

# ONTARIO INTERNATIONAL AIRPORT AUTHORITY

## COMMISSION AGENDA – SPECIAL MEETING



**JUNE 24, 2019 AT 9:00 A.M.**

Ontario International Airport Administration Offices  
1923 E. Avion Street, Room 100, Ontario, CA 91761

**ALAN D. WAPNER**  
President

**RONALD O. LOVERIDGE**  
Vice President

**JIM W. BOWMAN**  
Secretary

**CURT HAGMAN**  
Commissioner

**JULIA GOUW**  
Commissioner

**MARK A. THORPE**  
Chief Executive Officer

**LORI D. BALLANCE**  
General Counsel

**JOHN M. SCHUBERT**  
Treasurer

### WELCOME TO THE 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.
- Anyone wishing to speak during public comment or on an item will be required to fill out a 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.
- Comments will be limited to 3 minutes. Speakers will be alerted when they have 1-minute remaining and when their time is up. Speakers are then to return to their seats and no further comments will be permitted.
- 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.

## ORDER OF BUSINESS

The Authority meeting begins at 9:00 a.m. immediately followed by Public Comment and the Regular Meeting.

(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.)

## CALL TO ORDER (OPEN SESSION) - 9:00 A.M.

### ROLL CALL

Loveridge, Bowman, Hagman, Gouw, President Wapner

### PLEDGE OF ALLEGIANCE

### INVOCATION

Pastor John Heary, Turning Point International Ministries, Ontario, California

## PUBLIC COMMENT

Public Comment: The open meeting Public Comment portion of the Commission meeting is limited to a maximum of 3 minutes for each speaker. Additional opportunities for further Public Comment will be given during and at the end of the meeting. Under provisions of the Brown Act, the Commission is prohibited from taking action on oral requests.

## 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

Note: agenda item contractors, subcontractors and agents which 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.

## 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 Authority on items listed on the Consent Calendar will be given a total of 3 minutes.

### 2. APPROVAL OF MINUTES

Minutes for the meetings of the Ontario International Airport Authority regular meeting on May 28, 2019 and approving the same as on file with the Secretary/Assistant Secretary.

### 3. BILLS/PAYROLL

Bills May 1, 2019 through May 31, 2019 and Payroll May 1, 2019 through May 31, 2019.

### 4. APPROVAL OF MEETING STIPENDS

That the Ontario International Airport Authority Commission approve meeting stipends for President Wapner for the month of May.

### 5. CONTRACT WITH THE UNITED STATES DEPARTMENT OF AGRICULTURE (USDA), ANIMAL AND PLANT HEALTH INSPECTION SERVICE (APHIS), WILDLIFE SERVICES (WS) FOR WILDLIFE HAZARD MANAGEMENT SERVICES AT ONTARIO INTERNATIONAL AIRPORT (ONT)

That the Ontario International Airport Authority (Authority) authorize the Chief Executive Officer (CEO) to execute a three-year contract and exercise two, one-year extensions, per mutual agreement, upon OIAA's 30-day advance notice; and, for an amount not to exceed \$150,000 annually for the first three years and \$175,000 annually for the two, one-year extensions for an overall amount not to exceed \$800,000 over the five-year term of contract.

### 6. AWARD OF CONTRACT TO MAXWELL ASPHALT, INC. AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE A CONTRACT FOR THE AIRFIELD PAVEMENT MARKING PROJECT

That the Ontario International Airport Authority (OIAA) award a contract for the Airfield Pavement Marking Project (Project) and authorize the Chief Executive Officer (CEO) to execute a contract with Maxwell Asphalt, Inc. in the amount of \$2,816,981.00 for the Airfield Marking Project at Ontario International Airport. The cost to construct this project is accounted for in the OIAA Fiscal Year 2018-2019 budget. Total construction cost, \$2,560,892.00, plus a 10% contingency in the amount of \$256,089.00 for this project is to be paid for with OIAA appropriations in the amount of \$2,560,892.00. Project was included in the previously approved 2018 budget.

**7. APPROVE AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE AN AGREEMENT WITH NUCKLES OIL COMPANY DBA MERIT OIL COMPANY FOR THE PURCHASE AND DELIVERY OF UNLEADED AND DIESEL FUELS AT VARIOUS LOCATIONS AT ONTARIO INTERNATIONAL AIRPORT**

That the Ontario International Airport Authority (OIAA) authorize the Chief Executive Officer (CEO) to enter into an agreement with Nuckles Oil Company dba Merit Oil Company for the purchase and delivery of unleaded and diesel fuels at Ontario International Airport (ONT), under the same terms and conditions as the County of San Bernardino's Contract No. 172948; and, for an amount not to exceed \$200,000 annually and an overall amount not to exceed \$600,000 over the term of the contract beginning July 1, 2019 through June 14, 2022. Funding for this agreement is requested in the FY 2020 Budget. Funding for subsequent years will be requested through the annual budget process.

**8. AWARD OF CONTRACT TO OSBORNE BIOLOGICAL CONSULTING AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE A CONTRACT FOR FOCUSED BIOLOGICAL SURVEYS**

That the Ontario International Airport Authority (OIAA) award a contract for focused biological surveys for the presence or absence of Delhi Sands Fly on portions of the ONT property and authorize the Chief Executive Officer (CEO) to execute a contract with Osborne Biological Consulting in the amount of \$124,384.80 for such surveys. The costs of this work are accounted for in the OIAA Fiscal Year 2019-2020 budget.

## ADMINISTRATIVE DISCUSSION/ACTION/REPORT

**9. REVIEW AND ADOPTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY'S FISCAL BUDGET YEAR 2019-2020, APPROVAL OF THE SCHEDULE OF AIRLINE LANDING FEES AND TERMINAL RENTS FOR FISCAL YEAR 2019-2020, AND NON-AERONAUTICAL RATE/FEE ADJUSTMENTS FOR FISCAL YEAR 2019-2020**

That the Ontario International Airport Authority Commission adopt a resolution approving and adopting the Budget for Fiscal Year 2019-2020; and the Schedule of Airline Landing Fees and Terminal Rents for Fiscal Year 2019-2020 AND Non-Aeronautical rate/fee adjustments for Fiscal Year 2019-2020.

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY  
APPROVING THE ANNUAL BUDGET FOR FISCAL YEAR 2019-20

## SPECIAL CEREMONIES

- *Certificate of Recognition – Captain Boulgardies*

## MANAGEMENT REPORT

Chief Executive Officer Thorpe

## COMMISSION MATTERS

President Wapner

Vice President Loveridge

Secretary Bowman

Commissioner Hagman

Commissioner Gouw

## ADJOURNMENT

# ONTARIO INTERNATIONAL AIRPORT AUTHORITY



**DATE:** JUNE 24, 2019

**SECTION:** MINUTE ACTION

**SUBJECT:** RELATIVE TO POSSIBLE CONFLICT OF INTEREST

**RECOMMENDED ACTION(S):** Note: agenda items and contractors/subcontractors, which may require member abstentions due to possible conflicts of interest.

**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
Item No. 05	USDA	<ul style="list-style-type: none"><li>• None</li></ul>
Item No. 06	Maxwell Asphalt, Inc	<ul style="list-style-type: none"><li>• American Highway Services</li><li>• Surface Prep &amp; Main</li><li>• Westland Group</li></ul>
Item No. 07	Nuckles Oil Company DBA Merit Oil Co.	<ul style="list-style-type: none"><li>• None</li></ul>
Item No. 08	Osborne Biological Consulting	<ul style="list-style-type: none"><li>• None</li></ul>

**STAFF MEMBER PRESENTING:** Board Clerk, Claudia Y. Isbell

Department: Clerk's Office

Submitted to OIAA: June 24, 2019

Approved: \_\_\_\_\_

Continued to: \_\_\_\_\_

Denied: \_\_\_\_\_

Item No. 01

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY  
REGULAR COMMISSION MEETING  
MINUTES  
MAY 28, 2019  
(Not Official Until Approved)**

A regular meeting of the Ontario International Airport Authority was held on Tuesday, May 28, 2019, at 1923 E. Avion Street, Room 100, Ontario, California.

Notice of said meeting was duly given in the time and manner prescribed by law.

**CALL TO ORDER**

President Wapner called the Ontario International Airport Authority Commission meeting to order at 3:00 p.m.

**ROLL CALL**

PRESENT: Commissioners: Julia Gouw, Curt Hagman, Jim W. Bowman,  
Ronald O. Loveridge and Alan D. Wapner.

ABSENT: Commissioners: None.

Also present were: Chief Executive Officer Mark A. Thorpe, Assistant General Counsel Kevin P. Sullivan and Assistant Secretary Claudia Y. Isbell.

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Commissioner Hagman.

**INVOCATION**

The invocation was led by Mr. Germain Garcia, Associate Pastor, Christian Life Center.

**AGENDA REVIEW/ANNOUNCEMENT**

There were no announcements made.

## **CLOSED SESSION**

Hearing no request to speak, President Wapner recessed the regular meeting of the Ontario International Airport Authority to Closed Session at 3:02 p.m. with all Commissioners in attendance.

- **CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION**

Pursuant to Government Code Section 54956.9(c)

One (1) – Case

The Ontario International Airport Authority Commission regular meeting was reconvened in public session at 3:11 p.m.

## **CLOSED SESSION REPORT**

President Wapner announced there was no reportable action.

## **PUBLIC COMMENT**

*Richard Sherman*, voiced concerns regarding airplane noise.

*Jesus Fonseca*, spoke on his concerns regarding airplane noise.

## **1. INFORMATION RELATIVE TO POSSIBLE CONFLICT OF INTEREST**

Note: agenda item contractors, subcontractors and agents which 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.

President Wapner announced his conflict with Item No. 08 and voiced his abstention regarding the item.

Commissioner Hagman announced his abstention from Item No. 02.

## **CONSENT CALENDAR**

**MOTION:** Moved by Commissioner Gouw, seconded by Secretary Bowman and carried by a vote of 5-0-0, to approve the consent calendar including Resolution 2019-03, and Ordinance No. 0002, with President Wapner abstaining from Item No. 08 and Commissioner Hagman abstaining from Item No. 02.

## **2. APPROVAL OF MINUTES**



Approved minutes for the meetings of the Ontario International Airport Authority special meeting on April 22, 2019 and the adjourned meeting on April 30, 2019, and approving the same as on file with the Secretary/Assistant Secretary.

**3. BILLS/PAYROLL**

Approved bills April 1, 2019 through April 30, 2019 and Payroll April 1, 2019 through April 30, 2019.

**4. APPROVAL OF MEETING STIPENDS**

The Ontario International Airport Authority Commission approved meeting stipends for President Wapner for the month of March and April and Commissioner Hagman for the month of March.

**5. APPROVAL OF THE FIRST CONTRACT AMENDMENT TO LEIGH FISHER, INC., FOR ON-CALL, AS-NEEDED AIRPORT PLANNING AND SUPPORT SERVICES TO INCLUDE THE THREE- YEAR TERM OF CONTRACT**

The Ontario International Airport Authority authorized the Chief Executive Officer to amend the existing Leigh Fisher, Inc., Contract No. SCONT-000114, to include the proposed term of contract as three-years. Funds for this contract are approved in the FY 2018-2019 OIAA operating budget. Funding for subsequent years will be requested as part of the annual budget process.

**6. ONTARIO INTERNATIONAL AIRPORT AUTHORITY COMMISSION APPROVAL OF EMPLOYER-EMPLOYEE RELATIONS RESOLUTION**

The Ontario International Airport Authority Commission adopted the Employer-Employee Relations Resolution ("EERR") in order to establish the procedures by which employer-employee relations, including the recognition of employee organizations, are to be administered by the Authority.

**RESOLUTION NO. 2019-03** A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY COMMISSION ESTABLISHING AN EMPLOYER-EMPLOYEE RELATIONS

**7. AWARD OF CONTRACT TO AMG AND ASSOCIATES FOR THE ONTARIO POLICE DEPARTMENT (OPD) MODULAR BUILDING PROJECT AT ONTARIO INTERNATIONAL AIRPORT**

The Ontario International Airport Authority approved the award of contract for the OPD Modular Building to AMG and Associates, Inc., and authorized the Chief Executive Officer to procure the building, as an alternative to leasing, as offered by the Contractor in the bid submittal and contract documents, for an amount not to exceed \$1,272,000. Funding for this project is approved under Capital Improvement Projects in the Fiscal Year 2019 budget for an estimated project completion date in the third/fourth quarter of 2019.

