



January 28, 2010

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

The regular meeting of the Burbank-Glendale-Pasadena Airport Authority scheduled for Monday, February 1, 2010, at 9:00 a.m. in the Airport Skyroom has been cancelled.

NOTICE is hereby given that a special meeting of the Burbank-Glendale-Pasadena Airport Authority will be held Monday, February 1, 2010, at 9:30 a.m., in the Airport Skyroom of the Bob Hope Airport, 2627 Hollywood Way, Burbank, California, 91505.

The items to be discussed are on the attached agenda.

Sue Loyd, Board Secretary
Burbank-Glendale-Pasadena Airport Authority

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

Special Meeting of Monday, February 1, 2010

9:30 A.M.

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

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

Any discloseable 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 Bob Hope Airport (2627 Hollywood Way, Burbank) in the administrative office during normal business hours.

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

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. PUBLIC COMMENT
4. CONSENT CALENDAR
 - a. Commission Minutes (For Approval)
 - 1) January 8, 2010 [See page 1]
 - 2) January 19, 2010 [See page 6]

- b. Resolution No. 432, A Resolution of the Burbank-Glendale-Pasadena Airport Authority Establishing the Dates, Times, and Places of Regular Meetings of the Advisory Committees *[See page 13]*
- c. 2010 Authority Investment Policy *[See page 15]*
- 5. ITEMS FOR COMMISSION APPROVAL
 - a. Sixth Amendment, Lease and Concession Agreement The Paradies Shops, Inc. *[See page 23]*
 - b. Fleet Vehicle and Special Equipment Repair/Maintenance Service *[See page 49]*
 - c. Third Amendment to Fixed Base Operator Lease and Concession Agreement, Van Nuys Skyways, Inc., dba Million Air Burbank *[See page 53]*
 - d. Disparity Study Consultant Selection *[See page 61]*
 - e. Disadvantaged Business Enterprise Program Update and Goal Setting *[See page 64]*
- 6. ITEMS FOR COMMISSION ACTION
 - a. Letters of Support to Senator Dianne Feinstein, Senator Barbara Boxer and Congressman Brad Sherman for Regional Intermodal Transportation Center *[See page 67]*
 - b. Redesignation of Part 161 Ad Hoc Committee *[No Staff Report]*
- 7. ITEMS FOR COMMISSION INFORMATION
 - a. Airline Schedule Analysis *[See page 74]*
 - b. December 2009 Passenger Statistics and Estimated January 2010 Parking Revenue *[See page 80]*
- 8. CLOSED SESSION
 - a. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (California Government Code Section 54956.9(a))
 - 1) Name of Case: In the Matter of the Application Between Burbank-Glendale-Pasadena Airport Authority, Request for Variance, Before the Department of Transportation, Division of Aeronautics
 - 2) Name of Case: Orr v. Burbank-Glendale-Pasadena Airport Authority et al. (Case No. EC047664)

b. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

- 1) Initiation of Litigation (California Government Code Section 54956.9(c)): eight potential cases. One case: Los Angeles World Airports Van Nuys Noisier Aircraft Phaseout Project. One case: Keswick Street Vacation. One case: Securitech contract. One case: Delta Fire contract.
- 2) Significant Exposure to Litigation (California Government Code Section 54956.9(b)): five potential cases. Facts and Circumstances: Notice of Violation from South Coast Air Quality Management District (No. P 54104); Stephanian Claim; La Barre Claim; Honeywell Monitoring Well Request; Environmental Protection Agency Second Interim Record of Decision for North Hollywood Operable Unit

c. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(California Government Code Section 54956.8)

- 1) Property: Bob Hope Airport Leaseholds
Authority Negotiator: Executive Director
Negotiating Parties: Alamo Rent-A-Car; Avis Rent A Car; Budget Rent A Car; Enterprise Rent-A-Car; Hertz Rent-A-Car; and National Car Rental
Under Negotiation: Price and Terms of Payment
- 2) Property: Bob Hope Airport Leaseholds
Authority Negotiator: Executive Director
Negotiating Parties: Federal Express; Million Air
Under Negotiation: Price and Terms of Payment
- 3) Property: Bob Hope Airport Leasehold
Authority Negotiator: Executive Director
Negotiating Parties: Paradies Shops, Inc.
Under Negotiation: Price and Terms of Payment
- 4) Property: B-6 Property
Authority Negotiator: Executive Director
Negotiating Parties: City of Burbank; City of Glendale; State of California
Under Negotiation: Price and Terms of Payment
- 5) Property: APN Number 2466-016-801
Authority Negotiator: Executive Director
Negotiating Parties: Union Pacific
Under Negotiation: Price and Terms of Payment

d. THREAT TO PUBLIC SERVICES OR FACILITIES
(California Government Code Section 54957(a))

