

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

COMMISSION AGENDA – REGULAR MEETING



May 25, 2023, AT 2:00 P.M.

Ontario International Airport Authority Administration Offices
1923 East Avion Street, Room 100, Ontario, CA 91761

Live YouTube Streaming for Listening Only: <https://www.youtube.com/@flyont/streams>

ALAN D. WAPNER
President

RONALD O. LOVERIDGE
Vice President

JIM W. BOWMAN
Secretary

CURT HAGMAN
Commissioner

JULIA GOUW
Commissioner

ATIF ELKADI
Chief Executive Officer

LORI D. BALLANCE
General Counsel

JOHN M. SCHUBERT
Treasurer

NORMA I. ALLEY, MMC
Board Clerk/Assistant Secretary

WELCOME TO A MEETING OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY

- All documents for public review are on file at the Ontario International Airport Administration Offices located at 1923 E. Avion Street, Ontario, CA 91761.
- This meeting is streamed live from our YouTube channel at <https://www.youtube.com/@flyont/streams>. Streaming will be for listening only and not participation. Public Comments will be taken by email or in-person only. This is a pilot stream, so errors and bugs may occur. If you have any issues, feel free to email clerk@flyontario.com for resolution after the meeting.
- Anyone wishing to speak during public comment, or on an agenda item, will be required to fill out a Request to Address Card (blue slip). Blue slips must be turned in prior to public comment beginning or before an agenda item is taken up. The Secretary/Assistant Secretary will not accept blue slips after that time.
- You may submit public comments by e-mail to publiccomment@flyontario.com no later than 4:00 p.m. the day before the meeting. Please identify the Agenda item you wish to address in your comments. All e-mail comments will be included in the meeting record.
- Comments will be limited to 3 minutes. Speakers will be alerted when their time is up and no further comments will be permitted. Speakers are then to return to their seats.
- In accordance with State Law, remarks during public comment are to be limited to subjects within the Authority's jurisdiction. Remarks on other agenda items will be limited to those items.
- Remarks from those seated or standing in the back of the Board Room will not be permitted. All those wishing to speak, including Commissioners and Staff, need to be recognized by the Authority President before speaking.
- Sign language interpreters, communication access real-time transcription, assistive listening devices, or other auxiliary aids and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting you wish to attend. Due to difficulties in securing Sign Language Interpreters, five or more business days' notice is strongly recommended. Any members of the public who require special assistance or a reasonable accommodation to participate may contact the Board Clerk at (909) 544-5307 or clerk@flyontario.com.

CALL TO ORDER (OPEN SESSION)

ROLL CALL

Loveridge, Bowman, Hagman, Gouw, President Wapner

PLEDGE OF ALLEGIANCE

AGENDA REVIEW/ANNOUNCEMENTS

The Chief Executive Officer will go over all updated materials and correspondence received after the Agenda was distributed to ensure Commissioners have received them.

1. INFORMATION RELATIVE TO POSSIBLE CONFLICT OF INTEREST

Agenda item contractors, subcontractors and agents may require member abstentions due to conflict of interests and financial interests. Commission Member abstentions shall be stated under this item for recordation on the appropriate item.

PUBLIC COMMENTS

The Public Comment portion of the Commission meeting is limited to a maximum of 3 minutes for each Public Comment. Under provisions of the Brown Act, the Commission is prohibited from taking action on oral requests.

CLOSED SESSION

PUBLIC COMMENT ON CLOSED SESSION

CLOSED SESSION

- GC § 54957, PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: Chief Executive Officer

REPORT ON CLOSED SESSION

General Legal Counsel

CONSENT CALENDAR

All matters listed under CONSENT CALENDAR will be enacted by one motion in the form listed below. There will be no separate discussion on these items prior to the time Commission votes on them, unless a member of the Commission requests a specific item be removed from the Consent Calendar for a separate vote.

Each member of the public wishing to address the Commission on items listed on the Consent Calendar will be given a total of 3 minutes.

2. APPROVAL OF MINUTES

Approve minutes for the OIAA meeting on April 27, 2023.

3. CASH DISBURSEMENT REPORT (BILLS/PAYROLL)

Receive and file the Cash Disbursement Report (Bills/Payroll) for the month ended April 30, 2023.

4. COMMISSIONER'S STIPENDS AS REQUIRED BY AUTHORITY BYLAWS

Approve additional stipends per Article IV, Section 6 of the Authority's Bylaws for President Wapner and Commissioner Hagman for the month of April, 2023.

5. RESOLUTION UPDATING THE NON-EXCLUSIVE AIR CARRIER OPERATING PERMIT

Approve a resolution updating the Non-Exclusive Air Carrier Operating Permit and authorizing the Chief Executive Officer to make minor amendments to the Permit.

RESOLUTION NO. 2023-09

A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AMENDING
RESOLUTION NO. 2017-12 APPROVING AN UPDATED NON-EXCLUSIVE AIR CARRIER
OPERATING PERMIT AT ONTARIO INTERNATIONAL AIRPORT

6. ENVIROSUITE, INC., SOLE SOURCE AGREEMENT

Authorize the Chief Executive Officer (CEO) to execute a five-year contract with five, one-year extension with Envirosuite, Inc., and authorize the CEO to exercise the five, one-year extensions to support the Airport Noise and Operations Monitoring System (ANOMS) at Ontario International Airport (ONT), in an amount not to exceed \$1,986,209.70 over the ten-year contract.

7. TBI AIRPORT MANAGEMENT CONTRACT AMENDMENT

Authorize the Chief Executive Officer (CEO) to execute the First Contract Amendment to add additional services and increase the contractual authority for the OIAA’s existing TBI Airport Management (TBI) agreement, Contract No. SCONT-000082, by 15% of the annual reimbursable expenses related to the additional services not to exceed \$730,000.

8. TRACTOR AND MOWER PURCHASE

1. Authorize the Chief Executive Officer (CEO) to execute an agreement with Pape’ Machinery, Inc. in the amount of \$334,442.18 for the purchase of three (3) John Deere tractors and three (3) flex wing mowers.
2. Approve an increase of the Capital Improvement Program budget of \$100,000 to cover the additional cost for the purchase of these tractors and mowers.

9. FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2023

Receive and file financial statements for the nine months ended March 31, 2023.

10. INVESTMENT REPORT FOR THE NINE MONTHS ENDED MARCH 31, 2023

Receive and file the Investment Report for the nine months ended March 31, 2023.

11. CAPITAL PROJECT EXPENDITURE INCREASE FOR FLEET VEHICLES

Approve an increase of the Capital Improvement Program project budget for fleet vehicles by \$100,000 and authorize the Chief Executive Officer (CEO) to execute the agreements for the purchase of three new fleet vehicles.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

12. HILTACHK MARKETING GROUP CONTRACT AMENDMENT

Authorize the Chief Executive Officer (CEO) to execute the third contract amendment to authorize the media spend and increase by \$1,094,756.00 (for a total contract amount of \$3,094,756 in this fiscal year) in fiscal year 2022-2023 and by \$4,200,000 in fiscal year 2023-2024 (for a total contract amount of \$4,500,000 in fiscal year), for media buys, including but not limited to, targeted digital advertising, out of home, experiential activities, paid social and more.

MANAGEMENT REPORT
Executive Office

COMMISSION MATTERS

President Wapner

Vice President Loveridge

Secretary Bowman

Commissioner Hagman

Commissioner Gouw

ADJOURNMENT

AFFIDAVIT OF POSTING

I, Norma I. Alley, MMC, Board Clerk of the Ontario International Airport Authority (OIAA), do hereby declare under penalty of perjury that the foregoing agenda has been posted at the administrative office and on the OIAA website in compliance to the Brown Act.

Date Posted: May 22, 2023

Posted Prior To: 2:00 P.M.

Signature: _____



Norma I. Alley, MMC
Ontario International Airport Authority Board Clerk

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ONTARIO INTERNATIONAL AIRPORT AUTHORITY



MEETING DATE: MAY 25, 2023

AGENDA SECTION: AGENDA REVIEW/ANNOUNCEMENTS

SUBJECT: RELATIVE POSSIBLE CONFLICT OF INTEREST

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Declare Conflict of Interest pertaining to agenda items and contractors and/or subcontractors, which may require member abstentions due to possible conflicts of interest.

FISCAL IMPACT SUMMARY: N/A

BACKGROUND: In accordance with California Government Code 84308, members of the Ontario International Airport Authority may not participate in any action concerning a contract where they have received a campaign contribution of more than \$250 in the prior twelve (12) months and from an entity or individual if the member knows or has reason to know that the participant has a financial interest, except for the initial award of a competitively bid public works contract. This agenda contains recommendations for action relative to the following contractors:

Item No	Principals & Agents	Subcontractors
06	Envirosuite, Inc. Sole Source	<ul style="list-style-type: none">None
07	TBI Airport Management	<ul style="list-style-type: none">None
08	Deere & Company	<ul style="list-style-type: none">None
08	Pape Machinery Inc.	<ul style="list-style-type: none">None
12	Hiltachk Marketing Group	<ul style="list-style-type: none">None

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

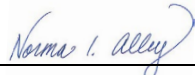
SCHEDULE: N/A

ATTACHMENTS: N/A

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: Norma I. Alley, MMC

Originating Dept.: Clerk's Office

Director Review: 

Chief Review: 

CEO Approval: 

This Agenda Report has been reviewed by OIAA General Counsel.