**8. APPROVAL OF THE 2019-20 CONTRACT YEAR CORPORATE SPONSORSHIP AGREEMENT BETWEEN ONTARIO INTERNATIONAL AIRPORT, THE LOS ANGELES KINGS AND THE ONTARIO REIGN, AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE THE APPROVAL FOR YEAR 2020-21 AND 2021-22**

The Ontario International Airport Authority Commission approved the agreement with LA Kings/Ontario Reign and authorize the Chief Executive Officer to execute the approval for years 2020-21 and 2021-22. The agreement between the OIAA and The LA Kings/The Ontario Reign is estimated to cost \$255,000 for the 2019-20 contract year. The 2020-21 contract year is estimated to cost \$262,650. The third contract year 2021-22 is estimated to cost \$270,530. Funds will be utilized from the sponsorship, marketing and advertising budget of FY 2018-2019, FY 2019-2020, 2020-2021 and 2021-2022 respectively. Funding for subsequent years will be requested as part of the annual budget process.

**9. AN ORDINANCE ESTABLISHING A CLAIMS PRESENTATION PROCEDURE FOR CLAIMS NOT COVERED UNDER THE GOVERNMENT CLAIMS ACT**

The Ontario International Airport Authority Commission adopted Ordinance No. 002 establishing a Claims Presentation Procedure for claims not covered under the Government Claims Act. A public hearing and introduction of the Ordinance took place at a special meeting on April 22, 2019.

**ORDINANCE NO. 0002** AN ORDINANCE OF THE COMMISSION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY, ESTABLISHING A CLAIMS PRESENTATION PROCEDURE RELATING TO CLAIMS FOR MONEY OR DAMAGES EXCEPTED FROM THE REQUIREMENTS OF THE CALIFORNIA GOVERNMENT CLAIMS ACT

**ADMINISTRATIVE DISCUSSION/ACTION/REPORT**

**10. AGREEMENT WITH THE COUNTY OF SAN BERNARDINO FOR AIRPORT SECURITY RELATED PROJECTS**

The Ontario International Airport Authority approved the receipt of \$250,000 from the San Bernardino County to be used for security projects at ONT.

**MOTION:** Moved by Vice President Loveridge, seconded by Secretary Bowman and carried by a vote of 5-0-0.

**MANAGEMENT REPORT**

Chief Executive Officer Thorpe gave an update on cargo and passenger numbers for the month of April at ONT.

## **COMMISSIONER MATTERS**

Commissioner Gouw had no comments.

Commissioner Hagman expressed his concerns on the wear and tear caused by large vehicles on Jurupa and E. Avion Street.

Vice President Loveridge provided a brief report on his tour of John Wayne Airport (JWA).

President Wapner thanked Vice President Loveridge and noted that safety is first at ONT.

CEO Thorpe noted he will provide Commissioners with an update on customer experience.

Secretary Bowman added that their results of the JWA tour are constructive comments and is aware that ONT staff is working very hard.

## **ADJOURNMENT**

President Wapner adjourned the Ontario International Airport Authority Commission meeting at 3:38 p.m.

RESPECTFULLY SUBMITTED:

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CLAUDIA Y. ISBELL, CLERK OF THE BOARD

APPROVED:

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ALAN D. WAPNER, PRESIDENT  
ONTARIO INTERNATIONAL AIRPORT AUTHORITY



DATE: JUNE 24, 2019

SECTION: CONSENT CALENDAR

SUBJECT: ONTARIO INTERNATIONAL AIRPORT AUTHORITY COMMISSION APPROVAL OF STIPENDS AS REQUIRED BY AUTHORITY BYLAWS

RELEVANT STRATEGIC OBJECTIVE: Development of Airport-Related Businesses.

RECOMMENDED ACTION(S): That the Ontario International Airport Authority Commission approve additional stipends per Article IV, Section 6 of the Authority’s Bylaws.

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 May 2019, President Wapner attended four (4) additional Authority-related business functions. Full Commission approval is needed to approve payment of stipends.

CEQA COMPLIANCE: Exclusion from the definition of “project”: The creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific

STAFF MEMBER PRESENTING: Chief Executive Officer, Mark A. Thorpe

Department: Clerk’s Office

Submitted to OIAA: June 24, 2019

Approved: \_\_\_\_\_

Continued to: \_\_\_\_\_

Denied: \_\_\_\_\_

Chief Executive Officer Approval: Mark A. Thorpe

project which may result in a potentially significant physical impact on the environment. (CEQA Guidelines §15378(b)(4).)

**FISCAL IMPACT AND SOURCE OF FUNDS:** OIAA operating revenue.

**PRIOR COMMISSION ACTION:** On December 8, 2016, the OIAA Commission adopted Resolution No. 2016-14 approving and adopting the OIAA Bylaws.

**STAFFING IMPACT (# OF POSITIONS):**

N/A

**IMPACT ON OPERATIONS:**

N/A

**ATTACHMENTS:**

N/A

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This Agenda Report has been reviewed by OIAA General Counsel. |



**DATE:** JUNE 24, 2019

**SECTION:** CONSENT CALENDAR

**SUBJECT:** CONTRACT WITH THE UNITED STATES DEPARTMENT OF AGRICULTURE (USDA), ANIMAL AND PLANT HEALTH INSPECTION SERVICE (APHIS), WILDLIFE SERVICES (WS) FOR WILDLIFE HAZARD MANAGEMENT SERVICES AT ONTARIO INTERNATIONAL AIRPORT (ONT)

**RELEVANT STRATEGIC OBJECTIVE:** Provide Safe and Secure Airfield Operations

**RECOMMENDED ACTION(S):** That the Ontario International Airport Authority (Authority) authorize the Chief Executive Officer (CEO) to execute a three-year contract and exercise two, one-year extensions, per mutual agreement, upon OIAA’s 30-day advance notice; and, for an amount not to exceed \$150,000 annually for the first three years and \$175,000 annually for the two, one-year extensions for an overall amount not to exceed \$800,000 over the five-year term of contract.

**FISCAL IMPACT SUMMARY:** Funds for this contract are included in the Fiscal Year 2019-2020 budget. Funding for subsequent years will be requested through the annual budget process.

**BACKGROUND:** The existing contract with the USDA-APHIS-WS for wildlife management was fully assigned and novated by LAWA to the Authority, effective November 1, 2016, and is due to expire on June 30, 2019. Preventing wildlife hazards is imperative to help ensure safe aircraft operations and is top priority for ONT’s Air Ops. Due to large open land parcels, airports can harbor numerous small mammals, insects, earthworms, and palatable vegetation that attract many species hazardous to aircraft. The best way to reduce populations of hazardous wildlife at airports is to determine which sources of food are being used and then remove or modify those food sources to make the land less appealing to small animals. The purpose of a new agreement is to continue to reduce and minimize threats posed by wildlife to aircraft and human safety at ONT. This action allows the USDA-

**STAFF MEMBER PRESENTING:** Chief Executive Officer, Mark A. Thorpe

Department: Operations & Maintenance

Submitted to OIAA: June 24, 2019

Approved: \_\_\_\_\_

Continued to: \_\_\_\_\_

Denied: \_\_\_\_\_

Chief Executive Officer Approval: 

APHIS-WS to continue management services by providing recommendations to ONT to mitigate wildlife hazards to aircraft, including insect management strategies; conduct operational wildlife damage management at ONT to diminish wildlife hazards to aircraft; provide training to airport personnel in identifying and managing wildlife hazards to aircraft at ONT; and, review landscaping plans and assist in wildlife monitoring during construction projects.

**PROCUREMENT: N/A**

**CEQA COMPLIANCE AND LAND USE APPROVALS:** This action, as administrative and personnel-related activities, is categorically exempt from the requirements of the California Environmental Quality Act (CEQA).

**STAFFING IMPACT (# OF POSITIONS): N/A**

**IMPACT ON OPERATIONS: N/A**

**SCHEDULE: N/A**

**ATTACHMENTS: Attachment A:** Work and Financial Plan between OIAA and USDA

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This Agenda Report has been reviewed by OIAA General Counsel. |



DATE: JUNE 24, 2019

SECTION: CONSENT CALENDAR

SUBJECT: AWARD OF CONTRACT TO MAXWELL ASPHALT, INC. AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE A CONTRACT FOR THE AIRFIELD PAVEMENT MARKING PROJECT

RELEVANT STRATEGIC OBJECTIVE: Improve Airport Operational Safety, Security and Efficiency

RECOMMENDED ACTION(S): That the Ontario International Airport Authority (OIAA) award a contract for the Airfield Pavement Marking Project (Project) and authorize the Chief Executive Officer (CEO) to execute a contract with Maxwell Asphalt, Inc. in the amount of \$2,816,981.00 for the Airfield Marking Project at Ontario International Airport.

FISCAL IMPACT SUMMARY: The cost to construct this project is accounted for in the OIAA Fiscal Year 2018-2019 budget. Total construction cost, \$2,560,892.00, plus a 10% contingency in the amount of \$256,089.00 for this project is to be paid for with OIAA appropriations in the amount of \$2,560,892.00. Project was included in the previously approved 2018 budget.

BACKGROUND: On December 19, 2018, the OIAA Commission adopted a resolution to reject all bids for the Airfield Pavement Marking Project and authorized the re-advertisement of the Notice Inviting Bids for project.

STAFF MEMBER PRESENTING: Mark A. Thorpe, Chief Executive Officer

Department: Engineering Department

Submitted to OIAA: June 24, 2019

Approved: \_\_\_\_\_

Continued to: \_\_\_\_\_

Denied: \_\_\_\_\_

Chief Executive Officer Approval: Mark A. Thorpe



**PROCUREMENT:** On May 6, 2019, the OIAA re-advertised and published a Notice Inviting Bids for the Project. The OIAA sought bids from qualified construction firms to remove existing airfield pavement markings and place new markings on Runways 8L-26R and 8R-26L, most taxiways, and some vehicular service roads.

On May 30, 2019, the OIAA received four (4) bids. The initial apparent low bid was from Maxwell Asphalt, Inc. with a bid of \$2,560,892.00. After review of the Bid Submittal Package and Post-Bid Submittal Package, Maxwell Asphalt, Inc. was found to be both responsible and responsive. Afterwards, the OIAA prepared the notification of award of contract to Maxwell Asphalt, Inc. for the Airfield Marking Project on Friday, June 7, 2019.

**CEQA COMPLIANCE AND LAND USE APPROVALS:** Approval of this funding mechanism is not a "project" within the meaning of Section 15378 of the CEQA Guidelines because there is no potential for a direct or indirect physical change in the environment. To the extent any alteration of facilities occurs as a result of approval, 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):** Not applicable.

**IMPACT ON OPERATIONS:** The Airfield Pavement Marking Project will impact airfield operations during construction. Given this, the project will be accomplished in five (5) phases.

**SCHEDULE:** The Airfield Pavement Marking Project will be conducted in five (5) phases. Phase 1, Runway 26L-8R, and connecting taxiways within the runway safety area and Phase 3, Runway 26R-8L and connecting taxiways within the runway safety area, will be conducted on separate weekends during 56-hour closures. Phases 2 (19 days), 4 (21 days) and 5 (21 days) involve the existing full length Taxiway S and N and terminal apron, respectively.

**EXHIBITS & ATTACHMENTS: Attachment A:** Maxwell Asphalt, Inc.; recommendation of award.

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This Agenda Report has not been reviewed by OIAA General Counsel. |



**DATE:** JUNE 24, 2019

**SECTION:** CONSENT CALENDAR

**SUBJECT:** APPROVE AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE AN AGREEMENT WITH NUCKLES OIL COMPANY DBA MERIT OIL COMPANY FOR THE PURCHASE AND DELIVERY OF UNLEADED AND DIESEL FUELS AT VARIOUS LOCATIONS AT ONTARIO INTERNATIONAL AIRPORT.

**RELEVANT STRATEGIC OBJECTIVE:** Maintain Safe and Secure Airport Operations

**RECOMMENDED ACTION(S):** That the Ontario International Airport Authority (OIAA) authorize the Chief Executive Officer (CEO) to enter into an agreement with Nuckles Oil Company dba Merit Oil Company for the purchase and delivery of unleaded and diesel fuels at Ontario International Airport (ONT), under the same terms and conditions as the County of San Bernardino’s Contract No. 172948; and, for an amount not to exceed \$200,000 annually and an overall amount not to exceed \$600,000 over the term of the contract beginning July 1, 2019 through June 14, 2022.

**FISCAL IMPACT SUMMARY:** Funding for this agreement is requested in the FY 2020 Budget. Funding for subsequent years will be requested through the annual budget process.

