



July 17, 2025

CALL AND NOTICE OF A REGULAR MEETING OF THE
FINANCE AND ADMINISTRATION COMMITTEE
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 on Monday, July 21, 2025, at 9:30 a.m., or immediately following the Commission meeting in the Airport Skyroom of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, California 91505.

In addition to attending the meeting in person, members of the public may observe the meeting telephonically and may offer comment in real time through the following number:

Dial in: (978) 990-5000

Access Code: 880737#

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

REGULAR MEETING
OF THE
FINANCE AND ADMINISTRATION COMMITTEE

Airport Skyroom
Monday, July 21, 2025
9:30 a.m., or Immediately Following
the Conclusion of the Commission Meeting

As a result of the convening of this meeting of the Finance and Administration Committee, each Committee member in attendance is entitled to receive and shall be provided \$200.

The public comment period is the opportunity for members of the public to address the Committee on agenda items and on Airport-related non-agenda matters that are within the Committee'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.

When in-person attendance or participation at meetings of the Committee is allowed, members of the public are requested to observe the following rules of decorum:

- *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 Committee 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 Committee's subject matter jurisdiction.*
- *Limit comments to three minutes or to such other period of time as may be specified by the presiding officer.*

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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 Committee less than 72 hours prior to that meeting are available for public inspection at Hollywood Burbank Airport (2627 N. Hollywood Way, Burbank) in the administrative office during normal business hours.

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

AGENDA

July 21, 2025

1. Roll Call
2. Staff Announcement: AB 23
3. Approval of Agenda
4. Public Comment
5. Approval of Minutes
 - a. June 16, 2025
6. Items for Approval

[See page 1]

- a. Award of Lease Extension
Vehicle Effects, Inc.

[See page 3]

Staff seeks a Finance and Administration Committee recommendation to the Commission to approve a proposed Second Amendment to Ground Lease (“Lease”) with Vehicle Effects, Inc. (“Vehicle Effects”) to extend the term of the Lease for an additional three years to September 30, 2028. Vehicle Effects currently occupies a 5,000-square-foot lot located on the northwest quadrant of the Airport at 7604 Wheatland Ave in Sun Valley.

- b. Award of Professional Services Agreement
Replacement Passenger Terminal – Phase 2 Support

[See page 5]

Staff seeks a Finance and Administration Committee recommendation to the Commission for award of a Professional Services Agreement to Macias, Gini & O’Connell LLP for Phase 2 of the Replacement Passenger Terminal project support work to assist the Authority in monitoring federal compliance of eligible project expenditures. The contract will have a not-to-exceed amount of \$175,000 beginning August 1, 2025 through June 30, 2026.

7. Items for Discussion
 - a. Replacement Passenger Terminal Financing –
Plan of Finance Status Update

No staff report attached. Staff will update the Committee on the status of the Replacement Passenger Terminal Plan of Finance.

8. Items for Information
 - a. Committee Pending Items

[See page 7]

9. Adjournment

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

MONDAY, JUNE 16, 2025

A regular meeting of the Finance and Administration Committee was called to order this date in the Airport Skyroom, 2627 N. Hollywood Way, Burbank, California, at 10:40 a.m., by Commissioner Wilson.

1. ROLL CALL

Present: Commissioners Wilson, Ovrom and Quintero

Absent: None

Also Present: Staff: John Hatanaka, Executive Director; Kathy David, Senior Deputy Executive Director; David Kwon, Director, Financial Services

2. Staff Announcement: AB 23

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

3. Approval of Agenda

The agenda was approved as presented.

Motion

Commissioner Ovrom moved approval; seconded by Commissioner Quintero.

Motion Approved

The motion was approved (3–0).

4. Public Comment

There were no public comments.

5. Approval of Minutes

a. June 2, 2025

A draft copy of the minutes of the meeting of June 2, 2025, was included in the agenda packet for review.

Motion

Commissioner Quintero moved approval; seconded by Commissioner Ovrom.

Motion Approved

The minutes were unanimously approved (3–0).

6. Treasurer's Reports

a. April 2025

A draft copy of the April 2025 Treasurer's Report was included in the agenda packet for the Committee's review.

b. March 2025

A draft copy of the March 2025 Treasurer's Report was included in the agenda packet for the Committee's review.

Motion

Commissioner Ovrom moved approval to recommend that the Commission note and file these reports with certain modifications; seconded by Commissioner Quintero.

Motion Approved

The Treasurer's reports were unanimously approved (3-0).

7. Items for Discussion

**a. Replacement Passenger
Terminal Financing – Plan of
Finance Update**

Staff updated the Committee on the status of the Replacement Passenger Terminal Project.

8. Items for Information

a. Committee Pending Items

Staff reviewed future items to be presented to the Committee.

9. Adjournment

The meeting was adjourned at 10:59 a.m.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
FINANCE AND ADMINISTRATION COMMITTEE
JULY 21, 2025**

**SECOND AMENDMENT TO GROUND LEASE
VEHICLE EFFECTS, INC.**

Presented by
Derrick Cheng
Assistant Manager, Business & Properties

SUMMARY

Staff seeks a Finance and Administration Committee (“Committee”) recommendation to the Commission to approve a proposed Second Amendment (“Amendment”) to Ground Lease (“Lease”), copy attached, with Vehicle Effects, Inc. (“Vehicle Effects”) to extend the term of the Lease for an additional three years to September 30, 2028. Vehicle Effects currently occupies a 5,000-square-foot lot located in the northwest quadrant of the Airport at 7604 Wheatland Ave in Sun Valley.

BACKGROUND

Vehicle Effects is an entertainment service company that has been supplying on-screen vehicles to the entertainment industry for over 20 years. Vehicle Effects specializes in making and maintaining custom-built vehicles for major production companies as well as storing vehicles used in motion pictures.

On July 16, 2018, the Authority awarded a Lease to Vehicle Effects for the purpose of storing vehicles used in motion pictures. On September 19, 2022, the Authority approved an amendment extending the term of the Lease to September 30, 2025.

Last March, Vehicle Effects contacted Staff inquiring about the possibility of further extending the term of the Lease. Vehicle Effects is a tenant in good standing and has met all its obligations under the Lease.