The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein, which are not attached or posted online, may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Board. Office hours are 8:30 a.m. to 5:00 p.m., Monday through Friday, although these hours and review procedures may be modified. In that case, the documents may be requested by email at clerk@flyontario.com.

BOARD DISPOSITION: Approved Denied Continued to _____

ONTARIO INTERNATIONAL AIRPORT AUTHORITY



MEETING DATE: MAY 25, 2023

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: APPROVAL OF MINUTES

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Approve minutes for the OIAA Board of Commissioners meeting on April 27, 2023.

FISCAL IMPACT SUMMARY: N/A

BACKGROUND: The OIAA Board of Commission held a public meeting and minutes were recorded in text. In accordance with OIAA's Records Retention Schedule, the OIAA must preserve these historical records in hard copy form for permanent retention.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A

ATTACHMENTS:

- 1. Minutes

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: Norma I. Alley, MMC, Board Clerk

Originating Dept.: Clerk's Office

Director Review: 

Chief Review: 

CEO Approval: 

This Agenda Report has been reviewed by OIAA General Counsel.

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BOARD DISPOSITION: Approved Denied Continued to _____

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY
REGULAR COMMISSION MEETING
MINUTES
April 27, 2023**

CALL TO ORDER

President Wapner called the Ontario International Airport Authority Commission meeting to order at 2:00 p.m.

ROLL CALL

PRESENT: Commissioners: Curt Hagman, Ronald O. Loveridge, and Alan D. Wapner

ABSENT: Commissioners: Jim W. Bowman and Julie Gouw

A quorum of the Board of Commissioners was present.

Also present were Chief Executive Officer Atif Elkadi; Assistant General Counsel Kevin P. Sullivan; and Board Clerk/Assistant Secretary Norma I. Alley, MMC.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

AGENDA REVIEW/ANNOUNCEMENTS

President Wapner announced there was a gathering at the terminal for the arrival of the OIAA 30 millionth passenger.

1. INFORMATION RELATIVE TO POSSIBLE CONFLICT OF INTEREST

No conflicts of interests were declared.

CLOSED SESSION

PUBLIC COMMENT ON CLOSED SESSION

President Wapner called for public comment. Seeing no one come forward, he closed public comment.

CLOSED SESSION

- GC § 54956.9(d)(1): CONFERENCE WITH LEGAL COUNSEL— Existing Litigation (1 matter)

Assistant General Counsel Kevin Sullivan announced the closed session item.

President Wapner recessed the open session and called the closed session to order at 2:01 p.m. The open session reconvened at 2:18 p.m.

REPORT ON CLOSED SESSION

President Wapner announced there was no reportable action.

PUBLIC COMMENT

President Wapner called for public comment.

Mr. Richard Sherman spoke to late night flight noise and damage to his home due to a bolt falling from a UPS plane.

Seeing no further comments, President Wapner closed public comment.

CONSENT CALENDAR

2. APPROVAL OF MINUTES

Approved minutes for the OIAA Board of Commissioners meeting on March 23, 2023.

3. CASH DISBURSEMENT REPORT (BILLS/PAYROLL)

Received and filed the Cash Disbursement Report (Bills/Payroll) for the month ended March 31, 2023.

4. COMMISSIONER'S STIPENDS AS REQUIRED BY AUTHORITY BYLAWS

Approved additional stipends per Article IV, Section 6 of the Authority's Bylaws for President Wapner for the month of March, 2023.

5. PROFESSIONAL SERVICES AGREEMENT WITH SERVICETEC INTERNATIONAL, INC.

Authorized the Chief Executive Officer (CEO) to execute a Professional Services Agreement (PSA) with ServiceTec International, Inc. (ServiceTec) to support the Amadeus platform solutions, Airport Operations Database (AODB/RMS), Lease Management (Propworks), and Common Use (ACUS) in the amount of \$2,251,795.00 for a five (5) year term.

MOTION: Moved by Commissioner Hagman, seconded by Vice President Loveridge, to approve the Consent Calendar. Motion carried by a 3 Yes/0 No/2 Absent (Bowman and Gouw) vote.

ADMINISTRATIVE DISCUSSION/ACTION/REPORT

6. RESOLUTION REGARDING CHIEF EXECUTIVE OFFICE (CEO) SIGNATURE AUTHORITY

RESOLUTION NO. 2023-08: A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AMENDING RESOLUTION NO. 2022-07 REGARDING THE SIGNATURE AUTHORITY OF ATIF ELKADI AS THE CHIEF EXECUTIVE OFFICER OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY

Chief Executive Officer Elkadi presented the staff report and fielded questions from the Board of Commissioners. Assistant General Counsel Kevin P. Sullivan provided additional clarification as to intent and purpose of Resolution No. 2023-08 and impact on Resolution No. 2022-07.

President Wapner called for public comment. Seeing no one come forward, he closed public comment.

Discussion commenced amongst the Board of Commissioners as to the merits and support of the resolution. It was noted Resolution No. 2022-07 provided the CEO the authority to delegate signing authority.

The Board of Commissioners provided clarification to Resolution No. 2022-07 authorizing the Chief Executive Officer Elkadi the authority to delegate signature authority to Chiefs and Directors any way he sees fit within the CEO's signature authority of up to \$100,000.

MOTION: Resolution failed for lack of motion.

MANAGEMENT REPORT

Chief Executive Officer Elkadi provided updates on passenger traffic numbers, changes to flights, CAPA America Conference, and general airport matters, accompanied by a PowerPoint.

COMMISSIONER MATTERS

President Wapner spoke to having a possible ambassador to greet passengers waiting to go through TSA and assist with processing the line.

Commissioner Hagman spoke to vending machines in the terminals.

ADJOURNMENT

President Wapner adjourned the Ontario International Airport Authority Board of Commissioners Meeting at 2:37 p.m.

RESPECTFULLY SUBMITTED:

APPROVED:

NORMA I. ALLEY, MMC, BOARD CLERK

Dr. Ronald O. Loveridge, VICE PRESIDENT

DRAFT



MEETING DATE: MAY 25, 2023

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: CASH DISBURSEMENT REPORT (BILLS/PAYROLL)

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Receive and file the Cash Disbursement Report (Bills/Payroll) for the month ended April 30, 2023.

FISCAL IMPACT SUMMARY: The funding is approved in the Fiscal Year 2022-2023 budget.

BACKGROUND: In June 2022, the OIAA Board of Commissioners adopted an operating budget that was driven by strong aviation activity and financial performance realized by OIAA in FYE 2022. The operating budget was developed from OIAA goals and objectives and includes significant increases in resources to meet current and expected near term growth. The budget FYE 2023 assumes that there will be no significant impacts associated with any possible COVID outbreaks. As passenger activities continue to increase over pre-pandemic levels, OIAA has continued to resume normal operations, fill vacant positions as well as add new staff positions, and has returned to pre-pandemic initiatives.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A

ATTACHMENTS:

1. Cash Disbursement Report (Bills/Payroll) for the month ended April 30, 2023.

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: Kim Snow, Finance Manager

Originating Dept.: Finance and Accounting

Director Review: N/A

Chief Review: Chief Financial Officer John Schubert



CEO Approval:



This Agenda Report has been reviewed by OIAA General Counsel.

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BOARD DISPOSITION: Approved Denied Continued to _____



MEETING DATE: MAY 25, 2023

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: COMMISSIONER'S STIPENDS AS REQUIRED BY AUTHORITY BYLAWS

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Approve additional stipends per Article IV, Section 6 of the Authority's Bylaws for President Wapner and Commissioner Hagman for the month of April, 2023.

FISCAL IMPACT SUMMARY: OIAA operating revenue.

BACKGROUND: Article IV, Section 6 of the Authority's Bylaws states as follows:

"No salary: Reimbursement for Expenses; Stipends. The members of the Commission shall receive no salary but shall be reimbursed for necessary expenses (including mileage in accordance with standard IRS mileage reimbursement rates) incurred in the performance of their duties. Additionally, Commissioners will receive a stipend in the amount of one hundred fifty dollars (\$150.00) for attendance at each Commission meeting, standing committee meeting, ad hoc committee meeting, and any Authority-related business function. A maximum of six (6) stipends are permitted per month. An additional two (2) stipends are permitted with prior approval of the President. More than eight (8) stipends per month will require approval by the full Commission."

