



May 12, 2017

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, May 15, 2017, 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

MAY 15, 2017

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

Regular Meeting of Monday, May 15, 2017

9:00 A.M.

NOTE TO THE PUBLIC: Prior to consideration of business items, the Authority invites comment on airport-related matters during the Public Comment period. Members of the public are requested to observe the following decorum when attending or participating in meetings of the Commission:

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

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



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

1. PLEDGE OF ALLEGIANCE
2. ROLL CALL
3. APPROVAL OF AGENDA
4. PUBLIC COMMENT
5. CONSENT CALENDAR
 - a. Committee Minutes
(For Note and File)
 - 1) Operations and Development Committee
 - (i) April 3, 2017

[See page 1]

2) Finance and Administration Committee

(i) April 17, 2017

[See page 3]

(ii) April 11, 2017

[See page 6]

b. Commission Minutes
(For Approval)

1) May 1, 2017

[See page 8]

c. Third Amendment to Airport Use Agreement:
United Airlines, Inc.

[See page 14]

d. Month-to-Month Ground Lease: Overflow Storage
The Hertz Corporation

[See page 19]

e. Temporary Human Resources Letter Agreement
with TBI U.S. Operations, Inc.

[See page 21]

6. ITEMS FOR COMMISSION APPROVAL

a. Replacement Passenger Terminal Program
Marathon Communications, Inc., Georgino Development LLC,
and Conway Consulting, Ltd., Contract Extensions

[See page 24]

b. Award of Aviation Hangar Lease - Netflix, Inc.

[See page 41]

7. ITEMS FOR INFORMATION

a. Revised March 2017 Passenger/Cargo Statistics

[See page 43]

b. Moody's Credit Rating Update

c. Replacement Passenger Terminal Status Update

8. CLOSED SESSION

a. CONFERENCE WITH LABOR NEGOTIATORS
(California Government Code Section 54957.6)
Authority Representatives: Frank R. Miller
Employee Organization: IAFF I-60

b. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
(California Government Code Section 54957(b))

Title: Executive Director

9. ADJOURNMENT

COMMISSION NEWSLETTER
May 15, 2017

[Regarding agenda items]

5. CONSENT CALENDAR

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

- a. COMMITTEE MINUTES - Approved minutes of the April 3, 2017, Operations and Development Committee and the April 11 and 17, 2017, Finance and Administration Committee meetings are included in the agenda packet for information purposes.
- b. COMMISSION MINUTES – May 1, 2017 - The draft minutes of this meeting are attached for Commission's review and approval.
- c. THIRD AMENDMENT TO AIRPORT USE AGREEMENT – UNITED AIRLINES, INC. A staff report is included in the agenda packet. At the May 1, 2017, meeting of the Finance and Administration Committee ("Committee"), the Committee voted (2–0, one absent) to recommend to the Commission that it approve a proposed Third Amendment to the Airport Use Agreement ("Agreement") with United Airlines, Inc. ("United"). The Third Amendment will add 95 square feet ("sq.ft.") of additional Baggage Service Office space to United's Exclusive Use Space.

Due to United's need for extra storage space, United is interested in leasing room B100E, located in the Terminal B baggage claim area for storage of passenger service and aircraft provisioning supplies. The lease of this space will coincide with the current terms of the Agreement which expires on June 30, 2019. If approved, the proposed lease will produce an additional \$1,966.56 annually.

- d. MONTH-TO-MONTH GROUND LEASE – OVERFLOW STORAGE THE HERTZ CORPORATION: A staff report is included in the agenda packet. At the May 1, 2017, meeting of the Finance and Administration Committee ("Committee"), the Committee voted (2–0, one absent) to recommend to the Commission that it approve the Month-to-Month Ground Lease ("Lease") between The Hertz Corporation and the Burbank-Glendale-Pasadena Airport Authority for overflow storage of Hertz's rent-a-car inventory. The Lease is for 15,499 square feet of the former rent-a-car service area located off of Empire Avenue in the southwest quadrant of the airport. Under the proposed Lease, rent will be \$2,789.82 monthly.
- e. TEMPORARY HUMAN RESOURCES LETTER AGREEMENT WITH TBI U.S. OPERATIONS, INC. – A staff report is included in the agenda packet. Staff seeks Commission approval of a letter agreement with TBI U.S. Operations, Inc. for the short term assignment of Ms. Jana Basubas to the Hollywood Burbank Airport to administer and execute Human Resources functions.

6. ITEMS FOR COMMISSION APPROVAL

- a. **REPLACEMENT PASSENGER TERMINAL PROGRAM - MARATHON COMMUNICATIONS, INC., GEORGINO DEVELOPMENT LLC, AND CONWAY CONSULTING, LTD.:** - A staff report is included in the agenda packet. At the May 1, 2017, meeting of the Legal, Government and Environmental Affairs Committee ("Committee") in conjunction with the development of a Replacement Passenger Terminal ("RPT") project, the Committee voted (2–0, one absent) to recommend to the Commission that it approve and authorize execution of the following: (i) Amendment #3 to the Professional Services Agreement with Conway Consulting, Ltd., for completion of the Airport Layout Plan and associated planning activities for the period from July 1, 2017, to June 30, 2018, at the same retainer fee of \$30,000 per month; (ii) a new Purchase Order extending the term of services with Marathon Communications, Inc., for continued public affair services for the period from July 1, 2017, to June 30, 2018, at the current fixed-fee rate of \$10,000 per month plus an allowance of up to \$500 per month with a thirty-day cancellation; and (iii) Amendment #4 to the Professional Services Agreement with Georgino Development LLC for strategic planning consulting services for the period from July 1, 2017, to June 30, 2018. Compensation under this amendment shall remain unchanged at a monthly retainer fee of \$3,500 with a seven-day cancellation.
- b. **AWARD OF AVIATION HANGAR LEASE – NETFLIX, INC.:** A staff report is included in the agenda packet. At the meeting of the Special Finance and Administration Committee ("Committee") on May 11, 2017, the Committee voted unanimously (3–0) to recommend to the Commission that it approve an Aviation Hangar Lease between Netflix, Inc., and the Burbank-Glendale-Pasadena Airport Authority to lease Hangar 43 for a five-year term for the purpose of storing its Gulfstream G550 aircraft.

7. ITEMS FOR INFORMATION

- a. **REVISED MARCH 2017 PASSENGER/CARGO STATISTICS INFORMATION:** Following presentation of the March 2017 passenger numbers at the May 1, 2017, Commission meeting, Alaska Airlines and United Airlines advised that they had discovered errors in their passenger reporting. Accordingly, included in your agenda package is a revised passenger report. The final, restated March tally reflects a total passenger count of 383,252 which was up 13.28% compared to last year's 338,334. The calendar year-to-date total for the first three months is up 8.54% at 1,013,588 compared to 933,794 through March 2016. A revised report is included in the agenda packet.
- b. **MOODY'S CREDIT RATING UPDATE –** No staff report is attached. A copy of Moody's credit rating update on the outstanding Burbank-Glendale-Pasadena Airport Authority revenue bonds is attached. Moody's has maintained the Authority A2 rating with a stable outlook.
- c. **REPLACEMENT PASSENGER TERMINAL STATUS UPDATE –** No staff report is attached. Staff will update the Commission regarding activities to date for the development of a Replacement Passenger Terminal and the projected timeline of activities for FY 2017/2018 and FY 2018/2019.

Approved May 1, 2017

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

MONDAY, APRIL 3, 2017

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

ROLL CALL

Present: Commissioners Brown and Selvidge

Absent: Commissioner Sinanyan

Also Present: Staff: Frank Miller, Executive Director;
Karen Sepulveda, Assistant Airport Engineer;
Mike Duong, Senior Manager, Business and
Compliance

1. Approval of Agenda Commissioner Selvidge moved approval of the agenda. The agenda was approved 2-0 (one absent) as presented.

2. Public Comment There were no public speakers.

3. Approval of Minutes
a. March 20, 2017 Commissioner Selvidge moved approval of the minutes of the March 20, 2017, meeting. There being no objection, the minutes were approved 2-0 (one absent) as submitted by Staff.

4. Contracts and Leases

a. Award of Contract: Project Number E16-19 Phase 3 Rehabilitation Project (Runway 15-33) Staff sought the Committee's recommendation to the Commission that it authorize approval for the following: (1) award a construction contract in the amount of \$9,334,568.10 to PALP, Inc., dba Excel Paving Company for the construction of Phase 3 of the Runway rehabilitation project; (2) authorize the issuance of a Work Order to the existing professional services agreement with RS&H for a lump sum amount of \$865,383 for designer of record construction administration services, onsite technical services, inspection and material testing; (3) approve the deployment of TBI Force Account including in-

house consultants for the project construction management services, field observation and security for a not-to-exceed amount of \$450,000; and, (4) authorize the establishment of a Project Aggregate Contingency of \$650,000, which is approximately 6% of the estimated total project budget.

Approximately every decade, the Authority must rehabilitate both runway pavements. Staff has identified a multi-phase runways rehabilitation and Engineered Materials Arresting System program to be executed over the course of three fiscal years (FY2016, FY2017 and FY2018). At this time, Phase 1 is complete, and Phases 2A and 2B are in progress and anticipated to complete by June 2017.

