

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

COMMISSION AGENDA – REGULAR MEETING



May 23, 2024, 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

CURT HAGMAN
Vice President

RONALD O. LOVERIDGE
Treasurer

JIM W. BOWMAN
Secretary

JULIA GOUW
Commissioner

ATIF ELKADI
Chief Executive Officer

LORI D. BALLANCE
General Counsel

NORMA I. ALLEY, MMC
Board Clerk/Assistant Secretary

WELCOME TO A MEETING OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY

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

CALL TO ORDER (OPEN SESSION)

ROLL CALL

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 to address the items collectively.

2. APPROVAL OF MINUTES

Approve minutes for the OIAA meeting on April 25, 2024.

3. CASH DISBURSEMENT REPORT (BILLS/PAYROLL)

Receive and file the Cash Disbursement Report (Bills/Payroll) for the month ended April 30, 2024.

4. FISCAL YEAR 2023-2024 FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2024

Receive and file financial statements (unaudited) for the nine months ended March 31, 2024.

5. INVESTMENT REPORT FOR THE NINE MONTHS ENDED MARCH 31, 2024

Receive and file the Investment Report for the nine months ended March 31, 2024.

6. AGREEMENT WITH FRUITION FOR WEBSITE DATA MANAGEMENT, DRUPAL SYSTEM UPGRADE, AND ONGOING MAINTENANCE

Authorize the Chief Executive Officer (CEO) to execute an agreement with Fruition for website data management, Drupal system upgrade, and ongoing maintenance for one year, with four one-year extensions, in the amount not to exceed \$3,000,000 over the next five years.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

7. CONTRACT WITH SIGN INDUSTRIES, INC. FOR T2 AND T4 SIGNAGE AND WAYFINDING PROJECT

Authorize the Chief Executive Officer (CEO) to execute a contract with Sign Industries, Inc. in the amount of \$2,400,472.00 for the T2 and T4 Signage and Wayfinding Project, plus a 15% contingency authorization of the overall contract value.

8. PRESENTATION ON REVENUE MANAGEMENT DIVISION UPDATES

CEO REPORT

CHIEF EXECUTIVE OFFICER UPDATES

COMMISSION MATTERS

PRESIDENT WAPNER

VICE PRESIDENT HAGMAN

TREASURER LOVERIDGE

SECRETARY BOWMAN

COMMISSIONER GOUW

ADJOURNMENT

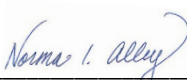
AFFIDAVIT OF POSTING

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

Date Posted: May 20, 2024

Posted Prior To: 2:00 P.M.

Signature: _____



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

ONTARIO INTERNATIONAL AIRPORT AUTHORITY



MEETING DATE: MAY 23, 2024

AGENDA SECTION: AGENDA REVIEW/ANNOUNCEMENTS

SUBJECT: RELATIVE POSSIBLE CONFLICT OF INTEREST

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

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

FISCAL IMPACT SUMMARY: N/A

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

Item No	Principals & Agents	Subcontractors
06	Fruition Growth, LLC	<ul style="list-style-type: none">• Andrea Cividini• Elias Rivera• Matthew Mattox• Maeve Hodges• Sam Ellis
07	Sign Industries, Inc.	<ul style="list-style-type: none">• None

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

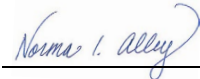
SCHEDULE: N/A

ATTACHMENTS: N/A

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: Norma I. Alley, MMC

Originating Dept.: Clerk's Office

Director Review: 

Chief Review: 

CEO Approval: 

This Agenda Report has been reviewed by OIAA General Counsel.

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

BOARD DISPOSITION: ☐ Approved ☐ Denied ☐ Continued to _____



MEETING DATE: MAY 23, 2024

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: APPROVAL OF MINUTES

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

RECOMMENDED ACTION(S): Approve minutes for the OIAA Board of Commissioners meeting on April 25, 2024.

FISCAL IMPACT SUMMARY: N/A

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

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A

ATTACHMENTS:

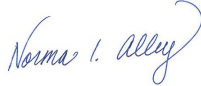
1. Minutes

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

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

Originating Dept.: Clerk's Office

Director Review:



Chief Review:



CEO Approval:



This Agenda Report has been reviewed by OIAA General Counsel.

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BOARD DISPOSITION: ☐ Approved ☐ Denied ☐ Continued to _____

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY
COMMISSION MEETING
MINUTES
APRIL 25, 2024**

CALL TO ORDER

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

ROLL CALL

COMMISSIONERS:

PRESENT:

President Alan D. Wapner
Ronald D. Loveridge, Treasurer
Julia Gouw, Commissioner

Vice President Curt Hagman
Jim W. Bowman, Secretary

A quorum of the Board of Commissioners was present.

STAFF:

Chief Executive Officer Atif Elkadi
Board Clerk/Assistant Secretary Norma I. Alley, MMC

General Counsel Lori D. Balance

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.

PUBLIC COMMENT

President Wapner called for public comment.

Board Clerk Alley noted one written comment was received from Richard Sherman.

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

SPECIAL PRESENTATIONS

PRESENTATION OF GIFT TO USO FROM THE 5K AT THE RUNWAY

Chief Executive Officer Elkadi introduced USO Inland Empire Operations and Programs Manager Brandi Elias and provided a brief overview of the event.

President Wapner provided brief comments, congratulated everyone on their hard work on the event, and spoke to the efforts the ONT USO put in for our traveling military service personnel.

