

# ONTARIO INTERNATIONAL AIRPORT AUTHORITY

## COMMISSION AGENDA – REGULAR MEETING



**August 24, 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](mailto: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](mailto: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](mailto: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.

## 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 July 13, 2023.

### 3. CASH DISBURSEMENT REPORT (BILLS/PAYROLL)

Receive and file the Cash Disbursement Report (Bills/Payroll) for the month ended July 31, 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 for the month of July, 2023.

**5. FISCAL YEAR 2022-2023 FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022**

Receive and file financial statements for the three months ended June 30, 2023.

**6. INVESTMENT REPORT FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022**

Receive and file the Investment Report for the three months ended June 30, 2023.

**7. CONTRACT WITH GCR, INC., DBA CIVIX FOR AN IDENTITY MANAGEMENT SYSTEM**

Authorize the Chief Executive Officer (CEO) to negotiate and execute a contract with GCR Inc., DBA Civix (CIVIX), for the procurement, configuration, installation, support, and maintenance services of an Identity Management System (IDMS) in an amount not to exceed \$1,500,000.00.

**8. CONTRACT WITH COFFMAN SPECIALTIES, INC. FOR RUNWAY PROJECT**

Authorize the Chief Executive Officer (CEO) to:

1. Execute a contract with Coffman Specialties, Inc. in the amount of \$42,950,000.00 for Year 2 construction of the Runway 8R-26L Rehabilitation and Connecting Taxiways Program;
2. Execute budgeted amendments to the contract for additional related services, if needed, up to 15% of the overall contract value;
3. Execute task orders on existing contracts to perform construction administration, construction management and other services related to construction; and
4. Accept and execute applicable grant offers for construction of the program.

**9. CONTRACT WITH ANGELES CONTRACTOR, INC., FOR THE PARKING LOT 5 REHABILITATION PROJECT**

Authorize the Chief Executive Officer (CEO) to:

1. Negotiate and execute a contract with Angeles Contractor, Inc., in an amount of \$10,200,000 to perform the construction activities required for the Parking Lot 5 Rehabilitation project; and
2. Authorize the CEO to execute amendments to the contract within the approved budgeted amount for additional related services, if needed, up to the limit allowed by the approved budget; and
3. Execute task orders on existing contracts to perform construction administration, construction management and other services related to construction.

**10. CONTRACT WITH ANGELES CONTRACTOR, INC., FOR THE CONSTRUCTION OF THE OIAA ADMINISTRATION OFFICE RECONFIGURATION PROJECT**

Authorize the Chief Executive Officer (CEO) to negotiate and execute a contract with Angeles Contractor, Inc., in an amount of \$350,100 to perform the Construction activities required for the Administration Office Reconfiguration project; and authorize the CEO to execute budgeted amendments to the contract for additional related services, if needed, up to the limit allowed by the approved project budget.

**11. CONTRACT WITH WINDSONG PRODUCTIONS FOR ECONOMIC DEVELOPMENT FORUM VIDEO PRODUCTION**

Authorize the Chief Executive Officer to negotiate and execute a contract with Windsong Productions for video production at the Economic Development Forum in the amount not to exceed \$140,000 and authorize the CEO to execute budgeted amendments to the contract for additional related services, if needed, up to 10% of the overall contract value.

**12. CONTRACT WITH FLAGSHIP AIRPORT SERVICES, INC. FOR JANITORIAL SERVICES**

Authorize the Chief Executive Officer (CEO) to execute a three-year Contract with Flagship Airport Services, Inc. for \$935,730.00 including a one-year extension to be exercised at OIAA's discretion and authorize the CEO to execute budgeted amendments to the contract for additional related services, if needed, up to 15% of the overall contract value.

**13. SOLE SOURCE PURCHASE OF LED DISPLAYS AND EQUIPMENT FROM PRIORITY VENTURES MANAGEMENT**

Motion to clarify that the previous July 2023 Commission approval of the Agreement with PVM including for Light-Emitting Diode (LED) screens and equipment for advertising and business-related matters at Ontario International Airport for the not to exceed amount of \$710,000 was based on a sole source procurement.

**14. AGREEMENT AMENDMENT WITH AMADEUS AIRPORT IT AMERICAS, INC. FOR THE AIRPORT LEASE MANAGEMENT SYSTEM**

Authorize the Chief Executive Officer (CEO) to negotiate and execute an agreement amendment with Amadeus Airport IT Americas, Inc. (Amadeus) for increased services related to the Airport Lease Management System in the amount to \$495,467 and authorize the CEO to execute budgeted amendments to the contract for other additional related services up to 21% of the overall contract value.

## ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

### 15. AMENDMENT TO CHIEF EXECUTIVE OFFICER'S EMPLOYMENT AGREEMENT

Authorize the Commission President to sign an Amendment to the CEO's Employment Agreement regarding an 8% increase in base salary effective to April 1, 2023, payment of taxable income attributed to CEO's personal use of OIAA vehicle, and payment of retention bonus at the end of each successive employment year.

### 16. PRESENTATION REGARDING LEGISLATIVE UPDATE

### 17. PRESENTATION REGARDING SOLAR PANELS

## MANAGEMENT REPORT

Executive Office

## CLOSED SESSION

### PUBLIC COMMENT ON CLOSED SESSION

### CLOSED SESSION

- GC § 54956.8: CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Property: Portions of Airport Property  
Agency Negotiator: OIAA General Counsel's Office

### REPORT ON CLOSED SESSION

General Legal Counsel

## 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: August 18, 2023

Posted Prior To: 2:00 P.M.

Signature: \_\_\_\_\_



Norma I. Alley, MMC

Ontario International Airport Authority Board Clerk

# ONTARIO INTERNATIONAL AIRPORT AUTHORITY



**MEETING DATE:** AUGUST 24, 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
07	GCR Inc., DBA Civix (CIVIX)	<ul style="list-style-type: none"><li>None</li></ul>
08	Coffeman Specialties, Inc.	<ul style="list-style-type: none"><li>None</li></ul>
09	Angeles Contractor, Inc.	<ul style="list-style-type: none"><li>City Service Paving</li><li>Performance Electric</li><li>Peniel Contractors, Inc.</li></ul>
10	Angeles Contractor, Inc.	<ul style="list-style-type: none"><li>MAV Construction, Inc.</li><li>AJ Construction Specialties, Inc.</li><li>Performance Electric</li><li>Pipe Pros Plumbing, Inc.</li></ul>
11	Windsong Productions	<ul style="list-style-type: none"><li>Justin McAleece</li><li>Jordan Pulmano</li><li>Ryan Gibson</li><li>Amber Medina</li></ul>
12	Flagship Airport Services, Inc.	<ul style="list-style-type: none"><li>None</li></ul>

13	Priority Ventures Management	<ul style="list-style-type: none"> <li>• OSSI</li> </ul>
14	Amadeus Airport IT Americas, Inc. (Amadeus)	<ul style="list-style-type: none"> <li>• None</li> </ul>

**PROCUREMENT:** N/A

**CEQA COMPLIANCE AND LAND USE APPROVALS:** N/A

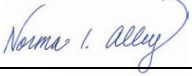


**STAFFING IMPACT (# OF POSITIONS):** N/A

**IMPACT ON OPERATIONS:** N/A

**SCHEDULE:** N/A

**ATTACHMENTS:** N/A

**STAFF MEMBER PRESENTING:** Chief Executive Officer Atif Elkadi

Originator Name:	<u>Norma I. Alley, MMC</u>
Originating Dept.:	<u>Clerk's Office</u>
Director Review:	<u></u>
Chief Review:	<u></u>
CEO Approval:	<u></u>

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](mailto:clerk@flyontario.com).

**BOARD DISPOSITION:** ☐ Approved ☐ Denied ☐ Continued to \_\_\_\_\_



# ONTARIO INTERNATIONAL AIRPORT AUTHORITY



**MEETING DATE:** AUGUST 24, 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 July 13, 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:

A handwritten signature in blue ink, appearing to read "Norma I. Alley", written over a horizontal line.

Chief Review:

A handwritten signature in black ink, written over a horizontal line.

CEO Approval:

A handwritten signature in black ink, written over a horizontal line.

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](mailto:clerk@flyontario.com).

**BOARD DISPOSITION:** ☐ Approved ☐ Denied ☐ Continued to \_\_\_\_\_

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY  
SPECIAL COMMISSION MEETING  
MINUTES  
JULY 13, 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: Julia Gouw, Curt Hagman, Ronald D. Loveridge and Alan D. Wapner

**ABSENT:** Secretary: Jim W. Bowman

A quorum of the Board of Commissioners was present.

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

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was performed.

**AGENDA REVIEW/ANNOUNCEMENTS**

**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 § 54957, PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
Title: Chief Executive Officer
- GC § 54957.6: CONFERENCE WITH LABOR NEGOTIATORS  
Agency Designated Representative: OIAA Commission President and Vice President  
Unrepresented Employee: Chief Executive Officer

Assistant General Counsel Kevin P. Sullivan announced the closed session items.

President Wapner recessed the open session and called the closed session to order at 2:03 p.m. The open session reconvened at 2:29 p.m.

## **REPORT ON CLOSED SESSION**

President Wapner announced there were no reportable action.

## **PUBLIC COMMENT**

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

## **CONSENT CALENDAR**

### **2. APPROVAL OF MINUTES**

Approved minutes for the OIAA Board of Commissioners meeting on June 22, 2023.

### **3. CASH DISBURSEMENT REPORT (BILLS/PAYROLL)**

Received and filed the Cash Disbursement Report (Bills/Payroll) for the month ended June 30, 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 June, 2023.

### **5. PROFESSIONAL SERVICES AGREEMENT WITH PRIORITY VENTURES MANAGEMENT FOR ADDITIONAL LED ADVERTISING DISPLAYS IN TERMINALS**

Authorized the Chief Executive Officer (CEO) to negotiate and execute a Professional Services Agreement (PSA) with Priority Ventures Management for a term of one (1) year, with a one (1) year extension, in an amount not to exceed \$800,000 for materials and installation of additional advertising displays in both terminals.

