



1923 E. Avion Ave

Ontario, CA 91761

ALAN D. WAPNER  
PRESIDENT

RONALD O. LOVERIDGE  
VICE PRESIDENT

JIM W. BOWMAN  
COMMISSIONER

CURT HAGMAN  
COMMISSIONER

MARK A. THORPE  
INTERIM CHIEF EXECUTIVE OFFICER

LORI D. BALLANCE  
GENERAL COUNSEL

JEFF P. REYNOLDS  
TREASURER

## NOTICE OF ADJOURNMENT

**Notice is hereby given** that the Ontario International Airport Authority regular meeting scheduled on July 25, 2017 at 3:00 p.m. will be adjourned to **July 26, 2017 at 3:00 p.m.** due to a lack of quorum.

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

### AFFIDAVIT OF POSTING OF NOTICE OF ADJOURNMENT

I, Claudia Y. Isbell, declare as follows:

That I am the Commission Clerk of the Ontario International Airport Authority; that the regular meeting of the Ontario International Airport Authority scheduled on July 25, 2017 at 3:00 p.m. will be adjourned to July 26, 2017 at 3:00 p.m. due to a lack of quorum; and that a copy of said notice was posted at a conspicuous place.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on July 20, 2017 at Ontario, California.

  
\_\_\_\_\_  
Commission Clerk/ Assistant Secretary

**ONTARIO INTERNATIONAL AIRPORT  
AUTHORITY  
COMMISSION AGENDA  
REGULAR MEETING**

**JULY 25, 2017 AT 3:00 P.M.**

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

**Alan D. Wapner**  
President

**Ronald O. Loveridge**  
Vice President

**Jim W. Bowman**  
Commissioner

**Curt Hagman**  
Commissioner

**Vacant**  
Secretary



**Mark A. Thorpe**  
Interim Chief Executive Officer

**Lori D. Ballance**  
General Counsel

**Jeff P. Reynolds**  
Treasurer

**Welcome to the Regular Meeting of the Ontario International Airport Authority.**

- All documents for public review are on file at the Ontario International Airport Administration Offices located at 1923 E. Avion Street, Ontario, CA 91761.
- Anyone wishing to speak during public comment or on a item will be required to fill out a blue slip. Blue slips must be turned in prior to public comment beginning or before an agenda item is taken up. The Secretary/Assistant Secretary will not accept blue slips after that time.
- Comments will be limited to 3 minutes. Speakers will be alerted when they have 1-minute remaining and when their time is up. Speakers are then to return to their seats and no further comments will be permitted.
- In accordance with State Law, remarks during public comment are to be limited to subjects within the Authority's jurisdiction. Remarks on other agenda items will be limited to those items.
- Remarks from those seated or standing in the back of chambers will not be permitted. All those wishing to speak, including Commissioners and Staff, need to be recognized by the Authority President before speaking.

**ORDER OF BUSINESS** The Authority meeting begins with Closed Session and Closed Session comment at 3:00 p.m., Public Comment at 3:15 p.m. immediately followed by the Regular Meeting.

**(EQUIPMENT FOR THE HEARING IMPAIRED IS AVAILABLE UPON REQUEST AT THE REGULAR MEETING.)**

**CALL TO ORDER (OPEN SESSION)**

**3:00 p.m.**

**ROLL CALL**

Loveridge, Bowman, Hagman, President Wapner

**PLEDGE OF ALLEGIANCE**

**CLOSED SESSION PUBLIC COMMENT:** The Closed Session Public Comment portion of the Authority meeting is limited to a maximum of 3 minutes for each speaker and comments will be limited to matters appearing on the Closed Session. Additional opportunities for further Public Comment will be given during and at the end of the meeting.

**CLOSED SESSION**

- GC 54956.9(d)(2), CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION: *Three (3) cases.*
- GC 54954.5(d) and 54956.95, CONFERENCE WITH LEGAL COUNSEL, LIABILITY CLAIM  
Claimant: (Kelly Fredericks); Agency claimed against: (OIAA)
- GC 54957, PUBLIC EMPLOYMENT  
Title: Interim Chief Executive Officer

In attendance: Loveridge, Bowman, Hagman, President Wapner

**REPORT ON CLOSED SESSION**

General Legal Counsel

**PUBLIC COMMENTS**

**3:15 p.m.**

The Public Comment portion of the Authority meeting is limited to 30 minutes with each speaker given a maximum of 3 minutes. An opportunity for further Public Comment may be given at the end of the meeting. Under provisions of the Brown Act, the Commission is prohibited from taking action on oral requests.

As previously noted -- if you wish to address the Commission, fill out one of the blue slips at the rear of the chambers and give it to the Secretary/Assistant Secretary.

**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.

**CONSENT CALENDAR**

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

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

**1. APPROVAL OF MINUTES**

Minutes for the regular meeting of the Ontario International Airport Authority on May 23, 2017 and the special meetings of June 12, 2017, June 17, 2017, and July 5, 2017 approving same as on file with the Secretary/Assistant Secretary.

**2. BILLS/PAYROLL**

Bills June 1, 2017 through June 30, 2017 and Payroll June 1, 2017 through June 30, 2017.

**3. APPROVAL OF MEETING STIPENDS**

That the Ontario International Airport Authority Commission approve meeting stipends for Commissioner Hagman.

**4. SECOND READING AND ADOPTION OF AN ORDINANCE OF THE COMMISSION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY, ESTABLISHING A CONFLICT OF INTEREST CODE.**

That the Ontario International Airport Authority Commission adopt Ordinance No. 0001 establishing a Conflict of Interest Code as required by the Political Reform Act (Government Code Section 81000, et seq). Introduction and first reading took place at a regular meeting on May 23, 2017.

ORDINANCE NO. 0001

AN ORDINANCE OF THE COMMISSION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY, APPROVING A CONFLICT OF INTEREST CODE AND MAKING FINDINGS IN SUPPORT THEREOF.

**5. RATIFYING THE USA-TAIWAN PROMOTION OF EXCHANGE BETWEEN AIRPORT CITIES AND OPERATORS JOINT STATEMENT OF JULY 6, 2017**

That the Ontario International Airport Authority (OIAA) ratify the USA-Taiwan Promotion of Exchange between the Airports Cities and Operators Joint Statement that was executed at a signing ceremony that took place on Thursday, July 6, 2017.

**6. APPROVE A CONSULTATION AGREEMENT WITH WOODLAWN CONSULTING, LLC FOR CONSULTING SERVICES RELATING TO LAND DEVELOPMENT AND OTHER RELATED PROCEEDINGS OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY**

That the Ontario International Airport Authority approve a Consultation Agreement with Woodlawn Consulting, LLC for consulting services relating to land development and other related proceedings of the Ontario International Airport Authority.

**7. APPROVE A CONSULTATION AGREEMENT WITH WORTHINGTON PARTNERS, LLC FOR CONSULTING SERVICES RELATING TO THE GENERAL ADMINISTRATION OF ONTARIO INTERNATIONAL AIRPORT AUTHORITY**

That the Ontario International Airport Authority approve a Consultation Agreement with Worthington Partners, LLC for consulting services relating to the general administration of Ontario International Airport Authority.

## ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

### **8. AUTHORIZE APPROVAL OF THE CEO TO NEGOTIATE AND EXECUTE A SIX-MONTH CONTRACT BETWEEN MEAD & HUNT AND THE OIAA FOR MONTH-TO-MONTH ENGINEERING, ARCHITECTURAL, SURVEY, AND CONSTRUCTION INSPECTION SUPPORT SERVICES AT THE ONTARIO INTERNATIONAL AIRPORT**

That the Ontario International Airport Authority authorize the CEO to negotiate and sign a contract with Mead & Hunt for as-needed engineering, architectural, survey, and construction inspection support services at the airport for a six (6) month period, for a not-to-exceed monthly amount of (up to) \$60,000 until OIAA staff is able to procure similar services from one or more firms via a Request for Qualifications process.

### **9. APPROVE AND AUTHORIZE EXECUTION OF SECOND AMENDMENT TO LEASE ONT 7994 BETWEEN ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND GUARDIAN AIR SERVICES, LLC AT ONTARIO INTERNATIONAL AIRPORT**

That the Ontario International Airport Authority Commission approve and authorize execution of the second amendment to Lease ONT 7994 between Ontario International Airport Authority and Guardian Air Services, LLC at Ontario International Airport.

### **10. AUTHORIZE APPROVAL OF THE CEO TO NEGOTIATE AND EXECUTE TWO CONTRACTS FOR AIRPORT MEDIA AND ADVERTISING CONCESSION SERVICES AT THE ONTARIO INTERNATIONAL AIRPORT**

That the Ontario International Airport Authority (OIAA) authorize the CEO to negotiate and sign the following two contracts: (1) an Airport Advertising Agreement (for in-terminal, outdoor, and airport parking advertising programs at Terminals 2 and 4) with Lamar Alliance Airport Advertising Company; and (2) a Sign Location Lease (for outdoor static and digital billboard sign locations) with The Lamar Companies.

### **11. ACCEPTANCE OF A GRANT AWARD FROM THE FEDERAL AVIATION ADMINISTRATION OF FUNDS FROM THE AIRPORT IMPROVEMENT PROGRAM**

That the Ontario International Airport Authority (OIAA) authorize the Chief Executive Officer to execute all documents necessary to accept a grant-in-aid in an amount not to exceed \$8.5 million from the Federal Aviation Administration (FAA) provided through the Airport Improvement Program to cover 80.59 percent of the eligible portion of the Taxiway S&W Intersection Repair Project.

## STAFF MATTERS

## COMMISSION MATTERS

President Wapner  
Vice President Loveridge  
Commissioner Bowman  
Commissioner Hagman

## ADJOURNMENT

This meeting will be adjourned due to a lack of quorum to Wednesday, July 26, 2017 at 3:00 p.m. and held at the Ontario International Airport Administration Offices, 1923 E. Avion Street, Ontario, California, 91761.

