

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

COMMISSION AGENDA – REGULAR MEETING



July 24, 2025, 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

ADRIANNE FERNANDEZ
Deputy Commission Clerk

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 Deputy Commission Clerk 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 Commission Meeting 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 Deputy Commission Clerk at (909) 544- 5307 or clerk@flyontario.com.

CALL TO ORDER (OPEN SESSION)

ROLL CALL

PLEDGE OF ALLEGIANCE

AGENDA REVIEW

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

1. INFORMATION RELATIVE TO POSSIBLE CONFLICT OF INTEREST

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

PUBLIC COMMENTS

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

CLOSED SESSION

PUBLIC COMMENT ON CLOSED SESSION

CLOSED SESSION

- GC § 54956.8: CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: ONT (2 MATTERS)
Property Agency Negotiator: OIAA General Counsel's Office

REPORT ON CLOSED SESSION

General Legal Counsel

CONSENT CALENDAR

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

2. APPROVAL OF MINUTES

Approve minutes for the Special OIAA Commission Meeting on June 16, 2025.

3. CASH DISBURSEMENT REPORT (BILLS/PAYROLL)

Receive and file the Cash Disbursement Report (Bills/Payroll) for the month ended June 30, 2025.

4. COMMISSIONER'S STIPENDS AS REQUIRED BY AUTHORITY BYLAWS

Approve additional stipends per Article IV, Section 6 of the Authority's Bylaws for President Alan Wapner for the month of June, 2025.

5. AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH OSSI NA, LLC.

Authorize the Chief Executive Officer (CEO) to approve an Amendment to the Professional Services Agreement "SCONT-000644" between the Ontario International Airport Authority (OIAA) and OSSI NA, LLC (OSSI), to allocate additional funds in the amount of \$450,000 to support of technology integration projects at the Ontario International Airport (ONT).

6. BUDGET AMENDMENT FOR THE RUNWAY 26R INSTRUMENT LANDING SYSTEM UPGRADE PROJECT AND A REIMBURSABLE AGREEMENT AMENDMENT WITH THE FEDERAL AVIATION ADMINISTRATION

Authorize the Chief Executive Officer (CEO) to execute the Federal Aviation Administration (FAA) Reimbursable Agreement (RA-3378) Amendment 2 (A2) for construction in the amount of \$142,429.60; (2) approve construction administration services (CA) in the amount of \$248,455.00; (3) approve construction contingency in the amount of \$956,666.83, resulting in a total project capital budget amount of \$15,750,885.00.

7. APPROVAL OF THE NEW AIRLINE OPERATING AND USE TERMINAL LEASE AGREEMENT

Approve the new Airline Operating Use and Terminal Lease Agreement (ULA) and authorize the Chief Executive Officer to execute ULA's with commercial airline partners operating at the Ontario International Airport (ONT).

RESOLUTION NO. 2025-05

A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY COMMISSION ADOPTING
THE NEW AIRLINE OPERATING AND USE TERMINAL LEASE AGREEMENT

CEO REPORT

CHIEF EXECUTIVE OFFICER UPDATES

COMMISSION MATTERS

PRESIDENT WAPNER

VICE PRESIDENT HAGMAN

TREASURER LOVERIDGE

SECRETARY BOWMAN

COMMISSIONER GOUW

ADJOURNMENT

AFFIDAVIT OF POSTING

I, Adrienne Fernandez, Deputy Commission 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: July 21, 2025

Posted Prior To: 2:00 P.M.

Signature:


Adrienne Fernandez, Deputy Commission Clerk
Ontario International Airport Authority Commission Clerk

ONTARIO INTERNATIONAL AIRPORT AUTHORITY



MEETING DATE: JULY 24, 2025

SUBJECT: RELATIVE POTENTIAL 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 Commission 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 in 2024, or \$500 in 2025, 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
05	OSSI NA, LLC.	<ul style="list-style-type: none">• None
06	Velluntini Corporation dba Royal Electric Company	<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 REVIEW AND APPROVAL:

Originator:	Adrienne Fernandez, Deputy Commission Clerk
Originating Dept.:	Executive Division
Director Review:	N/A
Chief Review:	<i>Atif Ekadi</i>
CFO Review:	N/A
CEO Approval:	<i>Atif Ekadi</i>

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 Commission. Hours to review are between 8:30 a.m. and 4:30 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.