- 1) Consultation with Director of Public Safety

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

- 1) Title: Executive Director
- 2) Title: Senior Deputy Executive Director

9. ADJOURNMENT

COMMISSION NEWSLETTER

February 1, 2010

[Regarding agenda items]

4. 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. COMMISSION MINUTES – JANUARY 8, 2010, AND JANUARY 19, 2010, – The draft minutes of these meetings are attached for Commission review and approval.
- b. RESOLUTION NO. 432, A RESOLUTION OF THE BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY ESTABLISHING THE DATES, TIMES AND PLACES OF REGULAR MEETINGS OF THE ADVISORY COMMITTEES – At its meeting on January 19, 2010, the Finance and Administration Committee agreed unanimously (3–0) to revise its regular meeting schedule from the first and third Monday of each calendar month at 10:30 a.m., or immediately following the conclusion of the regularly scheduled Airport Authority meeting, to 8:30 a.m. the first and third Tuesday of each calendar month, conducting its meetings during the same week as the Commission’s regularly scheduled meetings. Resolution No. 432 formalizes the time change. The dates and times for the regularly scheduled meetings of the Operations and Development Committee and the Legal, Government and Environmental Affairs Committee remain unchanged.
- c. 2010 AUTHORITY INVESTMENT POLICY – A staff report is included in the agenda packet. Formerly mandated by State law and currently recommended under Section 53646(g) of the California Government Code, the Authority annually reviews and approves an investment policy to identify policies and procedures for the prudent and systematic investment to be followed by the Authority Treasurer in the exercise of the investment authority delegated to him/her.

The Authority’s Investment Manager, Columbia Management Advisors LLC (“CMA”), reviewed the 2009 Investment Policy and concluded that the Authority’s current investment policy, with overall investment criteria of capital preservation (safety) and liquidity, is solid and conservative. At its January 8, 2010, special meeting, the Finance and Administrative Committee requested that Staff review the policy related to maximum portions of the Authority investment portfolios that could be invested in those types of investments related to financial institutions—including bankers’ acceptances, negotiable certificates of deposit and non-negotiable certificates of deposit. CMA and Staff subsequently discussed the limits for those investment types. Based on CMA’s findings and the subsequent discussion, at the January 19, 2010, Finance and Administration Committee meeting, the Committee agreed unanimously to recommend to the full Authority that it adopt the attached proposed 2010 Investment Policy (Attachment 2), reflecting reductions from the 2009 Investment Policy in the maximum allowable portions of the portfolios that can be invested in bankers’ acceptances, negotiable certificates of deposit and non-negotiable certificates of deposits, and limitations on the amount of such investments with any one issuer.

5. ITEMS FOR COMMISSION APPROVAL

- a. **SIXTH AMENDMENT, LEASE AND CONCESSION AGREEMENT, THE PARADIES SHOPS, INC.** – A staff report is included in the agenda packet. Staff seeks the full Airport Authority's ("Authority") approval of a proposed Sixth Amendment to Lease and Concession Agreement ("Amendment") for news and gifts at the Bob Hope Airport ("Airport") with The Paradies Shops ("Paradies"), a copy of which is attached. This Amendment would extend the Lease and Concession Agreement ("Agreement") which expires on April 30, 2010, for a period of five (5) years with an additional five (5) year option.

At the January 19, 2010, meeting of the Finance and Administration Committee, the Committee voted unanimously (3-0) to recommend to the Finance and Administration Committee that it recommend to the full Authority approval of the proposed Sixth Amendment to Lease and Concession Agreement for news and gifts at Bob Hope Airport with The Paradies Shops.

- b. **FLEET VEHICLE AND SPECIAL EQUIPMENT REPAIR/MAINTENANCE SERVICE** – A staff report is included in the agenda packet. This item has been included in the full Authority's agenda subject to review and recommendation by the Operations and Development Committee at its February 1, 2010, meeting prior to the full Authority meeting. On November 6, 2009, Penske Truck Leasing Co., L.P. ("Penske"), the Burbank-Glendale-Pasadena Airport Authority's ("Authority") current fleet vehicle and special equipment maintenance/repair contractor, provided notice to the Authority that it was terminating its Services Agreement ("Penske Agreement") for convenience effective February 15, 2010. The Penske Agreement commenced on March 3, 2008, and was set to expire on March 2, 2011.

After advertising a combined Request for Qualifications/Request for Proposal ("RFQ/RFP") seeking qualified companies to assume the terms and conditions of the Penske Agreement, Staff received proposals from three companies. Of the three, Techtrans Inc./LSF Shuttle ("LSF") provided the best overall proposal with the lowest price.

