



October 11, 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, October 15, 2018, at 9:00 a.m., in the Airport Skyroom of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, California 91505.

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

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

Regular Meeting of Monday, October 15, 2018

9.00 A.M.

*The public comment period is the opportunity for members of the public to address the Commission on agenda items and on airport-related non-agenda matters that are within the Commission's subject matter jurisdiction. At the discretion of the presiding officer, public comment on an agenda item may be presented when that 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 Board Secretary.*
- *Confine remarks to agenda items or to airport-related non-agenda matters that are within the Commission's subject matter jurisdiction.*
- *Limit comments to five minutes or to such other period of time as may be specified by the presiding officer.*



*The following activities are prohibited:*

- *Allocation of speaker time to another person.*
- *Video presentations requiring use of Authority equipment.*



*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.*

## AGENDA

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) Finance and Administration Committee
      - (i) September 17, 2018 ***[See page 1]***
  - b. Commission Minutes  
(For Approval)
    - 1) October 1, 2018 ***[See page 4]***
  - c. Proposed Resolution No. 480 – Clarification of Starting Time of Finance and Administration Committee Regular Meetings and Legal, Government and Environmental Affairs Committee Regular Meetings ***[See page 10]***
6. ITEMS FOR COMMISSION APPROVAL
  - a. Award of Aviation Hangar Lease for Hangar 22 With Star Aviation, Inc. ***[See page 14]***
  - b. Approval of Third Amendment to Ground Lease Agreement With D&L Transportation, Inc., dba Desmond's Studio Production Service ***[See page 16]***
  - c. Award of Professional Services Agreement Airport Consumer Item Inspection Services – Universal Protection Service LP dba Allied Universal and Approval of Inspection Services Reimbursement Agreement With MCS Burbank LLC and HG Burbank JV ***[See page 20]***
7. ITEMS FOR COMMISSION DISCUSSION
  - a. Presentation: California High Speed Rail ***[No Staff Report]***

8. ITEMS FOR COMMISSION INFORMATION

- a. 2018 Annual Fundraiser Recipient ***[No Staff Report]***
- b. Airline Schedule Analysis ***[See page 22]***
- c. August 2018 Passenger/Cargo and Regional Airport Passenger Statistics ***[See page 25]***
- d. August 2018 Parking Revenue Statistics ***[No Staff Report]***
- e. August 2018 Transportation Network Companies ("TNC") ***[No Staff Report]***

9. CLOSED SESSION

- a. THREAT TO PUBLIC SERVICES OR FACILITIES  
(California Government Code Section 54957(a))  
Consultation with Director, Public Safety
- b. PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
(California Government Code Section 54957(b))  
Title: Executive Director

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

11. ADJOURNMENT

COMMISSION NEWSLETTER  
October 15, 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 September 17, 2018, Finance and Administration Committee meeting are included in the agenda packet for information purposes.
- b. COMMISSION MINUTES. Draft minutes of the October 1, 2018, meeting are attached for the Commission's review and approval.
- c. PROPOSED RESOLUTION NO. 480 - CLARIFICATION OF THE STARTING TIME OF FINANCE AND ADMINISTRATION COMMITTEE REGULAR MEETINGS AND LEGAL, GOVERNMENT AND ENVIRONMENTAL AFFAIRS COMMITTEE REGULAR MEETINGS. A staff report is included in the agenda packet. Staff seeks Commission adoption of Resolution No. 480 to clarify the starting time of Finance and Administration Committee regular meetings and Legal, Government and Environmental Affairs Committee regular meetings.

6. ITEM FOR COMMISSION APPROVAL

- a. AWARD OF AVIATION HANGAR LEASE FOR HANGAR 22 WITH STAR AVIATION, INC. A staff report is included in the agenda packet. At the October 1, 2018, meeting of the Finance and Administration Committee ("Committee"), the Committee voted unanimously (3-0) to recommend the Commission approve a proposed Aviation Hangar Lease for Hangar 22, copy enclosed, between Star Aviation, Inc., a Delaware corporation, and the Burbank-Glendale-Pasadena Airport Authority.
- b. APPROVAL OF THIRD AMENDMENT TO GROUND LEASE AGREEMENT WITH D&L TRANSPORTATION, INC., dba DESMOND'S STUDIO PRODUCTION SERVICE. A staff report is included in the agenda packet. At the Finance and Administration Committee ("Committee") meeting held on October 1, 2018, the Committee voted unanimously (3-0) to recommend the Commission approve a Third Amendment ("Amendment") to the Ground Lease Agreement ("Agreement") with D&L Transportation, Inc., dba Desmond's Studio Production Services. The proposed Amendment provides a two-year extension of the Agreement to December 6, 2020, with an additional one-year extension option subject to written consent of the Burbank-Glendale-Pasadena Airport Authority.
- c. AWARD OF PROFESSIONAL SERVICES AGREEMENT – AIRPORT CONSUMER ITEM INSPECTION SERVICES - UNIVERSAL PROTECTION SERVICE LP dba

ALLIED UNIVERSAL AND APPROVAL OF INSPECTION SERVICES REIMBURSEMENT AGREEMENT WITH MCS BURBANK LLC AND HG BURBANK JV. A staff report is included in the agenda packet. Subject to the recommendation from the Operations and Development Committee at its meeting immediately preceding the Commission meeting, Staff seeks Commission authorization to award a Professional Services Agreement ("Agreement") to Universal Protection Service LP dba as Allied Universal for Airport Consumer Item Inspection Services. As part of this Agreement, Staff also seeks the Commission's approval of the Inspection Services Reimbursement Agreement ("Reimbursement Agreement") between MCS Burbank LLC ("MCS"), HG Burbank JV ("Hudson") and the Burbank-Glendale-Pasadena Airport Authority.

The proposed agreement, copy attached, is for a two-year term with two one-year extension options available to the Commission at its discretion at a not-to-exceed contract price of \$321,485 for the initial two years calculated based upon the estimated hours. The cost of these services under the proposed Reimbursement Agreement will be fully reimbursed by MCS and Hudson.

#### 7. ITEMS FOR COMMISSION DISCUSSION

- a. PRESENTATION: CALIFORNIA HIGH SPEED RAIL. No staff report attached. Representatives from the California High Speed Rail Authority will provide a presentation to the Commission on the current status of the High Speed Rail project, with a focus on the segments entering the San Fernando valley and the Los Angeles basin. An updated proposed alternative for a station located adjacent to the Airport property will be described.