MEETING DATE: JULY 24, 2025

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 Commission Special Meeting on June 16, 2025.

FISCAL IMPACT SUMMARY: N/A

BACKGROUND: The OIAA 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 REVIEW AND APPROVAL:

Originator:	Adrienne Fernandez, Deputy Commission Clerk
Originating Dept.:	Executive Division
Director Review:	N/A
Chief Review:	<i>Atif Ekadi</i>
CFO Review:	N/A
CEO Approval:	<i>Atif Ekadi</i>

This Agenda Report has been reviewed by OIAA General Counsel.

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**ONTARIO INTERNATIONAL AIRPORT AUTHORITY
SPECIAL COMMISSION MEETING
MINUTES
JUNE 16, 2025**

CALL TO ORDER

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

ROLL CALL

COMMISSIONERS:

PRESENT:

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

Curt Hagman, Vice President
Jim W. Bowman, Secretary

Curt Hagman, Vice President entered the meeting at 2:02 p.m.

A quorum of the OIAA Commissioners was present.

STAFF:

Chief Executive Officer Atif Elkadi
General Counsel Kevin P. Sullivan

General Counsel Lori D. Ballance
Deputy Commission Clerk Adrienne Fernandez

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.

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

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: CONFERENCE ON AIRPORT SECURITY– INFORMATION TECHNOLOGY SYSTEMS AND CYBERSECURITY
- GC § 54956.8: CONFERENCE WITH REAL PROPERTY NEGOTIATORS – (1 matter)
- GC § 54956.9: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (1 matter)

President Wapner recessed the Open Session and called the Closed Session to order at 2:03 p.m. The Open Session reconvened at 2:24 p.m.

REPORT ON CLOSED SESSION

General Counsel Lori D. Ballance announced no reportable action on any Closed Session item.

CONSENT CALENDAR

2. APPROVAL OF MINUTES

Approved minutes for the Regular OIAA Commission Meeting on May 22, 2025.

3. CASH DISBURSEMENT REPORT (BILLS/PAYROLL)

Received and filed the Cash Disbursement Report (Bills/Payroll) for the month ended May 31, 2025.

4. COMMISSIONER'S STIPENDS AS REQUIRED BY AUTHORITY BYLAWS

Approved additional stipends per Article IV, Section 6 of the Authority's Bylaws for President Alan Wapner for the month of May, 2025.

5. CONTRACT WITH ZONES, LLC. FOR THE PROCUREMENT OF MICROSOFT 365 LICENSURE

Authorized the Chief Executive Officer (CEO) to execute a contract with Zones, LLC., for the scope of services contained in the Microsoft Enterprise Agreement Renewal County of Riverside Contract ITARC 00932, for the procurement of Microsoft 365 licensure, for a 3-year term, not to exceed \$510,000.00.

6. AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT RENEWAL WITH DURANT CONSULTING SERVICES, INC.

Authorized the Chief Executive Officer (CEO) to execute the Amendment (Amendment) to the Professional Services Agreement "SCONT-000553" (Agreement) with Durant Consulting Services, Inc. (Durant Consulting), allowing for the Scope of Services to be amended and incorporated into the Agreement along with the additional funds that will cover these Services.

7. SECOND AMENDMENT TO LEASE AND LICENSE AGREEMENT WITH ONTARIO INTERNATIONAL AIRPORT TERMINAL AND EQUIPMENT COMPANY, LLC.

Authorized the Chief Executive Officer (CEO) to execute a Second Amendment (Amendment) to the Lease and License Agreement "ONT-20-10030" (Agreement) with the Ontario International Airport Terminal and Equipment Company, LLC. (ONT-TEC), allowing for the relocation of their office space within Terminal 4.