Runways 8-26 and 15-33 were originally reconstructed in the early 1980s after the Authority acquired the Airport (then named Hollywood-Burbank Airport). Due to normal wear and tear, they were subsequently rehabilitated in several phases in the 1990s and last rehabilitated ten years ago in 2006. They now again require rehabilitation. This rehabilitation historically has consisted of removal and replacement of the hot mix asphalt pavement, with only as much removal as can be placed each night, so that the runways are made operational each day. This process requires complete removal of the entire thickness of pavement. Each time the runways were rehabilitated, the process of milling and removing the pavement required increasingly thicker pavements (with the original 4" thick pavement now 5" thick). Because 5" thick pavement is the upper limit on single layer pavements, a different rehabilitation method is required.

Motion

Commissioner Selvidge moved approval of Staff's recommendation.

Motion Approved

There being no objections the motion was approved 2-0 (one absent).

5. Adjournment

There being no further business, the meeting was adjourned at 8:37a.m.

Approved May 1, 2017

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

MONDAY, APRIL 17, 2017

A regular meeting of the Burbank-Glendale-Pasadena Airport Authority Finance and Administration Committee was called to order on this date in the Airport Skyroom, 2627 Hollywood Way, Burbank, California, at 9:51 a.m., by Chairman Tornek.

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

ROLL CALL

Present: Commissioners Tornek, Gharpetian and Adams.

Absent: None

Also Present: Staff: Frank Miller, Executive Director; John Hatanaka, Senior Deputy Executive Director; Kathy David, Deputy Executive Director, Finance and Administration; Mike Duong, Senior Manager, Business and Compliance; David Freedman, Director, Strategic Planning and Business Development

1. Approval of Agenda The agenda was approved with one adjustment, Commissioner Tornek requested that item 4.a., be taken before item 3.a., due to time constraints.

2. Public Comment There were no public speakers.

4. Items for Discussion

a. Fiscal Year 2017/2018 ("FY 2018") Budget Development Staff presented and discussed with the Committee the proposed FY 2018 budget assumptions and highlights of noteworthy issues for development of the FY 2018 budget.

3. Contracts and Leases

a. Month-to-Month Ground Lease Overflow Storage Enterprise Rent-A-Car Company of Los Angeles, LLC

Staff presented for Committee recommendation to the Commission a Month to Month Ground Lease ("Lease") Overflow Storage between Enterprise Rent-A-Car of Los Angeles, LLC, a Delaware limited liability company ("Enterprise") and the Burbank-Glendale-Pasadena Airport Authority. The Lease is for 34,358 square feet of the former rent a car service area located off Empire Avenue in the Southwest quadrant of the airport. Under the proposed Lease, rent will be \$6,184.44 monthly with a commencement date starting May 1, 2017.

Staff reported that prior to the development and use of the Regional Intermodal Transportation Center ("RITC"), the rental car operation at the Airport was limited to a ready return area of 283 spaces located south of Terminal B with a remote facility located in the Southwest quadrant of the Airport between Building 3 and Hangars 4 and 5. The proposed property for this overflow storage was originally the fleet service area for Alamo, Avis, Hertz, and National. The rental car service areas were consolidated into the RITC from the space off of Empire Avenue in July 2014. Subsequently, Alamo and National terminated their use, cleaned their respective areas and returned the space. Avis and Hertz, however, maintained the area under lease for additional overflow storage. With the market share shift within the rental car industry at the Hollywood Burbank Airport, Enterprise has grown to require overflow storage of its rental fleet. In April 2017, Enterprise approached staff seeking such space. Staff negotiated with Enterprise a month-to-month lease for 34,358 sq. ft. in this former rental car area.

The lease will provide the Airport with \$74,213.28 annually and can be terminated with a 30-day notice.

MOTION

Commissioner Adams moved approval of the motion, seconded by Commissioner Gharpetian.

MOTION APPROVED

The motion was unanimously approved (3-0).

5. Items For Information

Staff informed the Committee of future pending items that will come to the Committee for review.

a. Committee Pending Items

- (1) FY 2018 Budget Development**
- (2) Award of Contract: External Auditing Services**
- (3) Award of Aviation Ramp Ground Lease; United Parcel services, Inc.**
- (4) New Branding Food & Beverage Concession**
- (5) Market Conditions Analysis Hangar facilities**

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 10:16 a.m.

Approved May 1, 2017

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

TUESDAY, APRIL 11, 2017

A special meeting of the Finance and Administration Committee was called to order on this date in the Airport Skyroom of the Burbank-Glendale-Pasadena Airport Authority, 2627 Hollywood Way, Burbank, California, at 9:00 a.m., by Chairman Tornek.

ROLL CALL

Present: Commissioners Tornek, Adams and Gharpetian

Absent: None

Also Present: Staff: Frank Miller, Executive Director; John Hatanaka, Senior Deputy Executive Director; Kathy David, Deputy Executive Director, Finance and Administration; Bob Anderson, Director, Engineering and Planning; Rod Mercado, Director, Human Resources; David Freedman, Director, Strategic Planning and Business Development; Mike Doung, Senior Manager, Business and Compliance; Ed Skvarna, Director of Public Safety/Chief, Airport Authority Police Department

1. Approval of Agenda The agenda was approved as presented.

2. Public Comment There were no public speakers.

3. Approval of Minutes

a. March 20, 2017 Draft minutes for the March 20, 2017, Finance and Administration Committee meeting were presented for approval.

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

Motion Approved There being no objection, the minutes were unanimously approved (2–0, one abstention).

4. Treasurer's Report

a. February 2017

A copy of the February 2017 Treasurer's Report was included in the agenda packet. There were no questions presented by the Committee regarding the Treasurer's Report.

Motion

Commissioner Gharpetian moved approval of Staff's recommendation for note and file of the Treasurer's Report, seconded by Commissioner Adams.

Motion Approved

The motion was approved unanimously (3-0).

5. Items for Discussion

a. Fiscal Year 2016/2017 ("FY 2017") Mid-year Budget Performance Review

Staff presented a mid-year review of actual financial performance to date regarding the FY 2017 budget and also provided a forecast of performance through the fiscal year-end.

b. Fiscal Year 2017/2018 ("FY 2018") Budget Development: Proposed Staffing Program

Staff discussed with the Committee and answered questions pertaining to the proposed staffing for FY 2018. Commissioner Tornek requested further clarification prior to the next discussion of the staffing program.

6. Adjournment

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

Subject to Approval

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

MONDAY, MAY 1, 2017

A regular meeting of the Burbank-Glendale-Pasadena Airport Authority was called to order this date in the Airport Skyroom, 2627 Hollywood Way, Burbank, California, at 9:00 a.m., by President Wiggins.

1. PLEDGE OF ALLEGIANCE

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

2. ROLL CALL**Present:**

Commissioners Brown, Adams, Wiggins, Quintero, Tornek and Selvidge

Absent:

Commissioners Gharpetian, Sinanyan and Madison

Also Present:

Staff: Frank Miller, Executive Director; John Hatanaka, Senior Deputy Executive Director; Mark Hardymont, Director, Government and Environmental Affairs; Mary Tromp, Manager, Parking Revenue; Scott Kimball, Director, Operations and Maintenance; Tom Janowitz, Senior Operations Manager

Terence R. Boga, Counsel, Richard, Watson & Gershon

3. APPROVAL OF AGENDA

There were no changes to the agenda.

4. PUBLIC COMMENT

There was no public comment.

5. CONSENT CALENDAR**a. Commission Minutes
(For Approval)**

Draft minutes of the April 17, 2017, Commission meeting were included in the agenda packet for review and approval.

1) April 17, 2017

b. Executive Director Travel Authorization for Attendance at ACI-NA Summer Board Meeting, ACI-NA U.S. Policy Council Meeting, and ACI Europe General Assembly Congress & Exhibition

Staff presented for Commission approval an authorization for Executive Director Frank R. Miller to attend the Airports Council International-North America ("ACI-NA") U.S. Policy Council meeting, the ACI-NA Board of Directors summer meeting, and the Airports Council International-Europe ("ACI-Europe") General Assembly Congress & Exhibition, which are being held in Paris from June 11-14, 2017.

ACI-NA represents local, regional, and state governing bodies that own and operate commercial airports in the United States and Canada. The leadership of ACI-NA includes an Executive Committee, a Board of Directors, and a U.S. Policy Council that is advisory to the Board. Executive Director Miller has served as Chairman, First Vice Chairman, and Second Vice Chairman of ACI-NA. He also has served on ACI's World Governing Board and World Executive Committee.

From June 11-14, 2017, there will be several ACI and ACI-NA meetings held in Paris. These include the ACI-NA U.S. Policy Council meeting, the ACI-NA Board of Directors summer meeting, and the ACI-Europe General Assembly Congress & Exhibition. Executive Director Miller seeks to attend these meetings on the Authority's behalf in order to advance the Authority's interests

The estimated cost for travel including conference registration, air fare and hotel fees is approximately \$5,560.

c. Month-to-Month Ground Lease: Overflow Storage Enterprise Rent-A-Car Company

Staff presented for Commission approval a Month-to-Month Ground Lease ("Lease") between Enterprise Rent-A-Car Company of Los Angeles, LLC ("Enterprise") and the Burbank-Glendale-Pasadena Airport Authority ("Authority") for overflow storage of Enterprise's rent a car inventory. The lease is for 34,358 square feet of the former rent a car service area located off of Empire Avenue in the southwest quadrant of the airport. Under the proposed Lease, rent will be \$6,184.44 monthly.