#### 8. ITEMS FOR COMMISSION INFORMATION

- a. 2018 ANNUAL FUNDRAISER RECIPIENT. No staff report attached. Wellness Works in Glendale has been chosen as this year's fundraising recipient. Wellness Works is a non-profit organization that has been providing services in the community for over 30 years to veterans and active military family members. The organization provides resources in training, education and treatment for self-healing in an atmosphere of compassion and joy. Therefore, Staff recommends to the Commission Wellness Works as the 2018 Annual Airport Fundraising recipient.
- b. AIRLINE SCHEDULE ANALYSIS. Staff has received notice of changes in service, fleet mix, and scheduled operating times from four airlines serving Hollywood Burbank Airport. This report change is reflected in the staff report and on the Schedule Change Analysis.
- c. AUGUST 2018 PASSENGER STATISTICS AND AIRLINE SCHEDULE REPORT. A staff report is included in the agenda packet. The August 2018 passenger count of 463,653 was up 10.45% compared to the August 2017 total of 419,768. The calendar year-to-date total for the first eight months is up 12.78% at 3,425,143 compared to 3,037,098 through August of last year. Air carrier aircraft operations increased by 2.12% for the month and cargo volume increased for the same period

by 4.07% to 9.7 million pounds, bringing the year-to-date the total to 72.4 million pounds, up 1.3% as compared to the same period in 2017.

- d. AUGUST 2018 PARKING REVENUE STATISTICS. No staff report attached. Staff will present parking revenue data for the month of August 2018.
- e. AUGUST 2018 TRANSPORTATION NETWORK COMPANIES ("TNC") SUMMARY OF ACTIVITIES. No staff report attached. Staff will update the Commission on TNC activity for the month of August 2018.

*Approved October 1, 2018*

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

**MONDAY, SEPTEMBER 17, 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 10:11 a.m., by Chairman Gharpetian.

**ROLL CALL**

**Present:**

Commissioners Gharpetian, Adams and Selvidge

**Absent:**

None

**Also Present:**

Staff: John Hatanaka, Senior Deputy Executive Director; Kathy David, Deputy Executive Director, Finance and Administration; David Kwon, Director of Financial Services; Madeleine Zavala, Manager, Business and Compliance

Columbia Investment Management:  
James A. Wilkinson, Director, Institutional Relationship Management; and  
Ronald B. Stahl, CFA, Senior Portfolio Manager  
(both 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. August 20, 2018**

Draft minutes for the August 20, 2018, Finance and Administration Committee meeting were presented for approval.

**Motion**

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

**Motion Approved**

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

**4. Contracts and Leases**

**a. First Amendment to the  
Automated Teller Machine**

Staff presented to the Commission for approval a First Amendment to the Automated Teller Machine



**Concession and Lease Agreement – MOBILEMONEY, INC.**

Concession and Lease Agreement ("Agreement") with MOBILEMONEY, INC. ("MOBILEMONEY"). In December 2017, the Commission approved an Agreement with MOBILEMONEY, INC., for six (6) ATM kiosks; two (2) ATMs pre-security and two ATMs post-security with optional locations in the Regional Intermodal Transportation Center ("RITC") and the Valet Center. After several months of monitoring transactional data, MOBILEMONEY determined that actual transactions were well below forecasted activity and approached Staff with a request to amend their Agreement in order to sustain ATM operations at Hollywood Burbank Airport.

After Staff investigated their claim and checked ATM usage at other airports and financial institutions, Staff confirmed that there is a continuing downward trend in the use of ATMs at airports throughout the country as more people embrace the use of newer technology, especially mobile banking, and are relying less on cash as a method of payment for transactions.

Based on this data Staff recommends that MOBILEMONEY be allowed to remove the ATM located in the RITC and reduce the rent for the ATM in the Valet Center. The proposed Amendment will reduce the total monthly rent by \$500.00 or \$6,000.00 annually. The total annual rent for the Authority will be \$39,600.00.

This Amendment will allow MOBILEMONEY to maintain their operations and stay committed to fulfilling their five-year term with the Burbank-Glendale-Pasadena Airport Authority to provide ATM services at Hollywood Burbank Airport.

**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 Discussion**

### **a. CMIA Quarterly Investment Portfolio (Quarter Ended June 30, 2018)**

CMIA provided an update to the Committee on the status of the Authority's Operating and Passenger Facility Charge Investment Portfolios for the quarter ended June 30, 2018.

### **b. Auditor Required Communications for the FY 2018 Audits**

Staff discussed with the Committee two required communications provided by the Authority's auditor, Macias Gini & O'Connell ("MGO"), copies of which were included in the agenda packet: (1) a letter to the Commission outlining its basic audit responsibilities, and planned scope and timing of the FY 2018 financial audits; and (2) an annual engagement letter which conforms to the Authority's professional services agreement with MGO for audit services.

Staff recommended that the Committee recommend to the Commission that it note and file these auditor communications.

The Committee agreed unanimously (3–0) to approve Staff's recommendation.

### **c. Quarterly Minor Lease Purchase Update (Quarter Ended June 30, 2018)**

Staff updated the Committee on one minor lease.

## **6. Items for Information**

### **a. Committee Pending items**

No discussion.

## **7. Other Contracts and Leases**

There were no other contracts and leases to be discussed.

Commissioner Gharpetian pointed out that AB 23 Disclosure had not been cited. The Senior Deputy Executive Director then read the disclosure as follows: "As a result of the convening of this meeting of the Finance and Administration Committee, each Committee member is entitled to and shall be provided \$200."

## **8. Adjournment**

There being no further business, the meeting was adjourned at 10:48 a.m.

Subject to Approval

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

**MONDAY, OCTOBER 1, 2018**

A regular meeting of the Burbank-Glendale-Pasadena Airport Authority was called to order this date in the Airport Skyroom, 2627 Hollywood Way, Burbank, California, at 9:01 a.m., by President Sinanyan.