8. AGREEMENT WITH THE BEAVERS GROUP, INC. FOR MARKETING AND PROMOTIONAL MATERIALS

Authorized the Chief Executive Officer (CEO) to execute an agreement with The Beavers Group, Inc. for marketing and promotional materials, for one year, not to exceed \$243,000, and authorize an increase in contract authority in the amount of up to \$25,000 for unforeseen services as needed.

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

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

9. A RESOLUTION TO ADOPT THE FISCAL YEAR END 2026 CAPITAL IMPROVEMENT BUDGET

Approved Resolution 2025-02 adopting the Fiscal Year End (FYE) 2026 Capital Improvement Budget.

RESOLUTION NO. 2025-02

A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY COMMISSION
ADOPTING THE CAPITAL IMPROVEMENT BUDGET FOR FISCAL YEAR 2025-2026

10. A RESOLUTION TO ADOPT THE FISCAL YEAR END 2026 OPERATING BUDGET

Approved Resolution 2025-03 adopting the Fiscal Year End (FYE) 2026 Operating Budget.

RESOLUTION NO. 2025-03

A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY COMMISSION
ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2025-2026

11. A RESOLUTION APPROVING THE ONTARIO INTERNATIONAL AIRPORT SYSTEM RATES AND CHARGES FOR FISCAL YEAR 2025-2026

Approved Resolution 2025-04 approving the Airport System Rates and Charges for Fiscal Year 2025-2026 at Ontario International Airport.

RESOLUTION NO. 2025-04

A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY COMMISSION
APPROVING
THE AIRPORT SYSTEM RATES AND CHARGES FOR FISCAL YEAR 2025-2026

MOTION: Moved by Vice President Hagman, seconded by Secretary Bowman, to approve Item No. 09 - Item 11. Motion carried by a 5 Yes/0 No vote.

CEO REPORT

CHIEF EXECUTIVE OFFICER UPDATES

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

COMMISSIONER MATTERS

There were no Commission matters to report.

ADJOURNMENT

President Wapner adjourned the Ontario International Airport Authority Commissioners Meeting at 2:30 p.m.

RESPECTFULLY SUBMITTED:

APPROVED:

ADRIANNE FERNANDEZ,
DEPUTY COMMISSION CLERK

ALAN D. WAPNER, PRESIDENT



MEETING DATE: JULY 24, 2025

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 June 30, 2025.

FISCAL IMPACT SUMMARY: The funding is approved in the Fiscal Year 2024-2025 budget.

BACKGROUND: In June 2024, the OIAA Board of Commissioners adopted an operating budget that is driven by strong aviation activity and financial performance realized by OIAA in FY2024. 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 June 30, 2025.

STAFF REVIEW AND APPROVAL:

Originator:	Celeste Heinonen, Senior Vice President, Chief Financial Officer
Originating Dept.:	Financial Accounting and Reporting
Director Review:	N/A
Chief Review:	<i>Celeste Heinonen</i>
CFO Review:	<i>Celeste Heinonen</i>
CEO Approval:	<i>Atif Ekadi</i>

This Agenda Report has been reviewed by OIAA General Counsel.

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MEETING DATE: JULY 24, 2025

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: COMMISSIONER'S STIPENDS AS REQUIRED BY AUTHORITY BYLAWS

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

RECOMMENDED ACTION(S): Approve additional stipends per Article IV, Section 6 of the Authority's Bylaws for President Wapner for the month of June, 2025.

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 monthly stipend for each month of a calendar year in the amount of one thousand dollars (\$1,000.00), which amount will be deemed to address Commissioner participation for six (6) Authority-related business functions or events, such as attendance at each monthly Commission meeting, any standing committee meeting, any ad hoc committee meeting, briefings, and any other Authority-related business function or event. If a Commissioner participates in or attends a collective total of more than six (6) Commission meetings, any standing committee meetings, any ad hoc committee meeting, briefings, or any other Authority-related business function or event in a calendar month, then the Commissioner shall receive an additional stipend of one hundred fifty dollars (\$150.00) for each such additional matter, with the majority approval by the Commission."