### **6. PROFESSIONAL SERVICES AGREEMENT WITH GARVER, LLC, FOR SAFETY MANAGEMENT SYSTEM PROGRAM DEVELOPMENT**

Authorized the Chief Executive Officer (CEO) to negotiate and execute a contract with Motorola Solutions for replacement 800MHz Portable Radios and Accessories in an amount not to exceed \$400,000.

**MOTION:** Moved by Commissioner Hagman, seconded by Commissioner Gouw, to approve the Consent Calendar. Motion carried by a 4 Yes/0 No/1 Absent (Bowman) vote.

## ADMINISTRATIVE DISCUSSION/ACTION/REPORT

### 7. CONTRACTS WITH ENVIRONMENTAL SCIENCE ASSOCIATES (ESA) AND RICONDO & ASSOCIATES FOR ON-CALL ENVIRONMENTAL PLANNING AND SUPPORT SERVICES

Authorized the Chief Executive Officer (CEO) to negotiate and execute two separate contracts with Environmental Science Associates (ESA) and Ricondo & Associates for three years for an amount not to exceed \$9,000,000.00 over the three-year period, with two one-year extensions, each at \$3,000,000.00 annually, for a total amount of \$15,000,000.00 for on-call, as-needed airport environmental planning and support services.

Chief Executive Officer Elkadi presented the staff report and fielded questions from the Board of Commissioners.

**MOTION:** Moved by Commissioner Hagman, seconded by Commissioner Gouw. Motion carried by a 4 Yes/0 No/1 Absent (Bowman) vote.

## MANAGEMENT REPORT

Chief Executive Officer Elkadi provided updates on passenger traffic numbers, changes to flights, launch of Northern Pacific Airlines, and general airport matters, accompanied by a PowerPoint.

## COMMISSIONER MATTERS

President Wapner requested a legislative update at a future commission meeting.

## ADJOURNMENT

President Wapner adjourned the Ontario International Airport Authority Board of Commissioners Meeting at 2:40 p.m.

RESPECTFULLY SUBMITTED:

APPROVED:

\_\_\_\_\_  
NORMA I. ALLEY, MMC, BOARD CLERK

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

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**MEETING DATE:** AUGUST 24, 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 July 31, 2023.

**FISCAL IMPACT SUMMARY:** The funding is approved in the Fiscal Year 2023-2024 budget.

**BACKGROUND: Fiscal Year Financial Performance:** In June 2023, the OIAA Board of Commissioners adopted the operating budget that was driven by strong aviation activity and financial performance realized by OIAA in FYE 2023. The operating budget was developed from OIAA goals and objectives and includes significant increases in resources to meet current and expected near term growth.

**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 July 31, 2023.

**STAFF MEMBER PRESENTING:** Chief Executive Officer Atif Elkadi

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Originator Name: Director of Finance Kim Snow


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Originating Dept.: Finance and Accounting

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Director Review: 

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Chief Review: 

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CEO Approval: 

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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](mailto:clerk@flyontario.com).

**BOARD DISPOSITION:** ☐ Approved ☐ Denied ☐ Continued to \_\_\_\_\_



OIAA  
Summary of Cash Disbursements  
For the Month Ended July 2023

Prepared by: ILN 08/04/23  
Reviewed by: KDS 8/10/2023

<u>Vendor</u>	<u>Amount</u>	<u>Description</u>
City of Ontario - Financial Services Agency	1,825,529.97	IT Services, HR Services, Police, Fire, and Dispatch Services
Delaware North Companies Travel Hospitality Services Inc	1,258,070.95	ARPA Concessions Relief for Small and Large Airport Concessions
Hudson Group	1,074,714.05	ARPA Concessions Relief for Small and Large Airport Concessions
TBI Airport Management Inc	963,583.20	Airfield Operations and Maintenance
United Parcel Service Inc	834,810.78	Check #4 of 4 Airport System True-Up Due to Airline for the Fiscal Year Ended June 30, 2022
Southwest Airlines Co	771,423.00	Check #4 of 4 Airport System True-Up Due to Airline for the Fiscal Year Ended June 30, 2022
OIAA Employee Payroll	586,228.97	OIAA Payroll
Hiltachk Marketing Group	523,641.65	Advertising and Promotion
Ricondo & Associates Inc	510,908.14	Contractual Services - Planning
Southern California Edison	500,341.34	Utilities - Electric
Parking Concepts Inc PCI	418,864.04	Parking Management Services
American Airlines Inc	340,221.00	Check #4 of 4 Airport System True-Up Due to Airline for the Fiscal Year Ended June 30, 2022
City of Ontario Business License Division	293,244.00	City Parking Tax
PPM Group Inc	292,140.00	Construction in Progress - NW Quadrant
Federal Express Corporation	270,771.00	Check #4 of 4 Airport System True-Up Due to Airline for the Fiscal Year Ended June 30, 2022
Penwal Industries Inc	262,308.29	Construction in Progress - Terminal Concourse Light Removal
Deere & Company	221,554.03	Airfield Tractors and Parts
Federal Aviation Administration	220,060.04	FAA Reimbursable Program - Runway 26R ILS Upgrade
Frontier Airlines Inc	184,851.00	Check #4 of 4 Airport System True-Up Due to Airline for the Fiscal Year Ended June 30, 2022
United Air Lines Inc	160,696.13	Check #4 of 4 Airport System True-Up Due to Airline for the Fiscal Year Ended June 30, 2022
Voya Retirement Insurance and Annuity Company	123,347.63	OIAA Payroll - Retirement Plan Contributions - Employer 401(a) and Employee 457(b)
US Treasury Internal Revenue Service	122,224.01	Federal Employee Payroll Tax (Employee and Employer Portions)
Jacobs Engineering Group Inc	118,915.98	On-Call Engineering Services - Facility Condition Assessment and Capacity Analysis
California Public Employee Retirement System	118,396.90	Employee Medical Insurance Premiums
Atlas Air Inc	116,006.04	Check #4 of 4 Airport System True-Up Due to Airline for the Fiscal Year Ended June 30, 2022
Gatzke Dillon & Ballance LLP	112,883.82	Professional Services - Legal Counsel
US Customs and Border Protection - Facilities Section	106,562.32	Cost of Communications and IT Equipment and Services as User Fee Airport
Ontario Municipal Utilities Company	99,494.67	Utilities - Water and Trash
Prosegur Services Group Inc	94,360.94	Safety and Security Services and Systems
Air Transport International Inc	87,463.38	Check #4 of 4 Airport System True-Up Due to Airline for the Fiscal Year Ended June 30, 2022
American Express Travel Related Services Company Inc	87,280.55	Credit Card Payment
Mead & Hunt Inc	84,623.82	Architecture and Engineering Services
Citizens Business Bank	75,144.67	Bank Fees - Parking Merchant Fees
M Wilson Company Contractors Inc	73,681.98	Construction in Progress - TSA EDS Equipment and Checked Baggage Inspection Systems Project
US Customs and Border Protection	69,888.32	Quarterly and Bi-Weekly Immigration Processing
American Threat Assessment Consulting Inc	69,840.40	Security and Safety Supplies
Birdi & Associates Inc	63,313.16	ACAMS Support and Maintenance
Burns & McDonnell Engineering Company Inc	60,655.00	Engineering Design and Construction - Project: Runway 26R TDZ Lights
China Airlines Limited	54,644.00	Check #3 of 3 Airport System True-Up Due to Airline for the Fiscal Year Ended June 30, 2022
Copenhagen Optimization ApS	42,780.00	Contractual Services - Data Maturity Assessment
HNTB Corporation	41,071.25	Contractual Services - Planning
Dell Marketing LP	40,605.58	IT Technology Systems Equipment Support
Employment Development Department	38,095.33	OIAA Payroll - Employee Payroll Tax (Employee and Employer Portions)
Kaeser & Blair Inc	35,913.20	Community Affairs - Promotional Expense
ModSquad Inc	34,133.69	Community Engagement and Social Media Services
Flock Group Inc	32,500.00	Annual Subscription Fee for License Plate Readers
CALTEK COMMUNICATIONS	30,323.08	Information Technology Systems and Hardware
Golden State Newspapers LLC	30,000.00	Advertising and Promotion
ID Systems & Supplies Inc	27,058.97	Safety and Security Materials and Supplies
Alta Environmental	27,057.61	Environmental Services
ServiceTec International Inc	22,398.40	Other IT Professional Services
SSi Inc	21,800.00	Security and Safety Supplies
Paul A Haney & Associates LLC	21,663.60	Professional Services - Management Consulting
Atlas Advocacy LLC	21,637.90	Professional Services - Federal Lobbying Services
California Commerce Center Owners Association	21,585.06	Land Assessment Dues
Frontier Communications	21,398.97	Telecommunication Services
Consulting Marketing & Advertising Group LLC	20,000.00	Professional Services - Management Consulting
Woodlawn Consulting LLC	20,000.00	Professional Services - Land Development Consulting
Worthington Partners LLC	20,000.00	Professional Services - Management Consulting
Fuse Advancement	19,689.73	Contractual Services - Marketing
KavPlan LLC	18,750.00	Contractual Services - Planning
Fruition Growth LLC	18,382.78	Hosting and Maintenance Service for Flyontario.com
USDA APHIS General	14,732.41	Animal and Plant Health Inspection Services
Manoj Chitre	14,640.00	Safety and Security IT Professional Services
Build Momentum	14,627.80	Clean Tech Campaign
So Cal Gas	13,522.20	Utilities - Gas
CDW Government LLC	13,163.18	IT Technology Systems Equipment Support