Enterprise is a signatory to the Non-Exclusive On-Airport Rental Car Lease and Concession Agreement for its operation in the Regional Intermodal Transportation Center ("RITC").

Enterprise has operated in this facility since July 2014 and currently is a tenant in good standing. The proposed Lease is revenue positive increasing gross non-aviation revenues for the Authority by \$74,213.28 per year.

At the April 17, 2017, meeting of the Finance and Administration Committee ("Committee"), the Committee voted unanimously (3-0) to recommend to the Commission that it approve the Month-to-Month Ground Lease between Enterprise Rent-A-Car Company and the Authority for overflow storage of Enterprise's rent-a-car inventory.

MOTION

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

MOTION APPROVED

The motion was approved (6-0, 3 absent), by the following vote:

AYES	Commissioners Brown, Adams Wiggins, Quintero, Tornek and Selvidge
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NAYS	None
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ABSENT	Commissioners Gharpetian, Sinanyan, and Madison
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**6. ITEMS FOR COMMISSION
APPROVAL**

**a. Amendment No. 1 to the
Janitorial Service Agreement –
Diverse Facility Solutions, Inc.**

At the May 1, 2017, meeting of the Operations and Development Committee ("Committee"), the Committee voted unanimously (2-0, one absent) to recommend to the Commission that it exercise the first of two one-year extension options contained in the Janitorial Service Agreement ("Service Agreement") between the Burbank-Glendale-Pasadena Airport Authority ("Authority") and Diverse Facility Solutions, Inc. ("DFS"). Concurrent with this recommendation, Staff is also recommending to the Committee that it recommend exercising the first of two one-year extensions for janitorial services needed to address the post-security pet relief station located in Terminal A.

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. The initial three-year term expires on May 31, 2017, and Staff is recommending that the Authority exercise the first of two one-year options to extend the Service Agreement through May 31, 2018. The current terms and conditions of the Service Agreement shall apply during the one-year extension period.

The proposed transaction will not impact the Authority's operating budget for the remainder of the fiscal year as the fixed monthly cost for the Service Agreement and pet relief station janitorial service remains unchanged during the extension option period.

MOTION

Commissioner Adams moved approval of the motion, seconded by Commissioner Quintero.

MOTION APPROVED

The motion was approved (6-0, 3 absent), by the following vote:

AYES	Commissioners Brown, Adams Wiggins, Quintero, Tornek and Selvidge
NAYS	None
ABSENT	Commissioners Gharpetian, Sinanyan, and Madison

**b. Professional Services
Agreement Burbank-Glendale-
Pasadena Airport Authority/
InterVISTAS Consulting Inc.**

Staff presented to the Commission for approval an award of contract to InterVISTAS Consulting Inc. ("InterVISTAS") for a lump-sum amount of \$40,000 for a Forecast of Aviation Activity required by the Federal Aviation Administration ("FAA") and authorize the Executive Director to execute the same. At the May 1, 2017, meeting of the Operations and Development Committee ("Committee"), the Committee voted unanimously (2-0, one absent) to recommend this award of contract be presented to the Commission for its approval.

InterVISTAS is currently under contract to provide air service development support. The combined

value of the air service development support agreement and the proposed Forecast of Aviation Activity agreement exceeds the maximum amount the Executive Director is authorized to execute.

The Authority is required to submit to the FAA an ALP Drawing Set that includes the proposed new Replacement Passenger Terminal ("RPT") and related changes to the Airport. The review and conditional approval of an ALP by the FAA is a prerequisite to the FAA's initiation of a National Environmental Policy Act Study. Typically the ALP is the end product of a Master Plan or Master Plan Update that also includes the preparation of a Forecast of Aviation Activity. This is not the case with the proposed RPT in that it was independently defined as a development item intended specifically to provide safety enhancements at Hollywood Burbank Airport.

The work will begin immediately upon notice of the award of contract with the work scheduled to be completed by June 15, 2017. This project is included as part of the Adopted 2016/2017 (FY2017) Capital Plan (Category – Replacement Terminal Project) with an approved budget of \$4,500,000.

MOTION

Commissioner Quintero moved approval, seconded by Commissioner Selvidge.

MOTION APPROVED

The motion was approved (6–0, 3 absent), by the following vote:

AYES	Commissioners Brown, Adams Wiggins, Quintero, Tornek and Selvidge
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NAYS	None
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ABSENT	Commissioners Gharpetian, Sinanyan, and Madison
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7. ITEMS FOR COMMISSION INFORMATION

a. Airline Schedule Analysis

Staff presented a report on changes in services, fleet mix and schedule operating times.

**b. March 2017 Passenger/Cargo
Statistics and Parking
Information**

Staff presented a report on the March 2017
passenger statistics and parking revenue.

8. CLOSED SESSION

- a. CONFERENCE WITH LABOR NEGOTIATORS
(California Government Code Section 54957.6)
Authority Representatives: Frank R. Miller
Employee Organization: IAFF I-60

- b. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
(California Government Code Section 54957(b))

Title: Executive Director

**Meeting Reconvened to Open
Session**

The meeting reconvened to open session at
9:51 a.m. with the same Commissioners
present.

Closed Session Report

President Wiggins announced that no reportable
action was taken in closed session.

9. ADJOURNMENT

There being no further business, the meeting was
adjourned at 9:51 a.m.

Zareh Sinanyan, Secretary

Date

Bill Wiggins, President

Date

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
MAY 15, 2017**

**THIRD AMENDMENT TO
AIRPORT USE AGREEMENT
UNITED AIRLINES, INC.**

SUMMARY

At the May 1, 2017, meeting of the Finance and Administration Committee ("Committee"), the Committee voted (2-0, one absent) to recommend to the Commission that it approve a proposed Third Amendment to the Airport Use Agreement ("Agreement") with United Airlines, Inc. ("United"). The Third Amendment will add 95 square feet ("sq.ft.") of additional Baggage Service Office space to United's Exclusive Use Space.

Due to United's need for extra storage space, United is interested in leasing room B100E, located in the Terminal B baggage claim area for storage of passenger service and aircraft provisioning supplies. The lease of this space will coincide with the current terms of the Agreement which expires on June 30, 2019. If approved, the proposed lease will produce an additional \$1,966.56 annually.

BACKGROUND

United Airlines Inc., one of the Authority's signatory airline carriers, has had a presence at the Hollywood Burbank Airport since 1986 through previous Airport Use Agreements utilizing various air service providers including their own mainline operation. In October 2009 Skywest Airlines, Inc. ("Skywest") entered into two Airport Use Agreements with the Authority serving as the air service provider for both United and Delta Airlines, Inc. In October 2012, Skywest assigned one of the Agreements to United with the Authority's approval.

United is now requesting to lease an additional 95 sq.ft. of office space located in the Terminal B baggage claim area to use as storage space for passenger service and aircraft provisioning supplies. The Third Amendment will increase United's office space from 215 sq.ft. to 310 sq.ft. The increase in space will provide the Authority an additional \$1,966.56 annually. A copy of the proposed Third Amendment is attached.

AMENDMENT DETAILS

Effective Date:	May 15, 2017
Additional premises:	95 sq.ft. Room B100E (Currently vacant)
Rent Increase:	\$163.88 per month
Security Deposit:	None required. Current LOC on file meets coverage requirements

Other: Tenant to pay all expenses related to its occupancy including maintenance, utilities and taxes

IMPACT ON REVENUE

The proposed Third Amendment will provide the Authority \$1,966.56 of additional revenue annually.

RECOMMENDATION

The Finance and Administration Committee voted (2–0, one absent) at its meeting of May 1, 2017, to recommend to the Commission that it approve a proposed Third Amendment to the Airport Use Agreement between United Airlines, Inc. and the Burbank-Glendale-Pasadena Airport Authority, and to authorize the President to execute same.

THIRD AMENDMENT OF AIRPORT USE AGREEMENT

THIS THIRD AMENDMENT OF AIRPORT USE AGREEMENT (this "Amendment") is dated as of April 17, 2017, 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 ("Authority"), and UNITED AIRLINES, INC. ("Airline").

RECITALS

- A. The Authority is the owner and operator of the Hollywood Burbank Airport located in the City of Burbank, County of Los Angeles, State of California.
- B. Authority and Skywest Airlines, Inc. entered into an Airport Use Agreement dated October 1, 2009 which was amended by a First Amendment of Airport Use Agreement dated May 1, 2010 and a Second Amendment of Airport Use Agreement dated October 1, 2012 (the "Use Agreement").
- C. In 2012, Skywest Airlines, Inc. assigned the Use Agreement to Airline with the consent of the Authority.
- D. Authority and Airline desire to further amend the Use Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the sufficiency of which is hereby acknowledged, Authority and Airline hereby agree as follows:

1. Modification of Exclusive Use Space. As of may 15 2017 (the "Effective Date"), the "Exclusive Use Space" as used in the Use Agreement shall mean the premises in the Terminal Building (as defined in the Use Agreement) described on Schedule 1 attached hereto, and the description of premises in Exhibit C to the Use Agreement shall be replaced with the description of premises described on Schedule 1 hereto.