DETAILS

Key components of the proposed Amendment are:

<u>Term:</u>	October 1, 2025 to September 30, 2028
<u>Extension Options:</u>	Two One-Year Options
<u>Termination:</u>	Authority has the sole right to terminate within the first three years. Either party has the right to terminate with six months’ prior written notice thereafter.

Rent: \$1,600 per month

Adjustments: The greater of 3% or 120% of CPI but no greater than 6%. Under the proposed Amendment, the next rent adjustment shall occur on October 1, 2025.

REVENUE IMPACT

The proposed Amendment will continue to provide non-aviation revenues for a site that does not have access to the airfield.

RECOMMENDATION

Staff seeks a Committee recommendation to the Commission to approve the proposed Amendment and authorize the President to execute the same.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
FINANCE AND ADMINISTRATION COMMITTEE
JULY 21, 2025**

**AWARD OF PROFESSIONAL SERVICES AGREEMENT
REPLACEMENT PASSENGER TERMINAL
PHASE 2 SUPPORT**

Presented by David Kwon
Director, Financial Services

SUMMARY

Staff seeks a Finance and Administration Committee ("Committee") recommendation to the Commission for award of a Professional Services Agreement ("PSA"), copy attached, to Macias, Gini & O'Connell LLP ("MGO") for Phase 2 of the Replacement Passenger Terminal ("RPT") project support work to assist the Authority in monitoring federal compliance of eligible project expenditures. The contract will have a not-to-exceed amount of \$175,000 beginning August 1, 2025 through June 30, 2026.

BACKGROUND

The Authority, to date, has been awarded approximately \$71.4 million in federal grants through the Bipartisan Infrastructure Law ("BIL") for certain eligible costs for the design and construction of the RPT. These federal grant funds are administered by the Federal Aviation Administration through the Airport Improvement Program ("AIP"). As a result, the Authority is required to comply with all federal compliance requirements specific to both the AIP and BIL, which include federal prevailing wage requirements and expanded Buy America requirements under the Build America, Buy America ("BABA") Act that was included in the BIL.

At the May 5, 2025 Finance and Administration Committee meeting, Staff informed the Committee of plans to engage MGO to perform Phase 1 of the RPT support work, which involved an initial assessment of Holder, Pankow, and TEC Joint Venture's ("HPTJV") current systems and processes to determine the most appropriate procedures and scope of work to address federal noncompliance risks for Phase 2 of MGO's RPT support work.

Based on MGO's Phase 1 assessment, the agreed-upon procedures to be performed for Phase 2 will include, but are not limited to, the review of HPTJV's contract provisions with its subcontractors to ensure all necessary federal clauses are included, review and reconciliation of subcontractor submitted certified payroll documentation, review of BABA supporting documentation, and review of all relevant supporting documentation for other federally reimbursable line items on each HPTJV monthly invoice. The scope of work will be limited to only federally reimbursable expenditures. Additional details of the specific agreed-upon procedures to be performed in Phase 2 are listed in Exhibit A of the PSA, copy attached. MGO and Staff will continue to schedule bi-weekly status calls to ensure that any issues identified are addressed timely. In addition, MGO will provide quarterly letters detailing the results of the procedures performed.

BUDGET IMPACT

Appropriations for MGO's RPT Phase 2 support work have been included in the adopted FY 2026 budget.

STAFF RECOMMENDATION

Staff seeks a Committee recommendation to the Commission for award of a PSA to MGO in a not-to-exceed amount of \$175,000, as set forth above, for Phase 2 of the RPT project work to support the Authority's ongoing monitoring of compliance requirements for federally reimbursable project expenditures.

**BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
FINANCE AND ADMINISTRATION COMMITTEE
JULY 21, 2025**

COMMITTEE PENDING ITEMS

	<u>Tentative Presentation</u>
1. Treasurer's Report – May 2025	August 18, 2025
2. Award of Hangar Lease (Hangars 44 and 45 – Earthstar)	August 18, 2025
3. Award of Hangar Lease (Hangar 89 – Thornton Aviation)	August 18, 2025

SECOND AMENDMENT TO GROUND LEASE
(Burbank-Glendale-Pasadena Airport Authority / Vehicle Effects, Inc.)

This Second Amendment ("Second Amendment") to the July 16, 2018 Ground Lease ("Lease") executed by the BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY ("Landlord"), a California joint powers agency, and VEHICLE EFFECTS, INC. ("Tenant"), a California corporation, is dated _____, 2025 for reference purposes.

RECITALS

A. The parties executed the Lease for the property commonly known as 7604 Wheatland Avenue, Sun Valley, California ("Leased Premises").

B. On September 19, 2022, the parties executed the First Amendment to the Lease ("First Amendment") to: (i) extend the term; (ii) amend the parties' termination rights; (iii) revise the base rent and base rent adjustments; (iv) require Tenant to comply with certain provisions of the Burbank Airport's Air Quality Improvement Plan; and (v) provide the Executive Director with certain authority.

C. Landlord and Tenant desire to amend the Lease to: (i) extend the term; (ii) provide for two one-year extension options; (iii) amend the parties' termination rights; (iv) amend the definition of "prior index"; and (v) amend the federal requirements.

NOW, THEREFORE, the parties agree as follows:

1. Amendment of Section 2.1. Section 2.1 (Lease Commencement Date; Expiration Date) of the Lease is amended to read as follows:

"2.1. Lease Commencement Date; Expiration Date.

2.1.1. Term.

As of October 1, 2025, the term of this Lease is extended to September 30, 2028 ("Base Term"), unless earlier terminated by Landlord pursuant to the terms hereof.

2.1.2. Extension Options.

Subject to written consent of the Executive Director of Landlord or their designee, for each extension, Tenant shall have the right to extend the term of this Lease up to two (2) times for one (1) calendar year for each extension upon written notice to Landlord given at least ninety (90) days prior to expiration of the then-current term (but only if this Lease shall not have been previously terminated in accordance with its terms).

2. Amendment of Section 2.3.1. Section 2.3.1 (Right to Terminate) of the Lease is reinstated and amended to read as follows:

"2.3.1. Right to Terminate.

During the Base Term, Landlord shall have the right to terminate this Lease, in its sole and absolute discretion, upon at least six months' prior written notice to Tenant. During any Extension Period, both Landlord and Tenant shall have the right to terminate this Lease upon at least six months' prior written notice to the other party."