During the month of April 2023, President Wapner attended three (3) additional Authority-related business functions. Commissioner Hagman attended one (1) additional Authority-related business function. Full Commission approval is needed to approve payment of these additional stipends.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

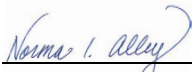
SCHEDULE: N/A

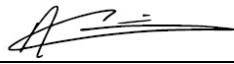
ATTACHMENTS: N/A

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: Executive Office Staff

Originating Dept.: Executive Office

Director Review: 

Chief Review: 

CEO Approval: 

This Agenda Report has been reviewed by OIAA General Counsel.

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BOARD DISPOSITION: Approved Denied Continued to _____



MEETING DATE: MAY 25, 2023

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: RESOLUTION UPDATING THE NON-EXCLUSIVE AIR CARRIER OPERATING PERMIT

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Approve a resolution updating the Non-Exclusive Air Carrier Operating Permit (Permit) and authorizing the Chief Executive Officer (CEO) to make minor amendments to the Permit.

FISCAL IMPACT SUMMARY: There is currently no fiscal impact with this change as the current financial procedures have already been changed internally. This change ensures the Permit is updated to match existing business operations and procedures.

BACKGROUND: September 26, 2017, the Ontario International Airport Authority (OIAA) Board of Commissioners adopted Resolution No. 2017-12 authorizing the CEO to issue and execute Non-Exclusive Air Carrier Operating Permits to air carriers who transport passengers and/or cargo for compensation from/to Ontario International Airport (ONT) more than six (6) times in a calendar year. Such air carriers that do not execute an Operating Use and Terminal Lease Agreement are all considered Non-Signatory Air Carriers and must execute a Non-Exclusive Air Carrier Operating Permit with the OIAA.

Signatory Air Carriers and Non-Signatory Carriers are differentiated in multiple ways, including their financial and term commitment to the airport. Signatory Air Carriers receive certain benefits such as being party to the mid-year and annual true-up of terminal rates and landing fees for their longer-term commitment to the airport. While Non-Signatory Air Carriers do not receive such benefits, the Non-Exclusive Operating Permit does not reflect such differences and therefore needs to be updated.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: The issuance or approval of leases, agreements, renewals, amendments, or extension thereof, granting use of an existing facility at a public airport, involving negligible or no expansion of use is exempt from the requirements of the California Environment Quality Act (CEQA). In addition, to the extent any alteration of facilities occurs, CEQA Guidelines section 15301 provides an exemption for minor alterations to existing structures or facilities involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination.

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A

ATTACHMENTS:


1. Resolution No. 2023-09

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: Annie Lin

Originating Dept.: Revenue Management, Airline Affairs and Properties

Director Review: N/A

Chief Review: 

CEO Approval: 

This Agenda Report has been reviewed by OIAA General Counsel.

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BOARD DISPOSITION: Approved Denied Continued to _____

RESOLUTION NO. 2023-09

**A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT
AUTHORITY AMENDING RESOLUTION NO. 2017-12 APPROVING AN
UPDATED NON-EXCLUSIVE AIR CARRIER OPERATING PERMIT AT
ONTARIO INTERNATIONAL AIRPORT**

WHEREAS, on September 28, 2017, the Commission of the Ontario International Airport Authority (“OIAA”) approved Resolution No. 2017-12 authorizing the Chief Executive Officer (“CEO”) to issue and execute Non-Exclusive Air Carrier Operating Permits (“Permit”) at Ontario International Airport, approving and adopting form of such Permit; and

WHEREAS, the financial processes have changed and the Permit should also be updated to match the OIAA’s existing business operations.

NOW, THEREFORE, BE IT RESOLVED by the Ontario International Airport Authority Commission as follows:

SECTION 1. The Ontario International Airport Authority Commission hereby amends Resolution No. 2017-12, approving and adopting a new Non-Exclusive Air Carrier Operating Permit, attached as Exhibit “A”, and by this reference incorporated. The CEO shall continue to have the authority to make minor amendments to the Non-Exclusive Air Carrier Operating Permit to address evolving operational needs at the Ontario International Airport.

SECTION 2. Effective Date. This Resolution will take effect immediately upon its adoption.

SECTION 3. Certification. The Secretary/Assistant Secretary shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED at a Regular Meeting this 25th day of May, 2023.

DR. RONALD O. LOVERIDGE, OIAA VICE PRESIDENT

ATTEST:

NORMA I. ALLEY, MMC, ASSISTANT SECRETARY

APPROVED AS TO LEGAL FORM:

LORI D. BALLANCE, GENERAL COUNSEL

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, Norma I. Alley, MMC, Board Clerk/Assistant Secretary of the Ontario International Airport Authority, DO HEREBY CERTIFY the foregoing Resolution No. 2023-09 is the original and was duly passed and adopted by the Commission of the Ontario International Airport Authority at their Regular Meeting held May 25, 2023, by the following roll call vote, to wit:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

NORMA I. ALLEY, MMC
BOARD CLERK/ASSISTANT SECRETARY

(SEAL)



MEETING DATE: MAY 25, 2023

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: ENVIROSUITE, INC., SOLE SOURCE AGREEMENT

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to execute a five-year contract with five, one-year extension with Envirosuite, Inc., and authorize the CEO to exercise the five, one-year extensions to support the Airport Noise and Operations Monitoring System (ANOMS) at Ontario International Airport (ONT), in an amount not to exceed \$1,986,209.70 over the ten-year contract.

FISCAL IMPACT SUMMARY: Funds for this contract extension are requested in the FY 2022-2023 OIAA operating budget. Funding for subsequent years will be requested as part of the annual budget process.

BACKGROUND: ONT currently contracts with Envirosuite, Inc. (formerly known as EMS Bruel and Kjaer Inc) for ongoing maintenance and support services for ONT (ANOMS), the key tool staff uses to comply with state airport noise standards (California Code of Regulations, Title 21, Section 5000, et seq.). ANOMS capture noise data using permanently installed noise monitors in communities surrounding the airport, and correlates aircraft noise events with aircraft operations data obtained by ANOMS from the Federal Aviation Administration (FAA) radar system and/or from PASSUR (Passive Surveillance Radar) data. Staff uses ANOMS to measure the aircraft noise levels and reports the Noise Impact Area for the airport on a quarterly basis.

ONT ANOMS has served as the noise abatement program since 2004 and has become increasingly sophisticated in its technology and components. The system allows ONT's noise office to provide customer service on community complaints, to measure aircraft noise impact areas, and to monitor aircraft compliance with noise abatement procedures and programs.

The airport noise office requires professional support services for the operation of ANOMS which includes equipment, subscriptions, and software programs. In order to obtain support services for operations, staff is seeking board authorization to enter into a new five-year agreement, with up to five annual extensions, with the current service provided, Envirosuite, Inc. In addition, new equipment will be purchased as part of this contract to replace older equipment that is becoming obsolete, specifically 9 permanent noise monitors. The noise monitors are used to generate ONT's annual noise contours for the State of California Title 21 Report, required by State Law.

The proposed action includes a capital expenditure budget not exceeding \$350,000 for equipment included in the FY2023-2024 airside operating budget. The proposed action includes the operating expense budget not to

exceed \$1,080,000 for the initial five years, which will be included in the operating budget across FY2023-2024 through FY 2027/2028, and an additional operating expense budget not to exceed \$1,005,000 for the five one-year extensions that will be in the future airside operating budget across FY2028/2029 through FY 2031/2032, not to exceed an overall cost of \$2,085,000.

PROCUREMENT: Envirosuite’s mark-leading monitoring systems for noise and operations are used by more than 230 airports worldwide, including 50+ airports in North America, 14 in California, and all of the primary southern California airports (SNA, LGB, BUR, SAN, and LAX). Envirosuite is the exclusive provider to ANOMS solutions to those airports in California requiring Title 21 certification and Compliance. ANOMS includes equipment that runs with proprietary software. Envirosuite, Inc., is the only company that can provide the necessary support services to maintain the system and provide software updates and integration. Operations staff recommend contracting with Envirosuite, Inc. commencing a new agreement that would begin July 1, 2023, based on negotiated services and fees.

CEQA COMPLIANCE AND LAND USE APPROVALS: Issuance of permits, leases, agreements, and renewals, amendments or extensions thereof, or other entitlements granting use of an existing airport facility involving negligible or no expansion of use and/or alteration or modification of the facilities or its operations beyond that previously existing or permitted is exempt from the requirements of the California Environmental Quality Act (CEQA).

STAFFING IMPACT (# OF POSITIONS): The proposed action will not create any permanent OIAA positions.

IMPACT ON OPERATIONS: This action will not impact ONT operations.