The Board presented a check to Ms. Elias as a donation to the USO from the fundraising efforts of the 5k at the Runway event.

CONSENT CALENDAR

2. APPROVAL OF MINUTES

Approved minutes for the OIAA Board of Commissioners meeting on March 28, 2024.

3. CASH DISBURSEMENT REPORT (BILLS/PAYROLL)

Received and filed the Cash Disbursement Report (Bills/Payroll) for the month ended March 31, 2024.

4. AGREEMENT AMENDMENT WITH KAVPLAN, LLC FOR CHIEF CAPITAL DEVELOPMENT OFFICER TRANSITION AND INTERIM ROLE

Authorized the Chief Executive Officer (CEO) to execute an agreement amendment with KavPlan, LLC, Contract No. SCNT 000501 for strategic aviation management and advisory consulting services, by increasing the Fiscal Year 2024 authority by \$99,700 to cover expanding the scope of year two of the contract to include the role of KavPlan as the Interim Chief Capital Development Officer, and authorized the CEO to execute future amendments based on approved Fiscal Year budgets.

5. AGREEMENT WITH THE COUNTY OF SAN BERNARDINO FOR THE TERMINAL JET BRIDGE CLOSED CIRCUIT TELEVISION (CCTV) UPGRADE PROJECT

Authorized the Chief Executive Officer (CEO) to execute an agreement with the County of San Bernardino for \$250,000 for upgrade of the current terminal Jet Bridge Closed Circuit Television (CCTV) System.

6. AUTHORIZE SPEND AUTHORITY FOR AIRPORT 2024 AIRPORT FOOD & BEVERAGE (FAB) + HOSPITALITY CONFERENCE AND AWARDS

Authorized the spend authority of \$350,000 for hosting the 2024 Airport FAB + Hospitality Conference and Awards.

7. AUTHORIZE A FISCAL SPEND AUTHORITY WITH ARC DOCUMENT SOLUTIONS FOR RECORDS MANAGEMENT PROGRAM

Authorized a fiscal spend authority in the amount of \$50,000, for a total Fiscal Year spend of \$150,000, with ARC Document Solutions to continue current records management services.

8. AUTHORIZE A SPEND AUTHORITY FOR UPGRADES TO TERMINAL CHILLERS

Authorized a spend authority in the amount not to exceed \$200,000 for labor, equipment, and materials necessary to furnish and install a condenser water bypass loop upgrade to the chillers in Terminals 2 and 4, and authorized the CEO to negotiate and execute a contract for said services up to the spend authority limit.

9. AGREEMENT WITH PLANTE & MORAN, PLLC FOR EXTERNAL AUDIT SERVICES

Authorized the Chief Executive Officer (CEO) to execute an agreement with Plante & Moran, PLLC for external audit services for one year, with four one-year extensions, in the amount not to exceed \$722,950 over the next five years.

MOTION: Moved by Commissioner Hagman, seconded by Commissioner Gouw, to approve the Consent Calendar. Motion carried by 5 Yes/0 No vote.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

10. PRESENTATION ON LEGISLATIVE UPDATES

Government Relations Manager Martha Preciado provide a legislative update, accompanied by a PowerPoint, and fielded inquiry from the Board of Commissioners.

CEO REPORT

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

COMMISSION MATTERS

There were no Commissioner matters to report.

ADJOURNMENT

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

RESPECTFULLY SUBMITTED:

APPROVED:

NORMA I. ALLEY, MMC, BOARD CLERK

ALAN D. WAPNER, PRESIDENT



MEETING DATE: MAY 23, 2024

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: CASH DISBURSEMENT REPORT (BILLS/PAYROLL)

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

RECOMMENDED ACTION(S): Receive and file the Cash Disbursement Report (Bills/Payroll) for the month ended April 30, 2024.

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 an operating budget that is 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 April 30, 2024.

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: N/A

CEO Approval: 

This Agenda Report has been reviewed by OIAA General Counsel.

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

BOARD DISPOSITION: ☐ Approved ☐ Denied ☐ Continued to _____



MEETING DATE: MAY 23, 2024

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: FISCAL YEAR 2023-2024 FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2024

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

RECOMMENDED ACTION(S): Receive and file financial statements (unaudited) for the nine months ended March 31, 2024.

FISCAL IMPACT SUMMARY: The OIAA's increase in net position excluding capital contributions was favorable to budget by \$13.1M (117.6%). This was primarily the result of favorable variances compared to budget in operating revenues of \$6.5M (7.7%) and operating expenses of \$5.2M (6.8%). 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 2023, the OIAA Board of Commissioners adopted an operating budget that is 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.

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

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

Enplanements are a measurement exclusive to passenger carriers, and directly and indirectly impact all concession revenues, Passenger Facility Charge (PFC) revenues, and Customer Facility Charge (CFC) revenues. Enplanements for the nine months ended March 31, 2024 totaled 2.5M, which exceeded the budgeted amount by 191K (8.4%). Enplanements for the nine months ended March 31, 2024 were 241K (10.9%) higher than the same period in the prior fiscal year.

