedule change?

Yes	<u> </u>
No	<u> X </u>

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY*

SCHEDULE ANALYSIS

Airline: **United Express**

Report Date: 03/19/18

Effective Date: 04/08/18

1) Aircraft Operations Summary (includes both arrivals and departures):

<u>Aircraft Type</u>	<u>Seats</u>	<u>Weekly Operations</u>			<u>Weekly Seats</u>		
		<u>Current Operations</u>	<u>Proposed Operations</u>	<u>Difference</u>	<u>Current Available Seats</u>	<u>Proposed Available Seats</u>	<u>Difference</u>
CRJ-200	50	81	64	-17	4,050	3,200	-850
CRJ-700	70	2	2	0	140	140	0
EMB-175	76	0	14	14	0	1,064	1,064
A319	128	12	14	2	1,536	1,792	256
A320	150	2	14	12	300	2,100	1,800
B737-800	154	11	10	-1	1,694	1,540	-154
Total		108	118	10	7,720	9,836	2,116

2) Discussion of the change in operations and voluntary curfew

Effective April 8, 2018, United will be making a schedule adjustment by adding five weekly round-trip flights to Denver operating during the daytime hours. In addition, United Airlines will be making an equipment adjustment by reducing the use of its CRJ-200 aircraft and replacing it with a mixture of Airbus and Embraer equipment as detailed above.

Is there an impact on the voluntary curfew
with this schedule change?

Yes

No

 x

Hollywood Burbank Airport

	January			Year-to-Date		
REVENUE PASSENGERS	2018	2017	% Change	2018	2017	% Change
Signatory Airlines						
Alaska Airlines	41,043	30,706	33.66%	41,043	30,706	33.66%
American Airlines	10,210	13,629	-25.09%	10,210	13,629	-25.09%
Delta Airlines	9,786	9,857	-0.72%	9,786	9,857	-0.72%
JetBlue Airways	6,982	7,369	-5.25%	6,982	7,369	-5.25%
Mokulele Airlines	0	0	N/A	0	0	N/A
Southwest Airlines	278,606	245,879	13.31%	278,606	245,879	13.31%
United Airlines	23,603	19,751	19.50%	23,603	19,751	19.50%
Total Revenue Passengers	370,230	327,191	13.15%	370,230	327,191	13.15%
Inbound (deplaned)	183,674	163,011	12.68%	183,674	163,011	12.68%
Outbound (enplaned)	186,556	164,180	13.63%	186,556	164,180	13.63%

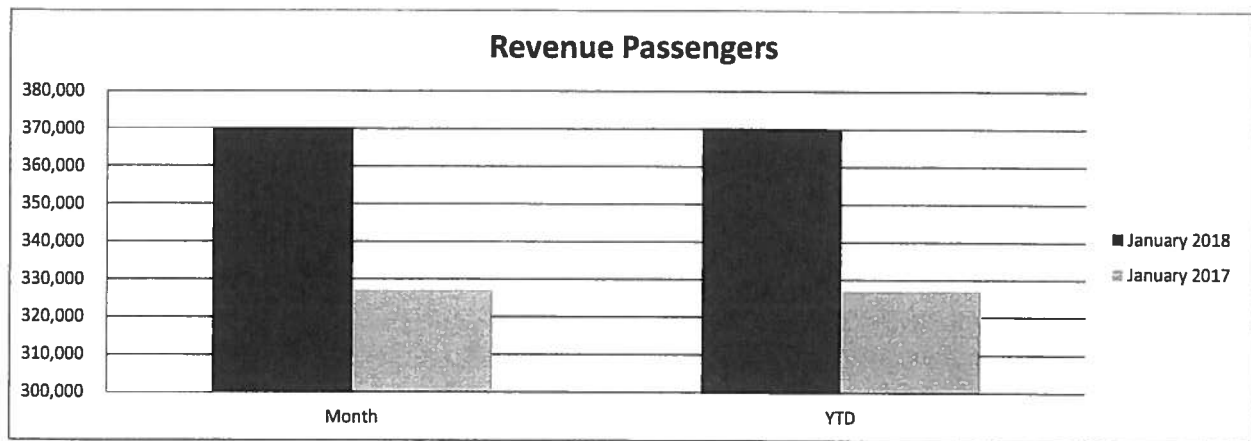
	January			Year-to-Date		
AIRCRAFT OPERATIONS *	2018	2017	% Change	2018	2017	% Change
Air Carrier	4,646	4,140	12.22%	4,646	4,140	12.22%
Air Taxi	1,635	1,336	22.38%	1,635	1,336	22.38%
General Aviation	3,116	2,808	10.97%	3,116	2,808	10.97%
Military Itinerant	85	70	21.43%	85	70	21.43%
Civil Local	2,927	2,295	27.54%	2,927	2,295	27.54%
Military Local	0	0	N/A	0	0	N/A
Total Aircraft Operations	12,409	10,649	16.53%	12,409	10,649	16.53%