2. Modification of Rent for Exclusive Use Space. As of the Effective Date, Sections 6.01(a) of the Use Agreement shall be deleted and shall be replaced with the following:

For 310 square feet of baggage office space, a monthly sum computed at the rate of \$20.70 per square foot per year (subject to adjustment under Section 7.04 below).

3. CASp Inspection. The following paragraph is required by amendments to California Civil Code Section 1938 effective January 1, 2017:

The Exclusive Use Space, the building in which it is located and any other areas that may be used by Airline under the Use Agreement (herein, the "subject

Exhibit C

Description of Exclusive Use Space

<u>Area</u>	<u>Square Footage</u>
Operations Office Space	819
Ticket Counter Space	N/A
Ramp Storage Space	N/A
Baggage Service Office Space	310
Cargo Bay and Associated Office Space	N/A
Cargo Public Parking	N/A

See attached plot plan for layout of above space at Airport.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
MAY 15, 2017**

**MONTH-TO-MONTH GROUND LEASE
OVERFLOW STORAGE
THE HERTZ CORPORATION**

SUMMARY

At the May 1, 2017, meeting of the Finance and Administration Committee ("Committee"), the Committee voted (2-0, one absent) to recommend to the Commission that it approve the Month-to-Month Ground Lease ("Lease") between The Hertz Corporation ("Hertz") and the Burbank-Glendale-Pasadena Airport Authority ("Authority") for overflow storage of Hertz's rent-a-car inventory. The lease is for 15,499 square feet of the former rent-a-car service area located off of Empire Avenue in the southwest quadrant of the airport. Under the proposed Lease, rent will be \$2,789.82 monthly.

BACKGROUND

Hertz is a signatory to the Non-Exclusive On-Airport Rental Car Lease and Concession Agreement for its operation in the Regional Intermodal Transportation Center ("RITC"). Hertz has operated in this facility since July 2014 and currently is a tenant in good standing.

Prior to the development and use of the RITC and its associated Consolidated Rental Car Facility ("CRCF"), the rental car operation at the Airport was limited to a ready return area of 283 spaces located south of Terminal B with a remote service facility located in the southwest quadrant of the airport between Building 3 and Hangars 4 and 5. The proposed property for this overflow storage was originally the fleet service area for Alamo, Avis, Hertz, and National. The rental car service areas were consolidated into the RITC from the space off of Empire Avenue in July 2014. Subsequently, Alamo and National terminated their use, cleaned their respective areas and returned the space to the Authority. Hertz also terminated one of their two leaseholds in this area that had been used for overflow storage. Fox Rent-a-car is now currently leasing the previous Hertz overflow storage space.

Due to the reallocation of space in the RITC with the Dollar brand moving to the first floor of the RITC, Hertz has approached Staff seeking additional space for vehicle storage for the three brands they operate on the first floor.

Staff negotiated with Hertz for a month-to-month lease (copy attached) for approximately 15,000 square feet in this former rental car service area in a location adjacent to their previous leasehold.

DETAILS

Key components of the proposed Lease are as follows:

Term:	Month to Month
Commencement:	May 15, 2017
Rent:	\$2,789.82/month
Termination:	30 days' written notice
Adjustment:	3% annual adjustment
Premises:	15,499 square feet
Maintenance:	Tenant responsible for maintaining the property
Taxes:	Tenant responsible for any applicable possessory interest taxes that may be assessed on the property
Utilities:	Tenant is responsible for their utility costs

IMPACT ON REVENUE

The proposed Lease is revenue positive increasing gross non-aviation revenues for the Authority by \$33,477.84 per year.

RECOMMENDATION

At the May 1, 2017, meeting of the Finance and Administration Committee, it was voted (2-0, one absent) to recommend to the Commission that it approve a Month-to-Month Ground Lease with The Hertz Corporation for rental car overflow storage and that the President be authorized to execute the same.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
MAY 15, 2017**

**TEMPORARY HUMAN RESOURCES LETTER AGREEMENT WITH
TBI U.S. OPERATIONS, INC.**

SUMMARY

Staff seeks Commission approval of a letter agreement with TBI U.S. Operations, Inc. ("TBI") for the short term assignment of Ms. Jana Basubas to Hollywood Burbank Airport ("Airport") to administer and execute Human Resources functions.

BACKGROUND

The Authority's airport management firm, TBI Airport Management, Inc. ("TBI AM"), provides Human Resources functions among its services. With the recent departure of Mr. Rod Mercado, who served as the Director, Human Resources at the Airport, TBI AM is now in the process of recruiting a Senior Manager for the Human Resources Department. In the interim, however, Staff has identified a need for temporary support of TBI AM's Human Resources functions at the Airport.

TBI, the parent company of TBI AM, has highly qualified personnel experienced in the airport management industry and is willing to temporarily assign one of its employees to administer and execute the Human Resource functions at the Airport. This employee, Ms. Jana Basubas, will be on-site until TBI AM completes its recruitment process or until July 14, 2017, whichever comes sooner. A proposed temporary human resources letter agreement with TBI is attached as Exhibit A. The letter agreement has been reviewed and approved by General Counsel.

FISCAL IMPACT

The letter agreement requires the Authority to reimburse TBI for all direct and out-of-pocket personnel expenses, employer payroll taxes, and insurance premiums actually paid or incurred by TBI with respect to Ms. Basubas' temporary assignment to the Airport. Additionally, the letter agreement requires the Authority to reimburse TBI for all travel expenses and lodging expenses related to Ms. Basubas' temporary assignment to the Airport, as well as for a \$70 per diem for her meals and incidentals. During the period of the assignment, Ms. Basubas will also be allowed access and use of one of the Authority's fleet vehicles. Finally, the Authority and TBI will equally split travel expenses associated with familial visits by Ms. Basubas (either one per month to Florida or two per month to San Diego). The estimated expense for the proposed temporary assignment from May 8 to July 14, 2017, is approximately \$16,950.

RECOMMENDATION

Staff seeks Commission approval of the proposed letter agreement with TBI for the short term assignment of Ms. Jana Basubas to the Airport to administer and execute Human Resources functions.



May 1, 2017

Bill Wiggins, President
Burbank-Glendale-Pasadena Airport Authority
2627 Hollywood Way
Burbank, California 91505

Dear Bill:

As a result of the temporary need for the administration and execution of Human Resources functions at the Hollywood Burbank Airport, TBI U.S. Operations, Inc. ("TBI"), the parent company of TBI Airport Management, Inc. ("TBI AM") and a company with highly qualified personnel in the airport management industry, is willing to temporarily assign its employee, Ms. Jana Basubas, on secondment to TBI AM, Hollywood Burbank Airport to perform such duties until no longer needed or July 14, 2017, whichever is earlier.

Below are the terms and conditions of Ms. Basubas' secondment to TBI AM, Hollywood Burbank Airport to perform such duties:

1. **Duration.** Ms. Basubas' secondment will begin on April 30, 2017 and will continue until she is no longer needed or July 14, 2017, whichever is earlier.

2. **Compensation.** During the period of Ms. Basubas' secondment and in consideration for the services rendered by her, the Burbank-Glendale-Pasadena Airport Authority ("Authority") agrees to reimburse TBI for all direct and out-of-pocket personnel expenses actually paid or actually incurred by TBI with respect to Ms. Basubas' secondment, together with all employer payroll taxes and insurance premiums actually paid or actually incurred by TBI with respect to Ms. Basubas' secondment.

3. **Lodging.** The Authority agrees to reimburse TBI for all lodging expenses relating to Ms. Basubas during the period of the secondment.

4. **Meals and Incidentals.** During the period of the secondment, the Authority agrees to reimburse TBI \$70.00 per diem for Ms. Basubas' meals and incidentals.

5. **Travel Expenses and Allowance.** Except for the familial visits as discussed herein, the Authority agrees to reimburse TBI for all of Ms. Basubas' travel expenses relating to the secondment. During the period of the secondment, Ms. Basubas shall be permitted to visit with her family in San Diego twice a month or home to Florida once per month on dates mutually agreeable between the Authority and TBI and both parties agree to split the expenses of such familial visits equally.

6. **Vehicle Allowance.** The Authority, at its expense, shall provide Ms. Basubas with a vehicle to use during the period of the secondment.

7. **Payment.** All of the amounts referenced herein shall be invoiced monthly and shall be paid by the Authority within fifteen (15) business days of the Authority's receipt of the invoice, unless the Authority questions or disputes any amount, in which case the Authority shall pay the unquestioned and undisputed portion of the invoice and the parties shall use their respective best efforts to answer the Authority's question or resolve the dispute in a timely fashion.

8. **Modification.** No change or modification of the terms and conditions stated herein shall be valid unless in writing and executed by the Authority and TBI.

If you are agreeable to these terms and conditions, please indicate the Authority's acceptance of the same by signing below.