OIAA  
Summary of Cash Disbursements  
For the Month Ended July 2023

Prepared by: ILN 08/04/23  
Reviewed by: KDS 8/10/2023

<u>Vendor</u>	<u>Amount</u>	<u>Description</u>
Digital319 LLC	12,500.00	Contractual Services - Digital Media
Airport & Aviation Professionals Inc	12,382.03	Professional Services - Aviation Consulting
Lambert 20/20 Communications Inc	11,666.00	Marketing Services
Barich Inc	10,321.87	IT Consulting Professional Services
Moss Adams LLP	10,300.00	Professional Services - Internal Audit
Prosegur Security Integration LLC	10,042.48	Safety and Security Services and Systems - Watchtower Area
The Beavers Group Inc	9,945.40	Advertising and Promotion
Ontario International Airport Terminal and Equipment Company LLC	9,803.00	Check #4 of 4 Airport System True-Up Due to Airline for the Fiscal Year Ended June 30, 2022
Sun Life Assurance Company of Canada	9,525.38	Dental and Vision Employee Benefits
Liebert Cassidy Whitmore	8,335.00	Professional Services - Legal Counsel
Cappell Consulting LLC	8,333.00	Management Consulting
LinkedIn Corporation	8,260.70	Professional Services - Online Training Courses for Employees
Verizon	8,060.61	Telecommunication Services
Never Plateau Marketing	8,000.00	Management Consulting
Life Insurance Company of North America	7,848.00	OIAA Payroll - Employee Benefits - Dental and Vision Insurance
Complete Paperless Solutions	7,440.00	Annual Renewal of Laserfiche Licenses
Cintas Corporation No 2	6,686.38	Office Supplies and Expense
Travelers Aid of The Inland Empire	6,666.66	Information and Referral Services/ Emergency Transportation Services
Apple Inc	6,643.34	IT Technology Systems Equipment Support
B&H Foto & Electronics Corp	6,188.02	IT Technology Systems Equipment Support
Global Resource Management Inc	6,140.00	Contractual Professional Services
Southland News Distribution Company LLC	5,900.00	Advertising - Radio Station Management
Jacob Green	5,675.00	Professional Leadership and Coaching Services
ARC Document Solutions	5,625.00	Professional Document Archiving Services
Campbell Hill Aviation Group LLC	5,530.00	Professional Services - Aviation Consulting
American Association of Airport Executives	5,275.00	Dues Subscriptions Memberships
OSSI NA LLC	5,250.00	Contractual Services - Maintenance of Digital Concourse Screens
2KBRT Consulting	5,135.00	Contractual Services - Planning
County of San Bernardino	5,057.34	Monthly Radio Access and Dispatch Console
Gourmet Gourmet Catering Inc	5,046.27	Events Planning - Catering Services
Kaufman Dolowich LLP	4,950.00	Professional Services - Legal Counsel
ODP Business Solutions LLC	4,914.05	Office Supplies and Expense
Quinn Annelin	4,882.35	Reimbursable Business Expense
American Fleet and Retail Graphics	4,643.26	Materials and Supplies
Public Risk Innovation Solutions and Management	4,513.00	Insurance - General Liability
ADK Consulting Inc	4,509.50	Professional Executive Search Services
Citrus Motors	4,439.58	Automotive Repair and Supplies
Alan D Wapner	4,100.04	Commissioner Fees and Reimbursable Business Expense
Inyo Networks Inc	3,574.50	Monthly Services - Internet Service Provider
GM Graphics Inc	3,331.88	Advertising and Promotion
TK Burgers Catering Inc	3,043.00	Catering Services
North State Environmental	3,039.00	Environmental Services
Chaffey Community Art Association	3,000.00	Marketing Services - Airport Arts Program
MIS Choice Inc	3,000.00	Professional Services - ONT+ Visitor Portal
Joy Chuang	2,525.17	Reimbursable Business Expense
Professional Search Group OC LLC	2,498.65	Staffing Services and Temporary Help
The Pape Group Inc	2,284.77	Airfield Tractors Freight Expense
Sofia Abad	1,896.63	Events Planning - Catering Services
Igoe & Company Incorporated	1,866.37	OIAA Payroll - Employee Flexible Spending (FSA) and Dependent Care (DCA) Contributions
Dependable Vending Inc	1,761.50	Office Supplies and Expense
Helix Environmental Planning	1,760.00	Environmental Services - Burrowing Owls
Oscar Mata Gonzalez	1,625.00	Vehicle Repairs and Maintenance
City Rentals Inc	1,613.31	Events Planning - Multi-Chambers Mixer 2023
CALNET3	1,517.14	Telecommunication Services
Konica Minolta Business Solutions	1,465.91	Maintenance Services - Office Printers
CompuNet Inc	1,350.00	Software Licenses Subscriptions and Support
Philip Reynolds	1,336.36	Reimbursable Business Expense
Patricia Delatorre	1,268.81	Reimbursable Business Expense
Myron Henry Saulpaugh	1,237.50	Contractual Services - Filming
Uline Inc	1,183.84	Materials and Supplies
Rosenbauer Minnesota LLC	1,135.35	Fire Equipment Parts and Repairs
Clean Energy	1,066.15	Fuel - CNG (Compressed Natural Gas)
Proterra Operating Company Inc	1,054.94	Battery Lease and Parts for Electric Shuttle Buses
Unifirst Corporation	1,046.16	Uniform Services
Marissa Fuentes Howard	1,030.00	Marketing Services - Community Engagement
Bay City Equipment Industries Inc	1,007.80	Materials and Supplies for Runway 26R ILS Upgrade
Annie Lin	918.10	Reimbursable Business Expense
Curt Hagman	900.00	Commissioner Fees
Ron Loveridge	900.00	Commissioner Fees
Amazon Capital Service Inc	896.60	Office Supplies and Expense
Linda Mellin	839.80	Promotional Items - CAPA 2023
Diamond Environmental Services	835.86	Rental and Services of Portable Restroom
Angelica Garcia	793.88	Balloon Garland for Community Affair Event
Devon Brenner van Poelgeest Kennedy	700.00	Professional Photography Services
TransPerfect Holding LLC	700.00	Translation Services
Safety-Kleen Systems Inc	677.59	Equipment Maintenance
Swissport USA Inc	646.50	Travel - Business Meals

OIAA  
Summary of Cash Disbursements  
For the Month Ended July 2023

Prepared by: ILN 08/04/23  
Reviewed by: KDS 8/10/2023

<u>Vendor</u>	<u>Amount</u>	<u>Description</u>
The Freaky Cookie LLC	642.00	Marketing Services - Community Engagement
Maria Blanco	500.00	Reimbursement- Automobile Deductible due to Incident Parking Lot 3
Lee Maxton Inc	485.65	Professional Services - Marketing
Parkhouse Tire Service Inc	468.00	Automotive Repair and Supplies
Jim Bowman	450.00	Commissioner Fees
FedEx	446.78	Shipping and Mail Services
Krista McLain	406.68	Reimbursable Business Expense
DIRECTV Entertainment Holdings LLC	399.95	Monthly Cable TV Services
McFadden-Dale Industrial Hardware LLC	273.90	Automotive Repair and Supplies
American Funds Investment Group	240.00	OIAA Payroll - Employee College Fund Contributions
Plexusglobal	231.91	Background Screening Expense
Kim Snow	226.19	Reimbursable Business Expense
R S Automotive Equipment	185.76	Shop Equipment, Tools & Supplies
Anthony J Dorcon Jr	175.00	Contractual Services - Filming
Tiffany Sanders	165.78	Reimbursable Business Expense
National Supply Inc	153.07	Automotive Repair and Supplies
Julia Gouw	150.00	Commissioner Fees
Dennis Anderson	112.24	Reimbursable Business Expense
Pomona Chamber of Commerce	100.00	Local Chamber Networking Mixer Fee
AT&T	99.39	Telecommunication Services
David Goldsberry	78.60	Reimbursable Business Expense
Eastvale Chamber of Commerce	75.00	Local Chamber Networking Mixer Fee
Aren Yeh	73.96	Reimbursable Business Expense
Patton Sales Corporation	36.92	Materials and Supplies
Stephanie Burnham	29.54	Reimbursable Business Expense
Leticia Lopez	26.00	Reimbursable Business Expense
Kevin Citalan	6.00	Reimbursable Business Expense
Total	<u>14,288,319.56</u>	

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# ONTARIO INTERNATIONAL AIRPORT AUTHORITY



**MEETING DATE:** AUGUST 24, 2023

**AGENDA SECTION:** CONSENT CALENDAR

**SUBJECT:** APPROVAL OF 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 for the month of July, 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 July 2023, President Wapner attended eleven (11) additional Authority-related business functions. 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

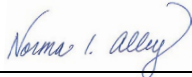
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Originator Name: Executive Office Staff

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Originating Dept.: Executive Office

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Director Review: 

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Chief Review: 

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CEO Approval: 

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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](mailto:clerk@flyontario.com).

**BOARD DISPOSITION:** ☐ Approved ☐ Denied ☐ Continued to \_\_\_\_\_



**MEETING DATE:** AUGUST 24, 2023

**AGENDA SECTION:** CONSENT CALENDAR

**SUBJECT:** FISCAL YEAR 2022-2023 FINANCIAL STATEMENTS (UNAUDITED) FOR FISCAL YEAR ENDED JUNE 30, 2023

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

**RECOMMENDED ACTION(S):** Receive and file financial statements (unaudited) for the fiscal year ended June 30, 2023.

**FISCAL IMPACT SUMMARY:** The OIAA's increase in net position excluding capital contributions was favorable to budget by \$16.1M (87.8%). This was primarily the result of favorable variances compared to budget in operating revenues of \$6.7M (6.6%) and operating expenses of \$9.6M (10.7%). The favorable operating expense variance was primarily 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 fiscal 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 fiscal year ended June 30, 2023 totaled 3.0M, which exceeded the budgeted amount by 70K (2.3%). Enplanements for the fiscal year ended June 30, 2023 were 288K (10.5%) higher than the prior fiscal year.

Landed weight (in thousand-pound units) for the fiscal year ended June 30, 2023 totaled 8.5M, which was unfavorable to budget by 143K (1.7%). However, landed weight for the fiscal year ended June 30, 2023 was 115K

(1.4%) higher than 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 fiscal year ended June 30, 2023 exceeded the budget by 146K (4.4%) and was 364K (11.8%) higher than the prior fiscal year. Cargo landed weight for the fiscal year ended June 30, 2023 was unfavorable to budget by 289K (5.4%) and was 249K (4.7%) lower than the prior fiscal year.