SCHEDULE: N/A


ATTACHMENTS:


1. Sole Source Justification Form

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: Dennis Anderson, Director of Operations

Originating Dept.: Operations

Director Review: 

Chief Review: 

CEO Approval: 

This Agenda Report has been reviewed by OIAA General Counsel. The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein, which are not attached or posted online, may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Board. Office hours are 8:30 a.m. to 5:00 p.m., Monday through Friday, although these hours and review procedures may be modified. In that case, the documents may be requested by email at clerk@flyontario.com.

BOARD DISPOSITION: Approved Denied Continued to _____

Sole Source Procurement Justification Form

Full and open competition should be the objective in public procurement, but it is not always possible or practicable. In procuring goods and services, staff may determine that the most valuable purchase to the Airport may only be available from one vendor due to technological, specialized, or other unique characteristics. Otherwise, as long as there is more than one potential vendor available to satisfy a given need, there exists insufficient justification for a sole source procurement.

Request for approval of a Sole Source Procurement must be justified in writing by the initiator and approved by the appropriate approval authority. The Chief Executive Officer may authorize Sole Source Procurements up to \$100,000. Requests for Sole Source procurements in excess of \$100,000 must be approved by Ontario International Airport Authority. Requests for Sole Source approval are routed from the Board of Commissioners for the Requesting Department through the Procurement Department and the Chief Administrative Officer.

The following factors are among those that constitute justifications for sole source purchases:

- The vendor is determined to be the only known source after solicitation of several sources or after competitive bids; competition is determined to be inadequate.
- The item can only be procured directly from the original manufacturer or sole representative of the item in the Airport's geographical region.
- There is a reasonable basis for concluding the Airport's minimum needs can only be satisfied by unique supplies or services, and the vendor demonstrated a distinctive qualification due to
 - an innovative concept or a unique capability to provide the particular services proposed;
 - proven expertise or specialized knowledge in a field of few known experts,
 - previous experience providing similar services to the airport resulting in an understanding of the airport's immediate needs and practices increasing the likelihood of greater efficiency and success.
- Using an equivalent piece of equipment or commodity would require modifications to existing equipment, necessitate engineering re-design, or require voiding of a warranty.
- Supplies may be deemed available only from the original source in the case of a follow-on contract for the continued development or production of a major system or highly specialized equipment, including significant components thereof, when it is likely that award to any other source would result in:
 - Substantial duplication of cost to the Airport that is not expected to be recovered through competition,
 - or
 - Unacceptable delays in fulfilling the Airport's requirements
- Airport property is released to a proven vendor who must dismantle equipment in order to assess repair needs and it is not practical or feasible to obtain competitive pricing for repair.
- Limited rights in data, patent rights, copyrights, or secret processes exist.
- When in accordance with the Airport's standardization program, only specified makes and models of technical equipment and parts will satisfy the Airport's needs for additional units or replacement items, and only one source is available.
- The item is one with which staff members who will use the item have specialized training and/or expertise, and retraining would incur substantial costs in time and/or money.
- Purchase of property for which it is determined there is no functional equivalent.

- The existence of an unusual and compelling urgency with potentially severe repercussions for the Airport resulted in the impracticality of a competitive purchase process.
- When the Airport determines, with the advice of legal counsel, that seeking competition would not produce an advantage, the Airport may waive competitive bidding requirements.

Please provide detailed justification below and furnish the necessary documentation. Attach additional sheets as necessary.

Vendor: Envirosuite, Inc

Goods/Services: Aircraft Noise & Operations Management System [Click or tap here to enter text.](#)

Justification: The item can only be procured directly from the original manufacturer or sole representative of the item in the Airport’s geographical region. Envirosuite’s mark-leading monitoring systems for noise and operations are used by more than 230 airports worldwide, including 50+ airports in North America, 14 in California, and all of the primary southern California airports (SNA, LGB, BUR, SAN, and LAX). Envirosuite is the exclusive provider to ANOMS solutions to those airports in California requiring Title 21 certification and Compliance. ANOMS includes equipment that runs with proprietary software. Envirosuite, Inc., is the only company that can provide the necessary support services to maintain the system and provide software updates and integration. The Operations staff recommend contracting with Envirosuite, Inc. commencing a new agreement that would begin July 1, 2023, based on negotiated services and fees.

Submitted by:

Name: James Kesler

Title: Chief Operations Officer

Signature:



Date: 3 MAY 23

Reviewed by:

Name: Luis Medina

Title: Procurement Manager

Signature:



Date: 5/4/2023

Authorized by:

Name: Jamaal Avilez

Title: Chief Administration Officer

Signature:



Date: 5/3/23



MEETING DATE: MAY 25, 2023

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: TBI AIRPORT MANAGEMENT CONTRACT AMENDMENT

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to execute the First Contract Amendment to add additional services and increase the contractual authority for the OIAA’s existing TBI Airport Management (TBI) agreement, Contract No. SCONT-000082, by 15% of the annual reimbursable expenses related to the additional services not to exceed \$730,000.

FISCAL IMPACT SUMMARY: Funds for this contract have been requested in the FY2023/2024 OIAA operating budget. Funding for subsequent years will be requested as part of the annual budget process.

BACKGROUND: The contract for operations and maintenance services for ONT was entered into on February 1, 2018. The contract provided for a management fee of \$600,000 with an annual Consumer Price Index (CPI) adjustment after each one-year anniversary in addition to reimbursable expense as defined by the contract. In consideration for new services provided, the OIAA will compensate TBI the management fee for original services plus 15% of the annual reimbursable expenses related to the additional services, prorated commencing on the effective date of the amendment, and annually thereafter until this agreement expires or is earlier terminated. The fixed fee shall be adjusted annually to reflect an increase in the CPI. No adjustment shall exceed a maximum of five percent (5%) per anniversary year unless agreed upon however if the CPI is higher than five percent (5%) and the subsequent anniversary year is lower than five percent (5%) the fixed fee will be caught up to the cumulative prior CPI for which TBI was unable to obtain and adjustment due to the five percent (5%) annual maximum. TBI has been engaged to provide airport operations and airfield maintenance management at the Ontario International Airport (ONT) and will now provide additional services for the management of certain Airport terminal operations and activities as well as for the Airport Control Center. TBI is uniquely qualified, experienced, and familiar with Airport operations to perform these additional services required by the OIAA.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: Additional scope is not a “project” under California Environmental Quality Act (CEQA) and does not require environmental review.

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: The additional scope of work will increase safety, security and customer experience by assisting to ensure compliance with TSA, FAA, CBP and other government regulatory requirements.


SCHEDULE: N/A

ATTACHMENTS: None

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: Dennis Anderson, Director of Operations

Originating Dept.: Operations

Director Review: 

Chief Review: 

CEO Approval: 

This Agenda Report has been reviewed by OIAA General Counsel.

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BOARD DISPOSITION: Approved Denied Continued to _____



MEETING DATE: MAY 25, 2023

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: TRACTORS AND MOWERS PURCHASE

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S):

1. Authorize the Chief Executive Officer (CEO) to execute an agreement with Pape' Machinery, Inc. in the amount of \$334,442.18 for the purchase of three (3) John Deere tractors and three (3) flex wing mowers.
2. Approve an increase of the Capital Improvement Program budget of \$100,000 to cover the additional cost for the purchase of these tractors and mowers.

FISCAL IMPACT SUMMARY: Funds to acquire tractors totaling \$200,000 were approved in the FY2023 Capital Improvement Program budget. An additional \$100,000 is requested to cover the additional cost of the three (3) mowers. Funding for the equipment is recovered annually from airline rates and charges over the estimated useful lives of the equipment.

BACKGROUND: The existing OIAA tractors and mowers used for airfield maintenance have exceeded their useful life cycle and require replacement. Tractors (D-1421, D-1767, O-0061) and mowers (D-1520, D1768, O-0060) are more than 11 years old with high usage requiring additional maintenance due to unanticipated repairs, breakdowns, and worn mechanical parts. Aging equipment tends to become more inefficient due to the wear and tear on the engine components. New/replacement vehicles are more dependable, easier to maintain, and more fuel-efficient. The new tractors and mowers will be used by utility workers to perform airfield maintenance which is imperative to maintain a safe and efficient runway for aircraft, airlines, and the traveling public. The new/replacement tractors and mowers will ensure reliable equipment for staff that meets the needs of the airport and the department.

Therefore, staff recommends the replacement of these tractors and mowers and a purchase to avoid costly repairs and to maximize the resale value of the salvaged equipment.

PROCUREMENT: The OIAA will utilize two Cooperative Agreements for the acquisition of the tractors. The California Department of General Services Contract 4-07-23-0007C will be used to purchase three (3) John Deere 6110E tractors at a considerably reduced rate of \$220,213.46. In addition, the OIAA will utilize Sourcewell Contract 110719-JDC to purchase three (3) John Deere FC15R Flex Wing Mowers at a reduced rate of \$103,293.95. Additional parts for this equipment at \$2,284.77 and shipping of \$8,650.00 to Pape' Machinery Inc in Woodland, CA, are also included in this purchase. Pape' Machinery Inc. was the most responsive and

responsible vendor during the inquiry of services for this request. Pape' was able to provide all six (6) pieces of equipment in FY2023. Therefore, staff recommends that the Commission authorize the CEO to execute an agreement with Pape' Machinery, Inc. in the amount of \$334,442.18, which includes shipping and applicable sales tax, to purchase the equipment.