Sincerely,


Marsha Michael

Bill Wiggins, President
Burbank-Glendale-Pasadena Airport Authority

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
MAY 15, 2017,**

**REPLACEMENT PASSENGER TERMINAL PROGRAM
MARATHON COMMUNICATIONS, INC., GEORGINO DEVELOPMENT LLC, AND
CONWAY CONSULTING, LTD. CONTRACT EXTENSIONS**

SUMMARY

At the May 1, 2017, meeting of the Legal, Government and Environmental Affairs Committee ("Committee") in conjunction with the development of a Replacement Passenger Terminal ("RPT") project, the Committee voted (2–0, one absent) to recommend to the Commission that it approve and authorize execution of the following:

- i) Amendment #3 to the Professional Services Agreement with Conway Consulting, Ltd ("Conway") for the period from July 1, 2017, to June 30, 2018. For the first six months, scope of services shall include: support for completion of the Airport Layout Plan ("ALP"); oversight of the Airports Geographic Information System ("AGIS") required for the ALP; support for RPT concept validation and refinement studies. For the second six months, staff will review and determine what services, if any, will be needed. Compensation for the first six months shall remain unchanged at a retainer of \$30,000 per month, which reflects a rate of \$195 per hour for 120 hours on-site and \$165 per hour for 40 hours off-site. The total contract for this six month period is for a not-to-exceed amount of \$180,000.
- ii) A new Purchase Order extending the term of services with Marathon Communications, Inc. ("Marathon") for continued public affair services for the period from July 1, 2017, to June 30, 2018, at the current fixed fee rate of \$10,000 per month plus an allowance of up to \$500 per month, with supporting receipts for reimbursement expenses (distribution material, photocopying, mileage). Prior to the conclusion of the first six months of this extension, Marathon will review and confer with the Executive Director any adjustment to the scope of services and monthly retainer for the remaining term of the agreement. The thirty-day cancellation provision contained in previous purchase orders shall remain.
- iii) Amendment #4 to the Professional Services Agreement with Georgino Development LLC ("Georgino") for strategic planning consulting services for the period from July 1, 2017, to June 30, 2018. Compensation under this amendment shall remain unchanged at a monthly retainer fee of \$3,500. The seven-day cancellation provision contained in the Professional Services Agreement shall remain.

BACKGROUND

Staff continues to research, develop, implement and coordinate activities for the development of a replacement passenger terminal at the Hollywood Burbank Airport ("Airport").

Staff has established a Phase One and Phase Two process with the Los Angeles Airports District Office of the Federal Aviation Administration ("FAA") for the revision of the Airport Layout Plan ("ALP") as required by the FAA. Staff is confident that the Phase One step, submission of an ALP Drawing Set, will be completed by June 30, 2017. With this submission, FAA will begin its review process. If FAA concludes that the document meets the necessary requirements, a conditional approval will be issued and Staff will then initiate efforts with FAA to begin an Environmental Impact Statement under the National Environmental Policy Act ("NEPA"). During this period, Staff will continue the ongoing analysis of potential financing options for the RPT, will continue community outreach, and will work together with the airlines that serve the Airport.

PROPOSALS

Staff has obtained proposals from three consultants that are already engaged by the Authority to undertake specific tasks over the next six months to one year. Copies of the proposed agreements and/or amendments are attached as Exhibit A1 through A.3.

1.1 Airport Layout Plan; Concept Validation and Refinement

The scope of service to be provided by Conway under the proposed amendment includes support for the following: completion of Phases 1 and 2 of the ALP revision; start of the FAA environmental study; the FAA Safety Management System review of the project under the ALP; completion of the AGIS survey; RPT concept validation and refinement consultant selection; and the RPT financial analysis.

1.2 Public Affair Services and Strategic Planning Consulting Services

Through the ALP revision and the RPT concept validation and refinement process, there continues to be a need for community outreach and communication. The services to be provided by Marathon and Georgino include continued coordination with Staff, Authority consultants and legal counsel to maintain and support the community consensus-based vision for the replacement terminal and future of the Airport.

The table below provides a full-year summary of the proposed recommendations for the Committee consideration:

PROJECT DEFINITION, CONSULTANT(S) SERVICES	AMOUNTS
Conway Consulting Ltd. – ALP Revision; Conceptual Planning Revalidation	\$360,000
Marathon Communications, Inc.	\$120,000
Georgino Development LLC	\$ 42,000
Total – Contract Authorizations (Recommended)	\$522,000

-- 2 --

FISCAL IMPACTS

The estimated expenditures these services for the remaining two months of the Fiscal Year is approximately \$87,000. For the FY 2017/2018 Budget, estimated expenditures for these services will be included in the line item for Replacement Terminal activities from the Airport Facility Development Fund.

RECOMMENDATIONS

At the May 1, 2017, meeting of the Legal, Government and Environmental Affairs Committee the Committee voted (2-0, one absent) to recommend to the Commission that it approve and authorize execution of Amendment #3 to the Conway agreement, a new Purchase Order for Marathon, and Amendment #4 to the Georgino agreement.

-- 3 --

MARATHON COMMUNICATIONS INCORPORATED

To: Frank Miller
From: James McDermott
Re: Proposal
Date: April 20, 2017



STRATEGIC COMMUNICATORS

- CORPORATE
- GOVERNMENT
- POLITICAL
- NONPROFIT

Marathon Communications is a full-service public affairs firm, with 30 years of experience providing a broad spectrum of public affairs services to our clients. We are proud of a track record of success in the public affairs arena, having successfully designed and implemented community and stakeholder communications strategies and outreach plans, provided government affairs support, and served as overall project managers on numerous projects. All of this provides Marathon with a unique perspective and insight into how we assess and meet the needs of our clients, and how we respond to requests for proposals.

Marathon Communications, Inc. has provided strategic communications and outreach consulting to the Burbank-Glendale-Pasadena Airport Authority since May 2010. During that period Marathon has worked with Airport senior staff, and the Airport's legal counsel to:

- ✓ Develop the visioning process as the Airport's primary facilities planning and external communications vehicle
- ✓ Assist with amending the Development Agreement with the City of Burbank
- ✓ Formulate jointly, with the City of Burbank, public outreach plans and programs to develop a long-term vision for the future of the Airport
- ✓ Develop and manage the public opinion research effort conducted by Goodwin Simon Research including interviewing prospective firms, monitoring focus groups, reviewing and revising draft questionnaires, and interpreting the results of the research
- ✓ Brief elected officials regarding Airport planning efforts like the Ground Access Study and the long-term visioning effort
- ✓ Assist the Airport staff in working with key MTA and Metrolink officials in working for more cooperation between the agencies and the Airport including the creation of a Metrolink station at San Fernando Road and Hollywood Way
- ✓ Serve as an Airport representative on the Airport Land Use Working Group (ALUWG)
- ✓ Serve as an Airport representative to the City of Los Angeles
- ✓ Work with Cooper Communications in drafting, reviewing, and revising most project collaterals, including long- and short-term outreach strategies, Board presentations, educational and information materials, website content and media statements
- ✓ Attend Authority Board meetings and monitor relevant Burbank City Council meetings

- ✓ Review and propose responses as needed to media coverage of the Airport and Airport-related issues, working in concert with the Airport's staff
- ✓ Assist in designing and managing the Ad Hoc Committee's review of development opportunities on the B-6 property
- ✓ Create and help implement the Phase I communications strategy regarding the replacement terminal and Opportunity Site
- ✓ Design and manage the Phase I public and media rollout activities for the replacement terminal and Opportunity Site
- ✓ Provide strategic communications counsel to Airport senior staff
- ✓ Coordinate with the Airport's internal staff public education and communications functions

In the coming months Marathon, in cooperation with Airport staff, will provide the overall strategic and management lead for public communications and education related to the post-2016 Measure B Replacement Terminal activities. Marathon will work in cooperation with Airport staff and others as directed to produce collateral materials used for public outreach and education. Marathon will also assist the staff with its broader public relations and airport marketing tasks.

The principles and communications platforms employed for this phase should embody the principles and methods already successfully employed:

Principles

1. Proactive
2. Comprehensive
3. Consistent

Goals

- Educate stakeholders about the Replacement Terminal development process
- Respond to questions, concerns, confusions
- Create a comprehensive information base for the public and media
- Reach the widest audience
- Employ multiple platforms, techniques and venues

Communications Platforms

- The Web: Burreplacementterminal.com
- Direct mail
- Social media
- Public outreach: workshops and hearings organized around the conceptual planning and NEPA processes
- Presentations to key business and community organizations
- Media relations activities
- Elected officials briefings

Scope of Activities

1. Continue working with the staff on all public communications and education initiatives related to the next phase of the Replacement Terminal development. Continue coordinating information with City of Burbank website.
2. Prepare rollout plan for public announcements regarding results of soil studies and health risk assessment.
3. Continue Replacement Terminal mailers. Schedule and develop next Fall/Winter/Spring Replacement Terminal mailers with emphasis on soil studies, NEPA process, and public conceptual design process depending on schedule.
4. Begin quarterly project updates to area elected officials and their local staffs.
5. Assist staff with community relations and media planning.
6. Update Replacement Terminal website as required.
7. Provide government relations counsel as requested.

Term and Compensation Given the scope of work, both current and proposed, and the necessary timeframe to accomplish these tasks, Marathon Communications proposes to enter into a one year Agreement with the Authority commencing July 1, 2017 through June 30, 2018 at a monthly rate of \$10,000 per month. However, following the conclusion of the first six months term of this Agreement, Marathon will confer with the Executive Director regarding an adjustment of the monthly rate based on the scope of work for the remaining six month period.