3. Amendment of Section 3.1.2.1. Paragraph (vi) of Section 3.1.2.1 (Definitions) of the Lease is amended to read as follows:

"(vi) The term "Prior Index" shall mean on each Adjustment Date, the Consumer Price Index used as the Adjustment Index on the prior Adjustment Date (or in the case of the first adjustment, the Consumer Price Index for the month of August of the prior calendar year)."

4. Amendment of Exhibit B. Exhibit B of the Lease is replaced by the Exhibit B attached to this Second Amendment.

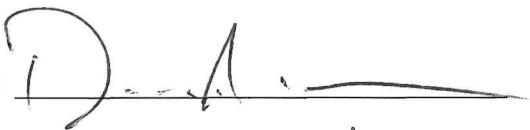
5. Counterparts. This Second Amendment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same document.

6. Preservation of Lease. Except as expressly modified by this Second Amendment, all of the provisions of the Lease (as amended by the First Amendment) shall remain unaltered and in full force and effect. In the event of a conflict between the provisions of this Second Amendment and the provisions of the Lease, the provisions of this Second Amendment shall control.

[SIGNATURES ON FOLLOWING PAGE]

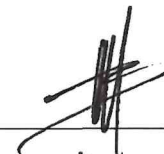
TO EXECUTE THIS SECOND AMENDMENT TO GROUND LEASE, the parties have caused their duly authorized representatives to sign below.

Vehicle Effects, Inc.

By: 

Print Name: Dennis McCarthy

☐ Chairperson ☒ President ☐ Vice President

By: 

Print Name: Dennis McCarthy Jr.

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

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

Burbank-Glendale-Pasadena Airport Authority

Ara Najarian, President

Approved as to form:

Richards, Watson & Gershon
A Professional Corporation

Exhibit "B"

GENERAL FEDERAL PROVISIONS

1. General Civil Rights Provisions

A. In all its activities within the scope of its airport program, the Tenant agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

B. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

C. If the Tenant transfers its obligation to another, the transferee is obligated in the same manner as the Tenant.

2. Civil Rights – Title VI Assurance

A. During the performance of this contract, the Tenant, for itself, its assignees, and successors in interest (hereinafter referred to as the "Tenant") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

1. Title VI of the Civil Rights Act of 1964 (42 USC § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);

2. 49 CFR part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);

3. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

4. Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);

5. The Age Discrimination Act of 1975, as amended (42 USC § 6101 et seq.) (prohibits discrimination on the basis of age);

6. Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);

7. The Civil Rights Restoration Act of 1987 (PL 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age

Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and Tenants, whether such programs or activities are Federally funded or not);

8. Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, et seq) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;

9. The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

10. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [70 Fed. Reg. 74087 (2005)];

11. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC § 1681, et seq).

B. During the performance of this contract, the Tenant, for itself, its assignees, and successors in interest (hereinafter referred to as the “Tenant”), agrees as follows:

1. Compliance with Regulations: The Tenant will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

2. Nondiscrimination: The Tenant, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex, age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Tenant will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

3. Solicitations for Subcontracts, including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by the Tenant for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Tenant of the Tenant’s obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

4. Information and Reports: The Tenant will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a Tenant is in the exclusive possession of another who fails or refuses to furnish the information, the Tenant will so certify to the Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance: In the event of a Tenant's noncompliance with the non-discrimination provisions of this contract, the Sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

- a. Withholding payments to the Tenant under the contract until the Tenant complies; and/or
- b. Cancelling, terminating, or suspending a contract, in whole or in part.

6. Incorporation of Provisions: The Tenant will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Tenant will take action with respect to any subcontract or procurement as the Sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Tenant becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Tenant may request the Sponsor to enter into any litigation to protect the interests of the Sponsor. In addition, the Tenant may request the United States to enter into the litigation to protect the interests of the United States.

3. **Transfer of Real Property Acquired or Improved Under the Airport Improvement Program**

A. The Tenant for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

1. In the event facilities are constructed, maintained, or otherwise operated on the property described in this lease for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Title VI List of Pertinent Nondiscrimination Acts and Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

B. In the event of breach of any of the above Nondiscrimination covenants, the Authority will have the right to terminate the Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the Lease had never been made or issued.

4. **Construction/Use/Access to Real Property Acquired Under the Airport Improvement Program**

A. The Tenant for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

1. In the event facilities are constructed, maintained, or otherwise operated on the property described in this Lease for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Title VI List of Pertinent Nondiscrimination Acts and Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

B. In the event of breach of any of the above Nondiscrimination covenants, the Authority will have the right to terminate the Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the Lease had never been made or issued.

PROFESSIONAL SERVICES AGREEMENT

(Burbank-Glendale-Pasadena Airport Authority / Macias Gini & O'Connell LLP)

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is dated August 18, 2025 for reference purposes and is executed by the Burbank-Glendale-Pasadena Airport Authority ("Authority"), a California joint powers agency, and Macias Gini & O'Connell LLP ("Consultant"), a California Limited Liability Partnership.

RECITALS

A. The Authority owns and operates the Bob Hope Airport (commonly known as Hollywood Burbank Airport) ("Airport") and desires to retain Consultant as an independent contractor to provide the following professional services: Replacement Passenger Terminal project Phase 2 support work in accordance with AICPA attestation standards.

B. Consultant represents that it is fully qualified to perform such work by virtue of the training and experience of its personnel.

NOW, THEREFORE, the parties agree as follows:

1. Definitions. In addition to the terms defined above, the following definitions shall apply for purposes of this Agreement:

A. "Airport Rules and Regulations": July 1, 2023 Airport Rules and Regulations or any successor adopted by the Authority Commission.

B. "Commencement Date": August 1, 2025.

C. "Contract Administrator": David Kwon or a duly authorized designee.

D. "Contract Limit": \$175,000.

E. "Executive Director": John T. Hatanaka or a duly authorized designee.

F. "Expiration Date": June 30, 2026.

G. "Federal Requirements" the federal requirements set forth in the attached Exhibit D, which requirements are applicable to projects not funded by an Airport Improvement Program grant from the Federal Aviation Administration.