**1. ROLL CALL**

**Present:** Commissioners Adams, Sinanyan, Gharpetian, Tornek, Devine, Wiggins and Selvidge

**Absent:** Commissioners Brown and Madison

**Also Present:** Staff: John Hatanaka, Senior Deputy Executive Director; Lewis Pianka, Assistant Fire Chief; Denis Carvill, Deputy Executive Director, Operations; Madeleine Zavala, Manager, Business and Property

**2. PLEDGE OF ALLEGIANCE**

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

**3. APPROVAL OF AGENDA**

The agenda was approved as presented.

**4. PUBLIC COMMENT**

There were no public speakers.

**5. CONSENT CALENDAR**

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

**1) Operations and  
Development  
Committee**

Approved minutes of the Operations and Development Committee meeting for August 20, 2018, were included in the agenda packet for information purposes.

**(i) August 20, 2018**

**2) Finance and  
Administration  
Committee**

Approved minutes of the Finance and Administration Committee meeting for August 20, 2018, were included in the agenda packet for information purposes.

**(i) August 20, 2018**

**b. Commission Minutes  
(For Approval)**

Minutes of the September 17, 2018,  
Commission meeting were included in the  
agenda packet for review and approval.

**1) September 17, 2018**

**c. Auditor Required  
Communications for the  
FY 2018 Audits**

At the Finance and Administration Committee  
("Committee") meeting held on September 17,  
2018, the Committee voted unanimously (3–0)  
to recommend that the Commission note and  
file two required communications from the  
Authority's auditor, Macias Gini & O'Connell  
LLP ("MGO"), as follows: (1) a letter to the  
Commission outlining its audit responsibilities  
and planned scope and timing of the FY 2018  
financial audits; and (2) a copy of the annual  
engagement letter that conforms to the  
Authority's professional services agreement  
with MGO for audit services.

**MOTION**

Commissioner Adams moved approval of the  
Consent Calendar, seconded by Commissioner  
Gharpetian

**MOTION APPROVED**

The motion was approved (5–0, two absent,  
two abstentions). Commissioners Sinanyan  
and Wiggins abstained from voting on the  
Minutes due to their absence.

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

NOES: None

ABSENT: Commissioner Brown and Madison

**6. ITEMS FOR COMMISSION  
APPROVAL**

**a. Approval of Services  
Agreement with The  
Regents of The  
University of California  
on Behalf of the UCLA  
Center for Prehospital  
Care for EMT Continuing  
Education and Quality  
Improvement Services**

Staff presented to the Commission for its  
approval proposed three-year Services  
Agreement ("Agreement") with The Regents of  
The University of California, on behalf of the  
UCLA Center for Prehospital Care for  
Emergency Medical Technician ("EMT")  
continuing education and quality improvement  
at the initial rate of \$22,500 subject to a  
Consumer Price Index ("CPI") adjustment each  
year thereafter.

UCLA will provide EMT training, quality improvement and oversight (for the 18 Airport Fire Departments' EMTs.) UCLA has pioneered the paramedic program in Los Angeles County and has over 30 years of experience with continued education for police, fire and EMTs.

Funding for this program was included in the adopted FY 2019 budget and will be requested in subsequent years' budgets.

At the Operations and Development Committee ("Committee") meeting on September 17, 2018, the Committee voted unanimously (3-0) to recommend approval by the Commission.

**MOTION**

Commissioner Wiggins moved approval;  
Commissioner Devine seconded the motion.

**MOTION APPROVED**

The motion was approved (7-0, two absent).

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

NOES: None

ABSENT: Commissioner Brown and Madison

**b. Award of Purchase Order for Replacement of Self-Parking License Plate Recognition ("LPR") Camera System – Sentry Control Systems, LLC**

Staff presented to the Commission for approval an Award of Award of Purchase Order for Replacement of Self-Parking License Plate Recognition ("LPR") Camera System with Sentry Control Systems, LLC. The award of this purchase order will enable the replacement of nine (9) LPR cameras and the outdated software which have reached the end of their useful life.

The new hardware and software includes LPR cameras, LPR network communications switches and a new LPR system server. The cost of the replacement equipment and installation is \$196,476 and is included in the FY 2019 capital budget.

The Operations and Development Committee voted unanimously (3-0) at its meeting on

September 17, 2018, to recommend approval by the Commission.

**MOTION**

Commissioner Tornek moved approval, seconded by Commissioner Selvidge.

**MOTION APPROVED**

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

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

NOES: None

ABSENT: Commissioner Brown and Madison

**c. First Amendment to the Automated Teller Machine Concession and Lease Agreement with MOBILEMONEY, INC.**

Staff presented to the Commission for approval a First Amendment to the Automated Teller Machine Concession and Lease Agreement ("Agreement") with MOBILEMONEY, INC. ("MOBILEMONEY").

In December 2017, the Commission approved an Agreement with MOBILEMONEY, INC. ("MOBILEMONEY"), for six (6) ATM kiosks; two (2) ATMs pre-security and two ATMs post-security with optional locations in the Regional Intermodal Transportation Center ("RITC") and the Valet Center after the previous ATM service provider gave their termination noticed at the end of their lease.

After several months of monitoring transactional data, MOBILEMONEY contacted staff requesting permission to remove the ATM at the RITC and also requesting a rent reduction for the ATM in the Valet Center due to consistently low usage for those two ATMs in order to sustain ATM operations at Hollywood Burbank Airport.

After Staff investigated their claim, Staff confirmed that there is a continuing downward trend in the use of ATMs at airports throughout the country as more people embrace the use of newer technology, especially mobile banking,

and are relying less on cash as a method of payment for transactions.

The proposed Amendment will reduce the total monthly rent by \$500.00 or \$6,000.00 annually. The total annual rent for the Authority will be \$39,600.00.

At the September 17, 2018, meeting of the Finance and Development Committee ("Committee"), the Committee voted unanimously (3–0) to recommend that the Commission approve this item.

**MOTION**

Commissioner Wiggins moved approval, seconded by Commissioner Gharpetian.

**MOTION APPROVED**

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

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

NOES: None

ABSENT: Commissioner Brown and Madison

**7. CLOSED SESSION**

The meeting recessed to close session at 9:15 a.m.

- a. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
(California Government Code Section 54956.9(d)(1))  
Name of Case: Yarbrough v. Burbank-Glendale-Pasadena Airport Authority  
(WCAB Case No. ADJ9979761, ADJ10423172, ADJ Unassigned)

**Meeting Reconvened to Open Session**

The meeting reconvened to open session at 9:28 a.m. with the same members present.