### **Financial Results Compared to Budget for the Fiscal Year Ended June 30, 2023**

**Operating Revenues:** For the fiscal year ended June 30, 2023, operating revenues were favorable to budget by \$6.7M (6.6%). This was the result of favorable variances in aeronautical and nonaeronautical revenues.

Aeronautical revenues were favorable to budget by \$3.3M (6.8%). Facilities rent was favorable to budget by \$234K (1.4%). Land rent was favorable to budget by \$1.1M (8.8%), which was primarily the result of additional rents earned by the OIAA during peak season. Airline fees were favorable to budget by \$2.1M (46.9%), 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 \$179K (1.3%), which was primarily the result of a decrease in cargo landed weight.

Nonaeronautical revenues were favorable to budget by \$3.5M (6.3%). Nonaeronautical facilities and land rent was favorable to budget by \$54K (4.1%), which was primarily due to rent recoveries. Non-airline terminal rent was favorable to budget by \$159K (12.5%), which was primarily due to new customer contracts for rented space. Total concession revenues of \$47.1M were favorable to budget by \$2.1M (4.6%), which was primarily the result of increases in passenger parking activity. Concessions revenue favorable variances include auto parking revenues of \$2.2M (7.9%), food and beverage revenues of \$32K (2.2%), and other concessions revenue of \$940K (32.8%). Concessions revenue unfavorable variances include rental car revenues of \$1.1M (10.1%) and gifts and news revenues of \$92K (4.5%). Operating grants were favorable to budget by \$425K (6.5%), which was primarily the result of budgeted operating that were slightly lower than the amount for which the OIAA requested for reimbursement during the fiscal year ended June 30, 2023. Operating grants for the fiscal year ended June 30, 2023 primarily consisted of grant funds for the American Rescue Plan Act of 2021 (ARPA) The total ARPA grant awarded to OIAA was \$24.8M. The OIAA recognized \$6.6M of ARPA grant funds for the fiscal year ended June 30, 2023 and the OIAA has a \$18.2M balance in grant funds remaining.

**Operating Expenses:** Total operating expenses of \$79.4M were favorable to budget by \$9.6M (10.7%), 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 \$596K (4.7%), public safety of \$405K (1.9%), contractual services of \$5.3M (14.9%), materials and supplies of \$1.1M (57.8%), insurance and administration of \$287K (14.0%), telecommunications and utilities of \$789K (10.8%), and other operating expenses of \$1.0M (12.5%). 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 \$1.2M (11.1%), which was primarily the result of higher-than-expected passenger carrier activity resulting in PFC revenues favorable to budget by \$869K (7.5%). Net investment income was favorable to budget by \$629K (814.9%). 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 \$92K (2.6%).

## **Financial Results Compared to Prior Fiscal Year Ended June 30, 2022**

**Operating Revenues:** For the fiscal year ended June 30, 2023, operating revenues excluding the annual airport system adjustment exceeded the prior fiscal year by \$8.0M (7.9%). 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 excluding the annual airport system adjustment exceeded the prior fiscal year by \$3.6M (7.6%). There were favorable variances in all aeronautical revenue categories. Landing fees increased by \$260K (1.9%). Facilities rent increased by \$1.4M (9.6%). Land rent increased by \$66K (0.5%). Airline fees increased by \$1.8M (39.3%).

Nonaeronautical revenues exceeded the prior fiscal year by \$4.4M (8.2%). Nonaeronautical facilities and land rent increased by \$38K (2.8%), which was primarily due to rent recoveries. Non-airline terminal rent increased by \$39K (2.8%), which was primarily due to new customer contracts for rented space. Total concession revenues of \$47.1M increased by \$5.6M (13.4%), which was primarily the result of increases in passenger parking activity. Concessions revenue increases include auto parking revenues of \$4.1M (15.5%), food and beverage revenues of \$179K (13.5%), gifts and news revenues of \$205K (11.8%), and other concessions revenue of \$1.4M (55.6%). Concessions revenue decreases include rental car revenues of \$258K (2.7%). Operating grants decreased by \$1.5M (17.9%) compared to the prior fiscal year. This is primarily due to \$6.6M of \$24.8M in ARPA grant funds recognized at June 30, 2023. In the prior fiscal year, the OIAA recognized the remaining grant revenues awarded under the Coronavirus Response and Relief Supplemental Appropriation Act (CRRSA Act). Grant revenues can vary from year to year depending on grant funds awarded to the OIAA.

**Operating Expenses:** For the fiscal year ended June 30, 2023, total operating expenses of \$79.4M exceeded the prior fiscal year by \$7.8M (10.8%). Operating expenses are higher in the current fiscal year compared to the prior fiscal year primarily as a result of new staff positions resulting in personnel expenses increasing by \$3.2M (35.9%). Other operating expense increases include public safety of \$1.5M (7.9%), contractual services of \$920K (3.1%), insurance and administration of \$360K (25.7%), telecommunications and utilities of \$1.3M (23.8%), and other operating expenses of \$782K (12.0%). As passenger activities continue to increase over prior fiscal 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 prior fiscal year by \$1.7M (5.3%), which was primarily the result of increases in passenger activities. PFC revenues increased by \$1.2M (10.9%). CFC revenues increased by \$178K (5.6%). Interest expense decreased by \$480K as a result of the OIAA paying down existing debt service. Net investment income increased by \$986K (352.2%). 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.

Capital contributions of \$15.0M exceeded the prior fiscal year by \$4.0M (36.6%). Capital contributions can vary from year to year.

**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 (Unaudited) for the Fiscal Year Ended June 30, 2023.

**STAFF MEMBER PRESENTING:** Chief Executive Officer Atif Elkadi

Originator Name: Director of Finance Kim Snow

Originating Dept.: Financial Accounting and Reporting

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](mailto:clerk@flyontario.com).

**BOARD DISPOSITION:** ☐ Approved ☐ Denied ☐ Continued to \_\_\_\_\_

# FINANCIAL STATEMENTS

FOR THE YEARS ENDED  
JUNE 30, 2023 AND 2022

ONTARIO INTERNATIONAL AIRPORT AUTHORITY



ONTARIO INTERNATIONAL AIRPORT AUTHORITY  
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**ONTARIO INTERNATIONAL AIRPORT AUTHORITY**  
**STATEMENTS OF NET POSITION (UNAUDITED)**  
**JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
Current Assets:		
Unrestricted Assets:		
Cash and Cash Equivalents	\$ 75,348,288	\$ 79,638,865
Accounts Receivable, Net of Allowance for Doubtful		
Accounts of \$353,625 and \$637,209 as of		
June 30, 2023 and 2022, Respectively	6,324,911	6,584,488
Grants Receivable	14,228,431	9,701,942
Leases Receivable – Current	622,472	622,472
Interest Receivable	261,989	61,408
Prepaid Expenses	<u>3,211,721</u>	<u>2,814,482</u>
Total Unrestricted Current Assets	99,997,812	99,423,657
Restricted Assets:		
Cash and Cash Equivalents	63,055,057	76,512,701
Accounts Receivable	<u>2,173,678</u>	<u>1,362,008</u>
Total Restricted Current Assets	<u>65,228,735</u>	<u>77,874,709</u>
Total Current Assets	165,226,547	177,298,366
Noncurrent Assets:		
Leases Receivable – Noncurrent	3,274,500	3,274,500
Capital Assets:		
Not Depreciated or Amortized	110,555,197	93,463,390
Depreciated and Amortized, Net of Accumulated		
Depreciation and Amortization of \$34,956,941		
and \$27,597,740 as of June 30, 2023		
and 2022, Respectively	<u>86,752,484</u>	<u>63,668,657</u>
Net Capital Assets	<u>197,307,681</u>	<u>157,132,047</u>
Total Noncurrent Assets	<u>200,582,181</u>	<u>160,406,547</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 365,808,728</u></b>	<b><u>\$ 337,704,913</u></b>

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY**  
**STATEMENTS OF NET POSITION (UNAUDITED) – CONTINUED**  
**JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Payable From Unrestricted Assets:		
Accounts Payable	\$ 10,871,140	\$ 11,317,507
Accrued Expenses	6,997,485	8,445,265
Accrued Payroll and Vacation	1,256,857	880,178
Accrued Interest	457,697	481,644
Customer Deposits	560,653	473,817
Due to Airlines	3,434,822	18,436,466
Unearned Revenues	5,513,914	4,578,627
Current Portion of Long-Term Debt	<u>6,128,771</u>	<u>5,458,710</u>
Total Unrestricted Current Liabilities	35,221,339	50,072,214
Noncurrent Liabilities:		
Payable From Unrestricted Assets:		
Long-Term Debt:		
Bonds Payable – Series 2016	11,860,000	17,505,000
Revenue Bonds – Series 2021, Including Bond Premium of \$19,582,913 and \$20,450,899 as of June 30, 2023 and 2022, Respectively	<u>122,922,913</u>	<u>123,790,899</u>
Total Unrestricted Noncurrent Liabilities	<u>134,782,913</u>	<u>141,295,899</u>
Total Liabilities	170,004,252	191,368,113
<b>DEFERRED INFLOW OF RESOURCES</b>		
Deferred Inflow of Resources – Leases	<u>3,896,972</u>	<u>3,896,972</u>
Total Deferred Inflow of Resources	<u>3,896,972</u>	<u>3,896,972</u>
Total Liabilities and Deferred Inflow of Resources	173,901,224	195,265,085
<b>NET POSITION</b>		
Net Investment in Capital Assets	92,423,136	67,122,930
Restricted	29,201,596	21,129,217
Unrestricted	<u>70,282,772</u>	<u>54,187,681</u>
Total Net Position	<u>191,907,504</u>	<u>142,439,828</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u><u>\$ 365,808,728</u></u>	<u><u>\$ 337,704,913</u></u>

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY**  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – QUARTER (UNAUDITED)  
FOR THE QUARTERS ENDED JUNE 30, 2023 AND 2022