Out-of-pocket expenses, such as local mileage, photocopy, and related activities, shall be reimbursed with evidence of supporting receipt to a maximum of \$500 per month. Expenses for design and printing and event coordination must be pre-approved by the Authority.

We shall prepare and render to the Authority, on a monthly basis, a statement of charges for services rendered and costs advanced for the previous month. In the event you do not receive a monthly bill, you may request a statement at intervals of no less than 30 days. If you do, we will provide one within 10 days. The Authority agrees to pay the balance owed on each bill within 30 days of the invoice date. Bills not paid within said 30 days are considered delinquent. Any objection to any billings must be brought to our attention within 30 days of the billing, otherwise the bill will be deemed to have been accepted by you as

accurate. Bills not paid in full within 30 days will bear interest at the rate of 10% per annum.

The Burbank-Glendale-Pasadena Airport Authority (Client) shall defend, indemnify and hold harmless Marathon Communications Inc., from and against any and all claims, demands, actions, proceedings, causes of action, damages, judgments, awards, settlement amounts, penalties, fines, assessments, charges, fees, forfeitures, losses, liabilities, obligations, costs and expenses (including attorney's fees) arising out of, resulting from or relating to information, representation, reports, or data furnished or approved by Client for Consultants' use in connection with the Scope of Work contained in the duly authorized Work Order.

This agreement will continue from month to month until June 30, 2018 or unless cancelled by either party upon 30 days' written notice. In the event of cancellation, all unpaid fees for service, together with all outstanding expenses, will be due and payable to Marathon on the first day of the month following the month in which the cancellation occurs.

This agreement shall be construed in accordance with the laws of the State of California. If disputes arising out of or relating to our work in connection with the Authority cannot be resolved through our joint negotiation, they will be submitted to final and binding arbitration pursuant to the Commercial Arbitration Rules of the American Arbitration Association. The Arbitrator shall be appointed by agreement of the parties hereto or, if no agreement can be reached, by the American Arbitration Association pursuant to its Rules.

The decision of the Arbitrator shall be final and binding on all parties to the agreement, and judgment thereon may be entered in any court having jurisdiction. All cost of the Arbitration proceeding, including attorney's fee and witness expenses, shall be paid by the party against whom the Arbitrator rules. The Arbitration procedure is intended to be the exclusive method of resolving any and all claims arising out of or relating to the services to be performed under this agreement.

We understand that in fulfilling our obligations under this agreement, we may become familiar with confidential or proprietary information about the Authority or its business interests. We affirm the relationship between the Marathon and the Authority as confidential in nature; accordingly we will not knowingly disclose to any organization, person, or entity confidential or proprietary information unless expressly authorized to do so by you or a lawful court order or subpoena. It is agreed that the Marathon's ability to implement, maintain or perfect this commitment is contingent on the Authority's specific and timely written identification of the information it considers confidential or proprietary.

You acknowledge that we have made no statements, guarantees, representations, or promises regarding the outcome, probable outcome, or result of any phase of this matter, and all comments relative thereto, whether made prior to or after signing this agreement, only reflect our preliminary views which are subject to change. We have advised you that there are many factors that can contribute to the success of a project, including the uncertainties of the political process, public pressures, adverse environmental impacts, and other factors not yet known. We will keep you informed of our progress as we proceed and seek your input on key issues of strategy and any other areas in which you want to be involved.

If anything in the foregoing is not consistent with your understanding of the scope of work, objectives or the commercial arrangements, please call me at your earliest convenience.

Frank, we look forward to continue working with you and your staff.

Sincerely,

A handwritten signature in black ink, appearing to read "James McDermott", with a long horizontal flourish extending to the right.

James McDermott
Marathon Communications Inc.

**AMENDMENT NO. 3 TO
PROFESSIONAL SERVICES AGREEMENT**
(Burbank-Glendale-Pasadena Airport Authority/Conway Consulting, Ltd.)

This Amendment No. 3 ("Third Amendment") to the October 20, 2014 Professional Services Agreement ("Agreement") executed by the Burbank-Glendale-Pasadena Airport Authority ("Authority"), a California joint powers agency, and Conway Consulting, Ltd. ("Consultant"), is dated May 15, 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 airport and engineering planning services, and project management support services, through October 31, 2015 with a one-year extension option available to the Authority.

B. The parties have executed the following amendments to the Agreement (collectively, the "Prior Amendments"):

1. An September 21, 2015 Amendment No. 1 to: (i) extend the term to October 31, 2016; and (ii) afford the Authority an option to extend the term an additional year.

2. A November 28, 2016 Amendment No 2 to: (i) extend the term to June 30, 2017; (ii) revise the scope of work; and (iii) revise the fee schedule.

C. The parties desire to amend the Agreement to: (i) extend the term to June 30, 2018; and (ii) revise the scope of work.

NOW, THEREFORE, the parties agree as follows:

1. Amendment of Section 2. Paragraph (A) of Section 2 ("Consultant's Services") of the Agreement is amended to read as follows:

"A. The nature, scope, and level of the specific services to be performed by Consultant are as set forth in Exhibits A, A-1, and A-2."

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

"**3. Term.** The term of this Agreement shall commence on November 1, 2014 and shall expire on June 30, 2018, unless earlier terminated in accordance herewith."

3. Amendment of Section 4. Paragraph (A) of Section 4 ("Compensation") of the Agreement is amended to read as follows:

"A. The Authority agrees to compensate Consultant, and Consultant agrees to accept as full satisfaction for its services pursuant to this Agreement, payment on a lump sum basis as follows: (i) the amount of Fourteen Thousand Eight Hundred Dollars (\$14,800) per month for

the period from November, 1 2014 through October, 31 2015; (ii) Fifteen Thousand Two Hundred Dollars per month for the period from November, 1 2015 through November 30, 2016; and (iii) in accordance with Exhibit C for the period from December 1, 2016 through June 30, 2018.”

4. **Addition of Exhibits A-2.** The attached Exhibit A-2 is added to the Agreement and is incorporated herein by reference.

5. **Preservation of Agreement.** Except as expressly modified by this Third Amendment, all of the provisions of the Agreement (as amended by the Prior Amendments) shall remain unaltered and in full force and effect. In the event of a conflict between the provisions of this Third Amendment and the provisions of the Agreement (as amended by the Prior Amendments), the provisions of this Third Amendment shall control.

TO EFFECTUATE THIS THIRD AMENDMENT, the parties have caused their duly authorized representatives to sign below.

Burbank-Glendale-Pasadena
Airport Authority

Conway Consulting, Ltd.

Bill Wiggins, President


Mark Conway, President

Approved as to form:

Richards, Watson & Gershon
A Professional Corporation

EXHIBIT A-2
Supplemental Services (July 1, 2017 – June 30, 2018)
(attached)

Conway Consulting, Ltd.

Airports and Aviation

April 24, 2017

Mr. John Hatanaka
Senior Deputy Executive Director
Hollywood Burbank Airport
2627 N. Hollywood Way
Burbank, California 91505

Dear Mr. Hatanaka:

Conway Consulting, Ltd. is pleased to submit this proposal for continuing planning services on the Replacement Terminal Program at Hollywood Burbank Airport. This proposal is for the period from July 1, 2017 through June 30, 2018. The Scope is defined to reflect Period 1 as July 1, 2017 to December 31, 2017, and Period 2 from January 1, 2018 to June 30, 2018. The Scope and funding for Period 1 defined here-in and focuses on the completion of tasks needed to prepare, coordinate and submit an Airport Layout Plan (ALP) to the Federal Aviation Administration (FAA) and related FAA submittals. The Scope for Period 2 is deferred until the end of Period 1 so that the services needed can be more accurately defined to reflect the status of the NEPA Process and the level of support needed

1. Period 1 Scope of Services

The scope of services includes the services related to the preparation, coordination and submission of the Airport Layout Plan Drawing Set to the FAA and related tasks. The work scope is attached as Exhibit 1.

2. Proposal Time Duration

This proposal covers the six month time period between July 1, 2017 and December 31, 2017.

3. Time Frame and Commitment

Conway Consulting will commit the services of Mark Conway to an on-site presence of not more than 120 hours per month and an additional 40 hours of off-site working hours for the six month period between July 1, 2017 and December 31, 2017.

4. Period 1 Costs

The costs for the services are proposed to be at a fixed rate of \$195 per hour for on-site work and \$165 per hour for off-site work. These hourly rates include both labor and expense. The total proposed total cost for these services is \$180,000.00 for the six month period.

P.O. Box 1687 Marco Island, Florida 34146
Phone (312) 758-7678

Conway Consulting, Ltd.

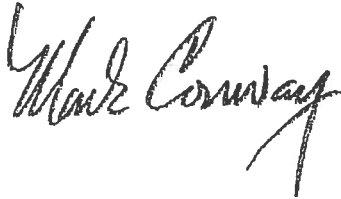
Airports and Aviation

5. Contract

Past contracts for Conway Consulting have been on a lump sum basis, meaning that each month a fixed contract amount is paid to Conway Consulting in proportion to the monthly effort. Table 1 shows the monthly time commitment and the associated monthly lump sum contract amount.

We appreciate the opportunity to continue supporting the Burbank-Glendale-Pasadena Airport Authority efforts to implement a Replacement Passenger Terminal Building at Hollywood Burbank Airport. Please do not hesitate to call if you have any questions regarding this proposal.