**Closed Session Report**

President Sinanyan called upon Staff to report action taken in closed session.

Staff advised there was nothing to report from closed session.

**8. COMMISSIONER COMMENTS**

There were no Commissioner comments.

## 9. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:28 a.m.

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Zareh Sinanyan, President

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Ross Selvidge, Secretary

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Date

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Date



**STAFF REPORT PRESENTED TO THE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY  
OCTOBER 15, 2018**

**PROPOSED RESOLUTION 480  
CLARIFICATION OF STARTING TIME OF  
FINANCE AND ADMINISTRATION COMMITTEE REGULAR MEETINGS  
AND LEGAL, GOVERNMENT AND ENVIRONMENTAL AFFAIRS COMMITTEE  
REGULAR MEETINGS**

**SUMMARY**

Staff seeks Commission adoption of Resolution No. 480 to clarify the starting time of Finance and Administration Committee ("Finance Committee") regular meetings and Legal, Government and Environmental Affairs Committee ("Legal Committee") regular meetings.

**BACKGROUND**

On January 16, 2018, the Commission adopted Resolution No. 476 to update the dates, times, and places of the regular meetings of the Commission and the Commission's standing advisory committees to make Authority operations more efficient. As to the standing advisory committees, Exhibit B of Resolution No. 476 continued the Commission's longstanding practice of having Finance Committee regular meetings and Legal Committee regular meetings occur at 10:30 a.m. or immediately following a regular meeting of the Commission.

**PROPOSED CLARIFICATION**

Staff has determined that it would be useful to clarify the starting time of Finance Committee regular meetings and Legal Committee regular meetings. On occasion, the Commission adjourns a regular meeting before 10:30 a.m. In such situations, particularly when the adjournment occurs before 10:00 a.m., there is a potential for confusion regarding whether a Finance Committee regular meeting and a Legal Committee regular meeting scheduled for that day may immediately start or if those meetings must be delayed until 10:30 a.m.

To address this issue, the attached Resolution will clarify the starting time of Finance Committee regular meetings and Legal Committee regular meetings. Specifically, the proposed Resolution will indicate that such meetings shall be held at 9:30 a.m., or immediately following the conclusion of any regular meeting of the Commission occurring on such day, whichever is later. The proposed Resolution will not change the dates or locations of Finance Committee regular meetings and Legal Committee regular meetings.

**RECOMMENDATION**

Staff recommends that the Commission adopt Resolution No. 480 to clarify the starting time of Finance Committee regular meetings and Legal Committee regular meetings as described above.

**Attachments:**

**Exhibit A – Draft Resolution No. 480**

**-2-**

**\STAFF REPORTS\COMMISSION\10-15-18  
PROPOSED RESOLUTION 480  
CLARIFICATION OF STARTING TIME OF FINANCE AND ADMINISTRATION  
COMMITTEE REGULAR MEETINGS AND LEGAL, GOVERNMENT AND  
ENVIRONMENTAL AFFAIRS COMMITTEE REGULAR MEETINGS**

**RESOLUTION NO. 480**

**A RESOLUTION OF THE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY COMMISSION  
CLARIFYING THE STARTING TIME OF FINANCE AND ADMINISTRATION  
COMMITTEE REGULAR MEETINGS AND OF LEGAL, GOVERNMENT AND  
ENVIRONMENTAL AFFAIRS COMMITTEE REGULAR MEETINGS**

The Burbank-Glendale-Pasadena Airport Authority Commission resolves as follows:

Section 1. Findings.

A. Government Code Section 54954 requires each legislative body of a local agency to provide by ordinance, resolution, bylaws, or other rule for the time and place of holding regular meetings.

B. Section 2.3.1 of the Authority's governing Joint Exercise of Powers Agreement requires the Commission to provide by resolution for the dates on which and the time and place at which regular meetings of the Commission shall be held.

C. The Commission most recently established the dates, times, and places for regular meetings of the Commission and the standing advisory committees on January 16, 2018.

D. The purpose of this Resolution is to clarify the starting times for Finance and Administration Committee regular meetings and for Legal, Government and Environmental Affairs Committee regular meetings.

Section 2. Regular Meetings Schedules. The dates, times, and places of the regular meetings of the Commission's standing advisory committees shall be as specified in the attached Exhibit A. The attached Exhibit A supersedes Exhibit B of Resolution No. 476, which Exhibit B shall be no further force or effect.

Adopted this 15<sup>th</sup> day of October, 2018.

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Zareh Sinanyan, President  
Burbank-Glendale-Pasadena Airport Authority

Attest:

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Ross Selvidge, Ph.D, Secretary

**EXHIBIT A**  
**Standing Advisory Committee Regular Meetings**

Regular meetings of Operations and Development Committee shall be held at 8:30 a.m. in the Sky Room of the Bob Hope Airport on the days specified below.

Regular meetings of Finance and Administration Committee shall be held at 9:30 a.m. or immediately following the conclusion of any regular meeting of the Burbank-Glendale-Pasadena Airport Authority Commission occurring on such day (whichever is later), in the Sky Room of the Bob Hope Airport on the days specified below.

Regular meetings of Legal, Government and Environmental Affairs Committee shall be held at 9:30 a.m. or immediately following the conclusion of any regular meeting of the Burbank-Glendale-Pasadena Airport Authority Commission occurring on such day (whichever is later), in the Burbank Room of the Bob Hope Airport on the days specified below.

- A. Third Monday of each January
- B. First and third Monday of each February
- C. Third Monday of each March
- D. First and third Monday of each April
- E. First and third Monday of each May
- F. First and third Monday of each June
- G. Third Monday of each July
- H. Third Monday of each August
- I. Third Monday of each September
- J. First and Third Monday of each October
- K. Third Monday of each November
- L. Third Monday of each December

**STAFF REPORT PRESENTED TO THE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY  
OCTOBER 15, 2018**

**AWARD OF AVIATION HANGAR LEASE  
FOR  
HANGAR 22  
WITH  
STAR AVIATION, INC.**

**SUMMARY**

At the October 1, 2018, meeting of the Finance and Administration Committee ("Committee"), the Committee voted unanimously (3-0) to recommend that the Commission approve a proposed Aviation Hangar Lease ("Lease") for Hangar 22, copy attached, between Star Aviation, Inc. ("Star"), a Delaware corporation, and the Burbank-Glendale-Pasadena Airport Authority ("Authority").