	FOR THE QUARTER ENDED JUNE 30, 2023		VARIANCE FAVORABLE (UNFAVORABLE)		JUNE 30, 2022
	BUDGET	ACTUAL	\$	%	ACTUAL
<b>OPERATING REVENUES</b>					
Aeronautical:					
Landing Fees	\$ 3,502,889	\$ 3,431,013	\$ (71,876)	(2.1) %	\$ 3,747,744
Facilities Rent	4,091,417	4,284,580	193,163	4.7	3,496,794
Land Rent	3,214,378	3,182,134	(32,244)	(1.0)	3,193,992
Airline Fees	1,128,204	1,710,977	582,773	51.7	1,482,460
Total Aeronautical Revenues	11,936,888	12,608,704	671,816	5.6	11,920,990
Nonaeronautical:					
Facilities and Land Rent	330,373	311,392	(18,981)	(5.7)	350,281
Non-Airline Terminal Rent	317,901	365,466	47,565	15.0	401,054
Concessions:					
Auto Parking	7,483,323	8,325,572	842,249	11.3	7,418,708
Rental Cars	2,782,268	2,398,927	(383,341)	(13.8)	2,516,575
Food and Beverage	391,612	634,394	242,782	62.0	216,765
Gifts and News	581,783	505,566	(76,217)	(13.1)	491,799
Other Concessions	757,299	1,064,694	307,395	40.6	755,968
Operating Grants	1,643,748	6,681,730	5,037,982	306.5	3,228,681
Other Nonaeronautical Revenues	137,529	333,824	196,295	142.7	(65,452)
Total Nonaeronautical Revenues	14,425,836	20,621,565	6,195,729	42.9	15,314,379
Total Operating Revenues	26,362,724	33,230,269	6,867,545	26.1	27,235,369
<b>OPERATING EXPENSES</b>					
Personnel	3,588,416	3,207,226	381,190	10.6	2,395,200
Public Safety	5,293,930	5,192,540	101,390	1.9	4,812,363
Contractual Services	9,027,942	8,915,016	112,926	1.3	8,829,651
Insurance and Administration	536,866	440,262	96,604	18.0	345,808
Materials and Supplies	479,949	210,198	269,751	56.2	328,899
Telecommunications and Utilities	1,823,278	1,642,496	180,782	9.9	1,180,303
Bad Debt Expense	-	-	-	-	72,936
Other Operating Expenses	2,373,681	2,432,268	(58,587)	(2.5)	2,058,086
Total Operating Expenses	\$ 23,124,062	\$ 22,040,006	\$ 1,084,056	4.7 %	\$ 20,023,246

*Quarterly Financial Statements*

# ONTARIO INTERNATIONAL AIRPORT AUTHORITY

## STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – QUARTER (UNAUDITED) – CONTINUED FOR THE QUARTERS ENDED JUNE 30, 2023 AND 2022

	FOR THE QUARTER ENDED JUNE 30, 2023		VARIANCE FAVORABLE (UNFAVORABLE)		JUNE 30, 2022
	BUDGET	ACTUAL	\$	%	ACTUAL
Net Operating Income Before Depreciation and Amortization	\$ 3,238,662	\$ 11,190,263	\$ 7,951,601	245.5 %	\$ 7,212,123
Depreciation and Amortization	1,514,001	2,020,564	(506,563)	(33.5)	1,724,357
Net Operating Income	1,724,661	9,169,699	7,445,038	431.7	5,487,766
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment Income, Net	19,284	208,822	189,538	982.9	12,077
Passenger Facility Charges	3,078,331	3,593,622	515,291	16.7	3,450,730
Customer Facility Charges	920,218	917,666	(2,552)	(0.3)	869,144
Interest Expense	(1,047,139)	(1,047,139)	-	-	(1,144,814)
Gain (Loss) on Disposition of Assets	-	(9,390)	(9,390)	-	18,300
Total Nonoperating Revenues, Net	2,970,694	3,663,581	692,887	23.3	3,205,437
Net Income Before Special Item and Capital Contributions	4,695,355	12,833,280	8,137,925	173.3	8,693,203
<b>SPECIAL ITEM</b>					
Development and Entitlement Income, Net	-	-	-	-	5,000,000
<b>CAPITAL CONTRIBUTIONS</b>					
Federal Grants and Other	-	11,000,241	11,000,241	-	3,074,139
Increase in Net Position	4,695,355	23,833,521	19,138,166	407.6	16,767,342
<b>TOTAL NET POSITION – BEGINNING OF QUARTER</b>	<b>156,119,816</b>	<b>168,073,983</b>	<b>11,954,167</b>	<b>7.7</b>	<b>125,672,486</b>
<b>TOTAL NET POSITION – END OF QUARTER</b>	<b>\$ 160,815,171</b>	<b>\$ 191,907,504</b>	<b>\$ 31,092,333</b>	<b>19.3 %</b>	<b>\$ 142,439,828</b>



# ONTARIO INTERNATIONAL AIRPORT AUTHORITY

## STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – YEAR TO DATE (UNAUDITED) FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	FOR THE YEAR ENDED JUNE 30, 2023		VARIANCE FAVORABLE (UNFAVORABLE)		JUNE 30, 2022
	BUDGET	ACTUAL	\$	%	ACTUAL
<b>OPERATING REVENUES</b>					
Aeronautical:					
Landing Fees	\$ 14,239,780	\$ 14,060,662	\$ (179,118)	(1.3) %	\$ 5,234,880
Facilities Rent	16,261,999	16,496,234	234,235	1.4	9,775,257
Land Rent	12,857,518	13,986,582	1,129,064	8.8	13,921,034
Airline Fees	4,440,649	6,522,452	2,081,803	46.9	4,683,093
Total Aeronautical Revenues	47,799,946	51,065,930	3,265,984	6.8	33,614,264
Nonaeronautical:					
Facilities and Land Rent	1,321,498	1,375,783	54,285	4.1	1,338,113
Non-Airline Terminal Rent	1,271,612	1,431,104	159,492	12.5	1,391,782
Concessions:					
Auto Parking	28,156,137	30,388,588	2,232,451	7.9	26,307,897
Rental Cars	10,477,107	9,423,111	(1,053,996)	(10.1)	9,681,310
Food and Beverage	1,473,447	1,505,946	32,499	2.2	1,326,876
Gifts and News	2,041,518	1,949,187	(92,331)	(4.5)	1,743,848
Other Concessions	2,862,302	3,802,494	940,192	32.8	2,443,976
Operating Grants	6,575,000	6,999,702	424,702	6.5	8,530,697
Other Nonaeronautical Revenues	550,114	1,308,004	757,890	137.8	1,008,586
Total Nonaeronautical Revenues	54,728,735	58,183,919	3,455,184	6.3	53,773,085
Total Operating Revenues	102,528,681	109,249,849	6,721,168	6.6	87,387,349
<b>OPERATING EXPENSES</b>					
Personnel	12,658,389	12,061,946	596,443	4.7	8,877,520
Public Safety	21,175,717	20,770,240	405,477	1.9	19,243,969
Contractual Services	35,503,985	30,197,646	5,306,339	14.9	29,277,820
Materials and Supplies	1,957,287	826,607	1,130,680	57.8	1,013,480
Insurance and Administration	2,047,461	1,760,343	287,118	14.0	1,400,242
Telecommunications and Utilities	7,293,100	6,504,028	789,072	10.8	5,253,646
Bad Debt Expense	-	-	-	-	73,298
Other Operating Expenses	8,326,145	7,284,060	1,042,085	12.5	6,501,987
Total Operating Expenses	\$ 88,962,084	\$ 79,404,870	\$ 9,557,214	10.7 %	\$ 71,641,962

Quarterly Financial Statements

# ONTARIO INTERNATIONAL AIRPORT AUTHORITY

## STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – YEAR TO DATE (UNAUDITED) – CONTINUED FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	FOR THE YEAR ENDED JUNE 30, 2023		VARIANCE FAVORABLE (UNFAVORABLE)		JUNE 30, 2022
	BUDGET	ACTUAL	\$	%	ACTUAL
Net Operating Income Before Depreciation and Amortization	\$ 13,566,597	\$ 29,844,979	\$ 16,278,382	120.0 %	\$ 15,745,387
Depreciation and Amortization	6,055,996	7,412,107	(1,356,111)	(22.4)	6,292,900
Net Operating Income	7,510,601	22,432,872	14,922,271	198.7	9,452,487
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment Income (Loss), Net	77,143	705,745	628,602	814.9	(279,864)
Passenger Facility Charges	11,582,266	12,451,361	869,095	7.5	11,225,992
Customer Facility Charges	3,462,333	3,370,712	(91,621)	(2.6)	3,192,973
Interest Expense	(4,257,000)	(4,257,000)	-	-	(4,736,620)
Debt Issuance Costs	-	(190,000)	(190,000)	-	-
Gain (Loss) on Disposition of Assets	-	(9,021)	(9,021)	-	71,016
Total Nonoperating Revenues, Net	10,864,742	12,071,797	1,207,055	11.1	9,473,497
Net Income Before Special Item and Capital Contributions	18,375,343	34,504,669	16,129,326	87.8	18,925,984
<b>SPECIAL ITEM</b>					
Development and Entitlement Income, Net	-	-	-	-	5,000,000
<b>CAPITAL CONTRIBUTIONS</b>					
Federal Grants and Other	-	14,963,007	14,963,007	-	10,950,213
Increase in Net Position	18,375,343	49,467,676	31,092,333	169.2	34,876,197
<b>TOTAL NET POSITION – BEGINNING OF YEAR</b>	<b>142,439,828</b>	<b>142,439,828</b>	<b>-</b>	<b>-</b>	<b>107,563,631</b>
<b>TOTAL NET POSITION – END OF YEAR</b>	<b>\$ 160,815,171</b>	<b>\$ 191,907,504</b>	<b>\$ 31,092,333</b>	<b>19.3 %</b>	<b>\$ 142,439,828</b>