CEQA COMPLIANCE AND LAND USE APPROVALS: This item is exempt from CEQA under the general rule that, "CEQA applies only to projects which have the potential for causing a significant effect on the environment." (CEQA Guidelines, §15061(b)(3).)

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: Not applicable


SCHEDULE: The order will be placed at the end of May, 2023, with delivery/acceptance of the tractors and mowers by the OIAA anticipated in June 2023.


ATTACHMENTS: None.

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: Dennis Anderson, Director of Operations

Originating Dept.: Operations

Director Review: 

Chief Review: 

CEO Approval: 

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BOARD DISPOSITION: Approved Denied Continued to _____



MEETING DATE: MAY 25, 2023

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: FINANCIAL STATEMENTS FOR NINE MONTHS ENDED MARCH 31, 2023

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Receive and file financial statements for the nine months ended March 31, 2023.

FISCAL IMPACT SUMMARY: The OIAA's increase in net position excluding capital contributions exceeded the budget by \$8.0M (58.4%), which was primarily the result of a favorable variance in the operating expense budget of \$8.5M (12.9%). The favorable operating expense variance was driven by a lag in ramping up operations, and related costs compared to planned activities.

BACKGROUND: Aviation Activity and Financial Statements: In June 2022, the OIAA Board of Commissioners adopted an operating budget that was driven by strong aviation activity and financial performance realized by OIAA in FYE 2022. The operating budget was developed from OIAA goals and objectives and includes significant increases in resources to meet current and expected near term growth. The budget FYE 2023 assumes that there will be no significant impacts associated with any possible COVID outbreaks. As passenger activities continue to increase over prior year levels, OIAA has continued to resume normal operations, fill vacant positions as well as add new staff positions, and has returned to pre-pandemic initiatives.

The attached financial statements reflect these industry and economic conditions, as well as the OIAA's efforts to meet these conditions.

Aviation Activity: Aviation activity is measured predominately as a function of commercial enplanements and landed weights as these activities act as direct and indirect drivers of most operating revenues for the Airport.

Enplanements are a measurement exclusive to passenger carriers, and directly and indirectly impact all concession revenues, Passenger Facility Charge (PFC) revenues, and Customer Facility Charge (CFC) revenues. Enplanements for the nine months ended March 31, 2023 totaled 2.2M, which exceeded the budgeted amount by 31K (1.4%). Enplanements for the nine months ended March 31, 2023 were 221K (11.1%) higher than the same period in the prior fiscal year.

Landed weight (in thousand-pound units) for the nine months ended March 31, 2023 totaled 6.4M, which was unfavorable to budget by 87K (1.3%). Landed weight for the nine months ended March 31, 2023 was 150K (2.4%) higher than the same period in the prior fiscal year. The increase in landed weight over the prior fiscal year was due to an increase in passenger activity offset by a decrease in cargo activity. Passenger landed weight for the

nine months ended March 31, 2023 exceeded the budget by 88K (3.6%) and was 278K (12.3%) higher than the same period in the prior fiscal year. Cargo landed weight for the nine months ended March 31, 2023 was unfavorable to budget by 175K (4.3%) and was 129K (3.2%) lower than the same period in the prior fiscal year.

Financial Results Compared to Budget for the Nine Months Ended March 31, 2023

Operating Revenues: For the nine months ended March 31, 2023, operating revenues excluding operating grants were favorable to budget by \$4.5M (6.3%). This was the result of favorable variances in aeronautical and nonaeronautical revenues excluding operating grants offset by an unfavorable variance in operating grants.

Aeronautical revenues exceeded the budget by \$2.6M (7.2%). Facilities rent was favorable to budget by \$41K (0.3%). Land rent exceeded the budget by \$1.2M (12.0%), which was primarily the result of additional rents earned by the OIAA during peak season. Airline fees exceeded the budget by \$1.5M (45.3%), which was primarily the result of increased passenger operations, additional revenue received for contract services, and the addition of CLEAR in both terminals. Landing fees were unfavorable to budget by \$107K (1.0%), which was primarily the result of a decrease in cargo landed weight.

Nonaeronautical revenues excluding operating grants were favorable to budget by \$1.9M (5.3%). Nonaeronautical facilities and land rent exceeded the budget by \$73K (7.4%), which was primarily due to rent recoveries. Non-airline terminal rent exceeded the budget by \$112K (11.7%), which was primarily due to new customer contracts for rented space. Total concession revenues of \$34.1M exceeded the budget by \$1.1M (3.4%) and were primarily the result of increases in passenger parking activity. Concession revenue favorable variances include auto parking revenues of \$1.4M (6.7%) and other concessions revenue of \$633K (30.1%). Concession revenue unfavorable variances include rental cars of \$671K (8.7%), food and beverage of \$210K (19.4%), and gifts and news of \$16K (1.1%). The unfavorable variance to budget for food and beverage is primarily due to incentives provided to a concessionaire during the period of time when those services were being transitioned to a new vendor. The unfavorable food and beverage variance is partially offset by increased hours of operations by food and beverage outlets. Operating grants were unfavorable to budget by \$4.6M (93.6%), which was primarily the result of budgeted operating grant funds for the American Rescue Plan Act of 2021 (ARPA) for which OIAA has not requested any reimbursement. The total ARPA grant awarded to OIAA was \$24.8M and the OIAA has a \$24.8M balance in grant funds remaining.

Operating Expenses: Total operating expenses of \$57.4M were favorable to budget by \$8.5M (12.9%), which was primarily the result a lag in ramping up operations, and related costs compared to planned activities. There were favorable variances in all operating expense categories. Favorable operating expense variances included personnel of \$215K (2.4%), public safety of \$304K (1.9%), contractual services of \$5.2M (19.6%), insurance and administration of \$191K (12.6%), materials and supplies of \$861K (58.3%), telecommunications and utilities of \$608K (11.1%), and other operating expenses of \$1.1M (18.5%). The favorable variance to budget for contractual services, materials and supplies, and other operating expenses are due to timing differences in increasing operations and those related costs compared to planned activities.

Nonoperating Revenues and Expenses: Net nonoperating revenues were favorable to budget by \$514K (6.5%), which was primarily the result of higher-than-expected passenger carrier activity resulting in PFC revenues favorable to budget by \$354K (4.2%). Net investment income exceeded the budget by \$439K (758.9%). The net investment income is associated with an unanticipated unrealized loss from the OIAA's investment in the California Treasury Local Agency Investment Fund (LAIF) offset by higher-than-expected interest returns. Unrealized gains and losses are attributable to temporary changes in market conditions. The favorable variance in net nonoperating revenues was offset by an unfavorable variance in CFC Revenues of \$89K (3.5%).

Financial Results Compared to Prior Fiscal Year for the Nine Months Ended March 31, 2023

Operating Revenues: For the nine months ended March 31, 2023, operating revenues excluding operating grants exceeded the same period in the prior fiscal year by \$7.0M (10.2%). This was the result of favorable variances in aeronautical and nonaeronautical revenues excluding operating grants offset by an unfavorable variance in operating grants.

Aeronautical revenues exceeded the same period in the prior fiscal year by \$2.9M (8.2%). There were favorable variances in all aeronautical revenue categories. Landing fees increased by \$578K (5.7%). Facilities rent increased by \$657K (5.7%). Land rent increased by \$77K (0.7%). Airline fees increased by \$1.6M (50.3%).

Nonaeronautical revenues excluding operating grants exceeded the same period in the prior fiscal year by \$4.1M (12.3%). Nonaeronautical facilities and land rent increased by \$77K (7.8%), which was primarily due to rent recoveries. Non-airline terminal rent increased by \$75K (7.6%), which was primarily due to new customer contracts for rented space. Total concession revenues of \$34.1M increased by \$4.0M (13.4%) and were primarily the result of increases in passenger parking activity. Concession revenue increases include auto parking revenues of \$3.2M (16.8%), gifts and news of \$192K (15.3%), and other concessions revenue of \$1.0M (62.2%). Concession revenue decreases include rental cars of \$141K (2.0%) and food and beverage of \$239K (21.5%). The food and beverage revenue decrease was primarily due to incentives provided to a concessionaire during the current fiscal year for the period of time when those services were being transitioned to a new vendor. The unfavorable food and beverage variance is partially offset by increased hours of operations by food and beverage outlets. Operating grants decreased by \$5.0M (94.0%) compared to the same period in the prior fiscal year. The OIAA has not requested reimbursement for the ARPA grant in the current fiscal year. In the prior fiscal year, the OIAA recognized the grant revenues awarded to the OIAA under the Coronavirus Response and Relief Supplemental Appropriation Act (CRRSA Act).