**BACKGROUND**

In 2003, the Authority awarded an Aviation Hangar Lease for the redevelopment and use of Hangar 22 to Chartwell Aviation Services LLC ("Chartwell"). Chartwell completed the required improvements to the hangar, ramp and parking lot and remained a tenant in good standing throughout its presence at the Airport. With the passing of the owner of the aircraft, Chartwell began the process of selling the aircraft and equipment it no longer needed. In April 2018, Chartwell requested a Consent of Assignment for its hangar lease to Star which the Commission granted. Upon being granted the consent, Star began its use of the hangar for the purposes of storage and operation of a Boeing BBJ, 737-series. The expiration date of the assigned lease is October 31, 2018.

In July 2018, Star notified Staff that it was interested in obtaining a long-term aviation hangar lease for Hangar 22. Since April of this year, Star has demonstrated that it is a tenant in good standing meeting all its obligations under the assigned lease. Based on its record and the availability of the hangar at the end of the assigned lease term, Staff entered into negotiations with Star for the proposed Lease with the following terms.

**DETAILS**

Key components of the proposed Lease are as follows:

<u>Use:</u>	Storage of general aviation aircraft
<u>Premises:</u>	Hangar 22 with adjacent vehicle parking and aircraft ramp area
<u>Commencement:</u>	November 1, 2018
<u>Expiration:</u>	October 31, 2023

<u>Term:</u>	Initial five-year term with one five-year extension option upon mutual agreement
<u>Rent:</u>	\$54,849.63 monthly/\$658,195.56 annually
<u>Adjustment:</u>	Annually at the higher rate of either 120% of CPI or 103% of the preceding year's rent paid
<u>Termination:</u>	Authority has sole discretion to terminate upon six (6) months' notice
<u>Others:</u>	Tenant responsible for expenses related to occupancy including maintenance, utilities, insurances and applicable taxes

#### BUDGET IMPACT

If approved, the proposed lease would replace an expiring lease and maintain the revenues derived from it for an initial period of five years.

#### RECOMMENDATION

At the October 1, 2018, meeting of the Finance and Administration Committee, the Committee voted unanimously (3-0) to recommend that the Commission approve the Aviation Hangar Lease with Star Aviation Inc., for Hangar 22 and authorize the President to execute same.

**STAFF REPORT PRESENTED TO THE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY  
OCTOBER 15, 2018**

**APPROVAL OF THIRD AMENDMENT  
TO  
GROUND LEASE AGREEMENT  
WITH  
D&L TRANSPORTATION, INC.  
dba DESMOND'S STUDIO PRODUCTION SERVICES**

**SUMMARY**

At the Finance and Administration Committee ("Committee") meeting held on October 1, 2018, the Committee voted unanimously (3–0) to recommend that the Commission approve a Third Amendment ("Amendment") to the Ground Lease Agreement ("Agreement") with D&L Transportation, Inc., dba Desmond's Studio Production Services ("Desmond"). The proposed Amendment provides a two-year extension of the Agreement to December 6, 2020, with an additional one-year extension option subject to written consent of the Burbank-Glendale-Pasadena Airport Authority ("Authority").

**BACKGROUND**

The Authority awarded a Ground Lease Agreement to Desmond on January 24, 2003, pursuant to which the Authority granted Desmond the non-exclusive right to use the leased area to store equipment and park trucks and other vehicles that are primarily used by the movie and television industry on approximately 15 acres, or 653,400 square feet, located in the northern portion of the Adjacent Property ("Leased Premises").

On November 15, 2004, the First Amendment to the Lease was granted to reflect a reduction of 22,645 square feet resulting from the designation of an Airport safety buffer zone on the eastern boundary of the property and the storm water drainage ditch on the northern boundary of the Leased Premises.

The Lease was amended early on November 5, 2012, extending the term for an additional five years to December 5, 2018, and terminating the Desmond's option to lease an additional ten acres south of the Lease Premises.

**AMENDMENT DETAILS**

The key components of the proposed Amendment are as follows:

Premises:	630,755 square feet of space
Use:	Storage of vehicles and equipment used primarily by the movie and television industry

Term:	Extension of the term of Agreement by two years with an additional one-year extension option at the discretion of the Authority
Rent:	\$79,635.02 per month; \$955,620.24 per year
Rent Adjustment:	Annually at 120% of CPI
Other:	Tenant responsible for expenses related to occupancy including maintenance, utilities and taxes

#### IMPACT ON REVENUE

The proposed Amendment will allow for the continuation of rental income from space located on the Adjacent Property which is also subject to an annual rent adjustment for a minimum of two years.

#### RECOMMENDATION

At the October 1, 2018, meeting of the Finance and Administration Committee, the Committee voted unanimously (3–0) to recommend that the Commission approve a proposed Third Amendment to the Ground Lease Agreement with D&L Transportation, Inc., dba Desmond's Studio Production Services, and authorize the President to execute same.



### **THIRD AMENDMENT TO GROUND LEASE AGREEMENT**

This Third Amendment to Ground Lease Agreement (this "Third Amendment") is dated as of November \_\_, 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 ("Landlord"), and **D&L STUDIO TRANSPORTATION, INC.**, a California corporation doing business as "Desmond's Studio Production Service" ("Tenant").

#### RECITALS

A. On January 24, 2003, Landlord entered into a Ground Lease Agreement with Tenant and later amended it by a First Amendment to Ground Lease Agreement dated November 15, 2004 and a Second Amendment to Ground Lease Agreement dated November 5, 2012 (the "Agreement"), pursuant to which Landlord granted Tenant the non-exclusive right to use the Leased Premises (as defined and described therein) to store equipment and to park trucks and other vehicles used primarily in the movie and television production business.

B. The Lease expires on December 6, 2018, and Landlord and Tenant desire to extend the term of the Agreement for two (2) years, with a conditional option in favor of Tenant to extend the Agreement for an additional year.