Staff is recommending to the Operations and Development Committee that it recommend to the full Authority that Staff be authorized to execute a purchase order with LSF Shuttle to provide continued fleet vehicle and special equipment maintenance/repair services for the remainder of the Penske Agreement term (including option years 1 and 2), at substantially the same terms and conditions, except for price, at an estimated cost of \$319,524. This purchase order will incorporate the language of a Services Agreement (attached).

- c. **THIRD AMENDMENT TO FIXED BASE OPERATOR LEASE AND CONCESSION AGREEMENT, VAN NUYS SKYWAYS, INC., dba MILLION AIR BURBANK** – A staff report is included in the agenda packet. Staff seeks the full Airport Authority's ("Authority") approval of a proposed Third Amendment, a copy of which is attached, to its Fixed Base and Concession Agreement with Van Nuys Skyways, Inc., dba Million Air Burbank ("Million Air"), to return 23,958 sq. ft. of aircraft parking ramp space and 20,176 sq. ft. of hangar space. The proposed transaction will reduce the Authority's annual revenue by \$306,390 and will reduce the rent in the current fiscal year by \$153,195. At the January 19, 2010, meeting of the Finance and

Administration Committee, the Committee voted unanimously (3–0) to recommend approval of the amendment by the full Authority.

- d. DISPARITY STUDY CONSULTANT SELECTION – A staff report is included in the agenda packet. At the January 20, 2010, meeting of the Legal, Government and Environmental Affairs Committee, the Committee voted 2–0 (1 absent) to recommend to the full Commission that it award a professional services agreement to BBC Research & Consulting in a not-to-exceed amount of \$358,315 for preparation of a Disparity Study intended to assist the Authority in developing procurement policies that meet the objectives of the U.S. Department of Transportation’s Disadvantaged Business Enterprise Program under 49 C.F.R. Part 26.
- e. DISADVANTAGED BUSINESS ENTERPRISE PROGRAM UPDATE AND GOAL SETTING – A staff report is included in the agenda packet. As part of its ongoing obligations as a recipient of Federal Aviation Administration (“FAA”) Airport Improvement Program funding, the Authority is required to implement a Disadvantaged Business Enterprise (“DBE”) program with a DBE participation goal in compliance with U.S. Department of Transportation regulations. At its January 20, 2010, meeting the Legal, Government and Environmental Affairs Committee voted 2–0 (1 absent) to recommend to the full Authority that it authorize Staff to submit the updated DBE program and proposed DBE participation goal to the FAA and to publish a notice of the proposed DBE participation overall goal for federal FY 2010.

6. ITEMS FOR COMMISSION ACTION

- a. LETTERS OF SUPPORT TO SENATOR DIANNE FEINSTEIN, SENATOR BARBARA BOXER AND CONGRESSMAN BRAD SHERMAN FOR REGIONAL INTERMODAL TRANSPORTATION CENTER – A staff report is included in the agenda packet. As part of the process for seeking federal funding for the proposed RITC (Regional Intermodal Transportation Center) Senator Dianne Feinstein, Senator Barbara Boxer and Congressman Brad Sherman have each requested that the Authority provide a Letter of Support for the project and the related federal funding request, a draft copy of which is attached.

Staff recommends that the Authority indicate this support and authorize the President to sign the attached Letters of Support on its behalf.

- b. REDESIGNATION OF PART 161 AD HOC COMMITTEE – No staff report is attached. This item is being agendaized to provide the Airport Authority the option to redesignate the Part 161 Ad Hoc Committee to a Nighttime Noise Relief Ad Hoc Committee to reflect the Authority’s continued commitment to seek nighttime noise relief for the community.

7. ITEMS FOR COMMISSION INFORMATION

- a. AIRLINE SCHEDULE ANALYSIS – Included in the agenda packet for noting and filing is a schedule analysis reflecting equipment and operation changes for several airlines and the effect of the changes in the 65 db CNEL impact area.

- b. **DECEMBER 2009 PASSENGER STATISTICS AND ESTIMATED JANUARY 2010 PARKING REVENUE** – There were 384,492 passengers in December 2009, down 1.8% from last December's 391,562. The number of aircraft passenger seats offered by the airlines in December declined 6.2%, but the load factor increased from 64.8% to 67.8%. The passenger count for all of calendar year 2009 totaled 4,588,433, down 13.9% from the 2008 total of 5,331,404, and down 22.5% from the Bob Hope Airport all-time record passenger volume of 5,921,336 passengers in 2007. Cargo volume increased 3.5% for the year, totaling 88,784,104 pounds. Airline operations for the year declined 7.3%, from 70,682 to 65,502, and overall aircraft operations decreased from 119,685 in 2008 to 109,420 in 2009, a decline of 8.6%. A report is included in the agenda packet.

Staff will also brief the Commission on the preliminary figures for January 2010 parking revenue.

[Regarding non-agenda items]

NEWS RELEASE

January 22, 2010