# ONTARIO INTERNATIONAL AIRPORT AUTHORITY

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

	FOR THE QUARTERS ENDED				FOR THE YEARS ENDED	
	SEPTEMBER 30, 2022	DECEMBER 31, 2022	MARCH 31, 2023	JUNE 30, 2023	JUNE 30, 2023	JUNE 30, 2022
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
<b>OPERATING REVENUES</b>						
Aeronautical:						
Landing Fees	\$ 3,487,797	\$ 3,881,839	\$ 3,260,013	\$ 3,431,013	\$ 14,060,662	\$ 5,234,880
Facilities Rent	3,985,968	4,074,865	4,150,821	4,284,580	16,496,234	9,775,257
Land Rent	3,438,349	3,861,866	3,504,233	3,182,134	13,986,582	13,921,034
Airline Fees	1,550,572	1,742,303	1,518,600	1,710,977	6,522,452	4,683,093
Total Aeronautical Revenues	12,462,686	13,560,873	12,433,667	12,608,704	51,065,930	33,614,264
Nonaeronautical:						
Facilities and Land Rent	370,658	356,287	337,446	311,392	1,375,783	1,338,113
Non-Airline Terminal Rent	338,699	357,784	369,155	365,466	1,431,104	1,391,782
Concessions:						
Auto Parking	7,724,598	7,470,178	6,868,240	8,325,572	30,388,588	26,307,897
Rental Cars	2,356,242	2,393,529	2,274,413	2,398,927	9,423,111	9,681,310
Food and Beverage	298,464	318,593	254,495	634,394	1,505,946	1,326,876
Gifts and News	501,659	490,975	450,987	505,566	1,949,187	1,743,848
Other Concessions	785,876	1,028,391	923,533	1,064,694	3,802,494	2,443,976
Operating Grants	186,048	33,218	98,706	6,681,730	6,999,702	8,530,697
Other Nonaeronautical Revenues	407,742	244,005	322,433	333,824	1,308,004	1,008,586
Total Nonaeronautical Revenues	12,969,986	12,692,960	11,899,408	20,621,565	58,183,919	53,773,085
Total Operating Revenues	25,432,672	26,253,833	24,333,075	33,230,269	109,249,849	87,387,349
<b>OPERATING EXPENSES</b>						
Personnel	2,709,769	2,997,374	3,147,577	3,207,226	12,061,946	8,877,520
Public Safety	5,192,540	5,192,620	5,192,540	5,192,540	20,770,240	19,243,969
Contractual Services	6,842,988	7,325,575	7,114,067	8,915,016	30,197,646	29,277,820
Insurance and Administration	414,652	463,305	442,124	440,262	1,760,343	1,400,242
Materials and Supplies	214,935	198,093	203,381	210,198	826,607	1,013,480
Telecommunications and Utilities	1,966,232	1,476,463	1,418,837	1,642,496	6,504,028	5,253,646
Bad Debt Expense	-	-	-	-	-	73,298
Other Operating Expenses	1,392,561	2,023,615	1,435,616	2,432,268	7,284,060	6,501,987
Total Operating Expenses	\$ 18,733,677	\$ 19,677,045	\$ 18,954,142	\$ 22,040,006	\$ 79,404,870	\$ 71,641,962

# ONTARIO INTERNATIONAL AIRPORT AUTHORITY

## SUPPLEMENTAL SCHEDULES OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – BY QUARTER

(UNAUDITED) – CONTINUED

FOR THE YEAR ENDED JUNE 30, 2023

	FOR THE QUARTERS ENDED				FOR THE YEARS ENDED	
	SEPTEMBER 30, 2022	DECEMBER 31, 2022	MARCH 31, 2023	JUNE 30, 2023	JUNE 30, 2023	JUNE 30, 2022
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
Net Operating Income Before Depreciation and Amortization	\$ 6,698,995	\$ 6,576,788	\$ 5,378,933	\$ 11,190,263	\$ 29,844,979	\$ 15,745,387
Depreciation and Amortization	1,491,719	1,576,787	2,323,037	2,020,564	7,412,107	6,292,900
Net Operating Income	5,207,276	5,000,001	3,055,896	9,169,699	22,432,872	9,452,487
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Investment Income (Loss), Net	(93,722)	195,478	395,167	208,822	705,745	(279,864)
Passenger Facility Charges	3,155,389	2,932,578	2,769,772	3,593,622	12,451,361	11,225,992
Customer Facility Charges	814,266	826,312	812,468	917,666	3,370,712	3,192,973
Interest Expense	(1,077,975)	(1,065,091)	(1,066,795)	(1,047,139)	(4,257,000)	(4,736,620)
Debt Issuance Costs	-	-	(190,000)	-	(190,000)	-
Gain (Loss) on Disposition of Assets	5,500	(7,946)	2,815	(9,390)	(9,021)	71,016
Total Nonoperating Revenues, Net	2,803,458	2,881,331	2,723,427	3,663,581	12,071,797	9,473,497
Net Income Before Special Item and Capital Contributions	8,010,734	7,881,332	5,779,323	12,833,280	34,504,669	18,925,984
<b>SPECIAL ITEM</b>						
Development and Entitlement Income, Net	-	-	-	-	-	5,000,000
<b>CAPITAL CONTRIBUTIONS</b>						
Federal Grants and Other	1,173,415	1,299,057	1,490,294	11,000,241	14,963,007	10,950,213
Increase in Net Position	9,184,149	9,180,389	7,269,617	23,833,521	49,467,676	34,876,197
<b>TOTAL NET POSITION – BEGINNING OF QUARTER</b>	<b>142,439,828</b>	<b>151,623,977</b>	<b>160,804,366</b>	<b>168,073,983</b>	<b>142,439,828</b>	<b>107,563,631</b>
<b>TOTAL NET POSITION – END OF QUARTER</b>	<b>\$ 151,623,977</b>	<b>\$ 160,804,366</b>	<b>\$ 168,073,983</b>	<b>\$ 191,907,504</b>	<b>\$ 191,907,504</b>	<b>\$ 142,439,828</b>



**MEETING DATE:** AUGUST 24, 2023

**AGENDA SECTION:** CONSENT CALENDAR

**SUBJECT:** INVESTMENT REPORT FOR THE YEAR ENDED JUNE 30, 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 year ended June 30, 2023.

**FISCAL IMPACT SUMMARY:** As of and for the year ended June 30, 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 \$32,862,232, an increase of \$164,259 from the FMV as of March 31, 2023 and an increase of \$484,895 from the FMV as of June 30, 2022.

Interest earned on the LAIF investment for the year ended June 30, 2023, totaled \$769,445. No additional investments in or distributions from LAIF funds were made during the year ended June 30, 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 Ended 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	\$ 32,862,232	\$ 32,862,232
Interest Receivable	\$ 111,814	\$ 172,249	\$ 223,393	\$ 261,989	\$ 261,989
Interest Earned	\$ 111,814	\$ 172,249	\$ 223,393	\$ 261,989	\$ 769,445
Unrealized Gain (Loss)	\$ (209,933)	\$ 18,566	\$ 166,533	\$ (59,134)	\$ (83,968)

#### 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: Director of Finance Kim Snow

Originating Dept.: Financial Accounting and Reporting

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](mailto:clerk@flyontario.com).

**BOARD DISPOSITION:** ☐ Approved ☐ Denied ☐ Continued to \_\_\_\_\_

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# ONTARIO INTERNATIONAL AIRPORT AUTHORITY



**MEETING DATE:** AUGUST 24, 2023

**AGENDA SECTION:** CONSENT CALENDAR

**SUBJECT:** CONTRACT WITH GCR INC DBA CIVIX FOR AN IDENTITY MANAGEMENT SYSTEM

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

**RECOMMENDED ACTION(S):** Authorize the Chief Executive Officer (CEO) to negotiate and execute a contract with GCR Inc., DBA Civix (CIVIX), for the procurement, configuration, installation, support, and maintenance services of an Identity Management System (IDMS) in an amount not to exceed \$1,500,000.00.

**FISCAL IMPACT SUMMARY:** Revenue Bond funding in the amount of \$700,000.00 shall be used for hardware, integrations, software, and other IDMS implementation costs during FY2024. Costs associated with IDMS maintenance years 2-3, in the amount of \$216,000.00; Optional 2-year maintenance years 4-5, in the amount of \$253,420.00; and Optional 2-year maintenance years 6-7, in the amount of 276,835.00, shall be requested through the annual budget process.

**BACKGROUND:** An IDMS is a secure, centralized, and integrated software application functioning as the primary interface for all badging, access control, asset management and business rule enforcement, to ensure optimum efficiency of workflow management and sustained compliance with TSA regulations. The IDMS simplifies regulated processes through integration, automation, and accessibility; creates a single identity record created and managed in a streamlined solution from one application that controls the ID/access media process lifecycle, to include the managing of background checks, biographical data, issuance, continuous vetting, and auditing.

The IDMS provides aviation-specific workflows and processes that interacts with separate systems (e.g., training, access control) resulting in a more efficient process, enhanced controls, and accuracy. Administered by the Security Badge Office (SBO), the IDMS will automate and integrate mission-critical databases and streamline the entire badge application process, enforce regulatory compliance, substantially reduce SBO data entry, ensure record retention compliance with a digital record system, provide tenants a secure web portal for their badge applicant data entry and security responsibilities, and replace the burdensome manual processes of cyclical TSA ID/access media audits. The IDMS will best position the OIAA and tenants to manage the security responsibilities associated with the existing and projected badgeholder population.

**PROCUREMENT:** Competitive bid RFP #23000410 was performed with six (6) responses subject to evaluation by a selection panel using criteria pursuant with the RFP. CIVIX was determined the most qualified proposal.

**CEQA COMPLIANCE AND LAND USE APPROVALS:** N/A

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

**IMPACT ON OPERATIONS:** N/A

**SCHEDULE:** Contract will be signed upon commission approval; the IDMS is scheduled for implementation using a two-phased, priority-based approach, spanning a scheduling period of approximately nine (9) months.

**ATTACHMENTS:** N/A

**STAFF MEMBER PRESENTING:** Chief Executive Officer Atif Elkadi

Originator Name: Dave Mousaw, Airport Security Manager

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](mailto:clerk@flyontario.com).