**BACKGROUND:** The existing fuel contract, novated and assigned to OIAA during the transition, is due to expire on June 30, 2019. A consistent method of procuring unleaded and diesel fuels from a reliable source at competitive pricing is imperative in maintaining an operational fleet within OIAA. Unleaded and diesel fuels are required for the ONT Airport Rescue and Firefighting crash rigs and equipment; Police vehicles; vehicles designated to OIAA staff as well as pool vehicles; Air Operation

**STAFF MEMBER PRESENTING:** Chief Executive Officer – Mark Thorpe

Department: Operations and Maintenance

Submitted to OIAA: June 24, 2019

Approved: \_\_\_\_\_

Continued to: \_\_\_\_\_

Denied: \_\_\_\_\_

Chief Executive Officer Approval: *Mark A. Thorpe*

Item No. 07

vehicles operated by TBI; vehicles and equipment operated by JBT to perform maintenance services; and, Brightview vehicles and landscape equipment. In addition, periodic fuel deliveries are required to fuel the back-up power generators at Terminal 2 and 4.

**PROCUREMENT:** The option to piggyback on the existing County of San Bernardino Contract No. 172948, with Nuckles Oil Company dba Merit Oil Company, offers the OIAA competitive pricing for both unleaded and diesel fuels, which represents a streamlined procurement approach that complies with government procurement statutes for competitive bidding. The requested contract amount is based on prior and anticipated annual expenditures. The requested authority is necessary to ensure that the OIAA has a stable and secured supply of fuel to service fleet vehicles and equipment for the day-to-day operations at the airport as well as to ensure ARFF and Police equipment are available/ready in the event of an emergency.

**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 delivery/acceptance of leased vehicles is anticipated prior to the end of Fiscal Year 2019.

**EXHIBITS AND ATTACHMENTS: Attachment A:** Agreement with Merit Oil Co.

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This Agenda Report has been reviewed by OIAA General Counsel. |



**DATE:** JUNE 24, 2019

**SECTION:** CONSENT CALENDAR

**SUBJECT:** AWARD OF CONTRACT TO OSBORNE BIOLOGICAL CONSULTING AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE A CONTRACT FOR FOCUSED BIOLOGICAL SURVEYS

**RELEVANT STRATEGIC OBJECTIVE:** Evaluate, Assess, And Improve Airport Business And Property.

**RECOMMENDED ACTION(S):** That the Ontario International Airport Authority (OIAA) award a contract for focused biological surveys for the presence or absence of Delhi Sands Fly on portions of the ONT property and authorize the Chief Executive Officer (CEO) to execute a contract with Osborne Biological Consulting (Osborne) in the amount of \$124,384.80 for such surveys.

**FISCAL IMPACT SUMMARY:** Upon execution of this agreement, Osborne will conduct surveys at least twice a week of OIAA property (at the rate of 12.5 acres per hour) between July 1 and September 20, 2019, for an estimated total of \$124,384.80. The costs of this work are accounted for in the OIAA Fiscal Year 2019-2020 budget.

**BACKGROUND:** The Delhi Sands Fly (*Rhaphiomidas terminatus abdominalis*) (DSF), is a federally endangered species. The purpose of Osborne’s work is to conduct a habitat suitability assessment, which is a process needed to support improvements made at the Airport. According to Interim General Survey Guidelines for the U.S. Fish & Wildlife Services (USFWS), surveys of DSF must occur between July 1 and September 20 each calendar year because this is the “flight season” of DSF adults and will maximize the validity of any presence/absence determination.

Osborne will photograph the survey area to document existing site conditions. Notes will be taken on various elements, such as vegetation, soil types, existing development, etc. A report will be

**STAFF MEMBER PRESENTING:** Chief Executive Officer, Mark A. Thorpe

Department: Operations & Maintenance

Submitted to OIAA: June 24, 2019

Approved: \_\_\_\_\_

Continued to: \_\_\_\_\_

Denied: \_\_\_\_\_

Chief Executive Officer Approval: Mark A. Thorpe

generated and results will document any relevant habitat evaluation of the site. The report will be filed with the USFWS, Carlsbad field office, no later than 45 days after the last date of field survey.

**PROCUREMENT:** Competitive purchasing is preferred in most situations. However, OIAA's purchasing policies allow for non-competitive purchasing in special circumstances, such as this one because time is of the essence. Non-competitive work also can be purchased if services are unique and competitive proposals would be impractical or undesirable.

As mentioned, the annual "flight season" for the DSF is extremely short. It starts one week from this meeting, and lasts about 11 weeks in total. If this window is missed, the OIAA will be required to wait another calendar year before conducting and completing the survey. This delay could prevent OIAA from making necessary and planned improvements to the Airport, and which could negatively affect operational needs of the Airport.

Further, Osborne preformed the initial biological assessment of this property under a contract with Helix, an environmental firm under contract with OIAA. Therefore, the knowledge gained by Osborne is unique to this vendor and the nature of the subject of the contract is such that competitive proposals would not produce an advantage and the advertisement for competitive bid would be undesirable.

**CEQA COMPLIANCE AND LAND USE APPROVALS:** The proposed agreement is not a "project" within the meaning of Section 15378 of the CEQA Guidelines because there is no potential for a direct or indirect physical change in the environment. As a result, the authorization is not subject to CEQA.

**STAFFING IMPACT (# OF POSITIONS):** N/A

**IMPACT ON OPERATIONS:** N/A

**SCHEDULE:** N/A

**ATTACHMENTS:** Attachment A – Consulting Agreement  
Attachment B – Sole Source Justification Form

*The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein and that are not attached or posted online may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Commission. Office hours are 8:30 a.m. to 5:00 p.m., Monday through Friday*

This Agenda Report has been reviewed by OIAA General Counsel. |



DATE: JUNE 24, 2019

SECTION: ADMINISTRATIVE DISCUSSION/ACTION/REPORT

SUBJECT: REVIEW AND ADOPTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY'S FISCAL YEAR 2019-2020 BUDGET AND APPROVAL OF THE AIRPORT SYSTEM RATES AND CHARGES FOR FISCAL YEAR 2019-2020.

RELEVANT STRATEGIC OBJECTIVE: Maintain Financial Accountability and Stability to Support Airport Operations.

RECOMMENDED ACTION(S): That the Ontario International Airport Authority Commission approve a resolution approving and adopting of the following:

- 1. The Budget for Fiscal Year 2019-20; and,
2. The Schedule of Airport System Rates and Charges for Fiscal Year 2019-20.

FISCAL IMPACT AND SOURCE OF FUNDS: The Ontario International Airport Authority (OIAA) is an independent economic enterprise, which funds its fiscal Budget through income derived from airlines, tenants, and other users of the airport. The revenues that will offset the aforementioned expenses for the Fiscal Year 2019-20 Budget are broadly summarized as follows:

Table with 3 columns: Category, Amount, Percentage. Rows include Aviation (Signatory and Non-Signatory), Concession / Non-Aeronautical, and Total.

The Signatory Airlines are comprised of those carriers who are parties to the OIAA Operating Use and Lease Agreements ("ULAs"). Pursuant to the ULAs, the Signatory Airlines agree to pay OIAA Airline

STAFF MEMBER PRESENTING: John M. Schubert, Chief Financial Officer

Department: Finance Department Submitted to OIAA: June 24, 2019
Approved:
Continued to:
Denied:
Chief Executive Officer Approval: Mark A. Thorpe

Item No. 09

Landing Fees and Terminal Rents, which are described herein. Non-Signatory carriers are subject to higher aeronautical fees and their third-party contract service companies are required to pay concession fees to the Authority. Aviation revenues include terminal rents, landing fees, aviation-other, and land/building rents (other than terminals and other landside facilities). Concession/non-aeronautical revenues include car parking, car rental, terminal concessions, ground transportation, and other.

**BACKGROUND:** The proposed Operating Budget for Fiscal Year 2019-20 includes \$64,034,987 in expenses for the Ontario International Airport Authority, to be drawn from the Airport Revenue Fund.

Pursuant to the Joint Powers Agreement, section 10, the Treasurer of the Authority shall assume the duties described in California Government Code Section 6505.5.

**CEQA COMPLIANCE:** N/A

**IMPACT ON OPERATIONS:** Approval of funding is essential to enable the ongoing operations of the Authority and Ontario International Airport.

**STAFFING IMPACT (# OF POSITIONS):** The Budget to be adopted includes previously approved positions and an additional ten positions that will replace contractual positions.

**EXHIBITS & ATTACHMENTS:**

Attachment A: Resolution of the Ontario International Airport Authority Commission approving the annual budget for fiscal year 2019-20

Attachment B: Schedule of Airport System Rates and Charges

*The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein and that are not attached or posted online may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Commission. Office hours are 8:30 a.m. to 5:00 p.m., Monday through Friday*

This Agenda Report has been reviewed by OIAA General Counsel. |

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT  
AUTHORITY COMMISSION APPROVING THE ANNUAL BUDGET FOR  
FISCAL YEAR 2019-2020

**WHEREAS**, the Ontario International Airport Authority (“the Authority” or “OIAA”) was established under a Joint Exercise of Powers Agreement between the City of Ontario and the County of San Bernardino (the “Joint Powers Agreement”) pursuant to the purpose of operating, maintaining, developing, and marketing the Ontario International Airport (the “Airport”); and

**WHEREAS**, under the Joint Powers Agreement, Section 10, Funds, the Treasurer of the Authority shall assume the duties described in California Government Code Section 6505.5; and

**WHEREAS**, the Authority staff, including the Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”) of the Authority, have determined the Authority’s budget for Fiscal Year 2019-20 in accordance with the provisions of the Joint Powers Agreement; and

**WHEREAS**, the Authority staff have consulted with the Airport and Airline Affairs Committee (“AAAC”) in regards to this proposed budget for Fiscal Year 2019-20 and the AAAC has not expressed any objections to its adoption or implementation; and

**WHEREAS**, the Authority Commission has reviewed the proposed budget for Fiscal Year 2019-20, and has held a public meeting relative to its adoption.

**NOW, THEREFORE**, be it resolved as follows:

SECTION 1. The Authority hereby approves and authorizes the proposed Fiscal Year 2019-20 Budget (Exhibit A).

SECTION 2. The Authority hereby approves the Airport System Rates and Charges, effective July 1, 2019 (Exhibit B).

SECTION 3. This Resolution shall take effect immediately upon its adoption.

SECTION 4. The Commission Clerk of the Ontario International Airport Authority shall certify as to the adoption of this Resolution.



PASSED, APPROVED, AND ADOPTED at a Special Meeting this 24 day of June, 2019.

\_\_\_\_\_  
ALAN D. WAPNER, OIAA PRESIDENT

ATTEST:

\_\_\_\_\_  
SECRETARY/ASSISTANT SECRETARY

APPROVED AS TO LEGAL FORM:

\_\_\_\_\_  
LORI D. BALLANCE  
GENERAL COUNSEL

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

I, Claudia Y. Isbell, Assistant Secretary of the Ontario International Airport Authority, DO HEREBY CERTIFY that foregoing Resolution No. 2019-\_\_\_\_\_ was duly passed and adopted by the Commission of the Ontario International Airport Authority at their special meeting held on June 24, 2019 by the following roll call vote, to wit:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

\_\_\_\_\_  
SECRETARY/ASSISTANT SECRETARY

(SEAL)

The foregoing is the original of Resolution No. 2019-\_\_\_\_\_ duly passed and adopted by the Commission of the Ontario International Airport Authority at their special meeting held June 24, 2019

\_\_\_\_\_  
SECRETARY/ASSISTANT SECRETARY

(SEAL)

### A Brief Overview

Ontario International Airport (ONT) is located in the Inland Empire, approximately 35 miles east of downtown Los Angeles in the center of Southern California. It is a full-service airport with nonstop commercial jet service to 19 major airports in the U.S. and Mexico and connecting service to many domestic and international destinations. After 40-years under control of the City of Los Angeles and Los Angeles World Airports, ownership and control were transferred to the Ontario International Airport Authority (OIAA) on November 1, 2016.

The Ontario International Airport Authority (OIAA), which runs ONT, is a joint exercise of powers authority created by the City of Ontario and the County of San Bernardino (the County). OIAA was created primarily to operate, maintain, manage, develop and market ONT. It is governed by the OIAA Board of Commissioners (OIAA Board), which is comprised of five members, who are responsible for formulating airport policy and strategic direction for and oversight of the OIAA executive management team. The mission of OIAA's strategic business plan is to "Operate and grow Ontario International Airport (ONT) as one of the most competitive, efficient, innovative and customer- friendly passenger, cargo and business airports in the United States as a key economic asset serving the Inland Empire and the entire Southern California region".