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY  
CLOSED SESSION REPORT  
OIAA// (GC 54957.1)  
July 25, 2017**

**ROLL CALL:** Bowman \_\_, Hagman \_\_, Loveridge \_\_, President Wapner \_\_.

**STAFF:** CEO \_\_, General Counsel \_\_

In attendance: Loveridge \_\_, Bowman \_\_, Hagman \_\_, President Wapner \_\_.

- GC 54956.9(d)(2), CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION:  
*Three (3) cases.*

No Reportable Action	Continue	Approved
//	//	//

Disposition: \_\_\_\_\_

**STAFF:** CEO \_\_, General Counsel \_\_

In attendance: Loveridge \_\_, Bowman \_\_, Hagman \_\_, President Wapner \_\_.

- GC 54954.5(d) and 54956.95, CONFERENCE WITH LEGAL COUNSEL, LIABILITY CLAIM  
Claimant: (Kelly Fredericks); Agency claimed against: (OIAA)

No Reportable Action	Continue	Approved
//	//	//

Disposition: \_\_\_\_\_

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY  
CLOSED SESSION REPORT**

OIAA// (GC 54957.1)

**July 25, 2017**

*(continued)*

In attendance: Loveridge \_\_, Bowman \_\_, Hagman \_\_, President Wapner \_\_.

- GC 54957, PUBLIC EMPLOYMENT  
Title: Interim Chief Executive Officer

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: \_\_\_\_\_

Reported by:

\_\_\_\_\_  
General Legal Counsel / Chief Executive Officer

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY  
REGULAR COMMISSION MEETING  
MINUTES  
TUESDAY, MAY 23, 2017  
(Not Official Until Approved)**

A regular meeting of the Ontario International Airport Authority was held on Tuesday, May 23, 2017, at 1923 E. Avion Street, Room 100, Ontario, California.

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

**CALL TO ORDER**

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

**ROLL CALL**

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

ABSENT: Commissioners: None

Also present were: Chief Executive Officer Kelly J. Fredericks, General Counsel Lori D. Ballance, and Commission Clerk and Assistant Secretary Claudia Y. Isbell.

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Secretary Dunn.

Hearing no requests to speak, President Wapner recessed the regular meeting of the Ontario International Airport Authority to Closed Session at 3:01 p.m. with all members present.

**CLOSED SESSION**

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Property: 1923 E. Avion Street, Terminals #1 and #2, Ontario, CA; Negotiator: Kelly J. Fredericks; Negotiating Parties: Hudson Group Retail Specialist; Under Negotiation: Price and terms of payment.
- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Property: 1150 S. Vineyard Avenue, Ontario, CA 91761; Negotiator: Kelly J. Fredericks; Negotiating Parties: Guardian Air Services, LLC; Under Negotiation: Price and terms of payment.

- GC 54956.9(d)(2), CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION: *Three (3) cases.*

The Ontario International Airport Authority Commission meeting was reconvened in public session at 3:26 p.m.

## **CLOSED SESSION REPORT**

General Legal Counsel Ballance announced there was no reportable action.

## **PUBLIC COMMENTS**

*Nicholas Chang, Senior Vice President of NAI Capital*, stated his firm has assembled a team that developed a best in class marketing strategy, brokerage strategy, and entitlement and due diligence strategy designed to maximize the value of the land, identify buyers, and that the buyer's and the Authority's goals align. Mr. Chang asked for individual meetings with the Commissioners so that he may share more information.

President Wapner spoke on the Brown Act and asked that Mr. Chang check with Legal Counsel regarding the specifics.

*Bryan Bentrott*, stated his interest in helping the Authority with their land holdings. He stated there was an opportunity for outright sale, joint ventures as well as ground leases. He added that when developers compete, the Authority will win.

*Bob Spence, Commercial Broker*, stated he represents Chinese logistics companies and other companies who have expressed a large interest in locating facilities at the airport and added that there were plenty of people who wanted to talk to Commissioners whenever they were ready to engage in that process.

## **CONSENT CALENDAR**

**MOTION:** Moved by Secretary Dunn, seconded by Commissioner Hagman and carried by unanimous vote to approve the Consent Calendar as presented.

### **1. APPROVAL OF MINUTES**

Minutes for the special meetings of the Ontario International Airport Authority on April 27, 2017 and May 6, 2017, approving same as on file with the Secretary/Assistant Secretary.

### **2. APPROVAL OF MEETING STIPENDS**

The OIAA Commission approved meeting stipends for Commissioner Hagman.

## **ADMINISTRATIVE REPORTS/DISCUSSION/ACTION**

### **3. APPROVE AND AUTHORIZE PERMANENT REMOVAL FROM CONSIDERATION ON FUTURE COMMISSION AGENDAS REGARDING THE PROFESSIONAL SERVICES CONTRACT FOR C&S ENGINEERS, INC. TO PREPARE AN AIRPORT MASTER PLAN AND ENVIRONMENTAL ANALYSIS FOR ONTARIO INTERNATIONAL AIRPORT CONTINGENT UPON SIGNATORY AIRLINE SUPPORT – ITEM 04 CONTINUED FROM APRIL 27, 2017**

The OIAA Commission: (1) Approved and authorized permanent removal from consideration on future Commission agendas the Professional Services Contract with C&S ENGINEERS, INC. to prepare an airport master plan and environmental analysis for Ontario International Airport contingent upon signatory airline support; (2) Authorized OIAA staff to modify and re-scope the Airport Master Plan project and related environmental analysis, subject to Commission approval; and (3) Authorized OIAA staff to initiate, at the appropriate time, a new RFQ and bid process for professional consulting services to prepare a modified and re-scoped Airport Master Plan project and related environmental analysis as approved by the Commission.

Chief Executive Officer Fredericks apologized for the language stating that it appeared the Master Plan was being permanently removed and clarified permanent removal was not the case. He stated that based on the comments at the last Commission meeting as well as information received from other stakeholders such as the air carriers, the City of Ontario and the County of San Bernardino, staff thought it best to restart the process. He clarified that this process had to be terminated and removed from the agenda before starting a new process. Mr. Fredericks indicated staff's recommendation was to approve permanent removal of this item from the agenda and allow for a new process in partnership with the stakeholders. This would allow them to develop a new scope of services for the Master Plan and authorize staff to go through a qualification based selection process. He added that the Commission would be informed of the process and mentioned that staff would come back with a new recommendation at a future meeting.

**MOTION:** Moved by Commissioner Hagman, seconded by Commissioner Bowman and carried by unanimous vote to permanently remove the item from consideration.

**4. AUTHORIZE APPROVAL OF (1) THE CEO TO EXECUTE A CONTRACT BETWEEN SAN BERNARDINO COUNTY AND THE OIAA TO RECEIVE GENERAL FUNDS FROM THE COUNTY IN THE AMOUNT OF \$250,000.00; (2) CEO TO USE THOSE FUNDS SPECIFICALLY FOR A SECURITY LANE EXPANSION PROJECT IN TERMINAL 4; AND (3) CEO TO NEGOTIATE AND EXECUTE A CONTRACT WITH HAFNER COMPANY, INC. FOR THE SECURITY LANE PROJECT**

The Ontario International Airport Authority: (1) authorized the CEO to sign an agreement between the Ontario International Airport Authority and the County of San Bernardino authorizing the County's contribution to the Ontario International Airport Authority for the security lane expansion project at Terminal 4; (2) authorized the CEO to use those funds for the security lane expansion project in Terminal 4; and, (3) authorized the CEO to negotiate and sign a contract with Hafner Company, Inc. for the security lane expansion project in Terminal 4 in the amount of \$250,000.00.

Chief Executive Officer Fredericks provided a staff report stating that staff has made an attempt to improve customer service throughout the facility. He noted that the County of San Bernardino is providing \$250,000 which will cover the costs of an additional security lane at the Terminal 4 security check point. He added that this will dramatically enhance the customer experience. He stated this was reducing the cost of the air carriers and mentioned they were excited about the project. He stated that the additional lane should be in operation on or before September 30, 2017.

President Wapner asked who was paying for staffing and equipment.

Chief Executive Officer Fredericks indicated that staffing and equipment will be provided by the Transportation Security Administration (TSA).

President Wapner asked if TSA was guaranteeing staff for the additional lane, how Hafner Company, Inc. was selected, and if there was a process.

Chief Executive Officer Fredericks stated TSA has committed the staff and added that the firm was inherited as part of the transfer agreement and noted that this was one of the firms that was on-call previously selected by Los Angeles World Airport (LAWA).

Commissioner Hagman commented that it was his understanding that this was partially paid for already by LAWA and has started implementation of the project.

Chief Executive Officer Fredericks indicated he was unsure as to whether this was partially paid for by LAWA, but he did know this went through a procurement process.

President Wapner asked if LAWA's procurement process matched OIAA's and asked if the Commission had approved a procurement process.

Chief Executive Officer Fredericks stated that the OIAA inherited and adopted LAWA's policies when the airport was transferred and added he was very confident that it was a good procurement process.

President Wapner asked how much the contractor was charging for construction.

Chief Executive Officer Fredericks indicated the entire package was a total of \$250,000.

President Wapner asked if it was a coincidence the company was charging the exact amount being approved.

Chief Executive Officer Fredericks indicated it was not a coincidence and that staff had the amount well in advance.

President Wapner asked if the amount would have been \$150,000 would they have agreed to construction.

Chief Executive Officer Fredericks indicated that staff had an estimate and asked for a specific amount from the County of San Bernardino in advance.

Secretary Dunn asked how long it would take to have the new lane installed.

Chief Executive Fredericks indicated, per the agreement, that the project would be completed on or before September 30, 2017.

Secretary Dunn added that this was another great sign of visible improvement to the airport.

**MOTION:** Moved by Commissioner Hagman, seconded by Commissioner Bowman and carried by a unanimous vote, to execute a contract with the County of San Bernardino and Hafner Company, Inc.