During the month of June 2025, President Wapner attended ten (10) additional Authority-related business functions. Majority 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 REVIEW AND APPROVAL:

Originator:	<u>Adrienne Fernandez, Deputy Commission Clerk</u>
Originating Dept.:	<u>Executive Division</u>
Director Review:	<u>N/A</u>
Chief Review:	<u><i>Atif Elkadi</i></u>
CFO Review:	<u><i>Celeste Heinonen</i></u>
CEO Approval:	<u><i>Atif Elkadi</i></u>

This Agenda Report has been reviewed by OIAA General Counsel.

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MEETING DATE: JULY 24, 2025

SUBJECT: AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH OSSI NA, LLC.

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

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to approve an Amendment to the Professional Services Agreement "SCONT-000644" between the Ontario International Airport Authority (OIAA) and OSSI NA, LLC (OSSI), to allocate additional funds in the amount of \$450,000 to support of technology integration projects at the Ontario International Airport (ONT).

FISCAL IMPACT SUMMARY: The agreement with OSSI has a total not-to-exceed amount of \$1,600,000. Due to expanded scope and new project requirements, an additional \$450,000 is requested to fund current and upcoming technology integration projects through the end of the existing contract term thus increasing the contract amount to a total not-to-exceed amount of \$2,050,000.

BACKGROUND: Under the agreement, OSSI has supported the installation of large LED screens that have transformed the terminals, enabling ONT to attract high-profile national advertisers. OSSI also installed various digital advertising systems, including all current digital screens in the concourses and baggage claim, a centralized backend network for real-time content updates, and lobby information display screens that enhance the passenger experience.

With the entry of new airlines and unforeseen timing demands, OSSI was asked to support projects beyond the originally planned work. These efforts have accelerated implementation needs and timelines, requiring additional funding to cover both monthly service fees and ongoing project work through the Agreement's end date.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: The proposed professional services agreement with the Consultant is not a "project" within the meaning of Section 15378 of the CEQA guidelines because there is no potential for the Consultant's consulting work to result in a direct or indirect physical change in the environment. As a result, the activity is not subject to CEQA.




STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A

ATTACHMENTS: N/A

STAFF REVIEW AND APPROVAL:

Originator:	Elisa Grey, Senior Vice President of Revenue Management
Originating Dept.:	Revenue Management Division
Director Review:	N/A
Chief Review:	
CFO Review:	
CEO Approval:	

This Agenda Report has been reviewed by OIAA General Counsel.

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MEETING DATE: JULY 24, 2025

SUBJECT: APPROVE BUDGET AMENDMENT FOR THE RUNWAY 26R INSTRUMENT LANDING SYSTEM UPGRADE PROJECT AND A REIMBURSABLE AGREEMENT AMENDMENT WITH THE FEDERAL AVIATION ADMINISTRATION

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

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to execute the Federal Aviation Administration (FAA) Reimbursable Agreement (RA-3378) Amendment 2 (A2) for construction in the amount of \$142,429.60; (2) approve construction administration services (CA) in the amount of \$248,455.00; (3) approve construction contingency in the amount of 956,666.83, resulting in a total project capital budget amount of \$15,750,885.00.

FISCAL IMPACT SUMMARY: The current capital budget amount of \$14,400,000 for this project was approved by the Commission on October 27, 2022. The amended capital budget amount of \$15,750,885.00 for this project is to be funded with OIAA appropriations. Navigational Aids are not eligible for FAA grant funding.

Approved Total Project Budget **\$14,400,000**

Commission Requested Approval Amounts:

Increase project construction contingency	\$960,000.00
RA AJW-FN-WSA-18-WP-003378 A2 (Construction oversight, Testing & Acceptance)	\$142,429.60
Mead & Hunt – Additional CA Services	<u>\$248,455.40</u>

Subtotal
\$1,350,885.00

Revised Total Project Budget **\$15,750,885.00**

The original approved budget, established in September 2018, in the amount of \$6,100,000 required a \$8,300,000 increase for the revised budget amount of \$14,400,000, and was approved by the Commission on October 27, 2022. Reimbursement for Navigational Aids (NAVAIDs) design and construction are not eligible for FAA Airport Improvement Program (AIP) Grant funding. The FAA via the Reimbursable Agreement has reviewed, and will complete certification and acceptance of all the Runway 26R ILS equipment after construction completion and final ALSF-2 system burn-in test for compliance with their ILS Category (CAT) IIIB standards via the RA-3378 A2. Recall, any funding not used will be returned to the OIAA.