Landed weight (in thousand-pound units) for the nine months ended March 31, 2024 totaled 6.2M, which was unfavorable to budget by 367K (5.6%). Landed weight for the nine months ended March 31, 2024 was 253K (4.0%) lower than the same period in the prior fiscal year. The unfavorable budget variance for the nine months ended March 31, 2024, and the decrease in landed weight over the same period in the prior fiscal year was due

to a decrease in cargo activity offset by an increase in passenger activity. Passenger landed weight for the nine months ended March 31, 2024 exceeded the budget by 293K (11.3%) and was 340K (13.4%) higher than the same period in the prior fiscal year. Cargo landed weight for the nine months ended March 31, 2024 was unfavorable to budget by 659K (16.7%) and was 593K (15.3%) lower than the same period in the prior fiscal year.

Financial Results Compared to Budget for the Nine Months Ended March 31, 2024

Operating Revenues: For the nine months ended March 31, 2024, operating revenues were favorable to budget by \$6.5M (7.7%). This was the result of net favorable variances in aeronautical and nonaeronautical revenues.

Aeronautical revenues were favorable to budget by \$2.4M (6.3%). Airline terminal rent was favorable to budget by \$1.0M (9.0%). Facilities and land rent was favorable to budget by \$1.2M (12.8%), which was primarily the result of additional rents earned by the OIAA during peak season. Airline fees were favorable to budget by \$694K (14.6%), which was primarily the result of increased passenger operations and additional revenue received for contract services. Landing fees were unfavorable to budget by \$570K (4.7%), which was primarily the result of decreased cargo landed weight.

Nonaeronautical revenues were favorable to budget by \$4.1M (8.9%). Favorable nonaeronautical revenue variances include Non-airline terminal rent was favorable to budget by \$52K (4.8%). Parking and ground transportation revenues of \$28.9M were favorable to budget by \$1.9M (7.1%), which was primarily the result of increased passenger parking activity. Total concession revenues of \$11.6M were unfavorable to budget by \$277K (2.3%). Concession revenue favorable variance include advertising revenue, which was favorable to budget by \$398K (51.9%). Concession revenue unfavorable variances include rental car revenues of \$333K (4.5%), food and beverage revenues of \$323K (14.5%), and gifts and news of \$19K (1.2%). The unfavorable variance in food and beverage revenues was primarily the result of delays in opening new food and beverage concessions. Other nonaeronautical revenues, which primarily consists of badging and operating permit revenues, were favorable to budget by \$541K (360.7%). Facilities and land rent was unfavorable to budget by \$27K (2.8%). Operating grants of \$6.M were favorable to budget by \$1.9M (38.1%), which was primarily the result of the OIAA submissions for grant reimbursements of American Rescue Plan Act of 2021 (ARPA) during the nine months ended March 31, 2024. The total ARPA grant awarded to OIAA was \$24.8M. The OIAA recognized \$6.6M of ARPA grant funds for the nine months ended March 31, 2024 and the OIAA has a \$11.7M balance in grant funds remaining.

Operating Expenses: Total operating expenses of \$70.6M were favorable to budget by \$5.2M (6.8%), which was primarily the result of a lag in ramping up operations, and related costs compared to planned activities. Favorable operating expense variances include personnel of \$491K (3.9%), public safety of \$427K (2.4%), contractual services of \$2.2M (7.3%), insurance and administration of \$74K (5.1%), materials and supplies of \$854K (42.2%), telecommunications and utilities of \$295K (5.4%), and other operating expenses of \$917K (40.5%). The favorable operating expense variances are offset by an unfavorable operating expense variance in marketing and public relations of \$66K (1.4%).

Nonoperating Revenues and Expenses: Net nonoperating revenues were favorable to budget by \$3.1M (34.1%). Higher-than-expected passenger carrier activity resulted in PFC revenues favorable to budget by \$540K (5.9%) and CFC revenues favorable to budget by \$172K (6.8%). Net investment income was favorable to budget by \$2.7M (715.4%). The net investment income is associated with an unanticipated unrealized gain from the OIAA's investment in the California Treasury Local Agency Investment Fund (LAIF) and higher-than-expected interest returns. Unrealized gains and losses are attributable to temporary changes in market conditions.

Financial Results Compared to Prior Nine Months Ended March 31, 2023

Operating Revenues: For the nine months ended March 31, 2024, operating revenues exceeded the same period in the prior fiscal year by 14.7M (19.5%). This was the result of favorable variances in aeronautical and nonaeronautical revenues, including operating grants.

Aeronautical revenues exceeded the same period in the prior fiscal year by \$1.8M (4.6%). Landing fees increased by \$862K (8.1%). Airline terminal rent increased by \$556K (4.6%). Airline fees increased by \$632K (13.1%). Aeronautical revenue favorable variances were offset by an unfavorable variance in facilities and land rent of \$262K (2.4%).

Nonaeronautical revenues exceeded the same period in the prior fiscal year by \$13.0M (34.9%). Non-airline terminal rent increased by \$67K (6.3%). Facilities and land rent decreased by \$125K (11.8%). Parking and ground transportation revenues of \$28.9M increased by \$5.1M (21.4%), which was primarily the result of increased passenger parking activity. Total concession revenues of \$11.6M increased by \$1.3M (12.7%). Concession revenue increases include food and beverage revenues of 1.0M (118.8%), gifts and news revenues of \$97K (6.7%) and advertising revenue of \$209K (21.8%). Concession revenue favorable variances were offset by an unfavorable variance in rental car revenues of \$30K (0.4%). Other nonaeronautical revenues, which primarily consists of badging and operating permit revenues, increased by \$118K (20.6%). Operating grants increased by \$6.5M compared to the same period in the prior fiscal year. This is primarily due to ARPA draws that were made earlier in the current fiscal year compared to the prior fiscal year. Grant revenues can vary from year to year depending on grant funds awarded to the OIAA.