H. "Fee Schedule": the fee schedule set forth in the attached Exhibit B.

I. "Indemnitees": the Authority, TBI, the Cities of Burbank, Glendale and Pasadena, and the respective officers, agents, employees and volunteers of each such entity.

J. "Insurance Requirements": the insurance requirements set forth in the attached Exhibit C.

K. "Liabilities": any actual, alleged, or threatened causes of action, claims, costs, damages, demands, expenses (including fees of accountants, attorneys, and other professionals), judgments, liens, losses, penalties, and proceedings of any nature whatsoever.

L. "Services": the tasks set forth in the attached Exhibit A.

M. "TBI": TBI Airport Management, Inc.

2. Services.

A. Consultant shall perform the Services in a timely, regular basis in accordance with the Federal Requirements and applicable laws. Time is of the essence in the performance of this Agreement.

B. Consultant shall perform all work to professional standards and in a manner reasonably satisfactory to the Authority. Consultant shall consult the Contract Administrator for any decisions that must be made by the Authority. Consultant shall promptly notify the Contract Administrator of any unsafe condition that Consultant discovers at the Airport.

C. Consultant's duties and services under this Agreement shall not include preparing or assisting the Authority with any portion of the Authority's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the Authority. The Authority shall at all times retain responsibility for public contracting, including with respect to any subsequent phase of this project. Consultant's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. Consultant shall cooperate with the Authority to ensure that all competitors for a subsequent contract on any subsequent phase of this project have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by Consultant pursuant to this Agreement.

D. In the event any claim is brought against the Authority relating to Consultant's performance of the Services, Consultant shall provide any reasonable assistance and cooperation that the Authority might require.

3. Term.

A. This Agreement shall commence on the Commencement Date and shall expire on the Expiration Date unless earlier terminated.

B. If Consultant breaches this Agreement and fails to cure such breach within seven days of written notice from the Contract Administrator, then the Authority may immediately terminate this Agreement for cause. Either party may terminate this Agreement for convenience upon 15 days prior written notice to the other party.

4. Compensation.

A. The Authority shall compensate Consultant for performance of the Services, and Consultant agrees to accept as full satisfaction for such work, payment according to the Fee Schedule. In no event shall the compensation payable to Consultant under this Agreement exceed the Contract Limit.

B. Consultant shall submit monthly invoices to the Authority for the Services. Each invoice shall itemize the work performed during the billing period and the amount due. Within 10 business days of receipt of each invoice, the Authority shall notify Consultant in writing of any disputed amounts on the invoice. Within 30 calendar days of receipt of each invoice, the Authority shall pay all undisputed amounts on the invoice. The Authority shall not withhold applicable taxes or other authorized deductions from the payments, and Consultant shall pay all required taxes on the payments.

5. Independent Contractor Status. Consultant is, and shall at all times remain as to the Authority, an independent contractor. Consultant shall have no power to incur any debt, obligation, or liability on behalf of the Authority or to act otherwise on behalf of the Authority as an agent. Neither the Authority nor any of its officers, employees, agents or volunteers shall have control over the conduct of Consultant except as set forth in this Agreement.

6. Airport Rules and Regulations. Consultant shall comply with the Airport Rules and Regulations. Consultant acknowledges that the Airport Rules and Regulations are available on the Authority's webpage (hollywoodburbankairport.com). Violations of the Airport Rules and Regulations by Consultant or its personnel shall be punishable as stated in the Airport Rules and Regulations including by administrative fines.

7. Work Product Ownership. All reports, documents, or other written material developed by Consultant in the performance of this Agreement shall be and remain the property of the Authority without limitation upon use or dissemination by the Authority.

8. Confidentiality. Consultant shall preserve the confidentiality of all nonpublic data, documents, discussion or other information that is developed or received by it in connection with this Agreement. Consultant shall not disclose such information without the prior written authorization of the Executive Director. Upon request, all Authority data shall be returned to the Authority at expiration or termination of this Agreement. Consultant's obligations under this section shall survive expiration or termination of this Agreement.

9. Conflict of Interest. Consultant shall not maintain or acquire any financial interest that may be affected by the Services. Consultant shall avoid the appearance of having any financial interest that would conflict in any manner with the Services.

10. Indemnification.

A. Consultant shall defend, hold harmless, and indemnify the Indemnitees from and against any Liabilities that arise out of the acts or omissions of Consultant or its subcontractors in connection with this Agreement.

B. Consultant's obligations under this section shall survive expiration or termination of this Agreement, and shall apply regardless of whether or not any insurance policies are determined to be applicable to the Liabilities.

C. Consultant's obligations under this section shall apply, without limitation, to Liabilities that partially involve active or passive negligence by the Authority. However, Consultant's obligations under this section shall not apply to Liabilities that arise from the sole negligence or willful misconduct of the Authority, as determined by final arbitration or court decision or by consensus of the parties.

11. Insurance. Without limiting Consultant's defense, hold harmless, and indemnification obligations under this Agreement, Consultant shall maintain policies of insurance as specified in the Insurance Requirements.

12. Suspension. The Contract Administrator may suspend all or any part of the Services for the Authority's convenience or for work stoppages beyond the control of the parties. Written notice of a suspension shall be given to Consultant.

13. Notices. Any notices, invoices, or other documents related to this Agreement shall be deemed received on: (a) the day of delivery, if delivered by hand during the receiving party's regular business hours or by e-mail before or during the receiving party's regular business hours; (b) the business day after delivery, if delivered by e-mail after the receiving party's regular business hours; or (c) on the second business day following deposit in the United States mail, postage prepaid, to the addresses listed below, or to such other addresses as the parties may, from time to time, designate in writing. Any notice delivered by e-mail that concerns breach or termination of this Agreement shall concurrently be sent by deposit in the United States mail, postage prepaid but such notice shall be deemed received on the day of e-mail delivery.