Operating Expenses: For the nine months ended March 31, 2023, total operating expenses of \$57.4M exceeded the same period in the prior fiscal year by \$5.8M (11.1%). Operating expenses are higher in the current fiscal year compared to the same period in the prior fiscal year primarily as a result of new staff positions resulting in personnel expenses increasing by \$2.4M (36.6%). Other operating expense increases include public safety of \$1.1M (7.9%), contractual services of \$834K (4.1%), insurance and administration of \$266K (25.2%), telecommunications and utilities of \$788K (19.3%), and other operating expenses of \$408K (9.2%). As passenger activities continue to increase over prior year levels, OIAA has continued to resume normal operations, fill vacant positions as well as add new staff positions, and has returned to pre-pandemic initiatives.

Nonoperating Revenues and Expenses: Net nonoperating revenues exceeded the same period in the prior fiscal year by \$2.1M (34.1%), which was primarily the result of increases in passenger activities. PFC revenues increased by \$1.1M (13.9%). CFC revenues increased by \$129K (5.6%). Net investment income increased by \$789K (270.2%). The net investment income is associated with recoveries experienced in the current fiscal year from larger unanticipated unrealized losses in the prior fiscal year from the OIAA's investment in the California Treasury Local Agency Investment Fund (LAIF). These recoveries were also experienced in larger current fiscal year interest returns. Unrealized gains and losses are attributable to temporary changes in market conditions.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: The financial results provide additional resources for the OIAA to respond to increased passenger activity.

SCHEDULE: N/A

ATTACHMENTS:

1. OIAA Financial Statements for the Nine Months Ended March 31, 2023

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: N/A

Originating Dept.: Financial Accounting and Reporting

Director Review: N/A

Chief Review: John M. Schubert, Chief Financial Officer



CEO Approval: 

This Agenda Report has been reviewed by OIAA General Counsel.

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BOARD DISPOSITION: Approved Denied Continued to _____

FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED
MARCH 31, 2023 AND 2022

ONTARIO INTERNATIONAL AIRPORT AUTHORITY



ONTARIO INTERNATIONAL AIRPORT AUTHORITY
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FOR THE NINE MONTHS ENDED MARCH 31, 2023 AND 2022

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ONTARIO INTERNATIONAL AIRPORT AUTHORITY
STATEMENTS OF NET POSITION (UNAUDITED)
MARCH 31, 2023 AND 2022

	2023	2022
ASSETS		
Current Assets:		
Unrestricted Assets:		
Cash and Cash Equivalents	\$ 67,248,879	\$ 82,461,148
Accounts Receivable, Net of Allowance for Doubtful Accounts of \$353,625 and \$564,272 as of March 31, 2023 and 2022, Respectively	9,632,027	6,614,847
Grants Receivable	5,071,331	8,410,551
Leases Receivable – Current	622,472	622,472
Interest Receivable	223,393	25,827
Prepaid Expenses	3,533,367	3,395,152
Total Unrestricted Current Assets	86,331,469	101,529,997
Restricted Assets:		
Cash and Cash Equivalents	86,206,278	81,116,001
Accounts Receivable	1,820,385	1,456,745
Total Restricted Current Assets	88,026,663	82,572,746
Total Current Assets	174,358,132	184,102,743
Noncurrent Assets:		
Leases Receivable – Noncurrent	3,274,500	3,274,500
Capital Assets:		
Not Depreciated or Amortized	91,327,268	86,675,414
Depreciated and Amortized, Net of Accumulated Depreciation and Amortization of \$32,959,322 and \$25,873,382 as of March 31, 2023 and 2022, Respectively	87,987,502	62,127,825
Net Capital Assets	179,314,770	148,803,239
Total Noncurrent Assets	182,589,270	152,077,739
TOTAL ASSETS	\$ 356,947,402	\$ 336,180,482

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
STATEMENTS OF NET POSITION (UNAUDITED) – CONTINUED
MARCH 31, 2023 AND 2022

	2023	2022
LIABILITIES		
Current Liabilities:		
Payable From Unrestricted Assets:		
Accounts Payable	\$ 5,374,150	\$ 3,766,600
Accrued Expenses	10,085,461	7,144,442
Accrued Payroll and Vacation	978,133	958,472
Accrued Interest	1,763,732	1,865,485
Customer Deposits	580,988	614,697
Due to Airlines	13,843,432	11,671,580
Unearned Revenues	5,766,871	9,257,937
Current Portion of Long-Term Debt	5,938,771	6,913,461
Total Unrestricted Current Liabilities	44,331,538	42,192,674
Noncurrent Liabilities:		
Payable From Unrestricted Assets:		
Long-Term Debt:		
Bonds Payable – Series 2016	17,505,000	22,960,000
Revenue Bonds – Series 2021, Including Bond Premium of \$19,799,909 and \$20,667,895 as of March 31, 2023 and 2022, Respectively	123,139,909	124,007,895
Other Notes and Financed Obligations	-	3,608,657
Total Unrestricted Noncurrent Liabilities	140,644,909	150,576,552
Total Liabilities	184,976,447	192,769,226
DEFERRED INFLOW OF RESOURCES		
Deferred Inflow of Resources – Leases	3,896,972	3,896,972
Total Deferred Inflow of Resources	3,896,972	3,896,972
Total Liabilities and Deferred Inflow of Resources	188,873,419	196,666,198
NET POSITION		
Net Investment in Capital Assets	89,476,583	48,058,719
Restricted	31,281,170	25,827,253
Unrestricted	47,316,230	65,628,312
Total Net Position	168,073,983	139,514,284
TOTAL LIABILITIES AND NET POSITION	\$ 356,947,402	\$ 336,180,482

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
 STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – QUARTER (UNAUDITED)
 FOR THE QUARTERS ENDED MARCH 31, 2023 AND 2022

	FOR THE QUARTER ENDED MARCH 31, 2023		VARIANCE FAVORABLE (UNFAVORABLE)		MARCH 31, 2022
	BUDGET	ACTUAL	\$	%	ACTUAL
OPERATING REVENUES					
Aeronautical:					
Landing Fees	\$ 3,291,998	\$ 3,260,013	\$ (31,985)	(1.0) %	\$ 2,618,772
Facilities Rent	4,026,570	4,150,821	124,251	3.1	3,151,730
Land Rent	3,214,380	3,504,233	289,853	9.0	3,491,438
Airline Fees	1,067,230	1,518,600	451,370	42.3	1,225,971
Total Aeronautical Revenues	11,600,178	12,433,667	833,489	7.2	10,487,911
Nonaeronautical:					
Facilities and Land Rent	330,375	337,446	7,071	2.1	340,936
Non-Airline Terminal Rent	317,903	369,155	51,252	16.1	318,430
Concessions:					
Auto Parking	6,371,640	6,868,240	496,600	7.8	5,426,427
Rental Cars	2,373,266	2,274,413	(98,853)	(4.2)	2,275,451
Food and Beverage	333,436	254,495	(78,941)	(23.7)	401,375
Gifts and News	449,910	450,987	1,077	0.2	356,467
Other Concessions	646,448	923,533	277,085	42.9	638,908
Operating Grants	1,643,750	98,706	(1,545,044)	(94.0)	5,154,816
Other Nonaeronautical Revenues	137,527	322,433	184,906	134.5	400,834
Total Nonaeronautical Revenues	12,604,255	11,899,408	(704,847)	(5.6)	15,313,644
Total Operating Revenues	24,204,433	24,333,075	128,642	0.5	25,801,555
OPERATING EXPENSES					
Personnel	3,009,826	3,147,577	(137,751)	(4.6)	2,361,464
Public Safety	5,293,929	5,192,540	101,389	1.9	4,812,363
Contractual Services	9,027,941	7,114,067	1,913,874	21.2	7,190,514
Insurance and Administration	536,865	442,124	94,741	17.6	274,570
Materials and Supplies	479,946	203,381	276,565	57.6	250,207
Telecommunications and Utilities	1,823,274	1,418,837	404,437	22.2	1,157,657
Other Operating Expenses	2,003,676	1,435,616	568,060	28.4	1,403,102
Total Operating Expenses	\$ 22,175,457	\$ 18,954,142	\$ 3,221,315	14.5 %	\$ 17,449,877

Quarterly Financial Statements

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
 STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – QUARTER (UNAUDITED) – CONTINUED
 FOR THE QUARTERS ENDED MARCH 31, 2023 AND 2022