**BOARD DISPOSITION:** ☐ Approved ☐ Denied ☐ Continued to \_\_\_\_\_



**MEETING DATE:** AUGUST 24, 2023

**AGENDA SECTION:** CONSENT CALENDAR

**SUBJECT:** CONTRACT WITH COFFMAN SPECIALTIES, INC. FOR RUNWAY PROJECT

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

**RECOMMENDED ACTION(S):** Authorize the Chief Executive Officer (CEO) to:

1. Execute a contract with Coffman Specialties, Inc. in the amount of \$42,950,000.00 for Year 2 construction of the Runway 8R-26L Rehabilitation and Connecting Taxiways Program;
2. Execute budgeted amendments to the contract for additional related services, if needed, up to 15% of the overall contract value;
3. Execute task orders on existing contracts to perform construction administration, construction management and other services related to construction; and
4. Accept and execute applicable grant offers for construction of the program.

**FISCAL IMPACT SUMMARY:** The cost for this project is accounted for in the OIAA Fiscal Year 2023-2024 capital budget, is not expected to exceed \$49,000,000 and will be paid with a combination of the FAA grants and local funds.

<b><u>Estimated Total Year 2 Project Cost:</u></b>	<b><u>\$49,000,000</u></b>
FAA AIP Grant	<u>\$15,943,950</u>
Airport Infrastructure Grant (AIG) entitlement funds	<u>\$19,369,812</u>
Local Funds	<u>\$13,686,238</u>

**BACKGROUND:** The OIAA Commission authorized design and environmental planning services for the Runway 8R-26L Rehabilitation and Connecting Taxiways Program on November 24, 2020, with an estimated total cost of the project at \$93,000,000. Subsequently, on June 23, 2022, the OIAA Commission approved and certified a Final Supplemental Environmental Impact Report and approved the inclusion of the project in the OIAA Capital Improvement Plan (CIP). On July 21, 2022, the Commission approved Year 1 Construction for the program, which is currently underway.

Year 2 construction will reconstruct and rehabilitate 10,200 feet of the runway keel section (center 50 feet section) and both the south and north shoulders of Runway 8R-26L; removal of existing Taxiways K and P, south of existing Taxiway S, and construction of Taxiway S8; erosion and sediment control, associated demolition, runway and shoulder pavement removal, grading, storm drainage, full strength runway and shoulder pavement construction, pavement jointing, installation of pavement markings, new runway

centerline and edge lighting, circuit layouts and modifications; and, making final connections, commissioning and systems startup to bring the new airfield lighting vault (South) online.

Grant funding has been secured for each phase of the program as outlined below.

Project Phase	Estimated Cost (11/2024)	Actual Cost (Construction, CA and CM)	Grant Funding	OIAA Funded
Design & Environmental	\$9,000,000	\$7,624,342.50	\$5,005,421	\$2,618,921.5
Year 1	\$41,000,000	~\$32,000,000*	\$25,072,732	\$6,927,268
Year 2	\$43,000,000	~\$49,000,000*	\$35,313,762	\$13,136,238
Total Program Cost	\$93,000,000	\$88,624,342.5	\$65,391,915	\$22,682,427.5

\*Estimates – work in progress

**PROCUREMENT:** The Notice Inviting Bids (NIB) was posted on March 24, 2023, and bids were received by April 28, 2023. Coffman Specialties, Inc. was the apparent low bidder and after staff review of all bids, the OIAA is recommending award of contract to Coffman Specialties, Inc. Other services related to construction will be performed utilizing other OIAA contracts previously procured competitively and approved by the OIAA Commission.

**CEQA COMPLIANCE AND LAND USE APPROVALS:** All applicable and required review, approval, and certification under the California Environmental Quality Act (CEQA) for the Runway 8R-26L and Connecting Taxiway Program was performed and conducted in the Final Supplemental Environmental Impact Report for the Rehabilitation of Runway 8R-26L and Associated Airfield Improvements project that was considered by the OIAA Commission as part of Agenda Item No. 11 at the OIAA Commission meeting held on June 23, 2022.

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

**IMPACT ON OPERATIONS:** Runway 8R-26L will be closed from January 15, 2024, to mid-November 2024 for Year 2 of construction. Originally, Year 2 of the program involved Runway 8R-26L being shut down for two years. The repackaging into one year and the favorable total bid amount allows the OIAA to rehabilitate Runway 8R-26L in one year, hence, only one year of Runway 8R-26L being shut down.

**SCHEDULE:** Construction of the project is anticipated to begin in January, 2024 and be completed within 10 months.

**ATTACHMENTS:** N/A

**STAFF MEMBER PRESENTING:** Chief Executive Officer Atif Elkadi

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Originator Name: Keith Owens

Originating Dept.: Project Management

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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 \_\_\_\_\_

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**MEETING DATE:** AUGUST 24, 2023

**AGENDA SECTION:** CONSENT CALENDAR

**SUBJECT:** CONTRACT WITH ANGELES CONTRACTOR, INC., FOR THE PARKING LOT 5 REHABILITATION PROJECT

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

**RECOMMENDED ACTION(S):** Authorize the Chief Executive Officer (CEO) to:

1. Negotiate and execute a contract with Angeles Contractor, Inc., in an amount of \$10,200,000 to perform the construction activities required for the Parking Lot 5 Rehabilitation project; and
2. Authorize the CEO to execute amendments to the contract within the approved budgeted amount for additional related services, if needed, up to the limit allowed by the approved budget; and
3. Execute task orders on existing contracts to perform construction administration, construction management and other services related to construction.

**FISCAL IMPACT SUMMARY:** This project was accounted for in the Ontario International Airport Authority (OIAA) Fiscal Year (FY) Capital Improvement Program CIP 2023-2024 budget. The estimated total project cost is not to exceed \$11,500,000.

**BACKGROUND:** As the fastest-growing airport in the U.S. and the continuous increase in travelers' number, there is a pressing need to rehabilitate our aging parking lots and implement measures to achieve ADA compliance and enhance lighting and security, among other improvements.

The parking lot 5 rehabilitation project will reconstruct the existing asphalt concrete pavement, add new lights and install a comprehensive surveillance system with strategically placed cameras that will help deter theft, vandalism, and other criminal activities and alleviate any safety concerns. It will also ensure that the accessible spaces are adequate and appropriately marked and that the path of travel connecting accessible parking spaces to the terminal entrance is ADA-compliant; This includes providing curb ramps, appropriate signage, and maintaining clear and obstacle-free pathways for wheelchair users and those with mobility impairments.

Addressing these issues is vital to maintaining our airport's reputation for providing exceptional services to travelers.

**PROCUREMENT:** OIAA utilized an Indefinite Delivery-Indefinite Quantity Construction Contract established through a cooperative purchasing agreement, competitively procured by Sourcewell, a State of Minnesota local government, to execute this project.

**CEQA COMPLIANCE AND LAND USE APPROVALS:** N/A

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

**IMPACT ON OPERATIONS:** N/A

**SCHEDULE:** The construction for this project will take 10 weeks to complete.

**ATTACHMENTS:** None

**STAFF MEMBER PRESENTING:** Chief Executive Officer Atif Elkadi

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Originator Name: Michael Bishara, Project Manager

Originating Dept.: Project Management

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Director Review:



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Chief Review:



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CEO Approval:



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**BOARD DISPOSITION:** ☐ Approved ☐ Denied ☐ Continued to \_\_\_\_\_





**MEETING DATE:** AUGUST 24, 2023

**AGENDA SECTION:** CONSENT CALENDAR

**SUBJECT:** CONTRACT WITH ANGELES CONTRACTOR, INC., FOR THE CONSTRUCTION OF THE ONT ADMINISTRATION OFFICE RECONFIGURATION PROJECT

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

**RECOMMENDED ACTION(S):** Authorize the Chief Executive Officer (CEO) to negotiate and execute a contract with Angeles Contractor, Inc., in an amount of \$350,100 to perform the Construction activities required for the Administration Office Reconfiguration project; and authorize the CEO to execute budgeted amendments to the contract for additional related services, if needed, up to the limit allowed by the approved project budget.

**FISCAL IMPACT SUMMARY:** The proposed cost for this contract is \$350,100.00 which includes modest contingency and is accounted for in the project budget which is included in the Ontario International Airport Authority (OIAA) Fiscal Year (FY) 2024 Capital Improvement Program (CIP) budget with a total estimated project cost of \$1,300,000.00.

**BACKGROUND:** As the fastest-growing airport in the U.S., our staff is also growing to better support operations. The OIAA Administrative Office Building needs to be updated to remain code-compliant and ADA-compliant while accommodating increasing staff. This project will create a functional and comfortable space that compliant with applicable codes for all employees to be productive.

Non-compliance with building codes and regulations can lead to severe consequences. To protect our organization from these potential risks, it is essential to bring the administration office up to code, ensuring that it meets the minimum standards set forth by the relevant authorities. Modern building codes emphasize accessibility and inclusivity for all individuals, including those with disabilities. Upgrading the administration office to be code compliant will enable better access for everyone, fostering an inclusive work environment that adheres to principles of diversity and equality.

**PROCUREMENT:** OIAA utilized a piggyback process on Sourcewell's cooperative purchasing agreement to execute this project, after receiving five competitive proposals from five contractors, and proceeded with the lowest responsive and responsible bidder.

**CEQA COMPLIANCE AND LAND USE APPROVALS:** N/A

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

**IMPACT ON OPERATIONS:** N/A


**SCHEDULE:** The construction for this project will take four months to complete.


**ATTACHMENTS:** None

**STAFF MEMBER PRESENTING:** Chief Executive Officer Atif Elkadi

Originator Name: Michael Bishara, Project Manager

Originating Dept.: Project Management

Director Review: 

Chief Review: 

CEO Approval: 

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**BOARD DISPOSITION:** ☐ Approved ☐ Denied ☐ Continued to \_\_\_\_\_



**MEETING DATE:** AUGUST 24, 2023

**AGENDA SECTION:** CONSENT CALENDAR

**SUBJECT:** CONTRACT WITH WINDSONG PRODUCTIONS FOR ECONOMIC DEVELOPMENT FORUM VIDEO PRODUCTION

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

**RECOMMENDED ACTION(S):** Authorize the Chief Executive Officer to negotiate and execute a contract with Windsong Productions for video production at the Economic Development Forum in the amount not to exceed \$140,000 and authorize the CEO to execute budgeted amendments to the contract for additional related services, if needed, up to 10% of the overall contract value.

