



December 3, 2010

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 Finance and Administration Committee will be held Monday, December 6, 2010, at 10:30 a.m. (or immediately following the conclusion of the regular Airport Authority meeting), in the Burbank Room of the Bob Hope Airport, 2627 Hollywood Way, Burbank, CA 91505.

The items to be discussed are listed on the attached agenda.

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

REGULAR MEETING
OF THE
FINANCE AND ADMINISTRATION COMMITTEE

Burbank Room
Monday, December 6, 2010
10:30 A.M. or Immediately Following
The Conclusion of the Regular
Airport Authority Meeting

NOTE TO THE PUBLIC: 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.

AGENDA

1. Public Comment
2. Approval of Minutes
 - a. November 15, 2010 **[See page 1]**
3. October 2010 Treasurer's Report **[See page 7]**

The October 2010 Treasurer's Report is included in the agenda packet.

4. Items for Discussion
 - a. Presentation of FY 2010 Financial Statements and Analysis of Financial Results
 - Staff Report Attached **[See Page 26]**

The Authority's independent auditor, Macias Gini & O'Connell LLP (MGO), has completed its audits of the Burbank-Glendale-Pasadena Airport Authority (Authority) FY 2010 financial statements. Enclosed with this staff report is a copy of the audited Basic Financial Statements for the years ended June 30, 2010 and 2009. Also enclosed are a copy of the Single Audit

Reports (audit of federal grant programs), Passenger Facility Charge Audit Reports, Customer Facility Charge Audit Reports, Independent Auditor's Report on Compliance with Section 6.05 of the Bond Indenture, Communication Indicating No Material Weaknesses and Auditor's Report to the Authority Regarding the FY 2010 Audits.

In summary, MGO's "unqualified" opinions indicate that:

- **The Basic Financial Statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles.**
- **The Authority complied in all material respects with compliance requirements applicable to its major federal program, the Passenger Facility Charge program and the Customer Facility Charge program.**
- **MGO identified no reportable deficiencies in internal control over financial reporting or compliance, including control deficiencies, significant deficiencies or material weaknesses.**
- **The Schedule of Expenditures of Federal Awards, Schedule of Passenger Facility Charge Revenues and Expenditures and Schedule of Customer Facility Charge Revenues and Expenditures are fairly stated in relation to the Basic Financial Statements taken as a whole.**
- **Based on auditing procedures performed, the Authority complied with the terms, covenants, provisions or conditions of Section 6.05 (Rates and Charges) to Article VI of the Bond Indenture.**

MGO will report on the audits. Staff will present each report and provide an overview and analysis of financial results for the fiscal year ended June 30, 2010. Staff seeks a Finance and Administration Committee recommendation to the full Authority that it note and file these audit reports.

5. Items for Information

a. FY 2011 Operating Revenues (First Four Months)

No staff report is attached. Staff will provide an update of accrued operating revenues earned for the first four months of FY 2011.

6. Other Contracts and Leases and Capital Projects

7. Pending Items

[See page 31]

Staff will discuss the attached list of pending Committee items with the Committee.

8. Closed Session

a. Conference with Legal Counsel – Existing Litigation
(California Government Code Section 54956.9(a))

- 1) Name of Case: Orr v. Burbank-Glendale-Pasadena Airport Authority et al.
(Case No. EC047664)
- 2) Name of Case: La Barre, Allstate Insurance Co. v. Burbank-Glendale-Pasadena
Airport Authority et al. (Case No. EC052254)
- 3) Name of Case: Burbank-Glendale-Pasadena Airport Authority v. Lockheed Martin
Corporation (Case No. CV012392)
- 4) Name of Case: Madriff Corporation, dba Delta Fire Protection & Equipment v.
Burbank-Glendale-Pasadena Airport Authority et al. (Case No. BC443540)
- 5) Name of Case: Carey v. Burbank-Glendale-Pasadena Airport Authority (Case
No. ADJ Unassigned (Worker's Compensation Appeals Board))
- 6) Name of Case: August v. City of Burbank et al. (Case No. EC054119)

b. Conference with Legal Counsel – Anticipated Litigation

- 1) Initiation of Litigation (California Government Code Section 54956.9(c)): seven
potential cases. One case: Keswick Street Vacation. One case: Noise Variance
Application to Department of Transportation, Division of Aeronautics
- 2) Significant Exposure to Litigation (California Government Code Section 54956.9(b)):
two potential cases. Facts and Circumstances: Stephanian Claim; 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
Under Negotiation: Price and Terms of Payment
- 3) 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
- 4) Property: APN Number 2466-016-801

- Authority Negotiator: Executive Director
- Negotiating Parties: Union Pacific
- Under Negotiation: Price and Terms of Payment

- 5) Property: Bob Hope Airport Leaseholds
- Authority Negotiator: Executive Director
- Negotiating Parties: Legacy Aviation, LLC
- Under Negotiation: Price and Terms of Payment

- 6) Property: Bob Hope Airport Leaseholds
- Authority Negotiator: Executive Director
- Negotiating Parties: Ameriflight LLC
- Under Negotiation: Price and Terms of Payment

- 7) Property: Hollyona Property
- Authority Negotiator: Executive Director
- Negotiating Parties: City of Burbank
- Under Negotiation: Price and Terms of Payment

- 8) Property: Bob Hope Airport Leaseholds
- Authority Negotiator: Executive Director
- Negotiating Parties: U. S. Department of Justice, General Services Administration
- Under Negotiation: Price and Terms of Payment

- 9) Property: Bob Hope Airport Leaseholds
- Authority Negotiator: Executive Director
- Negotiating Parties: Million Air Burbank LLC
- Under Negotiation: Price and Terms of Payment

- 10) Property: Bob Hope Airport Leaseholds
- Authority Negotiator: Executive Director
- Negotiating Parties: Bob Hope Legacy
- 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