BACKGROUND: The Runway 26R ILS Upgrade project is the “second stage”, with the Runway 26R TDZ Lights project being the first stage of upgrading Runway 26R to ILS CAT IIIB and directly benefits all airfield users. The ILS is a precision instrument approach that can accommodate industry-standard low visibility approaches, ILS CAT IIIB with Runway Visual Range (RVR) as low as 150 feet and Height Above Touchdown (HAT) as low as zero feet. Without them, runways are not able to accommodate the lowest visibility approaches and to safely guide pilots to the runway during times of inclement weather. Currently, at ONT, Runway 26L is the only runway with an ILS CAT IIIB approach.

The Runway 26R ILS Upgrade project construction is mostly complete including installation of the ALSF-2 system (towers and lights), Far Field Monitor, and Airfield Equipment Shelters, and remaining accessory items to install are the following: Kohler generator, Automatic Transfer Switch, ConVault 1,000-gallon fuel tank, and three liquid-type transformers.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: A Categorical Exemption (CATEX) has been approved by the Federal Aviation Administration (FAA) on this item. This project is also exempt from California Environmental Quality Act (CEQA) review under CEQA Guidelines sections 15301(f) regarding the repair and maintenance of existing facilities for safety purposes, and 15302 regarding the replacement of existing facilities having the same purpose and capacity as the replaced facilities.

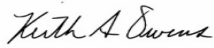



STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: Construction of the remaining equipment can occur during daytime hours during Scheduled Runway 26R maintenance shutdown periods. For the ONT cargo peak seasons, both runways will be open for service.

SCHEDULE: Transformer delivery is scheduled for October 2025. Final FAA certification and acceptance of the Runway 26R ILS anticipated March 31, 2026.

ATTACHMENTS: N/A

STAFF REVIEW AND APPROVAL:

Originator:	Keith G Owens, Director of Program Management
Originating Dept.:	Capital Development Division
Director Review:	
Chief Review:	
CFO Review:	
CEO Approval:	

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MEETING DATE: JULY 24, 2025

SUBJECT: APPROVAL OF THE NEW AIRLINE OPERATING AND USE TERMINAL LEASE AGREEMENT

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

RECOMMENDED ACTION(S): Approve the new Airline Operating Use and Terminal Lease Agreement (ULA) and authorize the Chief Executive Officer to execute ULA's with commercial airline partners operating at the Ontario International Airport (ONT).

FISCAL IMPACT SUMMARY: Revenues generated under the new Airline Operating Use and Terminal Lease Agreement (ULA) are critical to funding airport operations, maintenance, and future capital projects. The terms of the ULA will fundamentally improve the Ontario International Airport Authority's (OIAA) financial position; the current ULA allows for a residual cost-recovery model; the new ULA allows for a hybrid approach in which the OIAA is allowed to retain unrestricted funds for future airport use at its discretion. Unrestricted fund deposits will increase from an estimated twenty-eight million (\$28,000,000.00) in Year 1 to up to forty-five million (\$45,000,000.00) in Year 5. This increase in unrestricted funds will support the long-term financial health of the airport.

BACKGROUND: The Ontario International Airport Authority's (OIAA) existing ULA for Signatory airlines expired on September 30, 2024. Since that time, commercial airline partners operating at Ontario International Airport (ONT) have continued to operate under a month-to-month holdover status. Recognizing the need for a more modern, transparent, and flexible framework, staff has worked closely with commercial airline partners to develop a new Signatory ULA.

The new ULA reflects current industry standards and OIAA's strategic goals for gate utilization, financial sustainability, and future capital investment. It is the product of extensive collaboration with commercial airline stakeholders, key airport staff, the OIAA Chief Financial Officer and OIAA General Counsel. The term of the new ULA is for a period of five (5) years, effective July 1, 2025, through June 30, 2030, with the possibility of two (2) one (1) -year extensions.