**FISCAL IMPACT SUMMARY:** The spend authority with Windsong Productions, LLC is estimated not to exceed \$140,000 to cover video production services for the State of the Airport Economic Development Forum. Funding for this activity is included in the approved June 30, 2024, adopted budget.

**BACKGROUND:** The Economic Forum will feature a complete production and overview of the overall economic impact that Ontario International Airport has on the Inland region, in addition to covering all the milestones accomplished in the 7-years of local control. Delta Airlines CEO Ed Bastion is scheduled as a keynote fireside chat panelist. This forum will highlight the continued year of unprecedented achievements, as well as the positive impact ONT has on the community. The overall leadership of the Board, airline partners, stakeholders, and integral federal partners will also be topics covered during the forum.

**PROCUREMENT:** Funding for this activity is included in the approved June 30, 2024, adopted budget.

**CEQA COMPLIANCE AND LAND USE APPROVALS:** The proposed contract is Categorically Exempt (Class 1) from the provisions of the California Environmental Quality Act (CEQA) pursuant to Guidelines Section 15301 because it involves creative Advertising, Marketing and Promotional Services on an as-needed, on-call basis.

**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

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Originator Name: Eren Cello, Chief

Originating Dept.: Marketing and Communications

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Director Review: N/A

Chief Review: 

CEO Approval: 

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**BOARD DISPOSITION:** ☐ Approved ☐ Denied ☐ Continued to \_\_\_\_\_



**MEETING DATE:** AUGUST 24, 2023

**AGENDA SECTION:** CONSENT CALENDAR

**SUBJECT:** CONTRACT WITH FLAGSHIP AIRPORT SERVICES, INC. FOR JANITORIAL SERVICES

**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 three-year Contract with Flagship Airport Services, Inc. for \$935,730.00 including a one-year extension to be exercised at OIAA's discretion and authorize the CEO to execute budgeted amendments to the contract for additional related services, if needed, up to 15% of the overall contract value.

**FISCAL IMPACT SUMMARY:** The total amount of the contract shall not exceed approximately \$1,077,000 over the three-year term. The value for the contract will be accounted for in subsequent years' Operating Budgets.

**BACKGROUND:** Historically, janitorial services for most locations at the airport were paid for and managed through the airline terminal consortium, Ontario International Airport Terminal and Equipment Company (ONT-TEC). To ensure proper management of janitorial services at locations occupied by staff and areas that the OIAA is responsible for maintaining, the OIAA met with ONT-TEC and discussed the transition of janitorial services in areas outside of the terminal, parking lot, and rental car facilities to be taken under the OIAA's management. This contract will allow staff to properly manage janitorial needs in areas managed by the OIAA and ensure employee and tenant satisfaction.

**PROCUREMENT:** Flagship Airport Services, Inc. currently provides janitorial services at Ontario International Airport through their contract with ONT-TEC for all terminal, parking lot, and rental car facility areas. The contract with ONT-TEC was awarded via a competitive bid and the overall rates proposed by Flagship for the Professional Services Agreement with the OIAA is lower than the competitive bid award.

**CEQA COMPLIANCE AND LAND USE APPROVALS:** N/A

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

**IMPACT ON OPERATIONS:** N/A

**SCHEDULE:** N/A

**ATTACHMENTS:**

1. Sole Source Justification Form

**STAFF MEMBER PRESENTING:** Chief Executive Officer Atif Elkadi

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Originator Name: James Kesler

Originating Dept.: Operations / Maintenance

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Director Review: N/A

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Chief Review:



CEO Approval:



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**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:** Flagship Airport Services, Inc.

**Goods/Services:** Custodial and Biohazard Services

**Justification:** *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.*

Flagship Airport Services has been providing custodial and biohazard services to the Ontario International Airport Authority through the Authority's JBT contract. In order to properly cover these services without the co-mingling of the JBT contract the Authority wishes to utilize Flagship directly at the same cost or lower in some instances. JBT, as part of the agreement with the Authority, competitively procured the services of Flagship. The authority does not see an advantage to recompeting these services at this time since competition will not likely produce an advantage to the Authority, and the contract as implemented will only continue services already being performed. The Authority will compete these services at the end of this contract term

**Submitted by:**

**Name:** James Kesler

**Title:** Chief Operations Officer

**Signature:**

  
James Kesler (Aug 4, 2023 08:53 PDT)

**Date:** 08/04/2023

**Reviewed by:**

**Name:** Luis Medina

**Title:** Procurement Manager

**Signature:**

  
Luis Medina (Aug 4, 2023 14:35 PDT)

**Date:** 08/04/2023

**Authorized by:**

**Name:** Jamaal Avilez

**Title:** Chief Administration Officer

**Signature:**

  
Jamaal Avilez (Aug 4, 2023 14:38 PDT)

**Date:** 08/04/2023





**MEETING DATE:** AUGUST 24, 2023

**AGENDA SECTION:** CONSENT CALENDAR

**SUBJECT:** SOLE SOURCE PURCHASE OF LED DISPLAYS AND EQUIPMENT FROM PRIORITY VENTURES MANAGEMENT

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

**RECOMMENDED ACTION(S):** Motion to clarify that the previous July 2023 Commission approval of the Agreement with PVM including for Light-Emitting Diode (LED) screens and equipment for advertising and business-related matters at Ontario International Airport for the not to exceed amount of \$710,000 was based on a sole source procurement.

**FISCAL IMPACT SUMMARY:** The total amount to be expended under this action is \$710,000. The value for this action is budgeted under FY22 CIP project "LED Displays for Advertising/Promotional Space".

**BACKGROUND:** On July 13, 2023, the OIAA Commission approved a Contract with Priority Ventures Management for the materials and installation of additional advertising displays in both terminals. The action on July 13, 2023, provided the financial authority for the use of Priority Ventures to provide the requested services. This action will authorize the CEO to execute the purchase of the LED screens included in the Priority Ventures Management contract.

The current advertising program lacks large-LED, impactful opportunities which larger brands and companies seek when deciding which airports to advertise with. With the purchase of these LED screens ONT will provide a new and impressive inventory that will attract larger brands.

**PROCUREMENT:** On November 8, 2022, the "Airport Signage, Wayfinding, and Advertising" RFQ was advertised to solicit vendors for various scopes of work, including materials and installation of advertising displays. From the RFQ a final roster of eight (8) qualified vendors was established. Priority Ventures Management was the most qualified vendor of the pool who could fulfill the proposed scope due to their experience providing similar services for ONT and similar sized airports in the region, and their knowledge of, and compatibility with, existing infrastructure at ONT. A contract with Priority Ventures Management was approved on July 13, 2023 for the materials and installation of additional advertising displays in both terminals. Based on that award, and the required integration of equipment, Priority Ventures Management is selected on a sole source basis to provide LED screens and related equipment.

**CEQA COMPLIANCE AND LAND USE APPROVALS:** N/A

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

**IMPACT ON OPERATIONS:** N/A

**SCHEDULE:** N/A

**ATTACHMENTS:**


1. Sole Source Justification.

**STAFF MEMBER PRESENTING:** Chief Executive Officer Atif Elkadi

Originator Name: Elisa Grey

Originating Dept.: Revenue Management

Director Review: N/A

Chief Review: 

CEO Approval: 

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**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:** Priority Ventures Management

**Goods/Services:** LED Screens and supporting equipment

**Justification:** *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*

In a July 13, 2023 Board meeting, Priority Ventures Management was contracted by the Authority to install LED screens for advertising. Due to the coordinated nature of the equipment, the LED screens, and the cabling/interconnectivity required for the screens to operate properly, it is inefficient, and will likely lead to duplicate costs, for the authority to award the LED screen work and installation to another contractor. Therefore a competitive process for just the LED screens is not beneficial.

**Submitted by:**

**Name:** Elisa Grey

**Title:** Chief Revenue Management Officer

**Signature:** Elisa Grey  
Elisa Grey (Aug 4, 2023 15:16 PDT)

**Date:** 08/04/2023

**Reviewed by:**

**Name:** Luis Medina

**Title:** Procurement Manager

**Signature:** [Signature]  
Luis Medina (Aug 4, 2023 15:37 PDT)

**Date:** 08/04/2023

**Authorized by:**

**Name:** Jamaal Avilez

**Title:** Chief Administration Officer

**Signature:** [Signature]  
Jamaal Avilez (Aug 4, 2023 15:42 PDT)

**Date:** 08/04/2023



**MEETING DATE:** AUGUST 24, 2023

**AGENDA SECTION:** CONSENT CALENDAR

**SUBJECT:** AGREEMENT AMENDMENT WITH AMADEUS AIRPORT IT AMERICAS, INC. FOR THE AIRPORT LEASE MANAGEMENT SYSTEM

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

**RECOMMENDED ACTION(S):** Authorize the Chief Executive Officer (CEO) to negotiate and execute an agreement amendment with Amadeus Airport IT Americas, Inc. (Amadeus) for increased services related to the Airport Lease Management System in the amount to \$495,467 and authorize the CEO to execute budgeted amendments to the contract for other additional related services up to 21% of the overall contract value.

**FISCAL IMPACT SUMMARY:** The total amount of the contract shall not exceed \$600,000 over the five-year term, an increase of approximately \$207,742 from the initial approved contract. The value for the contract will be accounted for in subsequent fiscal year operating budgets.

**BACKGROUND:** PROPworks has been implemented by staff to manage leases, provide financial benchmarking and statistics, and communicate with our business partners more efficiently. To allow for increased integration amongst Amadeus products procured, staff recommends the purchase of Amadeus' Carrier Activity Tracking & Airport Operational Database (AODB) Interface module to allow the Finance Division to compare AODB information with airlines' self-reported information. This improves the efficiency for staff to track and collect revenue.

**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

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Originator Name: Annie Lin

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Originating Dept.: Revenue Management, Airline Affairs/Properties

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Director Review: N/A

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Chief Review: 

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CEO Approval: 

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**BOARD DISPOSITION:** ☐ Approved ☐ Denied ☐ Continued to \_\_\_\_\_