Sincerely,
CONWAY CONSULTING, LTD.

A handwritten signature in black ink, appearing to read "Mark D. Conway". The signature is fluid and cursive, with a long, sweeping underline.

Mark D. Conway
President

Conway Consulting, Ltd.

Airports and Aviation

Table 1
Period 1 - Monthly Lump Sum Costs

Month	Hours			Month Cost
	On-Site	Off-Site	Total	
July	120	40	160	\$ 30,000.00
August	120	40	160	\$ 30,000.00
September	120	40	160	\$ 30,000.00
October	120	40	160	\$ 30,000.00
November	120	40	160	\$ 30,000.00
December	120	40	160	\$ 30,000.00
Total	720	240	960	\$ 180,000.00
Average per Hour (Includes Expenses)				\$ 187.50

Proposed Scope of Services

July 1 to December 31, 2017

Hollywood Burbank Airport

During the second half of 2017, there will be tasks that may require the assistance of Conway Consulting, LTD. These are follow-on tasks to tasks started in the first half of CY 2017. Included are:

- Completion of the ALP Drawing Set
- Oversight of the AGIS Phase 2 Scope
- Support for the Validation Consultant and Refinement Studies
- Support for the NEPA Process
- Support to an SMS Process
- Support for Charrette Process
- General Authority Support on Operational Matters
- Financial Team Support

Each of these topics is more fully defined in the sections that follow.

1. Completion of the ALP Drawing Set

The start of the ALP Drawing Set was delayed as a result of time required to find select and fund an AGIS Consultant. It was found that more than a simple aerial photo with contours was now a requirement of the FAA. A full Airport Geographical Information System (AGIS) was now a requirement for federal funding eligibility. Past practices for BUR to submit an abbreviated ALP is no longer acceptable to the FAA.

In January, candidate consultants were investigated and in February, a scope was defined and in March a final Ok to proceed was received from the FAA. The Final Work Scope was defined to specifically assure that the information needed for the Airport Layout Plan Drawing (ALD) was completed first, followed by the remaining aeronautical surveys required for other ALP Drawing Set Sheets. The FAA has mandated that the same firm must complete the two surveys and that they not be completed with a time separation of more than a few months to assure the integrity of the data.

Given the delay in obtaining a full single source of data needed to complete the ALP Drawing Set, the FAA indicated a willingness to allow BUR to submit an Airport Layout Drawing (ALD) to serve as an interim submittal to initiate an FAA internal review. This action is intended to facilitate an early start of the NEPA Study so long as the remaining ALP drawings are produced for full review at the earliest possible time thereafter. The production of the Remaining

Drawing s of the ALP Drawing Set will be completed after July 1 when the Phase 2 AGIS Surveys are complete.

2. Oversight of the AGIS Phase 2 Scope

The Phase 2 AGIS Work will likely begin on or about July 1, 2017. This information will include the data needed to complete the Approach and Departure Plans to complete the ALP Drawing Set. Staff support and coordination for this work effort will be provided by Conway Consulting.

3. Support for the Validation Consultant and Refinement Studies

Issuance of the Validation Consultant RFQ and the subsequent review of RFQ Submittals will require support in reviews and summaries of the candidate firm submissions. Conway Consulting will support staff resources in this selection process, including the interview process and the subsequent scope negotiation process.

Once the Validation Study is underway, there will be a significant amount of work that the Validation Consultant will be required to produce and review internally with Staff. Staff requires a resource to assist in the review and coordination of the Validation Consultant work product and conclusions. Conway Consulting as the generator of the initial definitions for virtually all aspects of the Project has the institutional knowledge to assist and support the evaluation of the results of the Validation Consultant's work product. In addition it will be highly desirable to make sure that the Validation Consultant stays on track with the scope and areas of definition desired for their assessments.

4. Support for the NEPA Process

As the NEPA Study is initiated, support will be needed in the RFQ issuance, receipt and review process by Airport Staff/Representatives. Conway Consulting will assist in this support. Support for the issuance of an RFQ as well as transfer of information to the NEPA Consultant as directed by the FAA will be provided on an as needed as required basis.

5. Support for an SMS Process

Following the Conditional Approval of the ALP Drawing, the FAA Airports Division has indicated that as a minimum there will need to be a Safety Management System (SMS) Review conducted. The Airport Sponsor produces the documentation for these reviews. Conway Consulting will support staff in the preparation of SMS Submittals and support the FAA review process.

6. Support for Charrette RFQ Process

Prior to the issuance of an RFQ for a Charrette Leader, the Authority will need to think through the manner in which the charrettes will be conducted to meet the objectives of the Conditions of Approval. This includes developing internal consensus on the subject matter for each charrette, the areas of public consensus to be achieved, and the manner in which the consensus of public design input will be accepted and defined. This is an effort to be completed prior to the issuance of an RFQ for a Charrette Leader such that Authority's interests can be included in the RFQ and the Selection of the most qualified firm to meet these goals is the result.

7. General Authority Support on Operational Matters

Conway Consulting is highly experienced in the definition of common use facilities use and definitions as well as aircraft parking related definitions. With recent trends in airline up-gauging, plans to assure safe accommodation on as many gates as practical is necessary as well as to institute a process for advance assessments of needs and monitoring gate uses.

In additional, other action items arise that staff does not have the expertise or experience to address. Support and assistance is needed and need addressing issues such as Letters of Agreement with the ATCT, SMS Documentation, improvements justification, FAA Standards interpretation and similar issues that may arise.

8. Financial Team Support

Conway Consulting will also support the efforts of the Financial Planning Team for the RPT. He has knowledge of the quantities and the cost allocation options to assist the effort to address project funding eligibility.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
MAY 15, 2017**

**AWARD OF AVIATION HANGAR LEASE
NETFLIX, INC.**

SUMMARY

At the meeting of the Special Finance and Administration Committee ("Committee") on May 11, 2017, the Committee voted unanimously (3–0) to recommend to the Commission that it approve an Aviation Hangar Lease ("Lease") between Netflix, Inc. ("Netflix") and the Burbank-Glendale-Pasadena Airport Authority ("Authority"). Netflix seeks to lease Hangar 43 for a five-year term for the purpose of storing its Gulfstream G550 aircraft (copy attached).

BACKGROUND

Netflix, a Delaware corporation headquartered in Los Gatos, CA, is an entertainment company that specializes in and provides streaming media and video-on-demand through online services and DVD mailings. Netflix has recently expanded their presence in Southern California and approached Staff in February 2017 to express their interest in leasing a hangar for the purpose of storing its corporate aircraft. Upon review of the available facilities, Netflix indicated their interest in obtaining a lease for Hangar 43.

In accordance with the Federal Aviation Administration's ("FAA") Safety Risk Management process, the Authority's Operations Department undertook a Safety Risk Assessment ("SRA") for a Gulfstream G550 at Hangar 43, the findings of which are incorporated into the proposed Lease in Exhibit G. The SRA identified as a "medium risk" that currently there is no centerline between Hangar 43 and Taxiway B. The mitigation measure to address this condition is the painting of a centerline which will be completed prior to proposed tenant taking possession of the hangar.

DETAILS

In addition to the initial monthly rental rate of \$46,656, the proposed Lease provides for a tenant improvement allowance of up to \$250,000 in the form of rent abatement. This abatement may only be used for Authority-approved tenant improvements, as listed in Exhibit F of the proposed Lease, and must occur within the first twelve months from the date the Lease is approved.

Key components of the proposed Lease are:

Premises: Hangar 43

Use: Storage of general aviation aircraft

Term: 5-years commencing on May 15, 2017

Options: One five-year extension option

Rent: \$46,656 per month; \$559,872 per year

Adjustments: Greater of three percent (3%) per year or 120% of CPI, not to exceed 6% annually

Rent Credit: \$250,000 for Authority approved tenant improvements to be made within a 12-month period

Other: Tenant responsible for expenses related to occupancy including maintenance, utilities, share of property insurance and applicable taxes

REVENUE IMPACT

In the first year of the proposed Lease, the forecasted revenue is \$309,872 subject to Netflix completing the proposed tenant improvements. For each succeeding year, the base revenue will be the base year rent of \$559,872 plus applicable rent adjustments described above.

RECOMMENDATION

At the May 11, 2017, meeting of the Special Finance and Administration Committee ("Committee"), the Committee voted unanimously (3–0) to recommend to the Commission that it approve an Aviation Hangar Lease between Netflix, Inc. and the Burbank-Glendale-Pasadena Airport Authority and authorize the President of the Authority to execute the same. Netflix seeks to lease Hangar 43 for a five-year term for the purpose of storing its Gulfstream G550 aircraft.