## **PUBLIC HEARING**

### **5. A PUBLIC HEARING TO CONSIDER AN ORDINANCE ESTABLISHING A CONFLICTS OF INTEREST CODE**

The Ontario International Airport Authority Commission introduced and read the title, and waived further reading by regular motion, of an Ordinance establishing a Conflict of Interest Code as required by the Political Reform Act (Government Code Section 81000, et seq); and directed staff to place the Ordinance on the Agenda for the next available regular meeting of the Commission for final consideration and passage.

Notice of public hearing was duly given and affidavits of compliance are on file with the Clerk of the Board.

President Wapner opened the public hearing at 3:41 p.m. Seeing no one wishing to speak he closed the public hearing at 3:41 p.m.

**MOTION:** Moved by Commissioner Bowman, seconded by Secretary Dunn and carried by a unanimous vote, to introduce an Ordinance Establishing a Conflict of Interest Code.

## **STAFF MATTERS**

### **6. ONTARIO INTERNATIONAL AIRPORT AUTHORITY TEAM UPDATE**

- Chief Executive Officer report, Kelly Fredericks

Chief Executive Officer announced the ONT was up 4.3 percent for the month of April with 3.6 percent increase in domestic flights and 26.6 in international service. He added that domestic flights were up 6.4 percent with a decrease in international flights of 3.8 percent but expects that to increase as Volaris is increasing flights. He noted that cargo flights are up 17 percent for the month and added that all carriers are growing.

Mr. Fredericks indicated that staff has met with the air carriers to review a draft of the preliminary budget and noted that there are some minor changes that were made because of that meeting. He stated more information would be coming to Commissioners, and noted that an attempt was being made to schedule a special meeting in June to review the budget, rates and charges.

President Wapner noted that all the documents relating to the budget were in draft format and encouraged his colleagues to reach out to the Chief Executive Officer with any questions.

Mr. Fredericks also announced that staff intends to put out a Request for Proposals for On-call Architectural and plans on selecting three firms that will be utilized to implement the Capital Improvement Program. He noted that these items would be brought back to the Commission for approval.

Mr. Fredericks indicated that the staff was meeting with stakeholders regarding Transportation Network Companies (TNC) and added that staff was preparing to present a policy to the Commission at the June 27, 2017 meeting during a public hearing.

Mr. Fredericks noted that he is working on developing an Economic Development Advisory Group comprised of 15 members and intends to have the list by the end of May and plans to update the Commission at the June 27, 2017 meeting regarding the goals of the advisory group.

Mr. Fredericks noted the air carriers were briefed on the property generally bounded by Airport Drive to the north, Jurupa Street to the south, Haven Avenue to the west, and Doubleday Avenue to the east. He added that staff has met with the Federal Aviation Administration to have the property designated as surplus property and stated that the appraisal should be completed in July.

President Wapner indicated that he may have a potential conflict with TNCs. He added that he has not received contributions from TNCs, but he has received contributions from taxi cab companies and noted that he would abstain from any discussion pertaining to this item.

### **COMMISSIONER MATTERS**

Secretary Dunn announced that the Inland Empire is the fastest growing community with a population projection of over 7 million by 2020. She added that the demographics are in favor of the airport. She also stated that she spent the day in Sacramento discussing Senate Bill 1 which is the newly passed Road Repair and Accountability Act of 2017 and shared that the California Transportation Commission is very dedicated to getting funds out as quickly as possible and asked that partners have projects ready and encouraged all to talk to partners to see if there was a way to help the airport.

President Wapner stated that San Bernardino Associated Governments and Southern California Association of Governments were working on connectors that would also benefit the airport.

### **ADJOURNMENT**

President Wapner adjourned the Ontario International Airport Authority Commission meeting at 3:51 p.m.

Respectfully submitted:

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CLAUDIA Y. ISBELL, CLERK OF THE BOARD

APPROVED:

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ALAN D. WAPNER, PRESIDENT  
ONTARIO INTERNATIONAL AIRPORT AUTHORITY

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY  
SPECIAL COMMISSION MEETING  
MINUTES  
MONDAY, JUNE 12, 2017  
(Not Official Until Approved)**

A special meeting of the Ontario International Airport Authority was held on Tuesday, June 12, 2017, at 1923 E. Avion Street, Room 100, Ontario, California.

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

**CALL TO ORDER**

Commission President Wapner called the special Ontario International Airport Authority Commission meeting to order at 2:31 p.m.

**ROLL CALL**

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

ABSENT: Commissioners: Lucy Dunn

Also present were: Chief Executive Officer Kelly J. Fredericks, Assistant Counsel Kevin P. Sullivan, and Commission Clerk/Assistant Secretary Claudia Y. Isbell.

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Vice President Loveridge.

**PUBLIC COMMENTS**

There were no public comments.

**ADMINISTRATIVE REPORTS/DISCUSSION/ACTION**

- 1. REVIEW AND ADOPTION OF A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY APPROVING THE CONTINUED USE OF THE AUTHORITY'S CURRENT ANNUAL APPROVED BUDGET FOR FISCAL YEAR 2016-17 FOR A PERIOD OF THREE (3) MONTHS BEGINNING JULY 1, 2017.**

The Ontario International Airport Authority Commission approve Resolution No. 2017-05 adopting and authorizing the continued use of the Authority's current approved Fiscal Year 2016-17 budget for the Airport's and Authority's financial and other operations for a period of up to three (3) months beginning July 1, 2017; and that the Commission authorize the Chief Executive Officer ("CEO") and the Chief Financial Officer/Treasurer ("CFO") of the Authority to use the Authority and Airport accounts, account balances, revenues, income, receipts and funds existing and available on and after July 1, 2017 for the financial and other operations of the

Authority and Airport in a manner consistent with the current approved budget for Fiscal Year 2016-17 for a period of up to three (3) months beginning on July 1, 2017

**RESOLUTION NO. 2017-05** RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY APPROVING THE CONTINUED USE OF THE AUTHORITY'S CURRENT ANNUAL BUDGET FOR FISCAL YEAR 2016-17 FOR A PERIOD OF THREE (3) MONTHS BEGINNING JULY 1, 2017

President Wapner stated Commissioners received the correspondence from the airlines as well as Mr. Fredericks. After reviewing the correspondence, and although the Commission does not need airline approval, Mr. Wapner noted the importance of starting a positive relationship with the airlines and working with them regarding their concerns. He noted that this was not unusual as this is the OIAA's first budget and there will always be issues. He added that staff was requesting a three (3) month extension of the current budget and amended the resolution to include a hiring freeze.

Commissioner Hagman stated he reviewed the budget and noted that one of the Commission's core principals is to lower the operating cost at the airport, which is net cost to the airlines and increased revenue. He added that a percentage regarding the reduction in operating cost should be established year to year.

Vice President Loveridge asked if there were positions that were currently being hired.

President Wapner indicated that there were several positions on the organization chart that he does not feel comfortable filling until the Commission has had the opportunity to review the budget.

Chief Executive Officer Fredericks asked if the hiring freeze had the same terms and conditions as the budget extension.

President Wapner stated that the resolution indicated that the budget was extended for up to three (3) months and added that there was nothing stopping the Commission from acting sooner.

**MOTION:** Moved by President Wapner, seconded by Commissioner Bowman and carried by unanimous vote of those present, with Secretary Dunn absent, to adopt Resolution No. 2017-05 extending the current Annual Approved Budget for Fiscal Year 2016-17 for a period of three (3) months beginning July 1, 2017 and implementing a hiring freeze effective June 12, 2017.

	Yes	No	Absent
President Wapner	X		
Vice President Loveridge	X		
Secretary Dunn			X
Commissioner Bowman	X		
Commissioner Hagman	X		

## **COMMISSIONER MATTERS**

Commissioner Hagman thanked staff for their hard work on the Shanghai Photography Exhibition on Thursday, June 8, 2017. He added that there was a lot of positive feedback.

President Wapner announced that Ontario International Airport now has flights to China.

Chief Executive Officer Fredericks announced that the FAA was awarding the OIAA and LAWA the Regional Partnership Award and stated he would bring back further information at the next meeting.

## **ADJOURNMENT**

President Wapner adjourned the special Ontario International Airport Authority Commission meeting at 2:39 p.m.

Respectfully submitted:

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CLAUDIA Y. ISBELL, ASSISTANT SECRETARY

APPROVED:

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ALAN D. WAPNER, PRESIDENT  
ONTARIO INTERNATIONAL AIRPORT AUTHORITY

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY  
SPECIAL COMMISSION MEETING  
MINUTES  
SATURDAY, JUNE 17, 2017  
(Not Official Until Approved)**

A special meeting of the Ontario International Airport Authority was held on Saturday, June 17, 2017, at 1923 E. Avion Street, Room 100, Ontario, California.

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

**CALL TO ORDER**

Commission President Wapner called the Ontario International Airport Authority Commission meeting to order at 9:04 a.m.

President Wapner announced that Commissioner Dunn had resigned effective June 16, 2017.

**ROLL CALL**

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

ABSENT: Commissioners: None.

Also present were: CEO Kelly J. Fredericks, General Counsel Lori D. Ballance, and Commission Clerk/Assistant Secretary Claudia Y. Isbell.

Hearing no requests to speak, President Wapner recessed the regular meeting of the Ontario International Airport Authority to Closed Session at 9:05 a.m. with all Commissioners in attendance.

**CLOSED SESSION**

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

The Ontario International Airport Authority Commission special meeting was reconvened in public session at 12:22 p.m.

**CLOSED SESSION REPORT**

General Counsel Ballance announced that there was no reportable action.

**COMMISSIONER MATTERS**

There were no Commissioner matters.

**ADJOURNMENT**

President Wapner adjourned the Ontario International Airport Authority Commission special meeting at 12:22 p.m.