#### AMENDMENT/AGREEMENT

THEREFORE, the parties hereto agree as follows:

1. Definitions. Capitalized terms used herein, including in the Recitals, shall have the meanings set forth in the Agreement.
2. Extension of Term; Rent. The term of the Lease is hereby extended to December 6, 2020. Tenant shall continue to pay Annual Rent in monthly installments, as heretofore adjusted, subject to further annual adjustments as described in Section 3.1.3 of the Agreement.
3. Conditional Extension Option. Tenant shall have the right to extend the term of the Agreement for an additional year (to December 6, 2021) by giving Landlord written notice of the extension on or before June 6, 2021; however, such extension shall not be effective unless it is approved in writing by the Executive Director of Landlord. During any such additional one year extension, Tenant shall continue to pay Annual Rent in monthly installments, as theretofore adjusted, subject to further adjustment as described in Section 3.1.3 of the Agreement.
4. Conflict. In the event of a conflict or inconsistency between the terms and conditions of the Lease and the terms and conditions of this Third Amendment, the terms and conditions of this Third Amendment shall prevail and control.

5. Continuing Effect. Except as specifically modified hereby, the Lease shall remain unaffected and unchanged. The Lease is hereby ratified and affirmed by Landlord and Tenant and remains in full force and effect as modified hereby.

6. Counterparts. This Third Amendment may be executed in any number of counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, taken together, shall be deemed to be one and the same instrument.

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

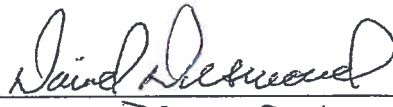
**LANDLORD:**

BURBANK-GLENDALE-PASADENA  
AIRPORT AUTHORITY, a public entity

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**TENANT:**

D&L STUDIO TRANSPORTATION, INC.,  
a California corporation (dba "DESMOND'S  
STUDIO PRODUCTION SERVICE")

By:   
Print Name: DAVID DESMOND  
Title: VICE-PRESIDENT

**STAFF REPORT PRESENTED TO THE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY  
OCTOBER 15, 2018**

**AWARD OF PROFESSIONAL SERVICES AGREEMENT  
AIRPORT CONSUMER ITEM INSPECTION SERVICES  
UNIVERSAL PROTECTION SERVICE LP  
dba ALLIED UNIVERSAL AND  
APPROVAL OF  
INSPECTION SERVICES REIMBURSEMENT AGREEMENT  
WITH MCS BURBANK LLC AND HG BURBANK JV**

**SUMMARY**

Subject to the recommendation from the Operations and Development Committee at its meeting immediately preceding the Commission meeting, Staff seeks Commission authorization to award a Professional Services Agreement ("Agreement") to Universal Protection Service LP dba Allied Universal ("Allied") for Airport Consumer Item Inspection Services ("Services"). As part of this Agreement, Staff also seeks the Commission's approval of the Inspection Services Reimbursement Agreement ("Reimbursement Agreement") between MCS Burbank LLC ("MCS"), HG Burbank JV ("Hudson") and the Burbank-Glendale-Pasadena Airport Authority ("Authority").

The proposed agreement, copy attached, is for a two-year term with two one-year extension options available to the Commission at its discretion at a not-to-exceed contract price of \$321,485 for the initial two years calculated based upon the estimated hours. The cost of these services under the proposed Reimbursement Agreement will be fully reimbursed by MCS and Hudson.

**BACKGROUND**

All items and/or equipment of the respective vendors and concessionaires that are sold, consumed or used during the course of their respective businesses beyond the terminal security check point are subject to inspection for any prohibited items. The proposed Services to be provided by Allied Universal meets the regulatory compliance requirements of the Transportation Security Administration ("TSA") for the inspection of these items. Specifically, TSA's requires the proposed services address the following:

- (i) All consumer items, defined as any merchandise and/or consumables that are for sale and/or use by screened passengers within the Sterile Area, are to be screened for prohibited items; and
- (ii) The contracted security personnel are to be held responsible to conduct the inspection of all consumer items and allow entry into the Terminal Sterile Area to only those holders of an approved Security Identification Badge.

Currently TSA provides the inspection screening of consumer items and authorized employees at the respective terminal security checkpoint. Inspections conducted at the security checkpoints impacts TSA resources, time and space from ticketed passengers going through the security screening process. As passenger traffic has increased over the past two fiscal years, the window of time available to screen the concessionaires' goods and equipment has been shrinking, which has resulted in either a shortage of merchandise and consumables or a delay in passengers obtaining merchandise or services from the concessionaires. With forecasts indicating additional air service as well as increases in passenger activity, TSA resources allocated to the screening of consumer goods will be further reduced impacting concessionaires' delivery of goods and could also increase wait times at the security check points.

To address the situation, Staff held discussions with representatives of TSA, the concessionaires and Allied Universal. It was determined by the parties that the removal of consumer item inspections from the security checkpoint and the implementation of separate Services would ensure operational efficiency at the checkpoints while meeting the security inspection requirements. Additionally, this would allow the concessionaires to time their respective deliveries to provide a higher number of goods to passengers without obstructing the flow of the security checkpoints. Further discussions were held with representatives of MCS and Hudson, which resulted in the proposed Reimbursement Agreement, specifying the Services be performed 16 hours per day with MCS responsible for 69% of the cost and Hudson 31%.

#### BUDGET IMPACT

This item was not included in the appropriations of the adopted FY 2019 budget. However, there will be no budget impact as the cost of the Services will be fully reimbursed by MCS and Hudson per the terms of the proposed Reimbursement Agreement during the term of the Agreement.

#### SCHEDULE IMPACT

If approved, Allied Universal will implement the Services immediately.

#### RECOMMENDATION

Subject to the recommendation of the Operations and Development Committee at its meeting immediately prior to the Commission meeting, Staff seeks Commission approval for a Professional Services Agreement with Allied Universal and the Inspection Services Reimbursement Agreement with MCS and Hudson for the Airport Consumer Item Inspection Services and authorize the President to execute the same.

**STAFF REPORT PRESENTED TO THE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY  
OCTOBER 1, 2018**

**AIRLINE SCHEDULE ANALYSIS**

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

**AMERICAN AIRLINES**

Effective October 9, 2018, American Airlines will be making an adjustment to its schedule by adding one Tuesday and one Saturday round-trip flight to Phoenix.