Authority
Burbank-Glendale-Pasadena Airport Authority
2627 Hollywood Way
Burbank, CA 91505
Attn: David Kwon, Director, Financial Services
E-mail: dkwon@bur.org

Consultant
Macias Gini & O'Connell LLP
12264 El Camino Real, Suite 402
San Diego, CA 92130
Attn: Christina Guan, Partner
E-mail: CGuan@mgocpa.com

14. Assignability. Consultant shall not assign, transfer or subcontract any interest in this Agreement or the performance of any of its obligations without the Executive Director's prior written consent. This prohibition is not intended to preclude, and shall not be interpreted as precluding, Consultant from utilizing subcontractors identified in Consultant's proposal for the

Services. Any attempt by Consultant to assign, transfer or subcontract any rights, duties or obligations in violation of this prohibition shall be void.

15. Litigation. In the event that either party shall commence legal action to enforce or interpret this Agreement, the prevailing party shall be entitled to recover its costs of suit including reasonable attorneys' fees. The venue for litigation shall be Los Angeles County, California. The interpretation of this Agreement shall not be resolved by any rules of construction providing for interpretation against the party who causes the uncertainty to exist or against the party who drafted the disputed language.

16. Exhibits. Exhibits A through D are incorporated into this Agreement by reference. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of Exhibits A through C, the provisions of this Agreement shall prevail. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of Exhibit D, the provisions of Exhibit D shall prevail.

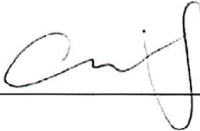
17. Incorporation of Mandatory Language. Each and every provision required by law to be inserted in this Agreement shall be deemed to be inserted and this Agreement shall be read and enforced as though such provision were included. If any such provision is not inserted, or is not correctly inserted, then upon request of either party this Agreement shall promptly be amended to make such insertion or correction.

18. Entire Agreement. This Agreement (and the attached Exhibits) represents the entire and integrated contract between the parties regarding the Services. This Agreement supersedes all prior oral or written negotiations, representations and contracts related to the Services. This Agreement may not be amended, nor any provision or breach waived, except in a writing that is signed by the parties and that expressly refers to this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

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

Macias Gini & O'Connell LLP

By: _____

Print Name: Christina Guan
Title: Partner

[Pursuant to Corporations Code Section 15904.02(a), signature line must be executed by a general partner.]

Burbank-Glendale-Pasadena Airport Authority

President

Approved as to form:

Richards, Watson & Gershon
A Professional Corporation

EXHIBIT A
Scope of Services

Consultant shall perform specific agreed-upon procedures listed below in accordance with attestation standards established by the AICPA:

1. Obtain contracts and subcontracts entered into during the engagement period (July 1, 2024 through June 30, 2025) for the applicable bill keys and identify if the contractors and subcontracts contain the following clauses and provisions:
 - a) Non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin (including limited English proficiency), creed, sex, age, or disability.
 - b) Provision that the contractor or subcontractor will comply with those requirements and the Department of Labor regulations (29 CFR Part 5, Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction).
 - c) Provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in 49 U.S.C. § 47112.
 - d) Provisions requiring compliance with Buy America requirements.
 - e) Provisions relating to compliance with the suspension and debarment requirements of 2 CFR 180.330.
 - f) Clauses on banning texting while driving in all subgrants, contracts, and subcontracts funded with this Grant.
2. Obtain the Pay Application for the month and identify all contractors and subcontractors who charged time to the Project for the applicable bill keys and compare them to the HPT Monthly Report as having been on site and performing work for the month.
3. Obtain the employee badge scans for the month for the applicable bill keys and compare the total number of employees who scanned in to work for the month to the total number of employees who submitted certified payroll in LCPTTracker for the same period.
4. For each employee identified in the previous step, compare the days worked per the employee badge scans to the days worked reported in the certified payroll submissions.
5. For each employee identified in the previous step, compare the base hourly rate and fringe rates obtained from the certified payroll submissions to the pay rates established by the General Prevailing Wage Determination made by the Director of Industrial Relations

pursuant to the California Labor Code Part 7, Chapter 1, Article 2, Sections 1770, 1773, and 1773.1 for each craft, as published on www.SAM.gov.

6. Inspect the Violations section of LCPTracker and filter for contractors and subcontractors charging hours to the applicable bill keys and identify whether the violations have been corrected and remedied within LCPTracker.
7. If applicable, once a quarter while on site, identify the total number of subcontractor employees charging time to applicable bill keys for a specific shift and compare the number of employees during that shift and employee's name and position to the certified payrolls submitted for that day.
8. Once a quarter while on site, obtain the written policies and procedures over prevailing wages from both Jacobs Project Management Company ("Jacobs") and Holder, Pankow, TEC ("HPT") and compare those policies and procedures to the actual practice performed and identify any discrepancies between the actual practice and the written policies and procedures.
9. Document the current controls and processes in place or update our understanding of the controls and processes in place, as it relates to adhering to prevailing wages requirement.
10. Obtain the Pay Application for the month and identify all contractors and subcontractors charging costs to the applicable bill keys. Inspect whether each contractor and subcontractor submitted a self-certification that they complied with the BABA Act.
11. Once a quarter while on site, obtain the written policies and procedures over BABA requirements from both Jacobs and HPT and compare those policies and procedures to the actual practice performed and identify any discrepancies between the actual practice and the written policies and procedures.
12. For transfers made to the applicable bill keys within the Pay Application for the month, compare the transfer amount and applicable bill key to the Transfer Summary Report. Identify whether a justification is provided for the transfer.
13. For transfers made to applicable bill keys, review the budgeted amount subsequent to the transfer and confirm that the revised schedule value for the bill key did not decrease below the total original amount budgeted to be claimed as federal reimbursement for the applicable bill key.
14. For expenses recorded to the Project Management Office bill key within the Pay Application for the month, which are claimed as federal reimbursement, inspect whether each expense agrees to, and is supported by appropriate documentation such as expense reimbursement receipts, invoice, purchase order, or contracts.
15. For expenses recorded to the Project Management Office bill key, which are claimed as federal reimbursements, examine the expense for the following prohibited costs:

- a) Telecommunication and video surveillance services that do not comply with 200.216(b)
 - b) Lobbying and Advocacy Costs
 - c) Entertainment and Alcohol Costs
 - d) Fines and Penalties
 - e) Fundraising and Investment Management costs
 - f) Advertising and Marketing Costs
16. On a monthly basis, identify all contractors and subcontractors that charge expenses to the applicable bill keys and inspect www.SAM.gov to see if the contractor or subcontractor is suspended or debarred from receiving federal funds.