	FOR THE QUARTER ENDED MARCH 31, 2023		VARIANCE FAVORABLE (UNFAVORABLE)		MARCH 31, 2022
	BUDGET	ACTUAL	\$	%	ACTUAL
Net Operating Income Before Depreciation and Amortization	\$ 2,028,976	\$ 5,378,933	\$ 3,349,957	165.1 %	\$ 8,351,678
Depreciation and Amortization	1,513,999	2,323,037	(809,038)	(53.4)	1,385,995
Net Operating Income	514,977	3,055,896	2,540,919	493.4	6,965,683
NONOPERATING REVENUES (EXPENSES)					
Investment Income (Loss), Net	19,285	395,167	375,882	1,949.1	(423,156)
Passenger Facility Charges	2,621,027	2,769,772	148,745	5.7	2,103,247
Customer Facility Charges	783,514	812,468	28,954	3.7	726,544
Interest Expense	(1,066,795)	(1,066,795)	-	-	(1,138,235)
Debt Issuance Costs	-	(190,000)	(190,000)	-	-
Gain on Disposition of Assets	-	2,815	2,815	-	22,216
Total Nonoperating Revenues, Net	2,357,031	2,723,427	366,396	15.5	1,290,616
Net Income Before Capital Contributions	2,872,008	5,779,323	2,907,315	101.2	8,256,299
CAPITAL CONTRIBUTIONS					
Federal Grants and Other	-	1,490,294	1,490,294	-	3,789,897
Increase in Net Position	2,872,008	7,269,617	4,397,609	153.1	12,046,196
TOTAL NET POSITION – BEGINNING OF QUARTER	153,247,808	160,804,366	7,556,558	4.9	127,468,088
TOTAL NET POSITION – END OF QUARTER	\$ 156,119,816	\$ 168,073,983	\$ 11,954,167	7.7 %	\$ 139,514,284

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – YEAR TO DATE (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2023 AND 2022

	FOR THE NINE MONTHS ENDED MARCH 31, 2023		VARIANCE FAVORABLE (UNFAVORABLE)		MARCH 31, 2022
	BUDGET	ACTUAL	\$	%	ACTUAL
OPERATING REVENUES					
Aeronautical:					
Landing Fees	\$ 10,736,891	\$ 10,629,649	\$ (107,242)	(1.0) %	\$ 10,052,495
Facilities Rent	12,170,582	12,211,654	41,072	0.3	11,554,902
Land Rent	9,643,140	10,804,448	1,161,308	12.0	10,727,042
Airline Fees	3,312,445	4,811,475	1,499,030	45.3	3,200,633
Total Aeronautical Revenues	35,863,058	38,457,226	2,594,168	7.2	35,535,072
Nonaeronautical:					
Facilities and Land Rent	991,125	1,064,391	73,266	7.4	987,831
Non-Airline Terminal Rent	953,711	1,065,638	111,927	11.7	990,727
Concessions:					
Auto Parking	20,672,814	22,063,016	1,390,202	6.7	18,889,190
Rental Cars	7,694,839	7,024,184	(670,655)	(8.7)	7,164,735
Food and Beverage	1,081,835	871,552	(210,283)	(19.4)	1,110,111
Gifts and News	1,459,735	1,443,621	(16,114)	(1.1)	1,252,049
Other Concessions	2,105,003	2,737,800	632,797	30.1	1,688,008
Operating Grants	4,931,252	317,972	(4,613,280)	(93.6)	5,302,016
Other Nonaeronautical Revenues	412,585	974,180	561,595	136.1	1,074,039
Total Nonaeronautical Revenues	40,302,899	37,562,354	(2,740,545)	(6.8)	38,458,706
Total Operating Revenues	76,165,957	76,019,580	(146,377)	(0.2)	73,993,778
OPERATING EXPENSES					
Personnel	9,069,973	8,854,720	215,253	2.4	6,482,320
Public Safety	15,881,787	15,577,700	304,087	1.9	14,431,606
Contractual Services	26,476,043	21,282,630	5,193,413	19.6	20,448,171
Insurance and Administration	1,510,595	1,320,081	190,514	12.6	1,054,433
Materials and Supplies	1,477,338	616,409	860,929	58.3	684,580
Telecommunications and Utilities	5,469,822	4,861,532	608,290	11.1	4,073,344
Bad Debt Expense	-	-	-	-	362
Other Operating Expenses	5,952,464	4,851,792	1,100,672	18.5	4,443,900
Total Operating Expenses	\$ 65,838,022	\$ 57,364,864	\$ 8,473,158	12.9 %	\$ 51,618,716

Quarterly Financial Statements

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – YEAR TO DATE (UNAUDITED) – CONTINUED FOR THE NINE MONTHS ENDED MARCH 31, 2023 AND 2022

	FOR THE NINE MONTHS ENDED		VARIANCE FAVORABLE		MARCH 31, 2022
	MARCH 31, 2023		(UNFAVORABLE)		
	BUDGET	ACTUAL	\$	%	
Net Operating Income Before Depreciation and Amortization	\$ 10,327,935	\$ 18,654,716	\$ 8,326,781	80.6 %	\$ 22,375,062
Depreciation and Amortization	4,541,995	5,391,543	(849,548)	(18.7)	4,568,545
Net Operating Income	5,785,940	13,263,173	7,477,233	129.2	17,806,517
NONOPERATING REVENUES (EXPENSES)					
Investment Income (Loss), Net	57,859	496,923	439,064	758.9	(291,940)
Passenger Facility Charges	8,503,935	8,857,739	353,804	4.2	7,775,262
Customer Facility Charges	2,542,115	2,453,046	(89,069)	(3.5)	2,323,829
Interest Expense	(3,209,861)	(3,209,861)	-	-	(3,591,805)
Debt Issuance Costs	-	(190,000)	(190,000)	-	-
Gain on Disposition of Assets	-	369	369	-	52,716
Total Nonoperating Revenues, Net	7,894,048	8,408,216	514,168	6.5	6,268,062
Net Income Before Capital Contributions	13,679,988	21,671,389	7,991,401	58.4	24,074,579
CAPITAL CONTRIBUTIONS					
Federal Grants and Other	-	3,962,766	3,962,766	-	7,876,074
Increase in Net Position	13,679,988	25,634,155	11,954,167	87.4	31,950,653
TOTAL NET POSITION – BEGINNING OF PERIOD	142,439,828	142,439,828	-	-	107,563,631
TOTAL NET POSITION – END OF PERIOD	\$ 156,119,816	\$ 168,073,983	\$ 11,954,167	7.7 %	\$ 139,514,284

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

SUPPLEMENTAL SCHEDULES OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – BY QUARTER (UNAUDITED) FOR THE YEAR ENDING JUNE 30, 2023

	FOR THE QUARTERS ENDED				FOR THE
	SEPTEMBER	DECEMBER	MARCH 31,	JUNE 30,	YEAR ENDING
	30, 2022	31, 2022	2023	2023	JUNE 30,
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2023
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
OPERATING REVENUES					
Aeronautical:					
Landing Fees	\$ 3,487,797	\$ 3,881,839	\$ 3,260,013	\$ -	\$ 10,629,649
Facilities Rent	3,985,968	4,074,865	4,150,821	-	12,211,654
Land Rent	3,438,349	3,861,866	3,504,233	-	10,804,448
Airline Fees	1,550,572	1,742,303	1,518,600	-	4,811,475
Total Aeronautical Revenues	12,462,686	13,560,873	12,433,667	-	38,457,226
Nonaeronautical:					
Facilities and Land Rent	370,658	356,287	337,446	-	1,064,391
Non-Airline Terminal Rent	338,699	357,784	369,155	-	1,065,638
Concessions:					
Auto Parking	7,724,598	7,470,178	6,868,240	-	22,063,016
Rental Cars	2,356,242	2,393,529	2,274,413	-	7,024,184
Food and Beverage	298,464	318,593	254,495	-	871,552
Gifts and News	501,659	490,975	450,987	-	1,443,621
Other Concessions	785,876	1,028,391	923,533	-	2,737,800
Operating Grants	186,048	33,218	98,706	-	317,972
Other Nonaeronautical Revenues	407,742	244,005	322,433	-	974,180
Total Nonaeronautical Revenues	12,969,986	12,692,960	11,899,408	-	37,562,354
Total Operating Revenues	25,432,672	26,253,833	24,333,075	-	76,019,580
OPERATING EXPENSES					
Personnel	2,709,769	2,997,374	3,147,577	-	8,854,720
Public Safety	5,192,540	5,192,620	5,192,540	-	15,577,700
Contractual Services	6,842,988	7,325,575	7,114,067	-	21,282,630
Insurance and Administration	414,652	463,305	442,124	-	1,320,081
Materials and Supplies	214,935	198,093	203,381	-	616,409
Telecommunications and Utilities	1,966,232	1,476,463	1,418,837	-	4,861,532
Other Operating Expenses	1,392,561	2,023,615	1,435,616	-	4,851,792
Total Operating Expenses	\$ 18,733,677	\$ 19,677,045	\$ 18,954,142	\$ -	\$ 57,364,864

Quarterly Financial Statements

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

SUPPLEMENTAL SCHEDULES OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – BY QUARTER
(UNAUDITED) – CONTINUED
FOR THE YEAR ENDING JUNE 30, 2023