Respectfully submitted:

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CLAUDIA Y. ISBELL, ASSISTANT SECRETARY

APPROVED:

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ALAN D. WAPNER, PRESIDENT  
ONTARIO INTERNATIONAL AIRPORT AUTHORITY

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY  
SPECIAL COMMISSION MEETING  
MINUTES  
WEDNESDAY, JULY 5, 2017  
(Not Official Until Approved)**

A special meeting of the Ontario International Airport Authority was held on Wednesday, July 5, 2017, at 1923 E. Avion Street, Room 100, Ontario, California.

Teleconference Location Available at: 506 Golden Creek Road, Mammoth Lakes, CA 93546.

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

**CALL TO ORDER**

Commission President Wapner called the Ontario International Airport Authority Commission meeting to order at 10:00 a.m.

**ROLL CALL**

PRESENT: Commissioners: Jim W. Bowman, Curt Hagman,  
Ronald O. Loveridge (via  
teleconference) and Alan D. Wapner

ABSENT: Commissioners: None.

Also present were: General Counsel Lori D. Ballance, and Commission Clerk/Assistant Secretary Claudia Y. Isbell.

Hearing no requests to speak, President Wapner recessed the regular meeting of the Ontario International Airport Authority to Closed Session at 10:00 a.m. with all Commissioners in attendance.

**CLOSED SESSION**

- GC 54957, PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
Title: Chief Executive Officer
- GC 54956.9(d)(2), CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION: *Three (3) cases.*

The Ontario International Airport Authority Commission special meeting was reconvened in public session at 10:25 a.m.

The pledge of allegiance was led by Commissioner Bowman.

## **CLOSED SESSION REPORT**

General Counsel Ballance announced Kelly J. Fredericks' resignation and the appointment of Mark Thorpe as Interim Chief Executive Officer.

## **PUBLIC COMMENT**

There were no public comments.

## **ADMINISTRATIVE REPORTS/DISCUSSION/ACTION**

President Wapner recused himself as he had a conflict of interest with regard to TNCs and left the room.

### **1. A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY APPROVING THE TERMS AND CONDITIONS AND AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE NON-EXCLUSIVE TRANSPORTATION NETWORK COMPANY OPERATING PERMIT(S) TO PROVIDE GROUND TRANSPORTATION SERVICES TO AND FROM ONTARIO INTERNATIONAL AIRPORT**

The Ontario International Airport Authority adopted Resolution No. 2017-07 approving the terms and conditions of non-exclusive Transportation Network Company Operating Permit(s) to provide ground transportation services to and from Ontario International Airport, and authorized the Interim Chief Executive Officer, or his designee, to execute said Permit(s).

**RESOLUTION NO. 2017-07** A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY APPROVING THE TERMS AND CONDITIONS AND AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE NON-EXCLUSIVE TRANSPORTATION NETWORK COMPANY OPERATING PERMIT(S) WITH TRANSPORTATION NETWORK COMPANIES TO PROVIDE GROUND TRANSPORTATION SERVICES AT ONTARIO INTERNATIONAL AIRPORT.

Interim Chief Executive Officer Thorpe provided a report regarding Resolution No. 2017-07 stating that approval of the item would allow companies such as Uber and Lift to operate at the airport for the first time. He noted the positive impact an approval would have on customer satisfaction.

*Tedd Weggeland*, Chief Executive Officer of Raincross Hospitality Corporation spoke on his support of Resolution No. 2017-07 adding that the convention business is at a disadvantage by not allowing Transportation Network Companies into the airport. He stated that an approval would put them on a level playing field.

Commissioner Hagman stated TNCs were the number one request received at his office.

**MOTION:** Moved by Commissioner Bowman, seconded by Commissioner Hagman and carried by a unanimous vote of the present, with President Wapner recused, to adopt Resolution No. 2017-07.

	Yes	No	Abstain
President Wapner			X
Vice President Loveridge	X		
Commissioner Bowman	X		
Commissioner Hagman	X		
Secretary – Vacancy			

President Wapner returned to the dais.

**2. AUTHORIZE APPROVAL FOR THE CEO TO EXECUTE A PURCHASE ORDER CONTRACT WITH DIRECT AV TO UPGRADE THE EXISTING SECURITY VIDEO MANAGEMENT SYSTEM HARDWARE AT THE AIRPORT.**

The Ontario International Airport Authority authorized the Interim Chief Executive Officer to purchase BCD Video Server Hardware from Direct AV of Hawthorne, California. New servers are needed to support a software upgrade for the 380 existing airport security cameras at Ontario International Airport (ONT) from an analog to a digital system. This software upgrade is also necessary prior to the transition of responsibility for public safety dispatch services from Los Angeles World Airports (LAWA) to the Ontario International Airport (ONT) and the City of Ontario (the City). The cost of these new servers will not exceed \$146,227.80.

Interim Chief Executive Officer Thorpe provided a report regarding the acquisition of new hardware to support an upgraded a software. He added that the hardware was needed to support the transition of the current video security system from analog to digital and noted that it was also necessary to accommodate the transition of public safety and dispatch services from Los Angeles World Airports to Ontario Police Department.

Commissioner Hagman stated that he spoke to Mr. Thorpe about the item and noted he was in favor of moving forward quickly. He also stated he had more technical questions. He amended staff's recommendation to reflect an amount not to exceed \$150,000 so that there is some time to follow up with the technical side of things.

**MOTION:** Moved by Commissioner Hagman, seconded by Commissioner Bowman and carried by a unanimous vote by those present, to approve a purchase order not to exceed \$150,000 for equipment and software.

## **COMMISSIONER MATTERS**

Commissioner Hagman suggested that there be a regular time and date for meetings. He announced the arrival of a full Taiwanese Delegation including the Mayor of Taiwan and the Chief Executive Officer of China Airlines at the Ontario International Airport on July 6, 2017 for a signing ceremony regarding a USA-Taiwan Promotion of Exchange between Airport Cities and Operators Joint Statement.

President Wapner stated Commissioner Hagman was the Chair of the International sub-committee and expressed his appreciation to Commissioner Hagman and Interim Chief Executive Officer Thorpe for all of their hard work.

## **ADJOURNMENT**

President Wapner adjourned the Ontario International Airport Authority Commission special meeting at 10:32 a.m.

Respectfully submitted:

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CLAUDIA Y. ISBELL, ASSISTANT SECRETARY

APPROVED:

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ALAN D. WAPNER, PRESIDENT  
ONTARIO INTERNATIONAL AIRPORT AUTHORITY



**PRIOR COMMISSION ACTION:**

On December 8, 2016, the OIAA Commission adopted Resolution No. 2016-14 approving and adopting the OIAA Bylaws.

**CEQA COMPLIANCE:**

Exclusion from the definition of “project”: The creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. (CEQA Guidelines §15378(b)(4).)

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

N/A

**IMPACT ON OPERATIONS:**

N/A

**EXHIBITS AND ATTACHMENTS:**

None.

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

This Agenda Report has been reviewed by OIAA General Counsel.



## **FISCAL IMPACT AND SOURCE OF FUNDS**

There is no fiscal impact.

## **PRIOR COMMISSION ACTION**

May 23, 2017: the OIAA introduced the ordinance at a public hearing.

October 15, 2012: JPA filing requirements were discussed and it was determined that staff would prepare a Conflict of Interest Code for the Authority.

July 07, 2014: The Commission directed staff to reviewed the Biennial Conflict of Interest Code.

October 06, 2014: The Commission received the 2014 Local Agency Biennial Review of the Conflict of Interest Code report and confirmed no changes were required at that time.

## **CEQA COMPLIANCE**

The subject activity is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines Section 15378 and is therefore not subject to review under CEQA.

## **ATTACHMENTS:**

Attachment A: Ordinance adopting the Ontario International Airport Authority Conflict of Interest Code.

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

This Agenda Report has been reviewed by OIAA General Counsel |

ORDINANCE NO. 0001

AN ORDINANCE OF THE COMMISSION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY, APPROVING A CONFLICT OF INTEREST CODE AND MAKING FINDINGS IN SUPPORT THEREOF.

**WHEREAS**, the Commission of the Ontario International Airport Authority desires that elected and appointed officials be prohibited from making, participating in the making, or attempting to use their official positions to influence a governmental decision in which they know or have reason to know they have a financial interest; and

**WHEREAS**, the Political Reform Act (Act), set forth at Government Code section 81000 *et seq.*, requires state and local government agencies to adopt and promulgate a Conflict of Interest Code; and

**WHEREAS**, on May 23, 2017, the Commission of the Ontario International Airport Authority introduced this Ordinance, conducted a first hearing to consider adoption of a Conflict of Interest Code and concluded said hearing on that date; and

**WHEREAS**, all legal prerequisites for the introduction of this Ordinance and the conduct of a first hearing to consider to the adoption of this Ordinance have occurred.

**NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED, AND ORDAINED** by the Commission of the Ontario International Airport Authority as follows:

**SECTION 1:** The foregoing recitals are adopted as findings of the Commission of the Ontario International Airport Authority as though set forth fully herein.

**SECTION 2:** A Conflict of Interest Code is hereby added to the Code of Ordinances of the Ontario International Airport Authority to read, in its entirety, as follows:

**SECTION A. PURPOSE:**

**1. Statement of Purpose.**

The Ontario International Airport Authority (the "Authority") was created through a Joint Exercise of Powers Agreement between the City of Ontario and the County of San Bernardino on August 21, 2012 for the operation, maintenance, management, administration, development, and marketing of the Ontario International Airport ("Airport").

The California Political Reform Act, Government Code Sections 81000, *et seq.*, requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation, California Code of Regulations, title 2, section 18730, which contains the terms of a standard Conflict of Interest Code, which can be incorporated by reference and which may be amended by the Fair Political Practices Commission to conform to

amendments in the Political Reform Act of 1974 after public notice and hearings. Therefore, the terms of the California Code of Regulations, title 2, section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict of Interest Code of the Authority.

Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a Conflict of Interest Code within the meaning of Government Code section 87300 or the amendment of a Conflict of Interest Code within the meaning of Government Code section 87306 if the terms of this regulation are substituted for terms of a Conflict of Interest Code already in effect. A Code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of Government Code sections 81000, *et seq.* The requirements of a Conflict of Interest Code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code section 87100, and to other state or local laws pertaining to conflicts of interest.