Operating Expenses: For the nine months ended March 31, 2024, total operating expenses of \$70.6M exceeded the same period in the prior fiscal year by \$13.6M (24.0%). The increase in operating expenses is primarily the result of an overall increase in operations and planned capital projects compared to the same period in the prior fiscal year, resulting in an increase in contractual services of \$6.3M (29.6%). There was also an increase in new staff positions resulting in an increase in personnel expenses of \$3.2M (36.4%). Other operating expense increases include public safety of \$1.5M (9.4%), insurance and administration of \$73K (5.6%), marketing and public relations of \$937K (24.3%), materials and supplies of \$554K (90.0%), telecommunications and utilities of \$743K (16.7%), and other operating expenses of \$351K (35.3%).

Nonoperating Revenues and Expenses: Net nonoperating revenues exceeded the same period in the prior fiscal year by \$3.7M (44.0%). Higher-than-expected passenger carrier activity resulted in PFC revenues increasing by \$910K (10.3%). CFC revenues increased by \$251K (10.2%). Interest expense decreased by \$102K (3.2%) as a result of the OIAA paying down existing debt service. Net investment income increased by \$2.6M (522.2%). The net investment income is associated with an unanticipated unrealized gain from the OIAA's investment in the California Treasury Local Agency Investment Fund (LAIF) and higher-than-expected interest returns. Unrealized gains and losses are attributable to temporary changes in market conditions.

Capital contributions of \$13.8M exceeded the same period in the prior fiscal year by \$9.9M (248.7%). 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 nine months ended March 31, 2024.

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: Finance Manager Stephanie Burnham

Originating Dept.: Financial Accounting and Reporting

Director Review: Director of Finance Kim Snow 

Chief Review: N/A

CEO Approval: 

This Agenda Report has been reviewed by OIAA General Counsel.

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BOARD DISPOSITION: ☐ Approved ☐ Denied ☐ Continued to _____

FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED
MARCH 31, 2024 AND 2023

ONTARIO INTERNATIONAL AIRPORT AUTHORITY



ONTARIO INTERNATIONAL AIRPORT AUTHORITY
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ONTARIO INTERNATIONAL AIRPORT AUTHORITY
STATEMENTS OF NET POSITION (UNAUDITED)
MARCH 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Current Assets:		
Unrestricted Assets:		
Cash and Cash Equivalents	\$ 77,771,562	\$ 67,248,879
Accounts Receivable, Net of Allowance for Doubtful Accounts of \$756,750 and \$353,625 as of March 31, 2024 and 2023, Respectively	8,576,545	9,632,027
Grants Receivable	2,450,640	5,071,331
Leases Receivable – Current	660,171	622,472
Interest Receivable	366,216	223,393
Prepaid Expenses	4,080,849	3,533,367
Total Unrestricted Current Assets	93,905,983	86,331,469
Restricted Assets:		
Cash and Cash Equivalents	71,514,066	86,206,278
Accounts Receivable	2,060,522	1,820,385
Total Restricted Current Assets	73,574,588	88,026,663
Total Current Assets	167,480,571	174,358,132
Noncurrent Assets:		
Leases Receivable – Noncurrent	2,643,353	3,274,500
Capital Assets:		
Not Depreciated or Amortized	111,193,862	91,327,268
Depreciated and Amortized, Net of Accumulated Depreciation and Amortization of \$42,772,768 and \$32,959,322 as of March 31, 2024 and 2023, Respectively	118,785,374	87,987,502
Net Capital Assets	229,979,236	179,314,770
Total Noncurrent Assets	232,622,589	182,589,270
TOTAL ASSETS	<u>\$ 400,103,160</u>	<u>\$ 356,947,402</u>

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
STATEMENTS OF NET POSITION (UNAUDITED) – CONTINUED
MARCH 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
LIABILITIES		
Current Liabilities:		
Payable From Unrestricted Assets:		
Accounts Payable	\$ 7,529,021	\$ 5,374,150
Accrued Expenses	10,730,517	9,748,539
Accrued Payroll and Vacation	1,298,035	978,133
Accrued Interest	1,782,181	1,763,732
Customer Deposits	602,153	580,988
Due to Airlines	22,315,320	14,180,354
Unearned Revenues	4,836,133	5,766,871
Subscription Liability – Current	544,848	-
Current Portion of Long-Term Debt	5,645,000	5,455,000
Total Unrestricted Current Liabilities	<u>55,283,208</u>	<u>43,847,767</u>
Noncurrent Liabilities:		
Payable From Unrestricted Assets:		
Subscription Liability – Noncurrent	1,339,642	-
Long-Term Debt:		
Bonds Payable – Series 2016	11,860,000	17,505,000
Revenue Bonds – Series 2021, Including Bond Premium of \$18,931,923 and \$19,799,909 as of March 31, 2024 and 2023, Respectively	122,271,923	123,139,909
Revolving Credit Facility	483,771	483,771
Total Long-Term Debt	<u>134,615,694</u>	<u>141,128,680</u>
Total Unrestricted Noncurrent Liabilities	<u>135,955,336</u>	<u>141,128,680</u>
Total Liabilities	<u>191,238,544</u>	<u>184,976,447</u>
DEFERRED INFLOW OF RESOURCES		
Deferred Inflow of Resources – Leases	3,303,524	3,896,972
Total Deferred Inflow of Resources	<u>3,303,524</u>	<u>3,896,972</u>
Total Liabilities and Deferred Inflow of Resources	<u>194,542,068</u>	<u>188,873,419</u>
NET POSITION		
Net Investment in Capital Assets	116,257,102	89,476,583
Restricted	45,151,538	31,281,170
Unrestricted	44,152,452	47,316,230
Total Net Position	<u>205,561,092</u>	<u>168,073,983</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 400,103,160</u></u>	<u><u>\$ 356,947,402</u></u>