Hollywood Burbank Airport (REVISED)

REVENUE PASSENGERS	March			January - March		
	2017	2016	% Change	2017	2016	% Change
Signatory Airlines						
Alaska Airlines	39,948	37,310	7.07%	100,728	98,335	2.43%
American Airlines	14,868	13,649	8.93%	41,051	38,827	5.73%
Delta Air Lines	9,985	7,293	36.91%	27,896	19,526	42.87%
JetBlue Airways	8,051	8,216	-2.01%	22,037	22,632	-2.63%
SeaPort Airlines	0	0	N/A	0	277	-100.00%
Southwest Airlines	283,654	250,884	13.06%	754,666	697,206	8.24%
United Airlines	26,746	20,982	27.47%	66,640	56,991	16.93%
Total Revenue Passengers	383,252	338,334	13.28%	1,013,018	933,794	8.48%
Inbound (deplaned)	191,597	168,331	13.82%	506,321	465,318	8.81%
Outbound (enplaned)	191,655	170,003	12.74%	506,697	468,476	8.16%

AIRCRAFT OPERATIONS *	March			January - March		
	2017	2016	% Change	2017	2016	% Change
Air Carrier	4,500	4,267	5.46%	12,279	12,188	0.75%
Air Taxi	1,465	906	61.70%	4,111	2,860	43.74%
General Aviation	3,215	3,264	-1.50%	8,772	10,016	-12.42%
Military Itinerant	90	88	2.27%	217	276	-21.38%
Civil Local	2,161	2,392	-9.66%	6,426	8,962	-28.30%
Military Local	0	1	-100.00%	0	1	-100.00%
Total Aircraft Operations	11,431	10,918	4.70%	31,805	34,303	-7.28%

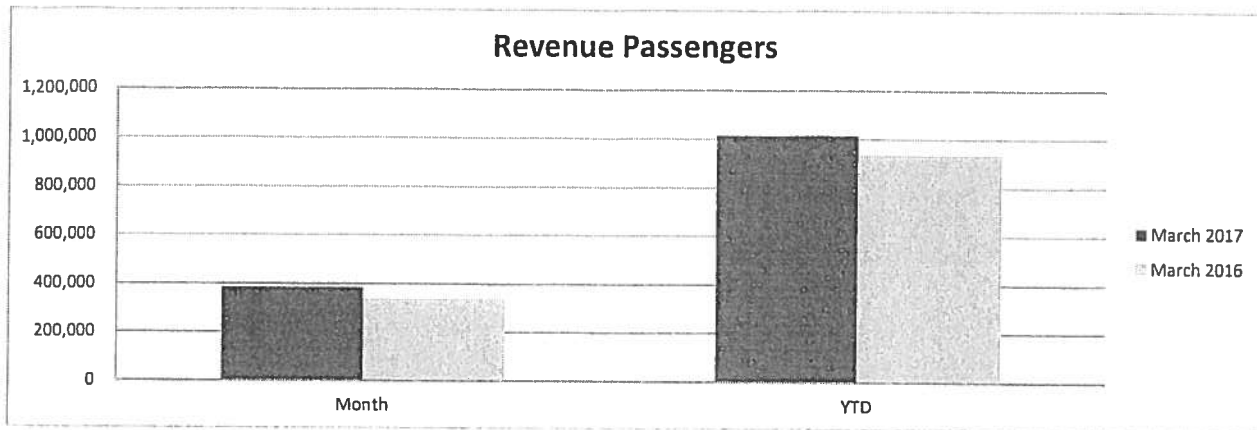
* Source: FAA Tower Daily Airport Operations Count, adjusted to show Canadair Regional Jet-200 operations as Air Carrier. Includes Bob Hope Airport arrivals/departures only; excludes aircraft that enter local air space but do not land or take off at Bob Hope Airport.

Hollywood Burbank Airport (REVISED)

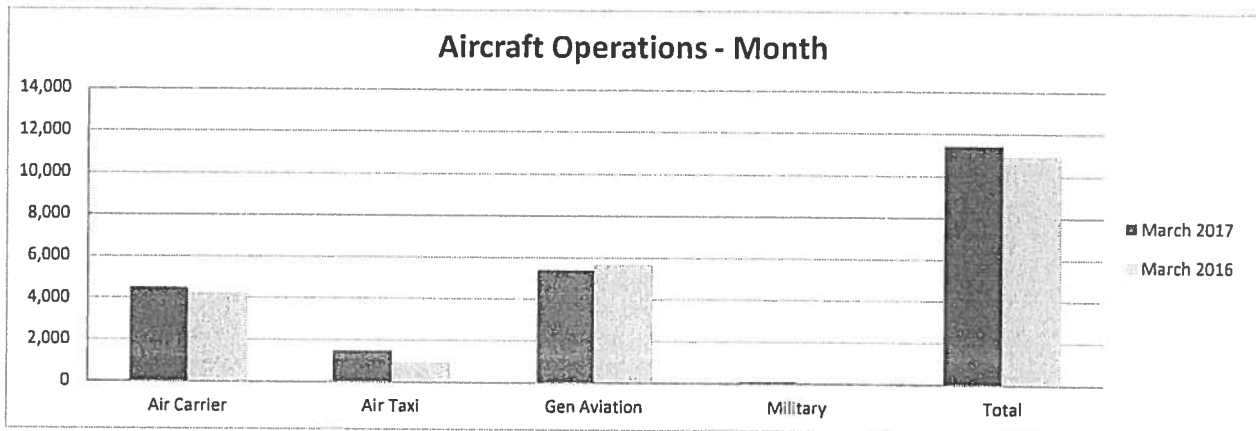
AIR CARGO (lbs.)	March			January - March		
	2017	2016	% Change	2017	2016	% Change
Signatory Airlines						
Alaska Airlines	433	397	9.07%	1,314	1,191	10.33%
American Airlines						
Delta Air Lines						
JetBlue Airways						
SeaPort Airlines						
Southwest Airlines	132,559	157,557	-15.87%	378,903	482,516	-21.47%
United Airlines	249	0	N/A	449	0	N/A
Other Scheduled Carriers						
Federal Express	5,416,688	4,938,309	9.69%	14,913,743	12,419,118	20.09%
United Parcel Service	4,591,225	4,174,520	9.98%	11,688,690	11,414,927	2.40%
Charter/Contract Carriers						
AirNet Express	2,304	2,437	-5.46%	7,793	7,683	1.43%
Ameriflight	240,468	219,079	9.76%	616,226	613,362	0.47%
Total Air Cargo	10,383,926	9,492,299	9.39%	27,607,118	24,938,797	10.70%
Inbound (deplaned)	5,301,036	5,021,600	5.56%	13,967,878	12,508,923	11.66%
Outbound (enplaned)	5,082,890	4,470,699	13.69%	13,639,240	12,429,874	9.73%

MAIL (lbs.)	March			January - March		
	2017	2016	% Change	2017	2016	% Change
United Parcel Service	43,568	12,100	260.07%	43,568	92,408	-52.85%
Total Mail	43,568	12,100	260.07%	43,568	92,408	-52.85%
Inbound (deplaned)	36,425	0	N/A	36,425	44,815	-18.72%
Outbound (enplaned)	7,143	12,100	-40.97%	7,143	47,593	-84.99%

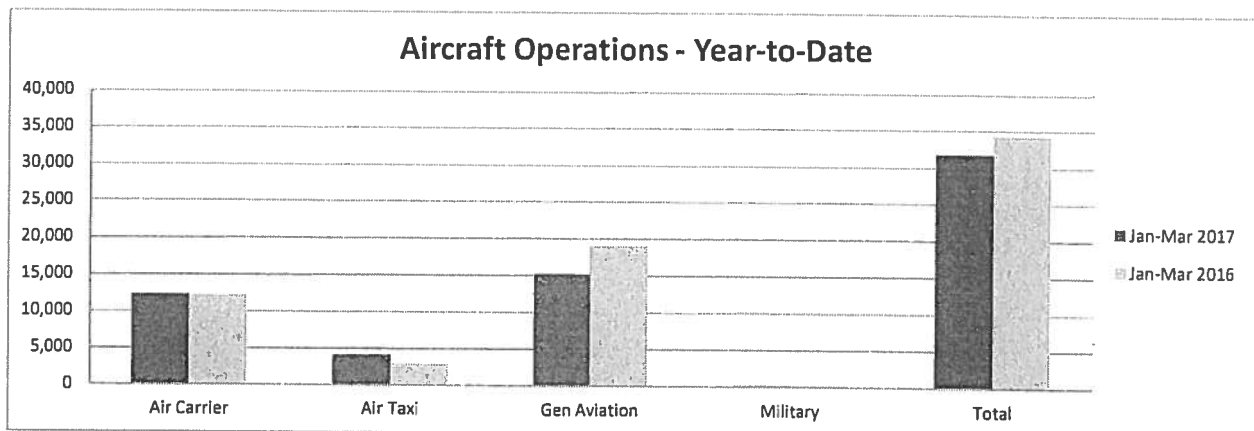
(REVISED)



Revenue Passengers	Month	YTD
March 2017	383,252	1,013,018
March 2016	338,334	933,794
% Change	13.28%	8.48%



Aircraft Operations - MO	Air Carrier	Air Taxi	Gen Aviation	Military	Total
March 2017	4,500	1,465	5,376	90	11,431
March 2016	4,267	906	5,656	89	10,918
% Change	5.46%	61.70%	-4.95%	1.12%	4.70%



Aircraft Operations - YTD	Air Carrier	Air Taxi	Gen Aviation	Military	Total
Jan-Mar 2017	12,279	4,111	15,198	217	31,805
Jan-Mar 2016	12,188	2,860	18,978	277	34,303
% Change	0.75%	43.74%	-19.92%	-21.66%	-7.28%