The following is summary of OIAA's budget for the fiscal year ending June 30, 2020 (FYE 2020).

	Actual FYE 2018	Budget FYE		\$	%
		2019	2020		
<b>OPERATING REVENUES</b>					
Aeronautical revenues	\$ 39,932,155	\$ 42,310,616	\$ 43,266,211	\$ 955,595	2.2%
Nonaeronautical revenues	30,660,643	35,596,633	34,715,231	(881,402)	-2.5%
<b>Total operating revenues</b>	<b>70,592,798</b>	<b>77,907,249</b>	<b>77,981,442</b>	<b>74,193</b>	<b>0.1%</b>
<b>OPERATING EXPENSES</b>					
Personnel	6,038,610	6,128,446	7,767,987	1,639,541	21.1%
Operations	58,897,245	50,264,800	51,212,597	947,797	1.9%
General and administrative	7,142,615	10,915,200	12,641,199	1,725,999	13.7%
<b>Total operating expenses</b>	<b>72,078,470</b>	<b>67,308,446</b>	<b>71,621,783</b>	<b>4,313,337</b>	<b>6.0%</b>
<b>Net income (loss) from operations</b>	<b>(1,485,672)</b>	<b>10,598,803</b>	<b>6,359,659</b>	<b>(4,239,144)</b>	<b>-66.7%</b>
<b>NONOPERATING REVENUES</b>					
Interest income	703,964	500,400	700,000	199,600	28.5%
Passenger facility charges	9,605,169	10,134,426	11,884,232	1,749,806	14.7%
Customer facility charges	4,078,166	3,911,999	3,881,269	(30,730)	-0.8%
Other	581,903	-	-	-	0.0%
<b>Total nonoperating revenues</b>	<b>14,969,202</b>	<b>14,546,825</b>	<b>16,465,501</b>	<b>1,918,676</b>	<b>11.7%</b>
<b>Net income</b>	<b>13,483,530</b>	<b>25,145,628</b>	<b>22,825,160</b>	<b>(2,320,468)</b>	<b>-10.2%</b>
<b>OTHER SOURCES AND USES</b>					
Debt service	18,112,878	19,421,671	21,393,073	1,971,402	9.2%
Reserve balance (increase) decrease	2,841,539	938,336	1,432,087	493,751	34.5%
<b>Total other sources and uses</b>	<b>20,954,417</b>	<b>20,360,007</b>	<b>22,825,160</b>	<b>2,465,153</b>	<b>10.8%</b>
<b>Increase (decrease) in net position</b>	<b>\$ (7,470,887)</b>	<b>\$ 4,785,621</b>	<b>\$ -</b>	<b>\$ (4,785,621)</b>	<b>N/A</b>

## EXHIBIT A – ONTARIO INTERNATIONAL AIRPORT AUTHORITY BUDGET 2019-20

### Overview Revenues

Operating and Non-Operating revenues for FY 2020 are projected to be \$94.4M, an increase of \$2.0M (1.2%) above the FY 2019 budget of \$92.4M.

### Landing Fees

Landing Fees are revenues from passenger and cargo carriers for commercial aircraft landings at the Airport. The landing fee is set to recover 100.0% of the direct and allocated costs of the airfield net of other airfield revenue. Airfield costs include maintenance and operation expenses, debt service and amortization of capital investments. Other airfield revenues include facility and land rents, airline handling service fees and aircraft parking.

In FY 2020, landing fee revenues are projected to increase to \$16.3M which is \$.7M (4.5%) over the FY 2019 budget due to the projected increase in both commercial and cargo airline landed weights. Estimated landed weight for FY 2020 is projected to increase to 8.3M per 1,000 pounds of maximum gross landed weight (MGLW), a 7.6% increase from 7.8M (per 1,000 pounds of MGLW) in the FY 2019 Budget. The combination of higher landed weight and increased net airfield requirement results in the FY 2020 landing fee rate (per 1,000 pounds of MGLW) of \$1.98, which is the same as the landing fee rate for FYE 2019.

### Gate Use and Jet Bridge Fees

Gate Use and Jet Bridge Fees are per turn fees charged to commercial and cargo carriers for the use of gates or jet bridges that are not assigned to and paid for under their Airline Use and Lease Agreement. The budget for gate use and jet bridge fees for FYE 2020 is \$1.8M a \$.2M (9.3%) increase over the FYE 2019 budget of \$1.6M. The increase is from higher usage as well as increased per turn rates.

### Air Handling Service Fees

Airline Handling Service Fees represent percentage fees received from airline service companies that provide ground handling and other turnaround services that they provide to non-signatory carriers; services to signatory carriers are exempt from the fee. Budgeted Airline Handling Service Fees for FYE 2020 are \$.5m compared to \$1.2M for FYE 2019 a 59.8% decrease. The substantial decrease is due to non-signatory carriers converting to signatory status.

### Other Aeronautical Revenues

Other Aeronautical Revenues FYE 2020 are budgeted to increase by \$.7M to \$1.5M compared to \$.7M for FYE 2019. This increase is primarily related to increases in aircraft parking fees. These increases primarily reflect an increase in number of parking positions, which are assessed based on the number of aircraft parking positions assigned to each air carrier. Aircraft parking rates vary according to the amount of time each parking position is occupied and the airlines signatory/nonsignatory status.

### Facility Rentals

FYE 2020 facility rental revenues remain relatively flat, with a \$.1M (.7%) increase. FYE 2020 and 2019 budgeted revenues \$19.1M and \$19.0M, respectively. Terminal rents are charged at a prescribed rate based on the actual square footage used by each air carrier for exclusive or preferential use space (i.e. office, ticket counter, baggage makeup, holdroom areas), plus an allocation of common use space. Terminal rental rates are calculated on residual cost basis, which is equal to direct and allocated terminal expenses net of nonsignatory rents as well other tenant rents, e.g. the Transportation Security Administration.

The FYE 2020 and 2019 terminal rental rates are listed in the following table.

	Budget FYE			
	2019		2020	
Signatory	\$	109.86	\$	109.80
Nonsignatory	\$	120.84	\$	120.78

### Land Rentals

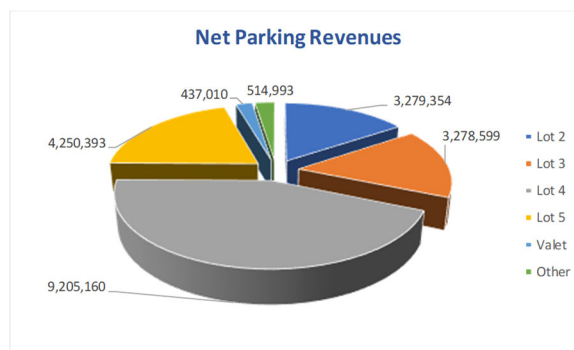
Land rentals includes airside and landside airport property leased to airlines and other nonaeronautical tenants. Lease agreement rates and terms vary depending on the properties location, improvements and use. The Land Rental budget for FYE 2020 is \$3.8M a \$.2M increase over the FYE 2019 budget of \$3.6M. The increase relates to market rate adjustments as well as a reassessment of the total square footage occupied by the lessee.

### Parking

Parking revenue is generated from approximately 6,200 spaces located in four parking lots, including three parking lots in front of the terminals and an economy parking lot located along Airport Drive.

The FY 2020 parking revenue is budgeted at \$20.9M, an increase of \$.2M (1.0%) from the FY 2019 Budget. This increase reflects increases in parking rates for all on-airport parking products, increased passenger traffic as well the new percent based off-airport parking revenues. These increases are partially offset by decreases in the number of parking transactions due to competitive pressures from TNC's.

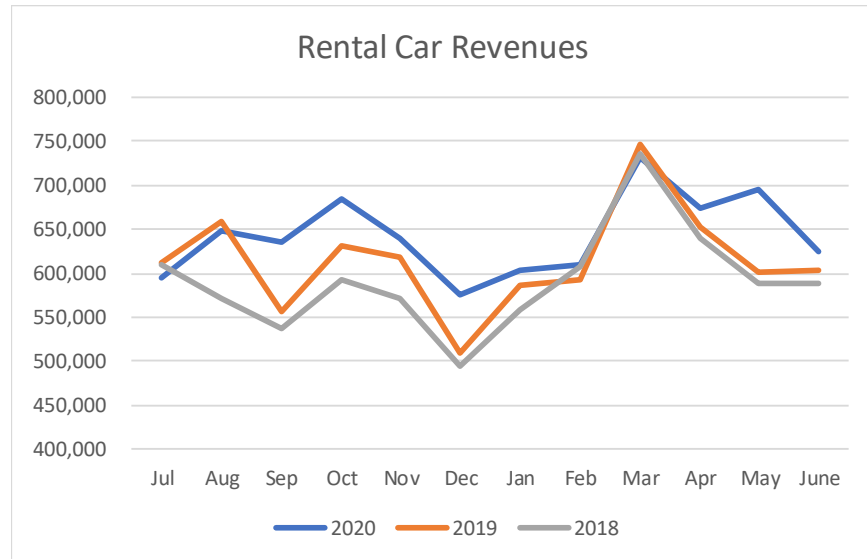
On-airport parking rates include a \$1.75 per day City of Ontario sales tax for each parking transaction, which are approximately 13% of gross parking revenues. Parking revenues are recorded net of these taxes.



### Rental Car Privilege Fees

Rental car privilege fee revenue includes fees received from rental car companies that conduct business at the Airport. These privilege fees are based a percentage of gross sales. Rental car companies that operate out of the CONRAC facility pay 10% of gross sales, off-airport car rental companies pay 9% of gross sales and are subject to minimum annual guarantees.

In FYE 2020, rental car privilege fees are projected at \$7.7M, a decrease of \$.2M (2.7%), which reflects a projection of lower than expected sales for the FYE 2019, despite increase passenger activity.



### Terminal Concessions

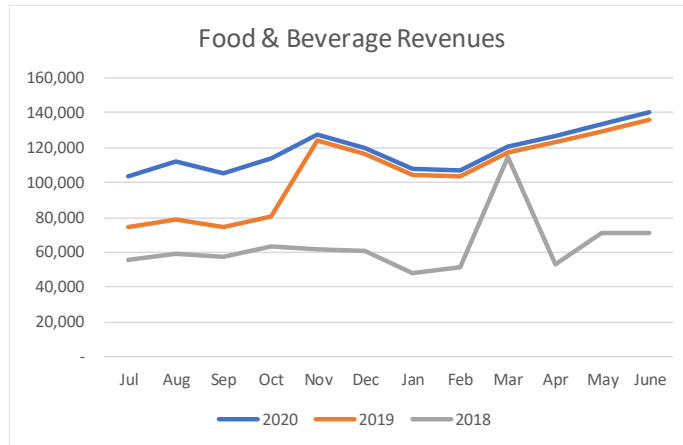
Terminal Concession revenue is generated from food, beverage, merchandise, advertising and other concessions operated out of Terminals 2 and 4 under agreements with concessionaires. In FYE 2017, the Authority entered into new concession agreements for substantially all terminal concessions.

Concession revenue is based on various percentages charged on gross sales from these products and are subject to minimum annual guarantees.

# EXHIBIT A – ONTARIO INTERNATIONAL AIRPORT AUTHORITY BUDGET 2019-20

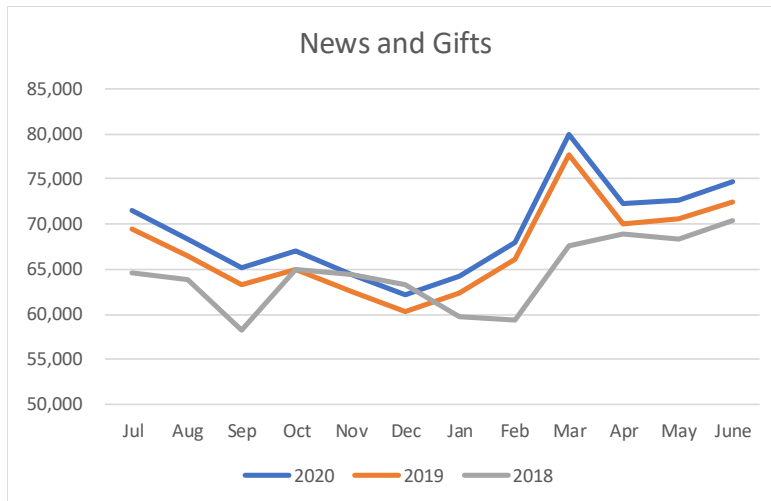
## Food and Beverage

The FY 2020 budget for food and beverage concessions at \$1.4M are relatively flat with an increase of approximately 2.4% compared to the FY 2019 Budget.