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – QUARTER (UNAUDITED)
FOR THE QUARTERS ENDED MARCH 31, 2024 AND 2023

	FOR THE QUARTER ENDED MARCH 31, 2024		VARIANCE FAVORABLE (UNFAVORABLE)		MARCH 31, 2023
	BUDGET	ACTUAL	\$	%	ACTUAL
OPERATING REVENUES					
Aeronautical:					
Landing Fees	\$ 3,723,299	\$ 3,551,265	\$ (172,034)	(4.6) %	\$ 3,260,013
Airline Terminal Rent	3,912,126	4,275,172	363,046	9.3	4,150,821
Facilities and Land Rent	3,113,973	3,191,516	77,543	2.5	3,504,233
Airline Fees	1,561,291	1,751,929	190,638	12.2	1,518,600
Total Aeronautical Revenues	12,310,689	12,769,882	459,193	3.7	12,433,667
Nonaeronautical:					
Facilities and Land Rent	321,925	312,934	(8,991)	(2.8)	337,446
Non-Airline Terminal Rent	360,273	388,944	28,671	8.0	369,155
Parking and Ground Transportation	8,561,145	8,619,375	58,230	0.7	7,486,766
Concessions:					
Rental Cars	2,212,648	2,316,085	103,437	4.7	2,274,413
Food and Beverage	686,342	550,825	(135,517)	(19.7)	254,495
Gifts and News	459,971	433,403	(26,568)	(5.8)	450,987
Advertising	256,079	390,359	134,280	52.4	305,007
Operating Grants	1,643,751	88,066	(1,555,685)	(94.6)	98,706
Other Nonaeronautical Revenues	49,993	259,406	209,413	418.9	322,433
Total Nonaeronautical Revenues	14,552,127	13,359,397	(1,192,730)	(8.2)	11,899,408
Total Operating Revenues	26,862,816	26,129,279	(733,537)	(2.7)	24,333,075
OPERATING EXPENSES					
Personnel	4,214,661	4,314,700	(100,039)	(2.4)	3,147,577
Public Safety	5,823,321	5,680,971	142,350	2.4	5,192,540
Contractual Services	9,923,685	9,540,759	382,926	3.9	7,114,067
Marketing and Public Relations	1,576,125	1,398,888	177,237	11.2	1,028,747
Materials and Supplies	674,955	181,841	493,114	73.1	203,381
Insurance and Administration	489,348	459,509	29,839	6.1	442,124
Telecommunications and Utilities	1,832,826	1,475,427	357,399	19.5	1,418,837
Other Operating Expenses	753,958	472,165	281,793	37.4	406,869
Total Operating Expenses	\$ 25,288,879	\$ 23,524,260	\$ 1,764,619	7.0 %	\$ 18,954,142

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – QUARTER (UNAUDITED) – CONTINUED
FOR THE QUARTERS ENDED MARCH 31, 2024 AND 2023

	FOR THE QUARTER ENDED MARCH 31, 2024		VARIANCE FAVORABLE (UNFAVORABLE)		MARCH 31, 2023
	BUDGET	ACTUAL	\$	%	ACTUAL
Net Operating Income Before Depreciation and Amortization	\$ 1,573,937	\$ 2,605,019	\$ 1,031,082	65.5 %	\$ 5,378,933
Depreciation and Amortization	1,988,720	2,972,884	(984,164)	(49.5)	2,323,037
Net Operating Income	(414,783)	(367,865)	46,918	(11.3)	3,055,896
NONOPERATING REVENUES (EXPENSES)					
Investment Income, Net	126,387	1,097,665	971,278	768.5	395,167
Passenger Facility Charges	2,786,575	3,126,118	339,543	12.2	2,769,772
Customer Facility Charges	764,551	907,472	142,921	18.7	812,468
Interest Expense	(1,035,531)	(1,035,531)	-	-	(1,066,795)
Debt Issuance Costs	-	-	-	-	(190,000)
Gain (Loss) on Disposition of Assets	-	47,300	47,300	-	2,815
Other Nonoperating Expenses	-	(420,217)	(420,217)	-	-
Total Nonoperating Revenues, Net	2,641,982	3,722,807	1,080,825	40.9	2,723,427
Net Income Before Capital Contributions	2,227,199	3,354,942	1,127,743	50.6	5,779,323
CAPITAL CONTRIBUTIONS					
Federal Grants and Other	-	2,371,791	2,371,791	-	1,490,294
Increase in Net Position	2,227,199	5,726,733	3,499,534	157.1	7,269,617
TOTAL NET POSITION – BEGINNING OF QUARTER	176,380,722	199,834,359	23,453,637	13.3	160,804,366
TOTAL NET POSITION – END OF QUARTER	\$ 178,607,921	\$ 205,561,092	\$ 26,953,171	15.1 %	\$ 168,073,983

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – YEAR TO DATE (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2024 AND 2023