It is the purpose of this Conflict of Interest Code to provide for the disclosure of Designated Employees assets and income which may be materially affected by their actions, and, in appropriate circumstances, to provide that Designated Employees should be disqualified from acting in order that conflicts of interest may be avoided. Nothing contained herein is intended to modify or abridge the provisions of the Political Reform Act of 1974 (Govt. Code, § 81000, *et seq.*)

**SECTION B. DEFINITION OF TERMS:**

1. **Definitions.** This Conflict of Interest Code contains a number of key terms, such as “Designated Employee,” interests in real property within the jurisdiction,” “investments in business entities,” “income,” and decisions “made” or “participated in” by a Designated Employee, which are defined in the Political Reform Act of 1974 (Govt. Code §§ 81000 through 91014) and the regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. §§ 18110 through 18997.). These definitions and regulations, and any amendments to the Act or regulations, are incorporated by reference into this Conflict of Interest Code. [2 Cal. Code of Regs., § 18730, subd. (b)(1)]

## SECTION C. DISCLOSURE STATEMENTS:

1. **Officials and Designated Employees.** The designated employees holding positions listed in Exhibit "A" of the Appendix of this Conflict of Interest Code are "Designated Employees." It has been determined that these officers and employees make or participate in the making of decisions which may foreseeably have a material effect on economic interest. [Gov. Code § 87302, subd. (a)(3); 2 Cal. Code of Regs., § 18730, subd. (b)(2)]
2. **Disclosure Requirements.** Each Designated Employee shall file statements, disclosing interests in real property, investments in business entities, business positions held, and income or sources of income received which might foreseeably be affected materially by the operations of the Ontario International Airport. The disclosure categories set forth in Exhibit "B" of the Appendix specify which kinds of financial interests are reportable. It has been determined that the types of investments, interest in real property, business positions, income, and sources of income assigned to each Designated Employee in Exhibit "A" of the Appendix are of the type that may be affected materially by decisions made or participated in by the Designated Employee by his or her position and are reportable.
3. **Conflict of Interest Disclosure Form.** All persons or firms, including subcontractors, seeking contracts or purchase orders, are required to complete Exhibit "C" the "Conflict of Interest Disclosure Form."

This Conflicts of Interest Code does not establish any disclosure obligation for those Designated Employees who are also specified in Government Code section 87200.

[Gov. Code, § 87302(a); 87302(b); 2 Cal. Code of Regs., § 18730(b)(3)]

4. **Revisions to Designation of Officials and Employees, and to Disclosure Requirements.** The Commission of the Authority may, from time to time, by resolution, modify or revise the list of Designated Employees in Exhibit "A" of the Appendix, the disclosure categories set forth in Exhibit "B" of the Appendix, and the Conflict of Interest Disclosure Form set forth in "Exhibit C" of the Appendix, including but not limited to establishing a minimum contract or purchase order amount that requires completion of Exhibit "C". The resolution adopted by the Commission of the Authority shall constitute a revised appendix referred to in subsection (b)(2) of Section 18730 of Title 2 of the California Code of Regulations. It shall be determined in such resolution that the persons holding such positions make or participate in the making of decisions which may foreseeably have a material effect on financial interests

## 5. Statements of Economic Interest: Time of Filing; Contents Thereof.

- (a) **Initial Statements.** All Designated Employees employed on the effective date of this Conflict of Interest Code, as originally adopted, promulgated and approved, by the code-reviewing body, shall file statements within 30 days after the effective date of this Conflict of Interest Code. Thereafter, each person already in a position when is designated by an amendment to this Conflict of Interest Code shall file an initial statement within 30 days after the effective date of the amendment. All initial statements shall disclose any reportable investments, interests in real property, and business positions held on the effective date of this Conflict of Interest Code, and income, including gifts, and loans, received during the 12 months prior to the effective date of this Conflict of Interest Code. [2 Cal. Code of Regs., § 18730, subd. (b)(5)(A)]
- (b) **Assuming Office Statements.** All persons who are elected, appointed, promoted or transferred to a Designated Employee position after the effective date of this Conflict of Interest Code shall file statements within 30 days after assuming the Designated Employee position, disclosing any reportable investments, interests in real property, and business positions held on the date of assuming office, and income, including gifts and loans, received during the 12 months prior to the date of assuming office. [2 Cal. Code of Regs., § 18730, subd. (b)(5)(B)]
- (c) **Annual Statements.** Annual statements shall be filed by all Designated Employees on or before April 1 of each year, disclosing any reportable investments, interest in real property, business positions and income held or received during the previous calendar year provided, however, that the period covered by an employee's first annual shall begin on the effective date of the Conflict of Interest Code or the date of assuming office, whichever is later. [2 Cal. Code of Regs., § 18730, subd. (b)(5)(C)]
- (d) **Leaving Office Statements.** Every Designated Employee who leaves office and does not assume another Designated Employee position for the Authority shall file a statement within 30 days after leaving office, disclosing any reportable investments, interests in real property, business positions, and income held or received during the period between the closing date of the last statement filed and the date of leaving office.  
[Gov. Code, § 87302, subd. (b); 2 Cal. Code of Regs., §§ 18730, subd. (b)(5)(D), 18730, subd. (b)(6)]

## **6. Statements for Persons Who Resign Prior to Assuming Office.**

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decisions and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming of leaving office statement.

- (a) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:
- (1) File written resignation with the appointing power; and
  - (2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making or use the position to influence any decision of the Authority, or receive, or become entitled to receive, and form of payment by virtue of being appointed to the position.  
[Gov. Code, § 87302, subd. (d); 2 Cal. Code of Regs., § 18730(b)(5.5)]

## **7. Place of Filing Statements.**

All Designated Employees required to submit a statement of economic interest shall file the original with the Authority's filing officer. The filing officer shall make and retain a copy of all statements filed by officials listed in Government Code Sections 87200, and forward the originals of such statements to the Fair Political Practices Commission. The filing officer shall retain the originals of the statements of all other Designated Employees. [Gov. Code, § 87500, subd. (f); 2 Cal. Code of Regs., § 18730, subd. (b)(4), 18115, 18753]

## **8. Forms for Statements.**

Statements for disclosing economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the Authority filing officer. [Gov. Code, § 81010, subd. (a); 2 Cal. Code of Regs., § 18730, subd. (b)(7), 18115, subd. (b)(2)]

## **SECTION D. MANNER OF REPORTING:**

### **1. Contents of Reports of Investments and Interests in Real Property.**

Investments and interests in real property which have a fair market value of less than two thousand dollars (\$2,000) are not investments and interests in real property within the meaning of the Political Reform Act.

Investments or interests in real property of an individual include those held by the individual's spouse, including registered domestic partners, and dependent children, as well as the pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10% or greater. [2 Cal. Code of Regs., § 18730, fn. 4]

When an investment or interest in real property is required to be reported under this Conflict of Interest Code, the statement shall contain the following:

- (a) A statement of the nature of the investment or interest;
- (b) The name of the business entity in which each investment is held, and a general description of the business activity in which the business is engaged;
- (c) The address or other precise location of the real property;  
A statement whether the fair market value of the investment or interest in real property equals or exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000). [Gov. Code, §§ 82033, 82034, 87206; 2 Cal. Code of Regs., § 18730, subd. (b)(7)(A)]

## **2. Contents of Reports of Personal Income.**

Personal income of a Designated Employee includes his or her own income as well as his or her community property interests in the income of his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, federal, or local government agency. [2 Cal. Code of Regs., § 18730, fn. 5]

When personal income is required to be reported under this Conflict of Interest Code, the statement shall contain:

- (a) The name and address of each source of income aggregating five hundred dollars (\$500) or more in value per year, or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
- (b) A statement whether the aggregate value of the income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000);
- (c) A description of the consideration, if any, for which the income was received;
- (d) In the case of a gift, the name, address, and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and, the date on which the gift was received;

In the case of a loan; the annual interest rate and the security, if any, given for the loan and the term of the loan. [Gov. Code, §§ 82030, 87302, subd. (b), 87207; 2 Cal. Code of Regs., § 18730, subd. (b)(7)(B)]

### **3. Contents of Reports of Business Entity Income.**

Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse is in the business entity aggregates a 10% or greater interest. The disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer. [2 Cal. Code of Regs., § 18730, fn. 6]

When income of a business entity, including income of a sole proprietorship, is required to be reported under this Conflict of Interest Code, the statement shall contain;

- (a) The name, address and a general description of the business activity of the business entity; and
- (b) The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal or greater to or greater than ten thousand dollars (\$10,000) during a calendar year. [Gov. Code, §§ 87302, subd. (b), 87207, subd. (b); 2 Cal. Code of Regs., §§ 18730, subd. (b)(7)(C)]

### **4. Contents of Reports of Business Position Disclosure.**

When business positions are required to be reported, a Designated Employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the Designated Employee's position with the business entity. [Gov. Code § 87302, subd. (b); 2 Cal. Code of Regs., § 18730, subd. (b)(7)(D)]

### **5. Acquisition or Disposal During Reporting Period.**

In the case of an annual statement or a leaving office statement, the statement shall include any investments or interests in real property that was partially or wholly acquired or disposed of at any time during the period covered by the statement, whether or not they are still held at the time of filing, and shall contain the date of acquisition or disposal. [Gov. Code §§ 87302, subd. (b), 87206; 2 Cal. Code of Regs., § 18730, subd. (b)(7)(E)]

## **SECTION E. HONORARIA AND GIFTS:**

### **1. Prohibition on Receipt of Honoraria.**

No Designated Employee shall accept any honorarium from any source if he or she would be required to report the receipt of income or gifts from that source on his or her statement of economic interest.