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

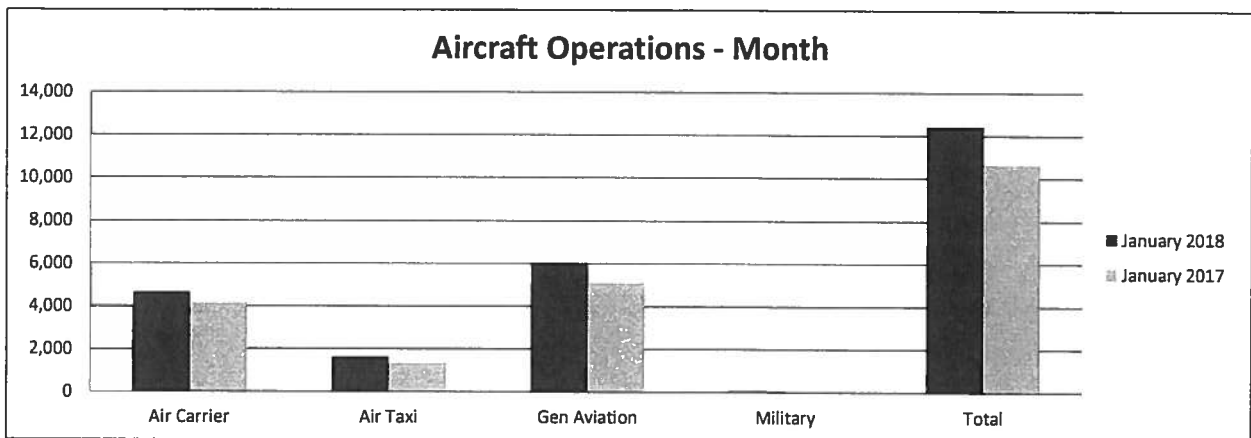
Hollywood Burbank Airport

AIR CARGO (lbs.)	January			Year-to-Date		
	2018	2017	% Change	2018	2017	% Change
Signatory Airlines						
Alaska Airlines	250	425	-41.18%	250	425	-41.18%
American Airlines						
Delta Airlines						
JetBlue Airways						
Mokulele Airlines						
Southwest Airlines	137,602	125,508	9.64%	137,602	125,508	9.64%
United Airlines	107	0	N/A	107	0	N/A
Other Scheduled Carriers						
Federal Express	4,310,533	4,686,540	-8.02%	4,310,533	4,686,540	-8.02%
United Parcel Service	4,009,161	3,646,102	9.96%	4,009,161	3,646,102	9.96%
Charter/Contract Carriers						
AirNet Express	4,167	3,271	27.39%	4,167	3,271	27.39%
Ameriflight	275,716	192,841	42.98%	275,716	192,841	42.98%
Total Air Cargo	8,737,536	8,654,687	0.96%	8,737,536	8,654,687	0.96%
Inbound (deplaned)	4,278,945	4,405,171	-2.87%	4,278,945	4,405,171	-2.87%
Outbound (enplaned)	4,458,591	4,249,516	4.92%	4,458,591	4,249,516	4.92%

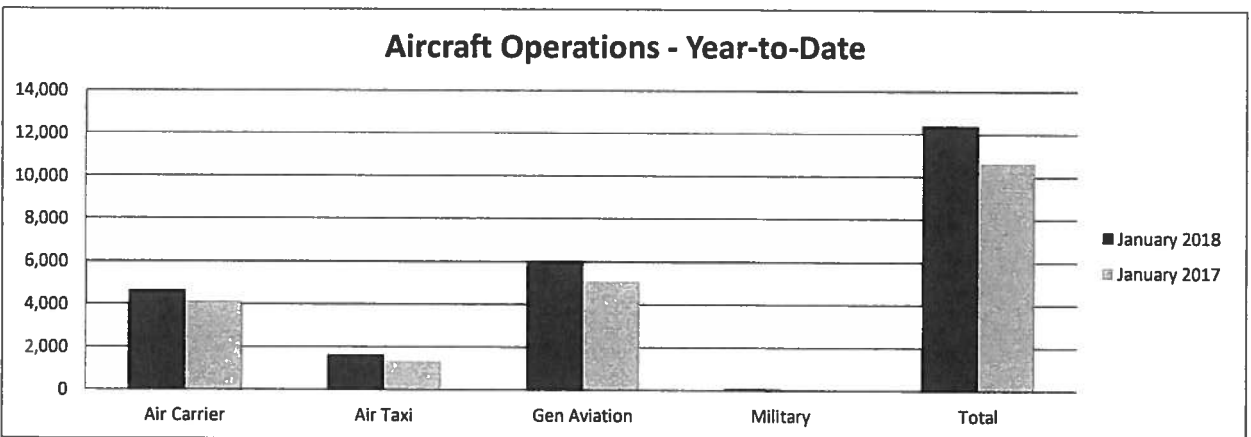
MAIL (lbs.)	January			Year-to-Date		
	2018	2017	% Change	2018	2017	% Change
United Parcel Service	0	0	N/A	0	0	N/A
Total Mail	0	0	N/A	0	0	N/A
Inbound (deplaned)	0	0	N/A	0	0	N/A
Outbound (enplaned)	0	0	N/A	0	0	N/A



Revenue Passengers	Month	YTD
January 2018	370,230	370,230
January 2017	327,191	327,191
% Change	13.15%	13.15%



Aircraft Operations - MO	Air Carrier	Air Taxi	Gen Aviation	Military	Total
January 2018	4,646	1,635	6,043	85	12,409
January 2017	4,140	1,336	5,103	70	10,649
% Change	12.22%	22.38%	18.42%	21.43%	16.53%



Aircraft Operations - YTD	Air Carrier	Air Taxi	Gen Aviation	Military	Total
January 2018	4,646	1,635	6,043	85	12,409
January 2017	4,140	1,336	5,103	70	10,649
% Change	12.22%	22.38%	18.42%	21.43%	16.53%