	FOR THE NINE MONTHS ENDED MARCH 31, 2024		VARIANCE FAVORABLE (UNFAVORABLE)		MARCH 31, 2023
	BUDGET	ACTUAL	\$	%	ACTUAL
OPERATING REVENUES					
Aeronautical:					
Landing Fees	\$ 12,061,991	\$ 11,492,086	\$ (569,905)	(4.7) %	\$ 10,629,649
Airline Terminal Rent	11,718,526	12,767,424	1,048,898	9.0	12,211,654
Facilities and Land Rent	9,341,921	10,542,018	1,200,097	12.8	10,804,448
Airline Fees	4,749,533	5,443,522	693,989	14.6	4,811,475
Total Aeronautical Revenues	37,871,971	40,245,050	2,373,079	6.3	38,457,226
Nonaeronautical:					
Facilities and Land Rent	965,775	939,160	(26,615)	(2.8)	1,064,391
Non-Airline Terminal Rent	1,080,820	1,132,941	52,121	4.8	1,065,638
Parking and Ground Transportation	27,009,573	28,933,303	1,923,730	7.1	23,842,783
Concessions:					
Rental Cars	7,327,277	6,994,042	(333,235)	(4.5)	7,024,184
Food and Beverage	2,230,014	1,906,707	(323,307)	(14.5)	871,552
Gifts and News	1,559,599	1,540,866	(18,733)	(1.2)	1,443,621
Advertising	768,238	1,166,677	398,439	51.9	958,033
Operating Grants	4,931,249	6,811,876	1,880,627	38.1	317,972
Other Nonaeronautical Revenues	149,977	690,979	541,002	360.7	573,055
Total Nonaeronautical Revenues	46,022,522	50,116,551	4,094,029	8.9	37,161,229
Total Operating Revenues	83,894,493	90,361,601	6,467,108	7.7	75,618,455
OPERATING EXPENSES					
Personnel	12,567,936	12,077,076	490,860	3.9	8,854,720
Public Safety	17,469,968	17,042,697	427,271	2.4	15,577,700
Contractual Services	29,771,056	27,585,635	2,185,421	7.3	21,282,630
Marketing and Public Relations	4,728,375	4,794,539	(66,164)	(1.4)	3,857,712
Materials and Supplies	2,024,862	1,170,876	853,986	42.2	616,409
Insurance and Administration	1,468,043	1,393,806	74,237	5.1	1,320,081
Telecommunications and Utilities	5,498,478	5,203,264	295,214	5.4	4,460,406
Other Operating Expenses	2,261,872	1,344,807	917,065	40.5	994,081
Total Operating Expenses	\$ 75,790,590	\$ 70,612,700	\$ 5,177,890	6.8 %	\$ 56,963,739

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – YEAR TO DATE (UNAUDITED) – CONTINUED
FOR THE NINE MONTHS ENDED MARCH 31, 2024 AND 2023

	FOR THE NINE MONTHS ENDED MARCH 31, 2024		VARIANCE FAVORABLE (UNFAVORABLE)		MARCH 31, 2023
	BUDGET	ACTUAL	\$	%	ACTUAL
Net Operating Income Before Depreciation and Amortization	\$ 8,103,903	\$ 19,748,901	\$ 11,644,998	143.7 %	\$ 18,654,716
Depreciation and Amortization	5,966,159	7,550,831	(1,584,672)	(26.6)	5,391,543
Net Operating Income	2,137,744	12,198,070	10,060,326	470.6	13,263,173
NONOPERATING REVENUES (EXPENSES)					
Investment Income, Net	379,159	3,091,739	2,712,580	715.4	496,923
Passenger Facility Charges	9,227,863	9,768,039	540,176	5.9	8,857,739
Customer Facility Charges	2,531,844	2,704,034	172,190	6.8	2,453,046
Interest Expense	(3,108,110)	(3,108,110)	-	-	(3,209,861)
Debt Issuance Costs	-	-	-	-	(190,000)
Gain on Disposition of Assets	-	70,305	70,305	-	369
Other Nonoperating Expenses	-	(420,220)	(420,220)	-	-
Total Nonoperating Revenues, Net	9,030,756	12,105,787	3,075,031	34.1	8,408,216
Net Income Before Capital Contributions	11,168,500	24,303,857	13,135,357	117.6	21,671,389
				-	
CAPITAL CONTRIBUTIONS					
Federal Grants and Other	-	13,817,814	13,817,814	-	3,962,766
Increase in Net Position	11,168,500	38,121,671	26,953,171	241.3	25,634,155
TOTAL NET POSITION –					
BEGINNING OF PERIOD	167,439,421	167,439,421	-	-	142,439,828
TOTAL NET POSITION – END OF PERIOD	\$ 178,607,921	\$ 205,561,092	\$ 26,953,171	15.1 %	\$ 168,073,983

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
SUPPLEMENTAL SCHEDULES OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – BY QUARTER (UNAUDITED)
FOR THE YEAR ENDING JUNE 30, 2024