This Section does not limit or prohibit payments, advances, or reimbursements for travel, including actual transportation and related lodging and subsistence which is reasonably related to a governmental purpose as specified in Government Code section 89506. [Gov. Code, §§ 89501, 89502; 2 Cal. Code of Regs. § 18730, subd. (b)(8)(A)]

### **2. Prohibition on Receipt of Gifts.**

No Designated Employee shall accept gifts with a total value of more than four hundred and seventy dollars (\$470) in a calendar year from any single source, if he or she would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

This Section does not limit or prohibit payments, advances or reimbursements for travel and related lodging and subsistence permitted by Government Code section 89506; or wedding gifts and gifts exchanged between individuals on birthdays, holidays, and other similar occasions, provided that the gifts exchange are not substantially disproportionate in value. [Gov. Code § 89503, subd. (e); 2 Cal. Code of Regs., § 18730, subd. (b)(8.1)(A)]

## **SECTION F. LOANS:**

### **1. Loans to Public Officials.**

(a) Except as set for in Subsection (c), below, no Commissioner of the Authority shall, from the date of his or her appointment to the Commission, while he or she holds the position, receive a personal loan from any officer, employee, member or consultant of the Authority or any agency over which the Authority has direction and control.

(b) No Commissioner of the Authority shall, from the date of his or her appointment to the Commission, while he or she holds the position, receive a personal loan from any person who has a contract with the Authority or any agency over which the Authority has a direction and control.

This Section shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the public official's status. [2 Cal. Code of Regs., § 18730, subd. (b)(8.2)]

- (c) This Section shall not apply to the following:
- (1) Loans made to the campaign committee of an elected officer or candidate for elective office.
  - (2) Loans made to the public official by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this Section.
  - (3) Loans from a person which, in the aggregate, do not exceed five hundred dollars (\$500) at any given time.
  - (4) Loans made, or offered in writing before January 1, 1998. [2 Cal. Code of Regs., § 18730, subd. (b)(8.2)]

## **2. Loan Terms.**

- (a) Except as set forth in Subsection (b), below, no Commissioner shall, from the date of his or her appointment to the Commission, while he or she holds a seat on the Commission, receive a personal loan of five hundred dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of payments, and the rate of interest paid on the loan.
- (b) This Section shall not apply to the following types of loans:
- (1) Loans made to the campaign committee of an elected officer.
  - (2) Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempt under this Section.
  - (3) Loans made, or offered in writing, before January 1, 1998.
  - (4) Nothing in this Section shall exempt any person from any other provision of this Conflict of Interest Code or the Political Reform Act. [2 Cal. Code of Regs., § 18730, subd. (b)(8.3)]

### **3. Personal Loans.**

Except as set forth in Subsection (c) below, a personal loan received by any Designated Employee shall become a gift to the Designated Employee for the purposes of this Conflict of Interest Code in the following circumstances:

- (a) If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.
- (b) If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:
  - (1) The date the loan was made.
  - (2) The date the last payment of one hundred dollars (\$100) or more was made on the loan.
  - (3) The date upon which the debtor has made payments on the loan aggregating to less than two hundred fifty dollars (\$250) during the previous 12 months.
- (c) This Section shall not apply in the following types of loans:
  - (1) A loan to the campaign committee of an elected officer or a candidate for elective office.
  - (2) A loan that would otherwise not be a gift under the Political Reform Act.
  - (3) A loan that would otherwise be a gift as set forth in this Section, but on which the creditor has taken reasonable action collect the balance due.
  - (4) A loan that would otherwise be a gift as set forth in this Section, but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this subsection has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.
  - (5) A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.
  - (6) Nothing in this Section shall exempt any person from any other provision of this Conflict of Interest Code or the Political Reform Act. [Gov. Code, § 83112; 2 Cal. Code of Regs., § 18730, subd. (b)(8.2-8.4)]

## **SECTION G. DISQUALIFICATION:**

### **1. Disqualification Requirements.**

- (1) No Designated Employee shall make, participate in the making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its

effect on the public generally, on the official or a member of his or her immediate family, or on:

- (a) Any business entity in which the Designated Employee has a direct or indirect investment worth two thousand dollars (\$2,000) or more;
- (b) Any real property in which the Designated Employee has a direct or indirect interest worth two thousand dollars (\$2,000) or more;
- (c) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by, or promised to the Designated Employee within 12 months prior to the time the decision is made;
- (d) Any business entity in which the Designated Employee is a director, officer, partner, trustee, employee, or holds, any position of management; or Any donor of, or any intermediary or agent for donor of, a gift, gifts, aggregating four hundred seventy dollars (\$470) or more in value provided to, received by, or promised to the Designated Employee within 12 months prior to the time when the decision is made. [Gov. Code, §§ 87103, 87302(c); 2 Cal. Code of Regs., § 18730, subd. (b)(9)]

## **2. Disclosure of Disqualifying Interest.**

When a Designated Employee determines that he or she has a disqualifying interest in a decision, the determination not to act may be accompanied by disclosure of the disqualifying interest. [Gov. Code, § 87302, subd. (c); 2 Cal. Code of Regs., § 18730, subd. (b)(10)]

Officials specified in Government Code Section 87200, including officials who manage the investment of public funds, must identify conflicts of interests pursuant to 2 Cal. Code of Regs. section 18702.5.

## **3. Legally Required Participation.**

This Conflict of Interest Code does not prevent a Designated Employee from making or participating in the making of any governmental decision to the extent that his or her participation is legally required for the decision to be made. The fact that the vote of a Designated Employee who is on a voting body is needed to break a tie does not make his or her participation legally required for the purposes of this Section. The Attorney for the Authority shall advise any Designated Employee on a case-by-case basis whether or not the "Rule of Necessity" is applicable. [Gov. Code, §§ 87101, 87302, subd. (c); 2 Cal. Code of Regs., § 18730, subd. (b)(9.3)]

## **SECTION H. OPTIONS OF THE COMMISSION AND COUNSEL**

### **1. Request for Opinion and Reliance.**

Any Designated Employee who is unsure of any duty, right, or privilege of participation in any matter under this Conflict of Interest Code or under the provisions of the Political Reform Act of 1974 may request assistance from the Fair Political Practices Commission or an opinion from the Attorney for the Authority. Nothing in this Section shall require the Attorney for the Authority to issue any formal or informal opinion. [Gov. Code, § 87114; 2 Cal. Code of Regs. § 18730, subd. (b)(11)]

## **SECTION I. LEGISLATIVE OR JUDICIAL AMENDMENTS:**

### **1. Automatic Amendment of Conflict of Interest Code.**

All amendments or changes to the provision of the Political Reform Act of 1974, occurring as the result of legislative amendment or judicial decision only, shall automatically and immediately be incorporated into this Conflict of Interest Code and this Conflict of Interest Code shall, without further action, thereupon be deemed amended and changed to reflect such legislative or judicial amendment or decision.

## **SECTION J. FORCE AND EFFECT OF CONFLICT OF INTEREST CODE:**

### **1. Violations.**

This Conflict of Interest Code has the force and effect of law. Designated Employees violating any provisions of this Conflict of Interest Code are subject to the administrative, criminal and civil sanctions provided by the Political Reform Act of 1974, Government Code Section 81000, *et seq.*

Additionally, a decision in relation to which a violation of the disqualification provisions of this Conflict of Interest Code or Government Code Section 91003. [Gov. Code, § 87300; 2 Cal. Code of Regs., § 18730, subd. (b)(12)]

## **SECTION K. STATUTE OF LIMITATIONS:**

### **1. Civil Actions.**

No civil action alleging a violation of any provision of this Conflict of Interest Code shall be filed more than four (4) years after the date the violation occurred.

**2. Criminal Actions.**

Prosecution of violation of this Conflict of Interest Code must be commenced within four (4) years after the date on which the violation occurred.

**3. Administration Proceedings.**

No administration action alleging a violation of any of the provisions of this Conflict of Interest Code shall be commenced more than five (5) years after the date on which the violation occurred. [Gov. Code, §§ 91000, 91000.5, 91011]

**SECTION L. SEVERABILITY:**

In case any provision in or obligation under this Conflict of Interest Code shall be invalid, illegal, or unenforceable under any law of the State of California, the validity, legality and enforceability of the remaining provisions or obligations shall not in any way be affected or impaired.

**EXHIBIT A**  
**Designated Employee Positions**

Chief Development Officer	
Chief Executive Officer	
Chief Financial Officer	
Chief Marketing Officer	
Chief Operations Officer	
Clerk of the Board	
Director of Air Services Development	
Director of Business Development	
Director of Commercial Real Estate	
Director of Finance	
Director of Human Resources	
Director of Operations Chief III	
Director of Public Safety	
Director of Stakeholder Engagement	
General Counsel	
Government Relations	
Internal Auditor	
Manager, Airside Chief	
Manager, Airside Chief I	
Manager, Engineering	
Manager, Environmental Affairs (Environment)	
Manager, Field	
Manager, Landside Chief I	
Manager, Maintenance Contracts	
Manager, Marketing Service	
Procurement Specialist	
Project Manager	
Senior Accountant	
Consultants	

**EXHIBIT B**  
**Disclosure Categories**

Full disclosure, through filing the Fair Political Practices Commission Form 700, is required for designated employees and consultants. This requires disclosure of all interests in real property located within San Bernardino County, as well investments, business positions, and sources of income, including gifts, loans and travel payments.

**EXHIBIT C**

**Conflict of Interest Disclosure Form**

**SECTION 1: INSTRUCTIONS**

All persons or firms seeking contracts and purchase orders with the OIAA must complete and submit this OIAA Conflict of Interest Disclosure Form along with the proposal. This requirement also applies to any proposed sub-consultant(s). Failure to comply with this requirement may cause your proposal to be declared non-responsive.

Any questions regarding the information required to be disclosed in this form should be directed to OIAA’s General Legal Counsel, especially if you answer “yes” to any questions in this form, as doing so may also disqualify your firm from submitting an offer on this proposal.