## News & Gifts

The FY 2020 budget for news and gifts concessions at \$.8M represents a decrease of \$.3M compared to FYE 2019. The decrease is based on recent sales trends and a level amount retail space.

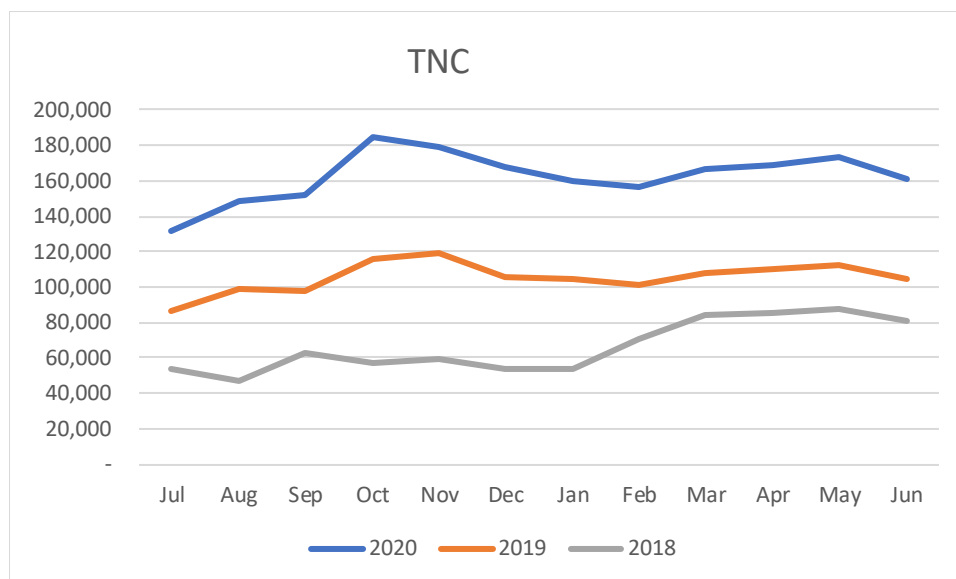
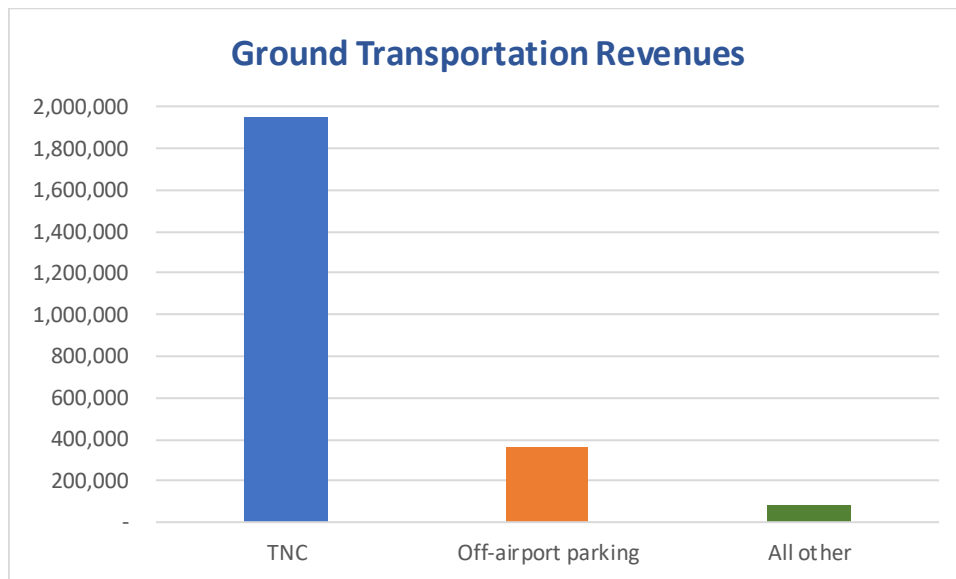


## EXHIBIT A – ONTARIO INTERNATIONAL AIRPORT AUTHORITY BUDGET 2019-20

### Ground Transportation

Revenues represents concession fees paid by the various transportation companies serving the airport. These include buses, limos, taxis, shuttles and transportation network companies (“TNC”). Certain transportation companies like limos taxis and shuttles pay negotiated monthly amounts while TNC’s pay per drop off and pick up.

Revenue is estimated at \$2.4M for 2020 compared to \$1.7 for 2019. The increase of \$.7M (44.0%) is primarily attributable to rapid growth in the selection of TNC’s to get to and from the airport. In addition, beginning April 2019 OIAA receives 12 percent of gross sales from two off-airport parking operators. These operators were previously charged small annual fixed rates.





### Other Operating Revenues

Other Operating revenues primarily include revenues to process employee fingerprints for new tenants, and any associated contractors or vendors who conduct business at the Airport. In addition, this category includes various miscellaneous revenues that do not fall into a specific category and are usually a one-time occurrence.

### Nonoperating Revenues

#### Interest Income

Interest Income revenue is derived from interest earned by the Airport Authority on discretionary funds and reserves established under the master trust indenture. In FYE 2020, interest income is budgeted at \$.7M, a projected increase of \$.2M (39.9%) from the FYE 2019 budget reflecting a projected increase in interest rates and restricted cash balances.

#### Passenger Facility Charges (PFCs)

PFCs revenue is comprised of a \$4.50 charge (net \$4.39 to the Airport after deduction of \$0.11 for the airline processing fee) paid by each ONT enplaned passenger. The FY 2020 Budget is based on the projected number of enplaned passengers at an estimated collection rate of 85%. The PFC revenue budget for FYE 2020 is \$11.4M compared to \$10.1M, which is a \$1.2M (12.1%) increase over FYE 2019. PFC revenues are currently restricted under the settlement agreement with LAWA for repayment of the note payable to LAWA.

#### Customer Facility Charges

CFCs revenue is collected by the car rental concessionaires and remitted to the Airport Authority according to state law to support the operation of the CONRAC facility, including debt service. Current CFC rates are \$10 per rental car contract for on-airport rental car companies and \$6 per contract for off-airport rental car companies. For FY 2020, CFC revenues are projected to be relatively flat at \$3.9M compared to the FYE 2019.

**EXHIBIT A – ONTARIO INTERNATIONAL AIRPORT AUTHORITY BUDGET 2019-20**

	Actual FYE 2018	Budget FYE		\$	%
		2019	2020		
<b>OPERATING REVENUES</b>					
<b>Aeronautical Revenues</b>					
Landing Fees	\$ 14,667,511	\$ 15,594,979	\$ 16,303,493	\$ 708,514	4.5%
Facility rentals	19,502,944	18,974,332	19,111,831	137,499	0.7%
Land rentals	3,227,486	3,617,471	3,848,228	230,757	6.4%
Gate Use and Jet Bridge Fee	1,495,626	1,638,667	1,790,308	151,641	9.3%
Airline Handling Service Fees	410,461	1,206,000	464,007	(741,993)	-61.5%
Operating grants	-	506,500	203,500	(303,000)	-59.8%
Other aeronautical revenues	769,278	772,667	1,544,844	772,177	99.9%
<b>Total aeronautical revenue</b>	<b>40,073,306</b>	<b>42,310,616</b>	<b>43,266,211</b>	<b>955,595</b>	<b>2.3%</b>
<b>Nonaeronautical Revenue</b>					
Auto Parking	18,075,732	20,764,000	20,965,509	201,509	1.0%
Rental Cars	8,400,322	7,930,667	7,716,240	(214,427)	-2.7%
Food & Beverage	954,273	1,384,667	1,417,641	32,974	2.4%
Gifts & News	773,984	1,122,000	830,438	(291,562)	-26.0%
Ground transportation	1,026,751	1,662,167	2,393,093	730,926	44.0%
Advertising Revenue	436,895	1,002,667	512,538	(490,129)	-48.9%
Other operating revenues	992,684	1,730,467	508,000	(1,222,467)	-70.6%
<b>Total noneronautical revenue</b>	<b>30,660,643</b>	<b>35,596,634</b>	<b>34,343,459</b>	<b>(1,253,175)</b>	<b>-3.5%</b>
<b>Total operating revenues</b>	<b>70,733,948</b>	<b>77,907,249</b>	<b>77,609,670</b>	<b>(297,579)</b>	<b>-0.4%</b>
<b>NONOPERATING REVENUES</b>					
Interest income	703,964	500,400	700,000	199,600	39.9%
Passenger facility charges	9,605,169	10,134,426	11,357,119	1,222,693	12.1%
Customer facility charges	4,078,166	3,911,999	3,881,269	(30,730)	-0.8%
<b>Total nonoperating revenues</b>	<b>14,387,299</b>	<b>14,546,825</b>	<b>15,938,387</b>	<b>1,391,562</b>	<b>9.6%</b>
<b>Total Revenues</b>	<b>\$ 85,121,247</b>	<b>\$ 92,454,074</b>	<b>\$ 93,548,057</b>	<b>\$ 1,093,983</b>	<b>1.2%</b>

## **Overview Operating Expenses**

In FY 2020, total operating expenses are budgeted at \$71.6M compared to 67.4M for FYE 2019, an increase of \$4.2M (6.4%).

### **Personnel Expenses**

Personnel Expenses include salary and wages, overtime, and employee benefits. Benefits include payroll taxes, retirement, health insurance, workers' compensation insurance, unemployment insurance, life insurance and short-term disability insurance.

The FYE 2020 budget includes 63 full-time-equivalent (FTE) positions compared to 44.5 FYE 2019. Total personnel costs for FYE 2020, including overtime and fringe benefits are projected to increase by \$1.6M (26.8%) over the FY 2019 Budget. This increase is primarily attributable to the net increase of 8.5 positions and pay-for-performance increases for eligible employees. Employee benefits are projected to remain relatively flat at 27.5% of gross wages. The increase in FTE positions is associated with the transition of OIAA functions from contract staff to OIAA staff positions as well as additional positions to adequately provide resources necessary to manage the increase in passenger traffic, as well as OIAA efforts to improve the overall passenger experience at ONT.

### **Non-Personnel Expenses**

#### **Contractual Services**

Contractual Services expense includes a variety of professional services such as operations, maintenance, public safety, engineering, planning, air services development and marketing. These expenses fall in one or both major budget categories, operations and general administrative expense.

In FY 2020, Contractual Services are budgeted to have a net increase of \$2.8M (5.9%) over the FY 2019 Budget, primarily due to an increase in shuttle operations and janitorial services.

#### **Public Safety**

Public safety expenses are costs for law enforcement, aircraft rescue and firefighting (ARFF), dispatch, medical response, inspection/guard services and other similar services. Law enforcement, firefighting and dispatch account for approximately 84.1% of total public safety costs. These services are provided under a contract with the City of Ontario, based on actual costs incurred by the City in accordance with the contract along with a portion of each department's indirect costs. The FYE 2020 budget for fire and police includes a required 5% increase in salaries and wages in accordance with the union contract.

### Public Safety - continued

In addition, to the costs described above the OIAA contracts with Customs and Border Protection under a fee agreement to provide customs and public safety services for the Federal Inspection Station (FIS). The agreement provides ten full-time positions. Additional requested and or required services are billed at established hourly rates as they are provided by CPB. The substantial increase in costs relates to these additional services.

Certain inspection services and other nonrecurring public safety requirements are provided through non-governmental third-party providers based on established hourly rates as well certain reimbursable costs.

### Maintenance, Repairs & Airside Operations

OIAA contracts with TBI, Inc. to provide maintenance, repairs and airside operations at OIAA. Under the terms of the contract TBI receives a \$600,000 annual management fee for services it provides and invoices OIAA for actual expenses incurred in providing those services, including personnel, certain contract services and supplies. TBI provides a budget to OIAA annual, inclusive all these costs, which is reviewed, adjusted as necessary and incorporated in total in the OIAA budget. TBI's budget, including personnel and materials represents approximately 90% of the maintenance, repairs and airside operations budget. The budget for FYE 2020 is \$5.9M compared to 5.8M for the year ending 2019. The increase is approximately .1M (1.7%). TBI's budget.

### Parking Management & Related Costs

The airport provides several parking related products at various locations north of the terminals two and four, as well economy, valet and online parking options. Pricing for these products is based on proximity of the parking location to each respective terminal, passenger demand and market conditions and pricing in Southern California. After market analysis and consultation with OIAA consultants, a new pricing structure that increases pricing for all existing parking products, which will be put in place effective July 1, 2019. OIAA contracts with a non-governmental third-party provider to manage OIAA parking operations, which primarily covers personnel and access/ticketing infrastructure. The contract provides a management fee of \$600,000 annually as well reimbursement for actual costs incurred by the contract in fulfilling its requirements under the contract. The FYE 2020 budget is \$6.6M a \$.2M (3.8%) increase over FYE 2019.