EXHIBIT B
Fee Schedule

Total Not-to-Exceed Fee of \$175,000 for services detailed in Exhibit A commencing August 1, 2025 through June 30, 2026.

Estimated Hours by Task

Tasks	Estimated Hours
Compliance Execution Procedures	630
Quarterly Status Update Memo and Final Reporti	70
Total Estimated Hours	700

Bill Rates by Role

Role	Hourly Rate
Partner	\$ 390
Director	\$ 320
Senior Manager	\$ 280
Manager	\$ 250
Supervisor	\$ 200
Senior Associate	\$ 180
Experienced Associate	\$ 160
Associate	\$ 130
Clerical Support Staff	\$ 80

EXHIBIT C
Insurance Requirements

1. Consultant shall obtain, provide, and maintain policies of insurance as specified below.

A. General Liability Insurance. Consultant shall maintain commercial general liability insurance in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage.

B. Automobile Liability Insurance. Consultant shall maintain automobile insurance covering bodily injury and property damage for all activities of Consultant arising out of or in connection with the Services, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

C. Professional Liability (Errors and Omissions) Insurance. Consultant shall maintain professional liability insurance that covers the Services in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the Commencement Date and Consultant shall maintain continuous coverage through a period of no less than three years after expiration or termination of this Agreement.

D. Workers' Compensation/Employer's Liability Insurance. Consultant shall maintain workers' compensation insurance (statutory limits) and employer's liability insurance with limits of at least \$1,000,000.

2. The insurance policy or policies shall contain, or shall be endorsed to contain, the following provisions:

A. General liability policies shall provide or be endorsed to provide: (i) that the Indemnitees shall be additional insureds; and (ii) a waiver of subrogation in favor of additional insureds. This provision shall also apply to any excess/umbrella liability policies.

B. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

C. The coverage shall contain no special limitations on the scope of protection afforded to the Indemnitees.

D. For any claims related to this Agreement, Consultant's insurance coverage shall be primary insurance as respects the Indemnitees. Any insurance or self-insurance maintained by the Indemnitees shall be excess of Consultant's insurance and shall not contribute with it.

E. The limits of insurance may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of each Indemnatee before the Indemnatee's own insurance or self-insurance shall be called upon to protect it as a named insured.

F. Any failure to comply with reporting or other provisions of the policy, including breaches of warranties, shall not affect coverage provided to the Indemnitees.

G. Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

H. The policy shall be endorsed to state that coverage shall not be suspended, voided, cancelled by either party, or reduced in coverage or in limits except after 30 calendar days (10 calendar days in the event of non-payment of premium) prior written notice by certified mail, return receipt requested, has been given to the Authority.

I. Insurance is to be placed with insurers authorized to conduct business in the State of California with a minimum current A.M. Best's rating of no less than A:X, unless waived by the Contract Administrator. An exception to this standard will be made for the State Compensation Insurance Fund when not specifically rated.

J. Any deductibles or self-insured retentions must be declared to and approved by the Contract Administrator. At the option of the Contract Administrator, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Indemnitees, or Consultant shall provide a financial guarantee satisfactory to the Contract Administrator guaranteeing payment of losses and related investigations, claim administration and defense expenses.

K. The workers' compensation insurer agrees to waive all rights of subrogation against the Authority for injuries to employees of Consultant resulting from work for the Authority or use of the Airport.

3. Requirements of specific coverage features or limits are not intended as a limitation on coverage, limits, or other requirements, or as a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for clarification purposes only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If Consultant maintains higher limits than the minimum specified above, the Authority requires and shall be entitled to coverage for the higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Authority.

4. Consultant shall furnish to the Authority an original certificate or certificates of insurance and amendatory endorsements showing that required policies are in effect in the required amounts and, as to the workers' compensation insurance, with the required waiver of

subrogation. The certificates and endorsements must be received and approved by the Contract Administrator prior to commencement of work. The Authority reserves the right to require complete, certified copies of all required insurance policies at any time.

5. Consultant shall ensure that its subcontractors provide the same minimum insurance coverage and endorsements required of Consultant. Consultant shall monitor and review all such coverage, and Consultant assumes all responsibility for ensuring that such coverage is provided. Upon request, Consultant shall submit all subcontractor agreements to the Authority for review.

6. In the event any policy of insurance does not comply with these requirements or is cancelled and not replaced, the Authority has the right but not the duty to obtain the insurance it deems necessary. Any premium paid by the Authority in such event shall be promptly reimbursed by Consultant or the Authority shall withhold from its payments to Consultant an amount sufficient to pay that premium.

7. The Authority reserves the right at any time to change the amounts and types of required insurance by giving Consultant 90 days notice of such change. If such change results in substantial additional cost to Consultant, then the parties shall renegotiate Consultant's compensation.

EXHIBIT D
Non-AIP Project Federal Requirements

References to “Contractor” in this Exhibit shall be deemed to refer to Consultant.

1. General Civil Rights Provisions

A. In all its activities within the scope of its airport program, the Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

B. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

C. The above provision binds the Contractor and subcontractors from the bid solicitation period through the completion of the contract.

2. Civil Rights – Title VI Assurance

A. During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

1. Title VI of the Civil Rights Act of 1964 (42 USC § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);

2. 49 CFR part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);

3. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

4. Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);

5. The Age Discrimination Act of 1975, as amended (42 USC § 6101 et seq.) (prohibits discrimination on the basis of age);

6. Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);

7. The Civil Rights Restoration Act of 1987 (PL 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

8. Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, et seq) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;

9. The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

10. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [70 Fed. Reg. 74087 (2005)];

11. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC § 1681, et seq).

B. During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”), agrees as follows:

1. Compliance with Regulations: The Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

2. Nondiscrimination: The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex, age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

3. Solicitations for Subcontracts, including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor

of the contractor's obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

4. Information and Reports: The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance: In the event of a Contractor's noncompliance with the non-discrimination provisions of this contract, the Sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

a. Withholding payments to the Contractor under the contract until the Contractor complies; and/or

b. Cancelling, terminating, or suspending a contract, in whole or in part.