	FOR THE QUARTERS ENDED				FOR THE
	SEPTEMBER	DECEMBER	MARCH 31,	JUNE 30,	YEAR ENDING
	30, 2022	31, 2022	2023	2023	JUNE 30, 2023
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
Net Operating Income Before Depreciation and Amortization	\$ 6,698,995	\$ 6,576,788	\$ 5,378,933	\$ -	\$ 18,654,716
Depreciation and Amortization	1,491,719	1,576,787	2,323,037	-	5,391,543
Net Operating Income	5,207,276	5,000,001	3,055,896	-	13,263,173
NONOPERATING REVENUES (EXPENSES)					
Investment Income (Loss), Net	(93,722)	195,478	395,167	-	496,923
Passenger Facility Charges	3,155,389	2,932,578	2,769,772	-	8,857,739
Customer Facility Charges	814,266	826,312	812,468	-	2,453,046
Interest Expense	(1,077,975)	(1,065,091)	(1,066,795)	-	(3,209,861)
Bond Issuance Costs	-	-	(190,000)	-	(190,000)
Gain (Loss) on Disposition of Assets	5,500	(7,946)	2,815	-	369
Total Nonoperating Revenues, Net	2,803,458	2,881,331	2,723,427	-	8,408,216
Net Income Before Capital Contributions	8,010,734	7,881,332	5,779,323	-	21,671,389
CAPITAL CONTRIBUTIONS					
Federal Grants and Other	1,173,415	1,299,057	1,490,294	-	3,962,766
Increase in Net Position	9,184,149	9,180,389	7,269,617	-	25,634,155
TOTAL NET POSITION – BEGINNING OF QUARTER	142,439,828	151,623,977	160,804,366	-	142,439,828
TOTAL NET POSITION – END OF QUARTER	\$ 151,623,977	\$ 160,804,366	\$ 168,073,983	\$ -	\$ 168,073,983



MEETING DATE: MAY 25, 2023

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: INVESTMENT REPORT FOR THE NINE MONTHS ENDED MARCH 31, 2023

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Receive and file the investment report for the nine months ended March 31, 2023.

FISCAL IMPACT SUMMARY: As of and for the nine months ended March 31, 2023, the OIAA's investment portfolio included a single financial instrument with the California Treasury Local Agency Investment Fund (LAIF). The fair market value (FMV) of the OIAA's investment in LAIF was \$32,697,973, an increase of \$338,782 from the FMV at December 31, 2022 and an increase of \$320,636 from the FMV at June 30, 2022.

Interest earned on the LAIF investment for the nine months ended March 31, 2023, totaled \$507,456. No additional investments in or distributions from LAIF funds were made during the nine months ended March 31, 2023.

BACKGROUND: In October of 2016, the OIAA adopted an investment policy for OIAA's revenues in conformance with federal, state, and other legal requirements, including California Government Code Section 53600 et seq. The objectives of the OIAA's investment policy are safety of principal and enhancement of the economic status of the OIAA. The policy sets forth investment objectives, safekeeping of securities, reporting, competitive bidding, authorization for the purchase and sales of investments, allowable types of investments and an annual policy review. In addition, to and in conformity with the adopted Investment Policy, the OIAA adopted a resolution for the investment of inactive funds in the Local Agency Investment Fund.

The Investment Policy requires that reporting include statements as to the OIAA's compliance with the investment policy, as well as a statement denoting the ability of the OIAA to meet its expenditure requirements for the next six months, or an explanation as to why sufficient money may not be available.

Significant financial aspects of the portfolios' financial position and performance are included in the following table:

Description	Quarter Ended				Balance, Year Ending June 30, 2023
	September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023	
FMV End of Quarter	\$ 32,228,811	\$ 32,359,191	\$ 32,697,973	\$ -	\$ 32,697,973
Interest Receivable	\$ 111,814	\$ 172,249	\$ 223,393	\$ -	\$ 223,393
Interest Earned	\$ 111,814	\$ 172,249	\$ 223,393	\$ -	\$ 507,456
Unrealized Gain (Loss)	\$ (209,933)	\$ 18,566	\$ 166,533	\$ -	\$ (24,834)

Required Investment Policy Statements:

- The investments identified above comply in all material respects with the OIAA's Investment Policy.
- The OIAA has the ability to meet its expenditure requirements for the next six months.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A


ATTACHMENTS: N/A


STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: N/A

Originating Dept.: Financial Accounting and Reporting

Director Review: N/A

Chief Review: John M. Schubert, Chief Financial Officer 

CEO Approval: 

This Agenda Report has been reviewed by OIAA General Counsel.

The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein, which are not attached or posted online, may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Board. Office hours are 8:30 a.m. to 5:00 p.m., Monday through Friday, although these hours and review procedures may be modified. In that case, the documents may be requested by email at clerk@flyontario.com.

BOARD DISPOSITION: Approved Denied Continued to _____

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MEETING DATE: MAY 25, 2023

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: CAPITAL PROJECT EXPENDITURE INCREASE FOR FLEET VEHICLES

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Approve an increase of the Capital Improvement Program project budget for fleet vehicles by \$100,000 and authorize the Chief Executive Officer (CEO) to execute the agreements for the purchase of three new fleet vehicles.

FISCAL IMPACT SUMMARY: Funds for a capital purchase of fleet vehicles in the amount of \$200,000, was approved in the FY2023 Capital Improvement Program budget. An additional \$100,000 is requested to purchase three vehicles. Funding for the vehicles is recovered annually from airline rates and charges over the estimated useful lives of the vehicles.

BACKGROUND: New requirements and needs have arisen in the past fiscal year, which cannot be met by the vehicles in the current OIAA fleet and within the original budget established for this capital project. The purchase of the three vehicles will meet these near-term needs.

PROCUREMENT: Ontario International Airport Authority (OIAA/Authority) will follow a competitive procurement process to acquire the vehicles. Staff will work with the Authority's Procurement Division (Procurement) to establish a suitable pool of vendors to which Staff may reach out and request quotes for the vehicles. If necessary, Procurement may advise on the use of the Authority's public procurement portal. Staff will work with Procurement to assess the quotes submitted by participating vendors and will work to select the vendor that provides the best value to the Authority for the requested vehicles. Procurement will also assess the viability of cooperative/piggyback agreements to secure the vehicles as well. If Procurement determines that a cooperative/piggyback agreement provides the Authority with greater savings of time and money, then Procurement will assist staff with executing those agreements. In either instance, Staff will work to ensure the cost of the items remains under the amount requested herein.

CEQA COMPLIANCE AND LAND USE APPROVALS: This item is exempt from CEQA under the general rule that, "CEQA applies only to projects which have the potential for causing a significant effect on the environment." (CEQA Guidelines, §15061(b)(3).)

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: The vehicles will be purchased from local dealers and OIAA will take delivery on or before June 30, 2023.

ATTACHMENTS: None.

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: James Kesler, Chief Operating Officer

Originating Dept.: Operations

Director Review: N/A

Chief Review:



CEO Approval:



This Agenda Report has been reviewed by OIAA General Counsel.

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BOARD DISPOSITION: Approved Denied Continued to _____



MEETING DATE: MAY 25, 2023

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: HILTACHK MARKETING GROUP CONTRACT AMENDMENT

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to execute the third contract amendment to authorize the media spend and increase by \$1,094,756.00 (for a total contract amount of \$3,094,756 in this fiscal year) in fiscal year 2022-2023 and by \$4,200,000 in fiscal year 2023-2024 (for a total contract amount of \$4,500,000 in fiscal year), for media buys, including but not limited to, targeted digital advertising, out of home, experiential activities, paid social and more.

FISCAL IMPACT SUMMARY: Funding for advertising and media spending was approved under the Fiscal Year 2022-23 budget. Funding for subsequent years will be requested through the annual budget process and spending will be contingent upon approval.

BACKGROUND: Ontario International Airport (ONT) has seen huge success in our media spend thus far and seeks to continue supporting the successful marketing program plan for outbound and inbound catchment areas. The need for consistent media and strategic marketing is paramount to the success of the brand and air service as we position the airport to capture even more of our target audiences. This plan is crucial to continuing the trajectory of growth, increased awareness, and conversion of passenger behavior that assists in revenue increases over time. The airport requires marketing and advertising media buying to assist in raising awareness of ONT products and services, to reinforce build brand loyalty, and to maintain competitive positioning within the industry. Since the beginning of the program, OIAA Marketing has generated over \$34 million in ticket sales revenue to our partner airlines.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: This action item and proposed contract amendment is not a "project" under CEQA.

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A

ATTACHMENTS: None

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: Eren Cello, Chief Marketing and Communications Officer

Originating Dept.: Marketing

Director Review: N/A

Chief Review: 

CEO Approval: 

This Agenda Report has been reviewed by OIAA General Counsel.

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BOARD DISPOSITION: Approved Denied Continued to _____