### Shuttle System

The consolidated car rental facility is not located directly adjacent to the passenger terminals, consequently OIAA provides shuttle service to/from the terminals to the CONRAC facility through a third-party non-governmental third-party provider. The budget for FYE 2020 shuttle services is \$2.1M, which is relatively flat compared to FYE 2019.

### **Information Technology**

Information technology covers technology support services and equipment/software for operations as well as general and administrative budget categories. This includes a contract with the City of Ontario to provide assistance with hardware, network and application support. Costs related to this contract are primarily related to reimbursement for personnel costs incurred by City of Ontario staff in performing OIAA functions. In addition, IT costs includes, software licenses, cloud-based subscriptions, operational systems e.g. video surveillance, video information displays and security systems, as well administrative hardware, ERP, MS Office and other electronic productivity tools. The total Information Technology budget remains relatively unchanged from FY 2020 compared to FY 2019 at \$2.5M.

### **Utilities**

Utilities expense includes gas, electric and water costs. FY 2020 utilities costs are projected to increase by \$.4M (11.0%) from the FY 2019 Budget, primarily due to anticipated electricity rate increases and higher usage due to increased passenger traffic.

### **Advertising, Promotions & Community Engagement**

As one of several Southern California commercial airports, ONT experiences constant competition from these other commercial service airports. In addition, OIAA is reaching out to individuals and organizations within its catchment area to inform them of changes to ONT related to its acquisition by the local community. Consequently, ONT invests in advertising, marketing, promotions and other community engagement activities to promote the airports convenience and amenities, as well to improve the overall customer experience at OIAA. Total expenses related to these activities is \$6.7M for FYE 2020 a \$1.9M (40.3%) increase over FYE 2019. The largest share of this increase is attributable to improvements to its digital infrastructure and distribution channel, as well new customer engagement personnel in the terminals to monitor the quality of services provided by OIAA and third-party organizations to customers in the terminals.

### **Professional Services**

OIAA utilizes a various professional service to support the general and administrative activities of the organization, including accounting, financial reporting, human resources and risk management, commercial management, legal, marketing and other. These services are contracted under various arrangements, including multi-year fixed agreements and per hour charges for professional services provided to OIAA.

### **Other Operating Expenses**

Other operating expenses includes operations and general administrative expenses across several categories, including but not limited to insurance, office expense, telecommunications, travel, training and conferences. Year over year budgets from FYE 2020 to FYE2019 are adjusted based recent trends, established costs and organizational needs.

## EXHIBIT A – ONTARIO INTERNATIONAL AIRPORT AUTHORITY BUDGET 2019-20

	Actual FYE 2018	Budget FYE		\$	%
		2019	2020		
<b>PERSONNEL EXPENSES</b>					
Salaries and wages	\$ 5,112,629	\$ 4,806,624	\$ 6,092,539	\$ 1,285,915	26.8%
Fringe benefits	925,981	1,321,822	1,675,448	353,626	26.8%
<b>Total Personnel</b>	<b>6,038,610</b>	<b>6,128,446</b>	<b>7,767,987</b>	<b>1,639,541</b>	<b>26.8%</b>
<b>OPERATING &amp; MAINTENANCE EXPENSES</b>					
Police, Fire & Rescue Services	30,073,969	19,874,350	21,225,995	1,351,645	6.8%
Security Services	1,121,989	823,500	1,521,276	697,776	84.7%
Customs Border Protection	431,550	1,600,000	2,482,000	882,000	55.1%
Parking Management & Related Costs	6,493,376	6,400,000	6,642,000	242,000	3.8%
Shuttle System	1,991,141	2,138,000	2,088,000	(50,000)	-2.3%
Merchant Fees	543,862	533,000	550,000	17,000	3.2%
Aviation Consultants & Services	489,428	500,000	722,000	222,000	44.4%
Environmental Services	598,152	1,116,400	821,000	(295,400)	-26.5%
Engineering Services	1,126,725	5,256,300	2,115,000	(3,141,300)	-59.8%
Gas & Electric	3,625,273	3,245,000	3,545,000	300,000	9.2%
Water	642,854	610,000	734,000	124,000	20.3%
Operations & Maintenance Services	10,011,457	5,877,500	5,911,980	34,480	0.6%
Maintenance supplies	-	936,250	1,500,000	563,750	60.2%
IT Systems & Maintenance	1,508,531	1,097,500	1,094,346	(3,154)	-0.3%
Land Assessments	238,938	257,000	260,000	3,000	1.2%
<b>Total Operating &amp; Maintenance</b>	<b>58,897,245</b>	<b>50,264,800</b>	<b>51,212,597</b>	<b>947,797</b>	<b>1.9%</b>
<b>GENERAL &amp; ADMINISTRATIVE</b>					
Advertising, Promotions & Community Engagement	1,136,849	4,750,000	6,663,920	1,913,920	40.3%
Commissioners Fees	59,282	50,000	60,000	10,000	20.0%
Dues, Subscriptions & Licenses	81,813	130,000	70,825	(59,175)	-45.5%
Insurance	657,377	750,000	799,000	49,000	6.5%
IT Services	684,354	1,442,500	1,438,354	(4,146)	-0.3%
Office Expense	115,722	140,000	95,000	(45,000)	-32.1%
Professional Services- Financial	214,021	145,000	215,000	70,000	48.3%
Professional Services- HR & Risk Management	408,474	533,300	394,000	(139,300)	-26.1%
Professional services - Commercial management	351,144	-	350,000	350,000	100.0%
Professional Services- Legal	852,956	975,000	1,000,000	25,000	2.6%
Professional Services- Marketing	882,552	721,400	80,000	(641,400)	-88.9%
Professional Services- Management	769,177	768,000	926,000	158,000	20.6%
Telecommunications	334,289	160,000	355,000	195,000	121.9%
Travel, Training & Conferences	594,605	350,000	194,100	(155,900)	-44.5%
<b>Total General &amp; Administrative</b>	<b>7,142,615</b>	<b>10,915,200</b>	<b>12,641,199</b>	<b>1,725,999</b>	<b>15.8%</b>
<b>Total Operating Expenses</b>	<b>72,078,470</b>	<b>67,308,446</b>	<b>71,621,783</b>	<b>4,313,337</b>	<b>6.4%</b>

## Overview

Capital projects are funded by a combination of sources that include revenue bonds and other debt instruments. Debt service amounts appearing in the budget are based on payments of principal, interest, and fees. Debt service expenses (which also include amortization of bond premiums and cost of issuance fees) are projected at \$21.4M for the FY 2020 Budget.

The Authority does not have taxing power and therefore issues revenue bonds to finance the construction of airport projects. The bonds are called revenue bonds because their repayment is secured solely by revenues produced by the Airport system.

The Authority's policy is to manage its current and future debt service requirements in compliance with all bond covenants, while prudently meeting the Airport Authority's capital needs. The Authority does not have a legal debt limit but is constrained by its bond indenture requirement for debt service coverage, which requires that net revenues (generally defined as operating revenues less operating expenses) pledged to pay debt service exceed 125% (1.25x) of annual senior lien bond debt service and that subordinate net revenues shall exceed 110% (1.10x) of subordinate lien debt service. This acts as a cap on the annual debt service, not a cap on the amount of outstanding debt, and is a common provision in airport bond resolutions.

## Outstanding Debt

### Series 2016 Bonds – Senior Airport Revenue Bonds

On November 1, 2016, the Authority issued \$52.0M in Senior Airport Revenue Bonds. The bond proceeds were used to retire bonds issued by LAWA prior to acquisition of ONT by OIAA. The Series 2016 Bonds were structured as term bonds that bear interest rates ranging from 1.90% to 3.998% maturing in Fiscal Years 2020-2026.

The Series 2016 Bonds are payable solely from and secured by a pledge of net revenues and amounts in certain funds established under the Master Indenture of Trust as amended, and the Debt Service Reserve Fund (provided through surety). The bonds have been given a rating of A- by Standard & Poors.

### Series 2019 Bond Anticipation Notes (BANs)

On May 22, 2019 the Authority issued \$34.4M in Bond Anticipation Notes. The bond proceeds are to be used primarily for approved projects, including design, construction and other capital outlays

## Notes Payable

### Notes Payable- LAWA

In connection with the acquisition of ONT from LAWA, OIAA issued a \$70M noninterest-bearing note to LAWA, which was due on the 10<sup>th</sup> anniversary of the closing. The agreement was subsequently revised to provide payment arrangements commencing with the 3<sup>rd</sup> anniversary from closing. Annual payments are due based on annual PFC collections but not less than \$1M or 100% of PFC's collected. The Authority may prepay the loan at any time applying a discount of 1.1%. The note was discounted to net present value using a weighted average discount rate of 1.83%. The deferred interest of approximately \$9M is amortized over the life of the loan, with no fixed amortization schedule.

Debt service on the note is based on estimated collections from Passenger Facility Charge Funds, which are estimated at \$11.9M for FYE 2020.

### Notes Payable – Master Lease/Purchase Agreement

OIAA entered into a Master Lease/Purchase arrangement on September 29, 2017 with a lender to finance the acquisition and implementation of its Enterprise Resource Planning (ERP) system. The note provides a credit facility that allows for monthly drawdowns, with each drawdown converting to sixty-month term note. The note bears interest at approximately 3.7%. Principal and interest payments are made semi-annually in April and October. The note is secured by a first lien on the software /equipment financed under the lease agreement.

OIAA entered various lease/purchase debt instruments to fund the acquisition of vehicles and equipment.

Aggregate Annual Debt Service						
Year Ended June 30	2016 Revenue Bonds Principal and Interest	2016 Note Payable-LAWA Principal & Interest	2017 Notes Payable Principal and Interest	2019 Bond Anticipation Notes Principal and Interest	2019 Vehicle and Equipment Notes Payable Principal & Interest	Total
2020	\$ 6,009,553	\$ 11,884,232	\$ 637,336	\$ 2,529,935	\$ 332,016	\$ 21,393,073
2021	6,040,145	12,109,032	637,336	17,738,377	332,016	36,856,906
2022	6,072,778	12,335,832	637,336	16,260,179	321,910	35,628,035
2023	6,106,375	8,836,189	385,532	-	210,505	15,538,601
2024	6,152,690	-	66,864	-	14,748	6,234,303
2025	6,169,743	-	-	-	-	6,169,743
2026	6,221,080	-	-	-	-	6,221,080
	-	-	-	-	-	-
<b>Total</b>	<b>\$ 42,772,364</b>	<b>\$ 45,165,285</b>	<b>\$ 2,364,405</b>	<b>\$ 36,528,492</b>	<b>\$ 1,211,195</b>	<b>\$ 128,041,741</b>

### Proposed Debt Issuance

#### Notes Payable – ARFF Vehicles

The Authority intends to issue approximately \$4.3M in additional notes to finance the acquisition and replacement of four Airport Rescue & Firefighting Vehicles in 2020.



## EXHIBIT A – ONTARIO INTERNATIONAL AIRPORT AUTHORITY BUDGET 2019-20

### Capital Improvement Program

The OIAA uses a rolling capital improvement program. Projects that have been identified, prioritized and adequately scoped are presented to OIAA Airport Board of Commissioners for approval. Board approved capital projects that require Majority in Interest (MII) approval are presented to signatory airlines for approval. The program includes capital projects that address federal security requirements, airfield safety, environmental remediation, terminal upgrades and development. Funding sources for the projects include Federal Aviation Administration’s Airport Improvement Program (AIP) grants, Transportation Security Agency grants, Passenger Facility Charges (PFCs), Customer Facility Charges, cost recovery through airport rates and charges, Airport revenue bonds and other financing.