Name of Firm \_\_\_\_\_

Name of Preparer \_\_\_\_\_

Job Title: \_\_\_\_\_

Project Title: \_\_\_\_\_

RFP/RFQ # \_\_\_\_\_

**SECTION 2: QUESTIONS**

1. Does any employee, officer, or consultant of OIAA or any member of the OIAA Commission have any direct or indirect financial interest in your proposal? [Govt. Code, § 1090]

Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, please list the names of those who have a financial interest and the nature of the interest:

Name	Nature of Interest
_____	_____
_____	_____
_____	_____
_____	_____

2. Does any employee, officer, or consultant of OIAA or any member of the OIAA Commission have any direct or indirect investment in your firm worth at least \$2,000? [Govt. Code, § 87103(a); 2 CCR § 18700(c)(3)(6)(A)]

Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, please list the names of those involved and the nature of the investment interest:

Name	Nature of Interest
_____	_____
_____	_____
_____	_____

3. Does any employee, officer, or consultant of OIAA or any member of the OIAA Commission have any direct or indirect interest in any real estate involving your firm worth at least \$2,000? [Govt. Code, § 87103(b); 2 CCR § 18700(c)(3)(6)(B)]

Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, please list the names of those involved and the nature of the real estate interest:

Name	Nature of Interest
_____	_____
_____	_____
_____	_____

4. During the last twelve (12) months, has your firm provided or promised a source of income to any employee, officer, or consultant of OIAA or any member of the OIAA Commission, aggregating greater than \$500? [Govt. Code, § 87103(c); 2 CCR §18700(c)(3)(6)(C)]

Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, please list the names of those involved and the nature of the source of income:

Name	Nature of Income
_____	_____
_____	_____
_____	_____

5. Is any employee, officer, or consultant of OIAA or any member of the OIAA Commission a director, officer, partner, trustee, employee, or hold any position of management in your firm, including any parent, subsidiary or other related business entity? [Govt. Code, § 87103(d); 2 CCR §18700(c)(3)(6)(D)]

Yes\_\_\_\_\_ No\_\_\_\_\_

If yes, please list the names of those involved and the nature of the position:

Name	Nature of Position
_____	_____
_____	_____
_____	_____

6. Within the last twelve (12) months, have you or anyone at your firm (either directly, or through an intermediary or agent) given or promised any gift valued at least \$470 to any employee, officer, or consultant of OIAA or any member of OIAA Commission, including their spouses or dependent children[Govt. Code, §87103(e), §89503; Reg. §18940.2; 2 CCR §187 00(c) (3)(6)(E)]

Yes\_\_\_\_\_ No\_\_\_\_\_

If yes, please list the names of those involved and the nature of the gift:

Name	Nature of Interest
_____	_____
_____	_____
_____	_____

7. Have you or any member of your firm ever been an employee, officer, or consultant of OIAA or ever served as a member of the OIAA Commission within the last twelve (12) months?

Yes\_\_\_\_\_ No\_\_\_\_\_

If yes, please list the name, position, and dates of services:

Name	Position	Dates of Service
_____	_____	_____
_____	_____	_____
_____	_____	_____

8. Are you or any managers, partners, or officers of your firm related by blood or marriage/domestic partnership to any employee, officer, or consultant of OIAA or member of the OIAA Commission that is considering your proposal?

Yes\_\_\_\_\_ No\_\_\_\_\_

If yes, please list the names and nature of the relationship:

Name	Relationship
_____	_____
_____	_____
_____	_____
_____	_____

9. In the last twelve (12) months, have you or any employee of your firm (including, managers, partners, directors and/or officers), either directly or indirectly through an intermediary or agent, ever given or promised a campaign contribution, aggregating greater than \$470 to any employee, officer, or consultant of OIAA or any member of the OIAA Commission (including contributions to a political committee created by or on behalf of a member/candidate)? [Govt. Code, § 84308(b)]

Yes\_\_\_ No\_\_\_\_\_

If "yes," please list the name of the contributor, position held by the contributor, the date(s) of the contribution(s), and to whom the contribution was made:

Name(s)/Position(s)	Date(s)	Dollar Value
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Further, if the answer to Question No. 8 above is "yes," please answer each of the following, below [Govt. Code, § 84308; 2 Cal. Code. Regs., §§ 18438.3, 18438.4]

(A) Is the contributor a party to the proposal being made to OIAA for decision?

Yes\_\_\_ No\_\_\_\_\_

(B) Is the contributor a participant in the proposal being made to OIAA for decision, by doing any of the following:

- Communicating with any member of OIAA Commission for the purpose of influencing their decision on the proposal?

Yes\_\_\_\_\_ No\_\_\_\_\_

- Testifying or making any oral statements before the OIAA Commission for the purpose of influencing the decision on the proposal?

Yes\_\_\_\_\_ No\_\_\_\_\_

- Communicating with any employee, officer, or consultant of OIAA, or is the contributor's agent lobbying, testifying, or communicating with anyone at OIAA or any member of OIAA Commission, for the purpose of influencing the decision on the proposal?

Yes\_\_\_\_\_ No\_\_\_\_\_

(C) Is the contributor an agent of a party or a participant in the proposal to be decided by OIAA for decision (a person is an agent if they represent you in connection with the proposal before OIAA).

Yes\_\_\_\_\_ No\_\_\_\_\_

### SECTION 3: VALIDATION STATEMENT

This Validation Statement must be completed and signed by at least one General Partner, Owner, Principal, or Officer authorized to legally commit the proposer.

#### DECLARATION

I (print full name) \_\_\_\_\_, hereby declare that I am the (position or title) \_\_\_\_\_ of (firm name) \_\_\_\_\_, and that I am duly authorized to execute this Validation Statement on behalf of this entity. I hereby state that this OIAA Conflict of Interest Disclosure Form dated \_\_\_\_\_ is correct and current as submitted. I acknowledge that any false, deceptive, or fraudulent statements on this Validation Statement will result in rejection of my contract proposal.

\_\_\_\_\_  
Signature of Person Certifying for Proposer

\_\_\_\_\_  
Date

## NOTICE

A material false statement, omission, or fraudulent inducement made in connection with this OIAA Conflict of Interest Form is sufficient cause for rejection of the contract proposal or revocation of a prior contract award.

**SECTION 3:** Severability. If any section, sentence, clause or phrase of this Ordinance or the application thereof to any entity, person or circumstance is held for any reason to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provision of this Ordinance are severable. The Commission of Ontario International Airport Authority hereby declares that it would have adopted this Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

**SECTION 4:** Effective Date. This Ordinance shall become effective thirty (30) days following its final adoption.

**SECTION 5:** The President shall sign this Ordinance and the Commission Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within fifteen (15) days of the adoption. The Commission Clerk shall post a certified copy of this Ordinance, including the vote for and against the same, in the Office of the Commission Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this 26th of July, 2017.

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ALAN D. WAPNER, PRESIDENT  
ONTARIO INTERNATIONAL AIRPORT AUTHORITY

ATTEST:

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CLAUDIA Y. ISBELL, COMMISSION CLERK  
ASSISTANT SECRETARY

APPROVED AS TO LEGAL FORM:

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LORI D. BALLANCE  
GENERAL COUNSEL

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

I, CLAUDIA Y. ISBELL, Commission Clerk and Assistant Secretary of the Ontario International Airport Authority, DO HEREBY CERTIFY that foregoing Ordinance No. 0001 was duly introduced at a regular meeting of the Commission of Ontario International Airport Authority held May 23, 2017 and adopted at the regular adjourned meeting held July 26, 2017 by the following roll call vote, to wit:

AYES: COMMISSION MEMBERS: \_\_\_\_\_

NOES: COMMISSION MEMBERS: \_\_\_\_\_

ABSENT: COMMISSION MEMBERS: \_\_\_\_\_

\_\_\_\_\_  
CLAUDIA Y. ISBELL, COMMISSION CLERK and  
ASSISTANT SECRETARY

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. 0001 duly passed and adopted by the Commission of the Ontario International Airport Authority at their regular adjourned meeting held July 26, 2017 and that Summaries of the Ordinance were published on July 20, 2017 and August 1, 2017 in the Inland Valley Daily Bulletin Newspaper.

\_\_\_\_\_  
CLAUDIA Y. ISBELL, COMMISSION CLERK and  
ASSISTANT SECRETARY

(SEAL)





**USA-Taiwan**  
**Promotion of Exchange between Airport Cities and Operators**  
**Joint Statement**  
**July 6<sup>th</sup> 2017**

Taoyuan City, Republic of China (Taiwan) and San Bernardino County, California, USA established a sister city agreement on February 24<sup>th</sup>, 2017. On this account, Mayor Wen-Tsan Cheng of Taoyuan City, Supervisor Curt Hagman of San Bernardino County, and the airport representatives, Board Director Deng-Ke Shiau of Taoyuan Airport Corporation, and members of Ontario International Airport Authority (OIAA) Board of Airport Commissioners held a meeting on July 6<sup>th</sup>, 2017, at Ontario International Airport.

Through exchange among the city, county and the airport operators, Mayor Cheng, Supervisor Hagman, Board Director Shiau and members of the Ontario International Airport Authority Board of Airport Commissioners, as representatives of their organizations, wish to deepen their friendship, to promote mutual welfare and prosperity and to further boost the development of both airport cities. With this goal, following the meeting among the four parties, the representatives from the four parties hereby declare the following:

1. In order to enhance the competitiveness and to create job opportunities for Taiwan and the USA, Taoyuan City and San Bernardino County will expand cooperation in identified areas including, but not limited to, transportation, logistics, economy, trade, tourism, and culture.
2. In order to market the features of the two locations and both airports, Taoyuan Airport Corporation and Ontario International Airport Authority (OIAA) will demonstrate partnership through the promotion of San Bernardino County and Taoyuan City, respectively, for the purpose of promoting each other and highlighting the direct ties to Ontario International Airport and Taoyuan International Airport.
3. All parties agree to engage in cooperative efforts to make Taoyuan International Airport and Ontario International Airport the new hubs of civil aviation industry between Republic of China (Taiwan) and Southern California, USA.