6. Incorporation of Provisions: The Contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the Sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the Sponsor to enter into any litigation to protect the interests of the Sponsor. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

Replacement Passenger Terminal Project **Financing Plan Status Update**

Burbank-Glendale-Pasadena Airport Authority
Finance and Administration Committee Meeting

July 21, 2025

Funding Requirements Update

Category	Budget ⁽¹⁾ (\$mil)	Expended ⁽²⁾ (\$mil)	Notes
Design Service & PMO (inc. Indirect/GCs/Con. Req.)	<u>202.1</u>	<u>122.7</u>	cGMPs 03, 09, 10 & 11
Civil Enabling	<u>71.2</u>	<u>65.7</u>	cGMP 02 & 04
Terminal (inc. Public Art)	<u>487.9</u>	<u>188.2</u>	cGMPs 01, 05, 06, 08/08b, 14 & 15
Garage Structure	<u>152.3</u>	<u>57.9</u>	cGMP 12 & 13
Airside Civil	<u>89.9</u>	<u>22.6</u>	cGMP 16
Landside Civil & ASF	<u>68.6</u>	<u>13.5</u>	cGMP 17
HPT Contingency	<u>44.1</u>	<u>0.0</u>	Actual draws are included above
<i>HPT Subtotal</i>	<i>1,116.1</i>	<i><u>470.6</u></i>	<i><u>42.2%</u> expended vs. budget</i>
Program Management	42.0	24.7	
Owner Contingency and Allowances	<u>140.6</u>	<u>26.3</u>	Includes BWP-related costs
Total	1,298.7	<u>521.6</u>	<u>40.2%</u> expended vs. budget

(1) As of May 31, 2025

(2) Actual through May 31, 2025

Financing Plan Update

Funding Source	Current Target (\$mil)	Awarded/ Approved ⁽¹⁾ (\$mil)	Drawn ⁽¹⁾ (\$mil)	Status
AIP Grant – <i>entitlement</i> ⁽²⁾	2.9	0.0	0.0	<u>Total through FFY2025</u>
AIP Grant – <i>discretionary</i> ⁽²⁾	<u>7.9</u>	0.0	0.0	<u>Grant 87 (\$7.9mil) announced, awaiting grant offer contract</u>
IIJA AIG Grant – <i>formulaic</i>	<u>32.1</u>	24.1	<u>12.7</u>	<u>Grant 86 (\$8.0mil) announced, awaiting grant offer contract</u>
IIJA ATP Grant – <i>competitive</i>	<u>57.1</u>	47.3	<u>26.6</u>	<u>Grant 85 (\$9.8mil) announced, awaiting grant offer contract</u>
Passenger Facility Charge (PFC)	72.1	61.6	<u>20.4</u>	PFC 25-22 application approved
Authority Cash	100.0	100.0	<u>22.8</u>	<u>Authority cash used for BWP AICs reimbursable by Revenue Bonds</u>
Proceeds of Property Sale	2.1	2.1	0.0	Amount identified from sale of Kenwood parking lot
Revenue Bonds ⁽³⁾	<u>1,024.5</u>	<u>686.4</u>	<u>377.1</u>	Implied remaining GARB size: <u>\$338.1mil</u>
Commercial Paper Program	n/a	200.0	0.0	Available
Total	1,298.7	1,121.5	<u>459.6</u>	86.4% awarded/approved vs. target

AIP = Airport Improvement Program

AIG = Airport Infrastructure Grant

ATP = Airport Terminal Program

IIJA = Infrastructure Investment and Jobs Act

⁽¹⁾ As of June 2025

⁽²⁾ Available for Southeast Quadrant only; to be used for demolition costs

⁽³⁾ Includes accrued interest earnings through April 30, 2025 and anticipated interest earnings thereafter.

RPT Project Estimated Annual Cost Update

	4/29/2024 Estimate	6/13/2024 Update	Current Estimate⁽¹⁾
2024 Bond Principal	\$799,760,000	\$724,780,000	\$724,780,000
2024 Bond Interest Rate	5.27%	4.54%	4.54%
2024 Annual Net Debt Service ⁽²⁾	\$57,404,000	\$48,603,000	\$48,603,000
Completion Bond Principal	\$340,415,000	\$340,415,000	\$464,985,000
Completion Bond Interest Rate	5.83%	5.83%	6.02%
Completion Annual Net Debt Service ⁽²⁾	\$25,178,000	\$25,178,000	\$35,534,000
Total Bond Principal ⁽³⁾	\$1,130,185,000	\$1,065,195,000	\$1,189,765,000
Total Annual Net Debt Service ⁽²⁾	\$82,582,000	\$73,781,000	\$84,137,000
Total Cost per Enplanement ⁽⁴⁾	\$22.15	\$19.84	\$22.07

1 Completion Bond costs do not assume Grants 85, 86 and 87 and reflect “current” interest rates for “A”-rated GARB issue plus 50 bps.