Current Projects							
Project Number	Project	Description	Budget	MI Status	Funding Source (s)	Grant Status	Project Status
201705019	Rehabilitate Taxiway S&W Intersection and Construct Taxiway S5	Rehabilitate pavement at the intersection of Taxiway S and Taxiway W and construction of a new permanent bypass taxiway, S5.	\$8,471,213	Approved	AIP/Airport Rates and Charges	Approved	Completed
201711052	Terminal 1 Apron (Gates 1, 2 and part of 3) and Taxilane G Reconstruction – Design & Construction	This project will design and fully reconstruct a portion of the Terminal 1 Apron (at Gates 1, 2, and part of 3) as well as the adjoining Taxilane G.	\$4,810,000	Approved	AIP/Airport Rates and Charges	Approved	Construction
	North Parallel Taxiway Design	Engineering design work for a new taxiway north of and parallel to Taxiway N. The new taxiway will be approximately 2,800 feet in length and extend to the east from the West Cucamonga Channel.	\$3,500,000	Approved			

**EXHIBIT A – ONTARIO INTERNATIONAL AIRPORT AUTHORITY BUDGET 2019-20**

<b>Current Projects</b>							
<b>Project Number</b>	<b>Project</b>	<b>Description</b>	<b>Budget</b>	<b>MII Status</b>	<b>Funding Source (s)</b>	<b>Grant Status</b>	<b>Project Status</b>
Not-assigned	Workday – Enterprise Resource Planning Software Acquisition and Implementation	This is for the acquisition and implementation of a cloud-based subscription ERP system – Workday. This includes consulting for configuration, training and report writing.	\$ 2,242,000	Approved	Financing/Airport Rates and Charges	N/A	Complete
201804008	Northwest development and South Cargo Relocation	Demolish the blast wall area and old bus terminal. Repair and replace the paved surface around the proposed site. Bring supporting infrastructure, including electrical, water, sewer and communications, on site. Build two 70,000 sq. ft fabric covered structures to preserve cargo operations for Amazon/LGSTX and Southwest Cargo.	\$17,092,000	Approved	Financing/Airport Rates and Charges	N/A	Construction
201808023	Taxiway S Rehabilitation	Taxiway S was commissioned in 1993 and has not been well-maintained. A recent pavement study noted that the taxiway, “particularly the portion located above the Cucamonga Channel, consists of pavement that is experiencing severe cracking despite multiple attempts . . . to patch and control the cracking.” Severe cracking has been occurring for the past several years. Following an option study, the planned rehabilitation plan was adopted and approved by the FAA for entitlement funding.	\$ 750,000	Approved	AIP/Airport Rates and Charges	Approved	Construction
20189022	Runway 26R Touchdown Zone (TDZ) Lighting	OIAA will install TDZ lights on Runway 26R to provide special authorization Cat II/III approaches to Runway 26R. The project will provide greater operational flexibility during inclement weather. In addition, this project will mitigate operational limitations due long-term closure of Runway 26L while it is being rehabilitated.	\$ 4,590,000	Approved	AIP/Airport Rates and Charges	Pending	Design

**EXHIBIT A – ONTARIO INTERNATIONAL AIRPORT AUTHORITY BUDGET 2019-20**

<b>Current Projects</b>							
<b>Project Number</b>	<b>Project</b>	<b>Description</b>	<b>Budget</b>	<b>MII Status</b>	<b>Funding Source (s)</b>	<b>Grant Status</b>	<b>Project Status</b>
201806017	MTS Southwest (MN) Cargo Relocation	This is an enabling project for the Northwest redevelopment project. Are cargo handling hangars will need to be cleared and the existing operations will be relocated just to the east of its current location. The project will entail demolition, site work, development of necessary utilities, and the development of a multi-use hangar.	\$ 2,279,000	Approved	AIP/Airport Rates and Charges	Approved	Construction
Pending	Terminal 2 & 4 Redesign & Refresh	This project is to modernize the terminals to deliver an elevated passenger experience and provide a sense of place that represents the Greater Ontario region. This project will include replacing antiquated wall coverings and flooring, improving the lighting fixtures, new furniture, and charging stations for mobile devices.	\$ 3,000,000	Approved	Airport Rates & Charges	N/A	Concept
201807019	Airfield Markings and Painting	This project is for the replacement or repair runway and taxiway markings to comply with the latest FAA standards.	\$ 3,000,000	Approved	Financing / Airport Rates & Charges	N/A	Design
201811036	Airfield Pavement Management Program (PMP)	This is for the development of a pavement management system to comply with FAA standards that OIAA will ensure it has an effective airport pavement maintenance-management program (PMMP) and it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport.	\$ 1,088,000	Approved	AIP / Airport Rates and Charges	Approved	Construction
201810032	Airport Layout Plan (ALP) Update	This project updates the ONT Airport Layout Plan (ALP). To support the update to the ALP, this project encompasses the collection of detailed airport geographic information system (GIS) data as well as the preparation of the required narrative report.	\$ 971,000	Approved	AIP / Airport Rates and Charges	Pending	Design

**EXHIBIT A – ONTARIO INTERNATIONAL AIRPORT AUTHORITY BUDGET 2019-20**

<b>Current Projects</b>							
<b>Project Number</b>	<b>Project</b>	<b>Description</b>	<b>Budget</b>	<b>MII Status</b>	<b>Funding Source (s)</b>	<b>Grant Status</b>	<b>Project Status</b>
2018-01	ARFF Apparatus Replacement	Replace three ARFF vehicles with 3,000-gallon commercial grade Rosenbauer ARFF apparatus, as well as one Rosenbauer Rapid Intervention Vehicle.	\$ 4,270,000	Approved	Financing / Airport Rates and Charges	N/A	Construction
Pending	Aircraft Rescue & Firefighting (ARFF) vehicles and equipment	This project is for the purchase four (4) additional pieces of ARFF equipment to complete the update of the Aircraft Rescue & Firefighting (ARFF) apparatus at ONT, including: an airport command vehicle, a piercing prop for high reach extendable turrets, an airplane stair truck and a utility vehicle.	\$ 441,000	Approved	Financing / Airport Rates and Charges	N/A	Construction
201808024	Building 18 Refurbishment	This project will refurbish, recondition and repair existing Building 18. The work includes upgrading and repairing the existing mechanical, electrical and plumbing systems as well as providing doors and interior barriers. The work also includes site improvements and installation of supporting infrastructure, including electrical, water, sewer and communications.	\$ 500,000	Approved	Financing / Airport Rates and Charges	N/A	Construction
201809029	Runway 26R ILS Upgrade FAA Survey	This is the first phase of a multi-year project, that will upgrade Runway 26R to a CAT III runway. This initial phase will fund a Federal Aviation Administration survey to determine the needs for aspects of the CAT III project including installation of an upgraded glideslope array, localizer array, runway visual range station, and new approach lighting system (ALSF-II).	\$ 100,000	Approved	Financing / Airport Rates and Charges	Approved	Design
201808022	Runway 26R Touchdown Zone Lighting Design	This project includes engineering design work for installation of Touchdown Zone Lights for Runway 26R at ONT.	\$ 500,000	Approved	Financing / Airport Rates and Charges	Approved	Design

**EXHIBIT A – ONTARIO INTERNATIONAL AIRPORT AUTHORITY BUDGET 2019-20**

<b>Current Projects</b>							
<b>Project Number</b>	<b>Project</b>	<b>Description</b>	<b>Budget</b>	<b>MII Status</b>	<b>Funding Source (s)</b>	<b>Grant Status</b>	<b>Project Status</b>
201808023	Taxiway S Rehabilitation – Construction	This project will rehabilitate and repair that portion of Taxiway S over the Cucamonga Channel extending west to Taxiway F.	\$ 6,140,000	Approved	Financing / Airport Rates and Charges	Approved	Design
201705023	OIAA Police Department Modular Substation Facility	Installation of a 3,600 square foot modular facility – with supporting utility infrastructure, pavement improvements, and a security fence – for dedicated use as a police substation. The facility will be constructed on the north side of the airport in the location, and with the general configuration, indicated on the attached page.	\$ 1,410,000	Approved	Financing / Airport Rates and Charges	Approved	Construction
Pending	Terminals 2 and 4 Escalator Replacement	This project will replace all four escalators in Terminals 2 and 4 (two in each terminal). The project will include complete replacement of the escalators and installation of modern, energy-efficient, large volume heavy duty equipment.	\$ 2,000,000	Approved	Financing / Airport Rates and Charges	N/A	Design
201804009	Common Use Terminal Equipment and Passenger Processing System for Check-in and Gate Areas in T2	The project will install CUTE (Common Use Terminal Equipment)/CUPPS (Common Use Passenger Processing System) equipment and improvements in Terminal 2. This includes 21 check-in desks located on the west end of Terminal 2, four common use kiosks located in the west end of Terminal 2, and four common use gates (Gates 204, 207, 211 and 212).	\$ 2,550,000	Disapproved	Financing / Airport Rates and Charges	N/A	N/A
201803004	New International Arrivals/Federal Inspection Service Facility – Design	This project would initiate the process of designing a new International Arrivals/Federal Inspection Services (FIS) Facility for Terminal 2. The new facility would, as previously reviewed with the airlines, be an expansion of the existing Terminal 2, including two wide-body contact gates, a new ground-loading parking position, and a new sterile corridor connecting at least two of the existing Terminal 2 gates, and a complete, inbound-passenger processing facility consistent with United	\$ 6,000,000	Disapproved	Financing / Airport Rates and Charges	N/A	N/A

**EXHIBIT A – ONTARIO INTERNATIONAL AIRPORT AUTHORITY BUDGET 2019-20**

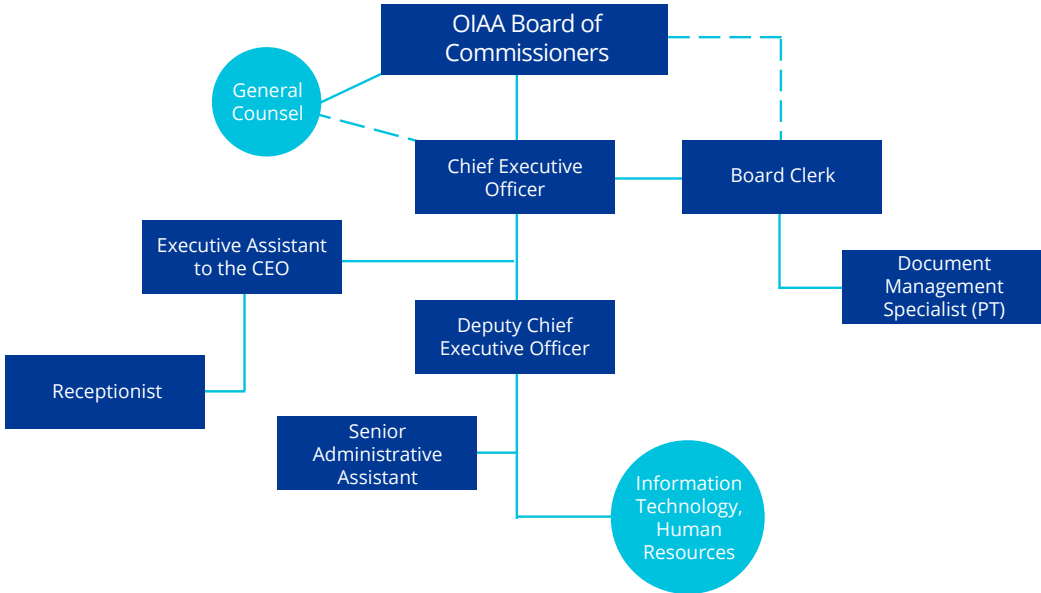
Current Projects							
Project Number	Project	Description	Budget	MII Status	Funding Source (s)	Grant Status	Project Status
		States Customs and Border Protection (CBP) requirements. This initial project authorization would include design development up to 60% as well as preconstruction activities such as estimating, evaluations, value engineering, value analysis, scheduling, constructability reviews, permitting, and life-cycle costing.					