	FOR THE QUARTERS ENDED				FOR THE YEAR ENDING
	SEPTEMBER 30, 2023	DECEMBER 31, 2023	MARCH 31, 2024	JUNE 30, 2024	JUNE 30, 2024
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
OPERATING REVENUES					
Aeronautical:					
Landing Fees	\$ 3,793,569	\$ 4,147,252	\$ 3,551,265	\$ -	\$ 11,492,086
Airline Terminal Rent	4,288,341	4,203,911	4,275,172	-	12,767,424
Facilities and Land Rent	3,460,289	3,890,213	3,191,516	-	10,542,018
Airline Fees	1,819,029	1,872,564	1,751,929	-	5,443,522
Total Aeronautical Revenues	13,361,228	14,113,940	12,769,882	-	40,245,050
Nonaeronautical:					
Facilities and Land Rent	312,877	313,349	312,934	-	939,160
Non-Airline Terminal Rent	366,797	377,200	388,944	-	1,132,941
Parking and Ground Transportation	10,161,080	10,152,848	8,619,375	-	28,933,303
Concessions:					
Rental Cars	2,375,201	2,302,756	2,316,085	-	6,994,042
Food and Beverage	681,392	674,490	550,825	-	1,906,707
Gifts and News	600,541	506,922	433,403	-	1,540,866
Advertising	408,535	367,783	390,359	-	1,166,677
Operating Grants	5,950,704	773,106	88,066	-	6,811,876
Other Nonaeronautical Revenues	182,481	249,092	259,406	-	690,979
Total Nonaeronautical Revenues	21,039,608	15,717,546	13,359,397	-	50,116,551
Total Operating Revenues	34,400,836	29,831,486	26,129,279	-	90,361,601
OPERATING EXPENSES					
Personnel	3,710,374	4,052,002	4,314,700	-	12,077,076
Public Safety	5,680,862	5,680,864	5,680,971	-	17,042,697
Contractual Services	9,017,756	9,027,120	9,540,759	-	27,585,635
Marketing and Public Relations	855,568	2,540,083	1,398,888	-	4,794,539
Materials and Supplies	285,540	703,495	181,841	-	1,170,876
Insurance and Administration	450,184	484,113	459,509	-	1,393,806
Telecommunications and Utilities	2,124,922	1,602,915	1,475,427	-	5,203,264
Other Operating Expenses	405,513	467,132	472,162	-	1,344,807
Total Operating Expenses	\$ 22,530,719	\$ 24,557,724	\$ 23,524,257	\$ -	\$ 70,612,700

Year to Date Financial Statements

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
SUPPLEMENTAL SCHEDULES OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – BY QUARTER
(UNAUDITED) – CONTINUED
FOR THE YEAR ENDING JUNE 30, 2024

	FOR THE QUARTERS ENDED				FOR THE YEAR ENDING
	SEPTEMBER 30, 2023	DECEMBER 31, 2023	MARCH 31, 2024	JUNE 30, 2024	JUNE 30, 2024
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
Net Operating Income Before Depreciation and Amortization	\$ 11,870,117	\$ 5,273,762	\$ 2,605,022	\$ -	\$ 19,748,901
Depreciation and Amortization	2,179,084	2,398,863	2,972,884	-	7,550,831
Net Operating Income	9,691,033	2,874,899	(367,862)	-	12,198,070
NONOPERATING REVENUES (EXPENSES)					
Investment Income, Net	690,823	1,303,251	1,097,665	-	3,091,739
Passenger Facility Charges	3,384,079	3,257,842	3,126,118	-	9,768,039
Customer Facility Charges	884,978	911,584	907,472	-	2,704,034
Interest Expense	(1,035,483)	(1,037,096)	(1,035,531)	-	(3,108,110)
Gain on Disposition of Assets	23,005	-	47,300	-	70,305
Other Nonoperating Expenses	-	-	(420,220)	-	(420,220)
Total Nonoperating Revenues, Net	3,947,402	4,435,581	3,722,804	-	12,105,787
Net Income Before Capital Contributions	13,638,435	7,310,480	3,354,942	-	24,303,857
CAPITAL CONTRIBUTIONS					
Federal Grants and Other	5,545,044	5,900,979	2,371,791	-	13,817,814
Increase in Net Position	19,183,479	13,211,459	5,726,733	-	38,121,671
TOTAL NET POSITION – BEGINNING OF QUARTER	167,439,421	186,622,900	199,834,359		167,439,421
TOTAL NET POSITION – END OF QUARTER	\$ 186,622,900	\$ 199,834,359	\$ 205,561,092	\$ -	\$ 205,561,092



MEETING DATE: MAY 23, 2024

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: INVESTMENT REPORT FOR THE NINE MONTHS ENDED MARCH 31, 2024

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

RECOMMENDED ACTION(S): Receive and file the Investment Report for the nine months ended March 31, 2024.

FISCAL IMPACT SUMMARY: As of and for the nine months ended March 31, 2024, 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 \$34,075,548 an increase of \$360,917 from the FMV as of December 31, 2023, and an increase of \$1,213,316 from the FMV as of June 30, 2023.

Interest earned on the LAIF investment for the nine months ended March 31, 2024, totaled \$1,010,386. No additional investments in or distributions from LAIF funds were made during the nine months ended March 31, 2024.

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 LAIF.

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 Ending				Balance, Year Ending June 30, 2024
	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024	
FMV End of Quarter	\$ 33,169,994	\$ 33,714,631	\$ 34,075,548		\$ 34,075,548
Interest Receivable	\$ 303,266	\$ 340,904	\$ 366,216		\$ 366,216
Interest Earned	\$ 303,266	\$ 340,904	\$ 366,216		\$ 1,010,386
Unrealized Gain (Loss)	\$ 45,773	\$ 241,371	\$ 20,013		\$ 307,157

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: None.