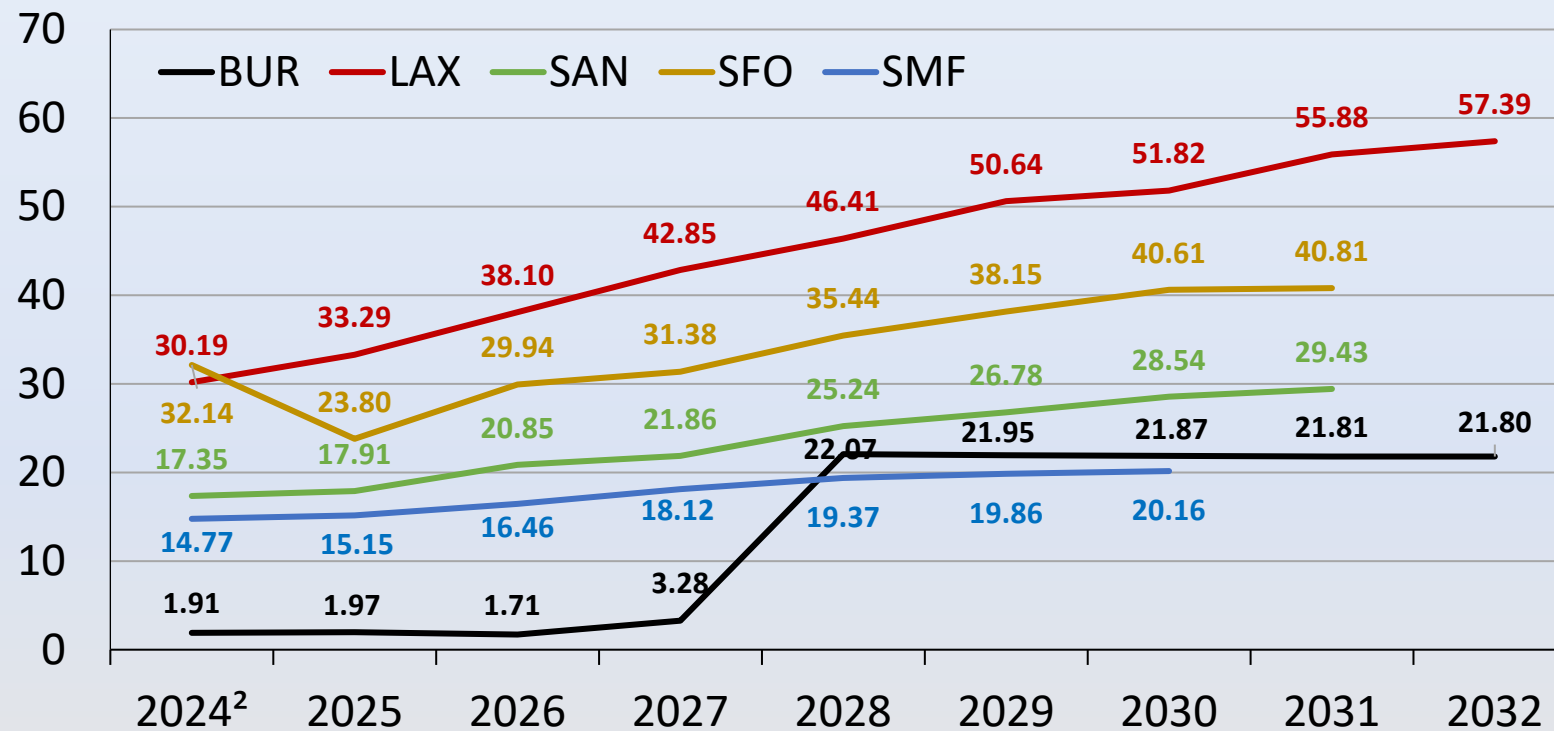
2 Level annual debt service starting in FY2028.

3 Assumes \$1.298.7 billion RPT project cost for Phase 1 and improvements to Southeast Quadrant (SEQ) will be funded with combination of Federal grants and PFC revenues with no additional debt financing.

4 Calculated for FY2028 and based on preliminary forecast prepared by Ricondo & Associates, using detailed data and reflecting a CAGR of 3.3% for 2022-2032.

Projected CPE vs. CA Airports with Large Capital Programs¹

- Sizes of capital programs for selected airports (estimate as of month):
 - Los Angeles (**LAX**): \$15.1+\$15.0B (3/2025)
 - San Francisco (**SFO**): \$11B (1/2025)
 - San Diego (**SAN**): \$4.5B (6/2025)
 - Sacramento (**SMF**): \$1.7B (9/2024)

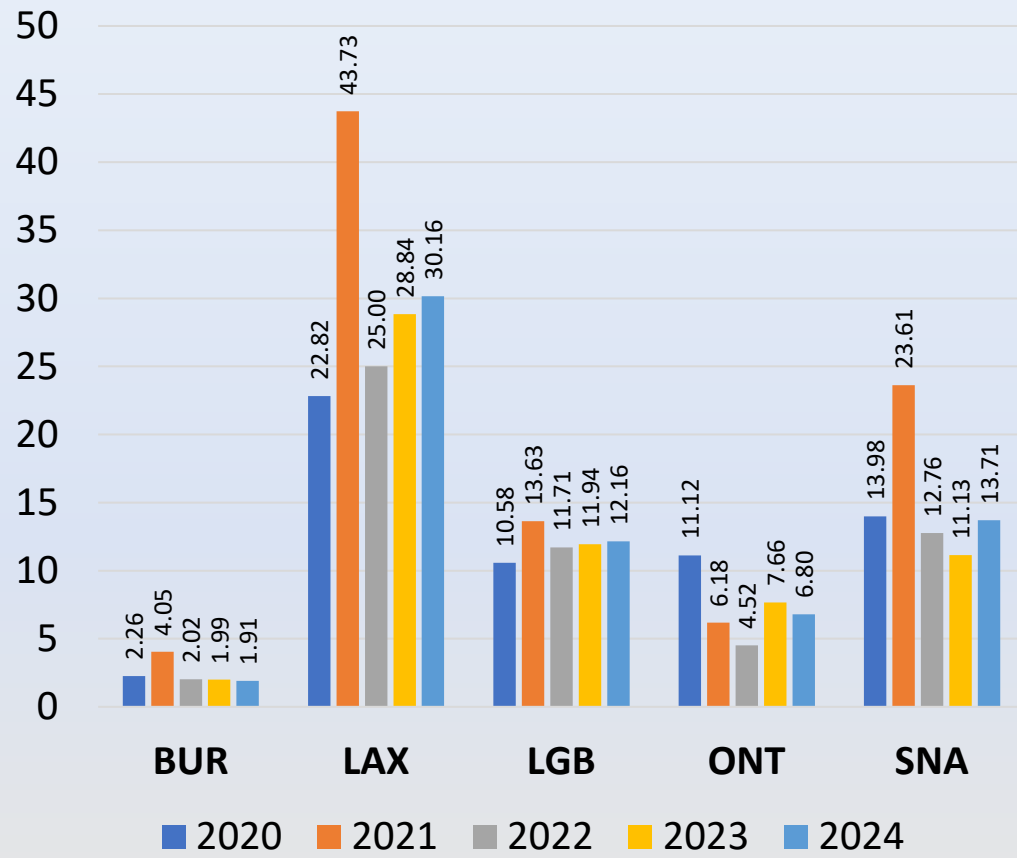


¹ Data from independent airport consultant reports prepared for bond offerings of each airport.

² Actual value as reported by FAA.

Historic CPE vs. Other LA/CA Airports

Los Angeles Area Airports



CA Medium Hub Airports