# FY 2019-2020 OIAA Organizational Structure

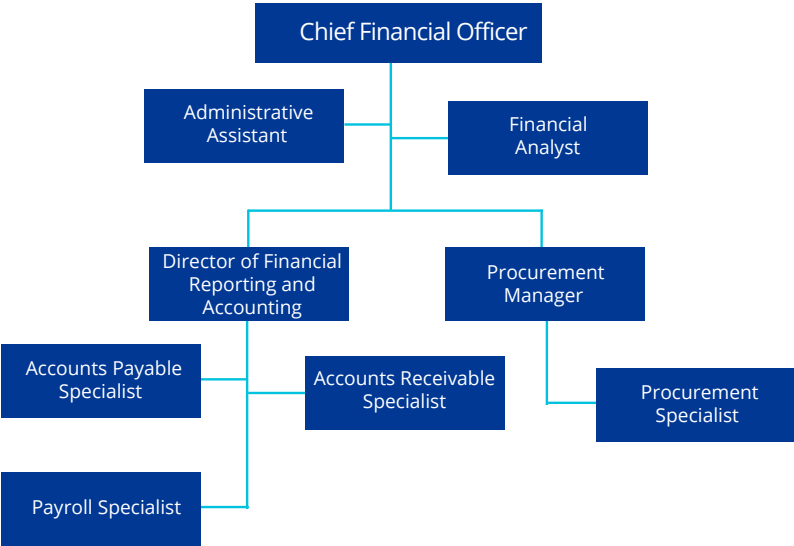
■ = OIAA Staff  
 ● = Consultant/Contractor



### OIAA Executive

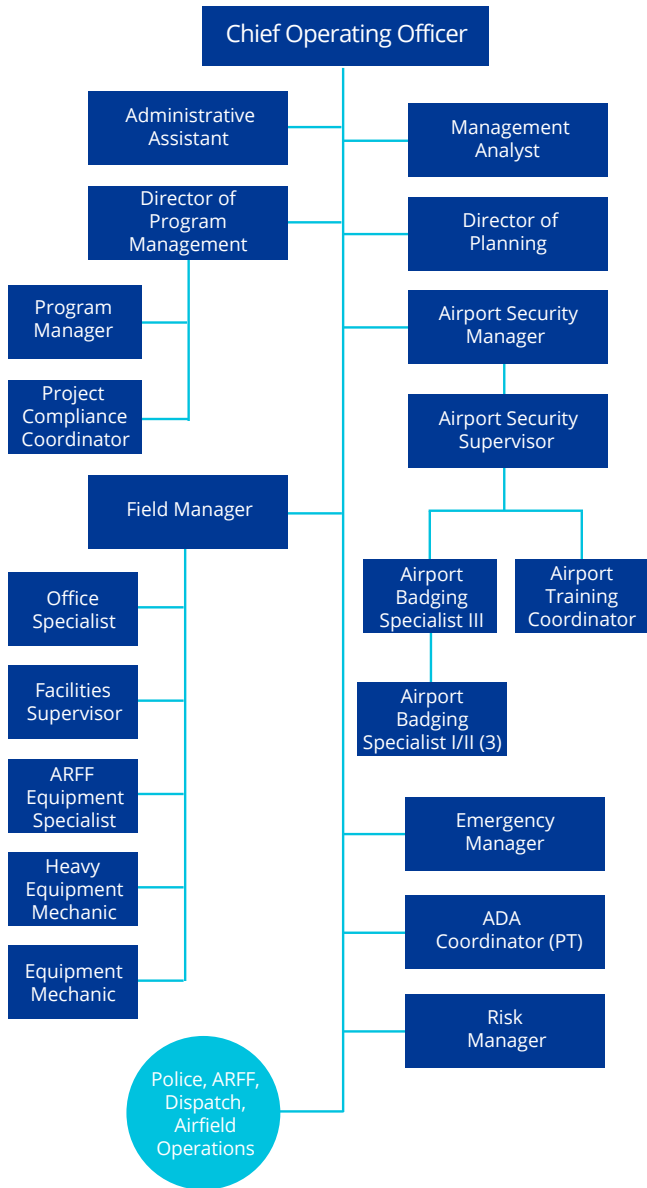


### OIAA Finance

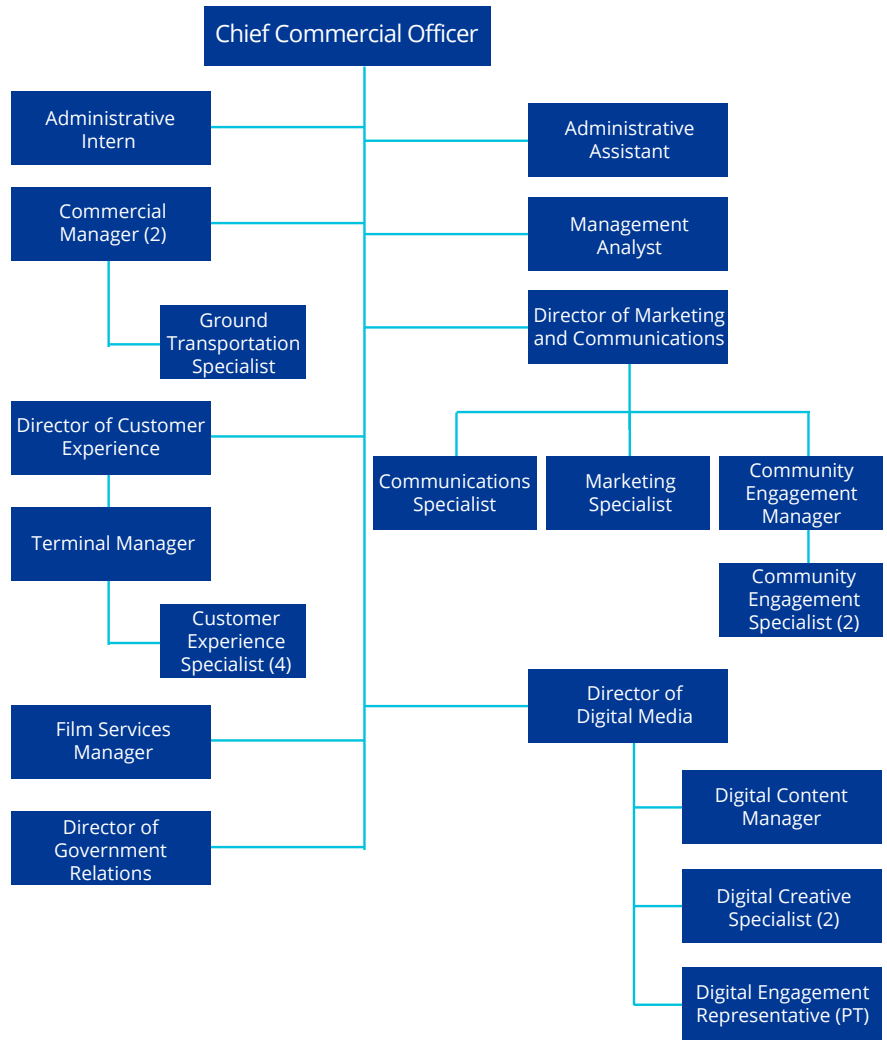




### OIAA Operations



### OIAA Commercial



## Exhibit B

**Ontario International Airport Authority**

## Administrative Offices

1923 East Avion Street | Ontario, CA 91761 (909) 544-5300 | TDD

(909) 937-2163

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Type	Unit	Signatory	Nonsignatory
<b>Landing Fees:</b>			
Aircraft over 25,000 pounds			
Passenger & Cargo (Per 1,000 lbs.)	Per 1,000 lbs. MGLW	\$ 1.98	\$ 2.47
Aircraft 25,000 pounds or less			
Aircraft 2 < \$12,500 pounds	Per Landing	\$ 31.00	\$ 38.00
Aircraft over 12,500 pounds up to 25,000 pounds	Per Landing	\$ 59.00	\$ 74.00
<b>Terminal Rental Rates:</b>			
Terminal space	Per Square Foot	\$ 109.86	\$ 120.84
<b>Terminal Use Fees:</b>			
Non-Preferential Gate Use Fee	Per Operation	\$ 280.00	\$ 280.00
Jet Bridge Utility Fee	Per Operation	\$ 189.00	\$ 189.00
Ticket Counter/Queuing Use Fee	Per Operation	\$ 15.00	\$ 16.85
Signatory New Entrant Joint Use Fee (Per Quarter)	Per Deplaned Passenger	\$ 4.60	\$ 5.00
FIS Use Fee	Per Deplaned Passenger	\$ 10.00	\$ 10.00
<b>Ramp, Apron and Remote Area Charges</b>			
Per Airplane position	Per 15 Minute Period	\$ 100.00	\$ 100.00
Per Airplane (double parked)	Per 10 Minute Period	\$ 100.00	\$ 100.00
Fuel Spill Cleanup in excess of 30 minutes	Per 15 Minute Period	\$ 100.00	\$ 100.00
<b>Aircraft Parking Charges</b>			
Parking Rate Per Airplane (first three hours of first 24 hours)	Per 1,000 lbs. MGLW	No Charge	No Charge
Parking Rate Per Airplane (begins after first three hours)	Per 1,000 lbs. MGLW	\$ 0.40	\$ 0.40
<b>Ground Support Equipment Fee</b>			
For every wide-body passenger aircraft operation diverted to ONT. This will go to a special fund to recover the cost of the ramps.	Per Use	\$ 450.00	\$ 450.00
<b>Passenger Facility Charge - (PFC)</b>			
Passenger facility Charge - (before \$.11) administrative fee	Per Enplaned Passenger	\$ 4.50	\$ 4.50

Exhibit B

**Ontario International Airport Authority**

Administrative Offices

1923 East Avion Street | Ontario, CA 91761 (909) 544-5300 | TDD

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Type	Unit	Rates / Fees / Charges
<b>Clerk's Office Fees</b>		
Subpoena for Appearance	Per Day	\$ 280.00
Subpoena for Records	Per Subpoena	\$ 15.00
Public Records Request	Per Page	\$ 0.15
Public Records Request	Per USB Drive	\$ 10.00
<b>Badging Fees</b>		
New Badging/Fingerprinting	Each	\$ 70.00
Badge Renewal	Each	\$ 70.00
Lost Badge Replacement	Each	\$ 70.00
Second Lost Badge Replacement	Each	\$ 100.00
<b>Parking Rates</b>		
<b>Lot 2</b>		
Premium Parking Daily/ Immediately in front	Per	\$ 27.00
Daily Parking	Per Day	\$ 21.00
<b>Lot 3</b>		
Economy Parking	Per Day	\$ 13.00
<b>Lot 4</b>		
Premium Parking Daily/ Immediately in front	Per Day	\$ 27.00
Daily Parking	Per Day	\$ 21.00
<b>Lot 5</b>		
Value Parking	Per Day	\$ 16.00
Valet Parking	Per Day	\$ 28.00
<b>Ground Rental Rates - Minimum</b>		
Landside Unpaved Areas	Per Square Foot	\$ 0.77
Landside Paved Areas	Per Square Foot	\$ 1.15
Airside Unpaved Areas	Per Square Foot	\$ 0.77
Airside Paved Areas - Non-Aircraft	Per Square Foot	\$ 1.15
Airside Paved Areas - Aircraft	Per Square Foot	\$ 1.52
Land for Building Footprint	Per Square Foot	\$ 0.77
<b>Ground Transportation Permits/Agreements</b>		
TNCs	Per drop-off	\$ 4.00
TNCs	Per pick-up	\$ 4.00
Charter Limousines/Sedan	Drop-off	\$ 3.00
Charter Limousines/Sedan	Pick-up	\$ 3.00
Charter Buses	Drop-off	\$ 3.00
Charter Buses	Pick-up	\$ 3.00
Charter Vans	Drop-off	\$ 3.00

Exhibit B

**Ontario International Airport Authority**

Administrative Offices

1923 East Avion Street | Ontario, CA 91761 (909) 544-5300 | TDD

(909) 937-2163

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Charter Vans	Pick-up	\$ 3.00
Hotel/Motel Courtesy Van Annual Permit	Per Company	\$ 8,449.00
Off-Airport Parking Shuttles	Gross Revenues	12.0%
Taxi Cabs	Pick-up	\$ 3.00
<b>Film Rates/Facility Use Fees</b>		
<b>OIAA Facilities and Vehicles</b>		
Ontario Facility Hourly Rate	Per Hour	\$ 150.00
OPS Vehicles (per hour)	Per Hour	\$ 6.00
<b>Production Vehicles (per day)</b>		
5 Ton<Trucks/Trailers	Per Day	\$ 25.00
5 Ton>Trucks/Trailers	Per Day	\$ 15.00
Cast/Crew Personal Auto	Per Day	\$ 18.00
<b>B727 Use (per day)</b>		
View	Per Day	\$ 1,000.00
Exterior up to plane	Per Day	\$ 1,750.00
Interior/Exterior on plane	Per Day	\$ 3,250.00
<b>Airport Personnel (per hour)</b>		
Airport Supt III	Per Hour	\$ 96.37
Security Officer	Per Hour	\$ 46.69
Airport Police Sergeant	Per Hour	\$ 89.18
LEO	Per Hour	\$ 119.11
Electrician	Per Hour	\$ 70.05
Air Conditioning Mech.	Per Hour	\$ 65.43
Instrument Mech.	Per Hour	\$ 79.91
Communications Electrician	Per Hour	\$ 82.71
Administration Fee	Total invoice amount	15.0%
<b>Annual Permits and Licenses</b>		
Vehicle airfield access	Per Vehicles	\$ 100.00
Non-exclusive License Agreement	Per Company	\$ 500.00
Fuel Delivery	Per Company	\$ 1,000.00