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: Finance Manager Stephanie Burnham

Originating Dept.: Financial Accounting and Reporting

Director Review: Director of Finance Kim Snow *Kim Snow*

Chief Review: N/A

CEO Approval: *[Signature]*

This Agenda Report has been reviewed by OIAA General Counsel.

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

BOARD DISPOSITION: ☐ Approved ☐ Denied ☐ Continued to _____

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MEETING DATE: MAY 23, 2024

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: AGREEMENT WITH FRUITION FOR WEBSITE DATA MANAGEMENT, DRUPAL SYSTEM UPGRADE, AND ONGOING MAINTENANCE

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

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to execute an agreement with Fruition for website data management, Drupal system upgrade, and ongoing maintenance for one year, with four one-year extensions, in the amount not to exceed \$3,000,000 over the next five years.

FISCAL IMPACT SUMMARY: Funding for this contract is approved under the Fiscal Year 2023-2024 Digital Media budget. Funding for subsequent years will be requested through the annual budget process.

BACKGROUND: Fruition provides website services, including language translation, intranet support and development, and search engine optimization (SEO) support, to enhance customer experience and airport operations. These services ensure that guests and partners stay informed through user-friendly platforms available 24/7, fostering awareness of ONT's offerings and festering brand loyalty. This helps maintain a competitive edge in the aviation and airport industry.

PROCUREMENT: On November 17, 2023, the OIAA posted a Request for Proposal (2023-RFP-017) for Digital Media Agency for the Ontario International Airport. On January 11, 2024, two proposals were received and evaluated, resulting in one responsive proposal. The OIAA Evaluation Committee evaluated the proposal and recommends to award of contract for Digital Media Agency.

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

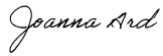
SCHEDULE: N/A


ATTACHMENTS: N/A

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: Joanna Ard, Director of Marketing and Communications

Originating Dept.: Digital

Director Review: 

Chief Review: 

CEO Approval: 

This Agenda Report has been reviewed by OIAA General Counsel.

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

BOARD DISPOSITION: ☐ Approved ☐ Denied ☐ Continued to _____



MEETING DATE: MAY 23, 2024

AGENDA SECTION: ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

SUBJECT: CONTRACT WITH SIGN INDUSTRIES, INC. FOR T2 AND T4 SIGNAGE AND WAYFINDING PROJECT

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 contract with Sign Industries, Inc. in the amount of \$2,400,472.00 for the T2 and T4 Signage and Wayfinding Project, plus a 15% contingency authorization of the overall contract value.

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 \$2,760,543 and will be paid with OIAA appropriations or local funds.

The award of contract amount of \$2,400,472.00 is greater than the approved budget amount of \$2,100,000, due to escalation from the original estimate. The OIAA staff and the contractor have agreed to employ any and all value engineering opportunities throughout the project.

BACKGROUND: The Terminals 2 and 4 existing signage and wayfinding was originally installed within the terminals in late 1998 and has not been upgraded since the original installation. Award of this contract will involve design work including scope confirmation, design, shop drawings, and permitting for the new wayfinding signage. Construction work under this contract shall include fabrication, removal of existing signs, restoration of all impacted surfaces or materials, and installation for Terminals 2 and 4. Note that all signs are to comply with Americans with Disabilities Act (ADA) accessibility guidelines and other applicable state and local codes. The contract also includes the removal of existing terminal wayfinding signage, and the commissioning, and acceptance of new Terminal Signage and Wayfinding Upgrades in both Terminals.

PROCUREMENT: OIAA released a Request for Qualifications (RFQ) for Wayfinding, Signage, and Advertising in November 2022, and established a qualified list of vendors from that RFQ in March of 2023. Staff issued a Request for Proposals (RFP) for Terminal Wayfinding Upgrades in Terminals 2 and 4 on December 15, 2023. After failing to receive any proposal responses, Staff reached out to the qualified bench to gain a better understanding of interest in the project. Following those conversations, staff reissued the RFP to the qualified bench on February 9, 2024. Sign Industries, Inc. submitted a proposal response on March 8, 2024. Staff reviewed the proposal and met with Sign Industries to clarify any open questions regarding the project. Following the review, staff believes Sign Industries possesses the necessary experience, skills, and qualifications to successfully complete the Terminal Wayfinding Upgrades project.

CEQA COMPLIANCE AND LAND USE APPROVALS: The proposed project is exempt under CEQA and does not require environmental review. The project is Categorical Exempt (Class 1) from provisions of CEQA pursuant to (1) CEQA Guidelines section 15309 for project inspection services, (2) CEQA Guidelines section 15301 for the operations, repair, maintenance, permitting, or minor alteration of existing structures or facilities involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination, and (3) CEQA Guidelines section 15303 for new construction, installation or conversion of a limited number of small structures, facilities or equipment.



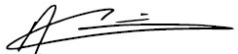
STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: The signage and wayfinding work will involve both night or off-peak hour construction and installation to avoid disruption to airport operations and minimize conflicts with passengers and the customer experience.

SCHEDULE: Construction of the project is anticipated to begin in June 2024 and anticipated to be completed in 12 months due to design, fabrication, delivery, and off-hour/night-time installation.

ATTACHMENTS: N/A

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name:	Keith Owens
Originating Dept.:	Capital Development
Director Review:	 Keith Owens
Chief Review:	Atif Elkadi 
CEO Approval:	

This Agenda Report has been reviewed by OIAA General Counsel.

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

BOARD DISPOSITION: ☐ Approved ☐ Denied ☐ Continued to _____