From an operational standpoint, the new ULA increases OIAA control over Terminal premises, requiring airlines to meet certain utilization requirements and allowing the Airport to recapture gates to accommodate new entrants or additional routes from incumbent commercial airline partners if needed. Additional measures have also been taken to decrease costs for potential new entrants and international carriers, such as lowered joint-use fees and minimal increases to FIS fees, as the Airport continues to prioritize new service at ONT.

The new ULA will change the OIAA's Rates and Charges methodology from a residual cost-recovery model to a hybrid model. The hybrid model recovers all costs related to airfield use and terminal operations, while

offsetting the terminal cost with a portion of net non-aeronautical revenues from the transportation cost center. The OIAA will retain 25% of net revenues from the transportation cost center, as well as 100% of net revenues from the commercial development cost center. These retained funds will be deposited into the newly created renewal and improvement fund. Continuing to provide some revenue-sharing will provide stability and predictability for incumbent airlines while allowing the OIAA to remain competitive and provide new entrant opportunities. The renewal and improvement fund will improve the Airport's financial position and increase the ability to fund future capital projects.

The ULA also sets improved guidelines for capital expenditures, including an enhanced consultative and approval process. Airlines are allowed a majority-in-interest approval for new projects over one million dollars (\$1,000,000.00) and defer denied projects up to six (6) months (the current ULA requires an MII for projects over five hundred thousand dollars (\$500,000.00) with two six-month deferral periods). The OIAA will also consult with Airlines regarding the overall Capital Improvement Program including large projects over fifty million dollars (\$50,000,000.00).

Approval of the new ULA will transition ONT out of holdover status, establish long-term operating certainty, and allow for better financial and capital planning and coordination with commercial airline partners. The ULA supports equitable gate access, fiscal responsibility, and the Airport's ongoing capital development needs.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A


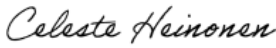

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A

ATTACHMENTS:

1. Resolution No. 2025-05

STAFF REVIEW AND APPROVAL:

Originator:	Annie Lin, Director of Airline Affairs & Properties
Originating Dept.:	Revenue Management Division
Director Review:	N/A
Chief Review:	
CFO Review:	
CEO Approval:	

This Agenda Report has been reviewed by OIAA General Counsel.

The Agenda Report references the terms and conditions of the recommended action 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 Commission. Hours to review are between 8:30 a.m. and 4:30 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.

**A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT
AUTHORITY APPROVING THE NEW AIRLINE OPERATING AND USE
TERMINAL LEASE AGREEMENT**

WHEREAS, the OIAA is the owner of Ontario International Airport (the “Airport”) and operates the same for the promotion, accommodation and development of air commerce and transportation; and

WHEREAS, OIAA has negotiated with commercial airline partners operating at the Airport for a more modern, transparent, and flexible framework and agreement; and

WHEREAS, OIAA and Airlines have reached agreement on a new Operating Use and Terminal Lease Agreement (“ULA”) that reflects current industry standards and OIAA’s strategic goals for Signatory Airlines operating at the Airport; and

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

SECTION 1. The Ontario International Airport Authority Commission hereby approves the new Operating Use and Terminal Lease Agreement contained in Exhibit “A” attached hereto, and incorporated herein by this reference.

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

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

PASSED, APPROVED, AND ADOPTED at a Regular Meeting this 24th day of July, 2025.

ALAN D. WAPNER, OIAA PRESIDENT

ATTEST:

APPROVED AS TO LEGAL FORM:

COMMISSION CLERK/
ASSISTANT SECRETARY

LORI D. BALLANCE, GENERAL COUNSEL

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

I, Commission Clerk/Assistant Secretary of the Ontario International Airport Authority, DO HEREBY CERTIFY the foregoing Resolution No. 2025-05 is the original and was duly passed and adopted by the Commission of the Ontario International Airport Authority at their Regular Meeting held July 24, 2025, by the following roll call vote, to wit:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

(SEAL)

COMMISSION CLERK/ASSISTANT SECRETARY