**SOUTHWEST AIRLINES**

Effective October 3, 2018 Southwest Airlines will be making an adjustment to its weekend schedule by adding one round-trip flights to Phoenix and one round-trip flight to San Francisco on Sundays. At the same time, they will be eliminating one round-trip flight to Dallas on Saturdays. In Addition, Southwest increased the use of its 737-800 aircraft for this schedule.

**OVERALL IMPACT**

After incorporating all schedule adjustments, this schedule results in an increase of 3 additional weekly operations. The combined schedule changes results in an increase of 974 weekly seats or a 0.7% increase from the prior schedule, leaving the revised schedule with a combined total of 141,240 available weekly seats.

# BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY\*

## SCHEDULE ANALYSIS

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Airline: **American Airlines**

Report Date: 10/01/18

Effective Date: 10/09/18

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>
A319	126	0	0	0	0	0	0
A320	150	0	0	0	0	0	0
B737-300	134	0	0	0	0	0	0
CRJ-200	50	0	0	0	0	0	0
CRJ-900	76	38	42	4	2,888	3,192	304
Total		38	42	4	2,888	3,192	304

2) Discussion of the change in operations and voluntary curfew

Effective October 9, 2018, American Airlines will be making an adjustment to its schedule by adding one Tuesday and one Saturday round-trip flight to Phoenix.

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

Yes

No

          X

# BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY\*

## SCHEDULE ANALYSIS

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Airline: **Southwest Airlines**

Report Date: 10/01/18

Effective Date: 10/03/18

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

		<u>Weekly Operations</u>			<u>Weekly Seats</u>		
<u>Aircraft Type</u>	<u>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>
B737-300	137	0	0	0	0	0	0
B737-500	122	0	0	0	0	0	0
B737-700	143	726	716	-10	103,818	102,388	-1,430
B737-800	175	4	16	12	700	2,800	2,100
Total		<b>730</b>	<b>732</b>	<b>2</b>	<b>104,518</b>	<b>105,188</b>	<b>670</b>

2) Discussion of the change in operations and voluntary curfew

Effective October 3, 2018 Southwest Airlines will be making an adjustment to its weekend schedule by adding one round-trip flights to Phoenix and one round-trip flight to San Francisco on Sundays. At the same time, they will be eliminating one round-trip flight to Dallas on Saturdays. In Addition, Southwest increased the use of its 737-800 aircraft for this schedule.

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

Yes  
No

          X

## Hollywood Burbank Airport

REVENUE PASSENGERS	August			January - August		
	2018	2017	% Change	2018	2017	% Change
Signatory Airlines						
Alaska Airlines	63,239	46,891	34.86%	425,590	324,066	31.33%
American Airlines	13,358	11,204	19.23%	101,920	101,156	0.76%
Delta Airlines	15,555	14,115	10.20%	91,162	83,227	9.53%
JetBlue Airways	8,827	8,517	3.64%	63,854	63,365	0.77%
Mokulele Airlines	0	0	N/A	0	0	N/A
Southwest Airlines	329,204	307,948	6.90%	2,501,771	2,253,971	10.99%
United Airlines	33,470	31,093	7.64%	240,846	211,313	13.98%
<b>Total Revenue Passengers</b>	<b>463,653</b>	<b>419,768</b>	<b>10.45%</b>	<b>3,425,143</b>	<b>3,037,098</b>	<b>12.78%</b>
Inbound (deplaned)	230,493	209,836	9.84%	1,710,716	1,518,098	12.69%
Outbound (enplaned)	233,160	209,932	11.06%	1,714,427	1,519,000	12.87%

AIRCRAFT OPERATIONS *	August			January - August		
	2018	2017	% Change	2018	2017	% Change
Air Carrier	4,904	4,802	2.12%	37,353	35,295	5.83%
Air Taxi	1,646	1,319	24.79%	12,898	10,683	20.73%
General Aviation	2,605	3,148	-17.25%	21,670	24,690	-12.23%
Military Itinerant	47	95	-50.53%	567	744	-23.79%
Civil Local	2,025	1,804	12.25%	17,038	15,478	10.08%
Military Local	0	0	N/A	0	0	N/A
<b>Total Aircraft Operations</b>	<b>11,227</b>	<b>11,168</b>	<b>0.53%</b>	<b>89,526</b>	<b>86,890</b>	<b>3.03%</b>

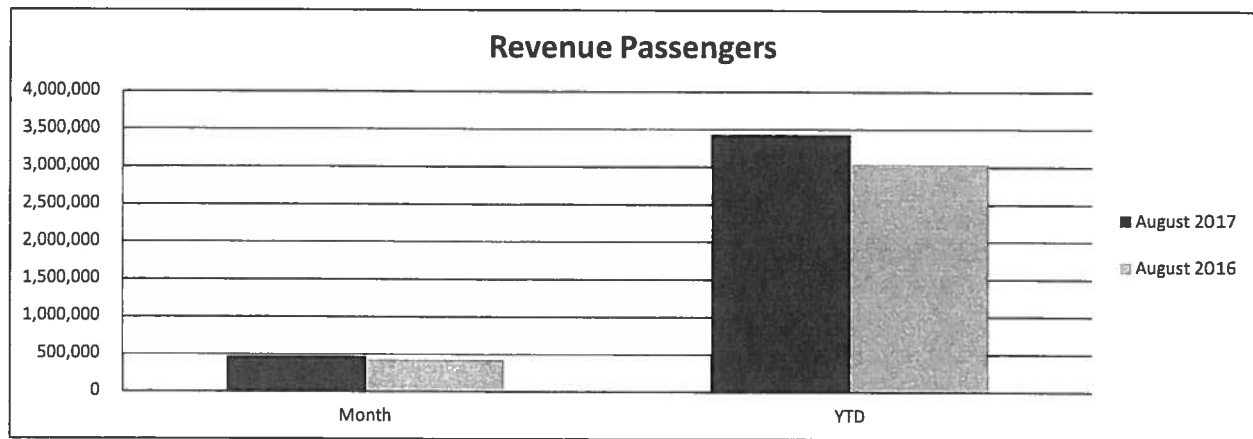
\* Source: FAA Tower Daily Airport Operations Count, adjusted to show Canadair Regional Jet-200 operations as Air Carrier. Includes Hollywood Burbank Airport arrivals/departures only; excludes aircraft that enter local air space but do not land or take off at Hollywood Burbank Airport.



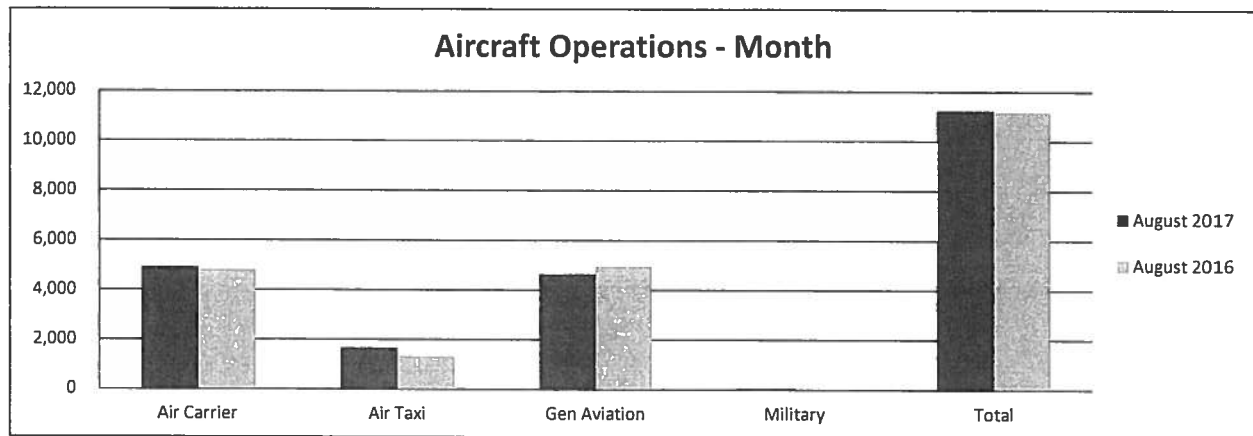
## Hollywood Burbank Airport

AIR CARGO (lbs.)	August			January - August		
	2018	2017	% Change	2018	2017	% Change
<b>Signatory Airlines</b>						
Alaska Airlines	803	933	-13.93%	8,962	4,382	104.52%
American Airlines						
Delta Airlines						
JetBlue Airways						
Mokulele Airlines						
Southwest Airlines	187,135	123,605	51.40%	1,356,557	1,071,806	26.57%
United Airlines	58,127	183	31663.39%	129,627	1,567	8172.30%
<b>Other Scheduled Carriers</b>						
Federal Express	4,850,338	4,750,303	2.11%	37,425,718	37,388,304	0.10%
United Parcel Service	4,340,542	4,215,723	2.96%	31,454,437	31,295,145	0.51%
<b>Charter/Contract Carriers</b>						
AirNet Express	2,234	2,579	-13.38%	25,260	20,302	24.42%
Ameriflight	286,258	251,690	13.73%	2,051,666	1,741,109	17.84%
<b>Total Air Cargo</b>	9,725,437	9,345,016	4.07%	72,452,227	71,522,615	1.30%
	=====	=====	=====	=====	=====	=====
Inbound (deplaned)	4,912,588	4,893,670	0.39%	35,059,625	36,327,952	-3.49%
Outbound (enplaned)	4,812,849	4,451,346	8.12%	37,392,602	35,194,663	6.25%

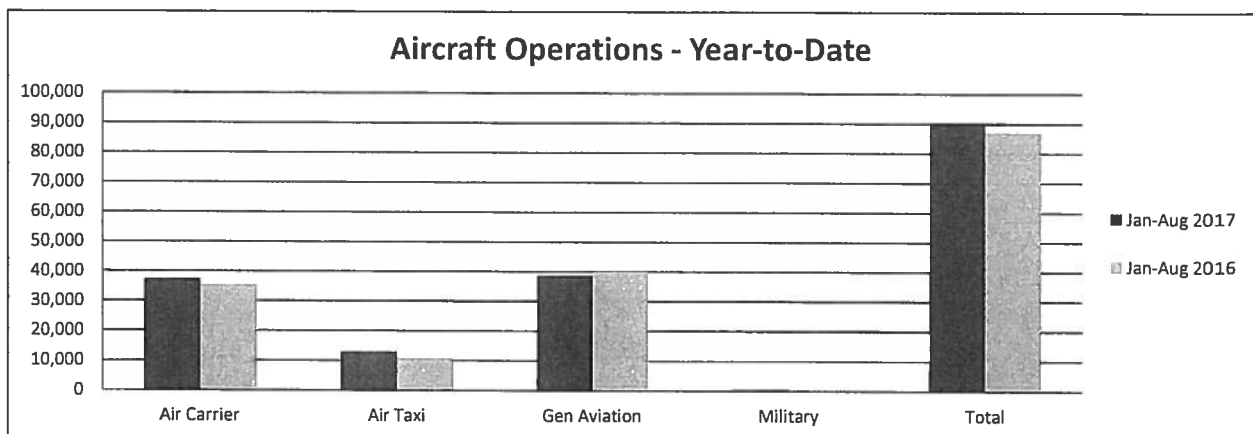
MAIL (lbs.)	August			January - August		
	2018	2017	% Change	2018	2017	% Change
United Parcel Service	0	5,565	-100.00%	0	75,601	-100.00%
<b>Total Mail</b>	0	5,565	-100.00%	0	75,601	-100.00%
	=====	=====	=====	=====	=====	=====
Inbound (deplaned)	0	5,565	-100.00%	0	68,458	-100.00%
Outbound (enplaned)	0	0	N/A	0	7,143	-100.00%



Revenue Passengers	Month	YTD
August 2017	463,653	3,425,143
August 2016	419,768	3,037,098
% Change	10.45%	12.78%



Aircraft Operations - MO	Air Carrier	Air Taxi	Gen Aviation	Military	Total
August 2017	4,904	1,646	4,630	47	11,227
August 2016	4,802	1,319	4,952	95	11,168
% Change	2.12%	24.79%	-6.50%	-50.53%	0.53%



Aircraft Operations - YTD	Air Carrier	Air Taxi	Gen Aviation	Military	Total
Jan-Aug 2017	37,353	12,898	38,708	567	89,526
Jan-Aug 2016	35,295	10,683	40,168	744	86,890
% Change	5.83%	20.73%	-3.63%	-23.79%	3.03%