*Cheng WenTsan*  
 Taoyuan City, Republic of China (Taiwan)

*Curt Hagman*  
 San Bernardino County, CA, USA

*Deng-Ke Shiau*  
 Taoyuan Airport Corporation

*Ad Ugo*  
 Ontario International Airport Authority



# 臺美推動機場城市交流 聯合聲明

2017年7月6日

中華民國(臺灣)桃園市與美國加州聖貝納迪諾郡於2017年2月24日正式締結姊妹市合約。在此基礎上，桃園市鄭文燦市長、聖貝納迪諾郡哈格曼郡長，以及位於兩地之機場公司代表，桃園機場公司蕭登科總經理、安大略國際機場管理局機場委員會成員，於2017年7月6日在安大略國際機場會晤。

鄭市長、哈格曼郡長、蕭總經理、安大略國際機場管理局機場委員會成員等各單位代表，期盼透過郡、市及機場之間的交流，深化友好關係、促進彼此的福祉與繁榮，並促進兩機場城市的進一步發展。為此，經過四方會談，四方代表同意聲明如下：

- 一、為促進臺美雙邊競爭力並且創造就業機會，桃園市及聖貝納迪諾郡未來將在交通、物流、經濟、貿易、觀光、文化等方面加強合作。
- 二、為行銷兩地及兩機場之特色，桃園機場公司與安大略國際機場管理局將分別宣傳聖貝納迪諾郡與桃園市以展現其夥伴關係，目的為相互宣傳，同時彰顯其與安大略國際機場及桃園國際機場之直接關係。
- 三、各方同意共同努力，以爭取桃園國際機場與安大略國際機場未來成為中華民國(臺灣)與美國南加州民航業之營運新據點。

中華民國(臺灣)桃園市

美國加州聖貝納迪諾郡

桃園機場公司

安大略國際機場管理局

**ONTARIO INTERNATIONAL  
AIRPORT AUTHORITY**

*Agenda Report*  
July 25, 2017

**SECTION:  
CONSENT CALENDAR**

**SUBJECT: APPROVE A CONSULTATION AGREEMENT WITH WOODLAWN CONSULTING, LLC FOR CONSULTING SERVICES RELATING TO LAND DEVELOPMENT AND OTHER RELATED PROCEEDINGS OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY**

**RECOMMENDED ACTION(S):** That the Ontario International Airport Authority approve a Consultation Agreement with Woodlawn Consulting, LLC for consulting services relating to land development and other related proceedings of the Ontario International Airport Authority.

**FISCAL IMPACT SUMMARY:**

If the Consultation Agreement is approved, Woodlawn Consulting, LLC (Woodlawn) will receive a monthly retainer fee from OIAA in the amount of twenty thousand dollars (\$20,000.00) per month for a period of three (3) years from the effective date of the Agreement, for a total amount of seven hundred and twenty thousand dollars (\$720,000.00). If OIAA terminates the Agreement without cause or reason, Worthington must be compensated in an amount reflecting the remaining portion of the term of the Agreement, for an amount up to seven hundred and twenty thousand dollars (\$720,000.00).

**BACKGROUND**

Under the OIAA's Joint Powers Agreement, the City of Ontario and the County of San Bernardino are to provide the overall direction for the management, operations, development, and marketing of Ontario International Airport (ONT). Woodlawn desires to perform and assume responsibility for the provision of certain professional services required by the OIAA on the terms and conditions as set forth in the Consultation Agreement, provided in its entirety as Attachment A. Woodlawn and its professionals and agents are experienced in providing these specified consulting services. Woodlawn will act as an independent contractor in the performance of its duties under the Consultation Agreement.

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

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Prepared by:	<u>Mark A. Thorpe</u>	Submitted to OIAA:	<u>July 25, 2017</u>
Department:		General Counsel	
		Review:	<u>July 19, 2017</u>
	<u>OIAA</u>	Approved:	_____
Chief Executive Officer Approval:		Continued to:	_____
		Denied:	_____

Item No. 06

## **SCOPE OF WORK**

If this Consultation Agreement is approved, Woodlawn will assist OIAA with consulting and representational services relating to the general administration of the OIAA and will include, but not be limited to, OIAA organizational structure and development, airport economic development, airport development related issues, succession planning, management coaching, and advisory services to the OIAA Chief Executive Officer, OIAA management, other OIAA consultants, and the OIAA Commission members on all matters mutually agreed upon, and as provided in the Consultation Agreement. (*See, Attachment A, Exhibit A (Scope of Services)*).

## **FISCAL IMPACT AND SOURCE OF FUNDS**

Approval would require the use of additional funds in the 2017/18 OIAA budget, or any other budget adopted, continued, or approved by the OIAA Commission. If approved, Woodlawn will receive a monthly retainer fee of twenty thousand dollars (\$20,000.00) per month for a period of three (3) years from the effective date of the Agreement, for a total amount of seven hundred and twenty thousand dollars (\$720,000.00). In addition to the monthly retention amount, Woodlawn is requesting reimbursement of out of pocket travel expenses incurred. The OIAA may terminate the Agreement without cause after six (6) months of the effective date of the Agreement; however, Woodlawn must be paid or compensated in an amount reflecting the remaining portion of the term of the Agreement.

## **CEQA COMPLIANCE AND LAND USE APPROVALS**

The proposed Consultation Agreement with Woodlawn is not a “project” within the meaning of Section 15378 of the CEQA Guidelines because there is no potential for Woodlawn’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

## **EXHIBITS AND ATTACHMENTS**

Attachment A – Consultation Agreement between OIAA and Woodlawn Consulting, LLC

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

This Agenda Report has been reviewed by General Counsel.]

**ONTARIO INTERNATIONAL  
AIRPORT AUTHORITY**

*Agenda Report*  
July 25, 2017

**SECTION:  
CONSENT CALENDAR**

**SUBJECT: APPROVE A CONSULTATION AGREEMENT WITH WORTHINGTON PARTNERS, LLC FOR CONSULTING SERVICES RELATING TO THE GENERAL ADMINISTRATION OF ONTARIO INTERNATIONAL AIRPORT AUTHORITY**

**RECOMMENDED ACTION(S):** That the Ontario International Airport Authority approve a Consultation Agreement with Worthington Partners, LLC for consulting services relating to the general administration of Ontario International Airport Authority.

**FISCAL IMPACT SUMMARY:**

If the Consultation Agreement is approved, Worthington Partners, LLC (Worthington) will receive a monthly retainer fee from OIAA in the amount of twenty thousand dollars (\$20,000.00) per month for a period of three (3) years from the effective date of the Agreement, for a total amount of seven hundred and twenty thousand dollars (\$720,000.00). If OIAA terminates the Agreement without cause or reason, Worthington must be compensated in an amount reflecting the remaining portion of the term of the Agreement, for an amount up to seven hundred and twenty thousand dollars (\$720,000.00).

**BACKGROUND**

Under the OIAA's Joint Powers Agreement, the City of Ontario and the County of San Bernardino are to provide the overall direction for the management, operations, development, and marketing of Ontario International Airport (ONT). Worthington desires to perform and assume responsibility for the provision of certain professional services required by the OIAA on the terms and conditions as set forth in the Consultation Agreement, provided in its entirety as Attachment A. Worthington and its professionals and agents are experienced in providing these specified consulting services. Worthington will act as an independent contractor in the performance of its duties under the Consultation Agreement.

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

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Prepared by:	Mark A. Thorpe	Submitted to OIAA:	July 25, 2017
Department:		General Counsel	
		Review:	July 19, 2017
	OIAA	Approved:	
Chief Executive Officer Approval:		Continued to:	
		Denied:	

Item No. 07

## **SCOPE OF WORK**

If this Consultation Agreement is approved, Worthington will assist OIAA with consulting and representational services relating to the general administration of the OIAA and will include, but not be limited to, airport land development related issues, airport economic development, and advisory services to the OIAA Chief Executive Officer, OIAA management, other OIAA consultants, and the OIAA Commission members on all matters mutually agreed upon, and as provided in the Consultation Agreement. (See, Attachment A, Exhibit A (Scope of Services)).

## **FISCAL IMPACT AND SOURCE OF FUNDS**

Approval of this recommendation would require the use of additional funds in the 2017/18 OIAA budget, or any other budget adopted, continued, or approved by the OIAA Commission. If approved, Worthington will receive a monthly retainer fee of twenty thousand dollars (\$20,000.00) per month for a period of three (3) years from the effective date of the Agreement, for a total amount of seven hundred and twenty thousand dollars (\$720,000.00). In addition to the monthly retention amount, Worthington is requesting reimbursement of out of pocket travel expenses incurred. The OIAA may terminate the Agreement without cause after six (6) months of the effective date of the Agreement; however, Worthington must be paid or compensated in an amount reflecting the remaining portion of the term of the Agreement.

## **CEQA COMPLIANCE AND LAND USE APPROVALS**

The proposed Consultation Agreement with Worthington is not a “project” within the meaning of Section 15378 of the CEQA Guidelines because there is no potential for Worthington’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

## **EXHIBITS AND ATTACHMENTS**

Attachment A – Consultation Agreement between OIAA and Worthington Partners, LLC

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

This Agenda Report has been reviewed by General Counsel.

**ONTARIO INTERNATIONAL  
AIRPORT AUTHORITY**  
*Agenda Report*  
July 25, 2017

**SECTION:  
ADMINISTRATIVE  
REPORTS/DISCUSSION/ACTION**

**SUBJECT: AUTHORIZE APPROVAL OF THE CEO TO NEGOTIATE AND EXECUTE A 6 MONTH CONTRACT BETWEEN MEAD & HUNT AND THE OIAA FOR MONTH-TO-MONTH ENGINEERING, ARCHITECTURAL, SURVEY, AND CONSTRUCTION INSPECTION SUPPORT SERVICES AT THE ONTARIO INTERNATIONAL AIRPORT.**

**RECOMMENDED ACTION(S):** That the Ontario International Airport Authority authorize the CEO to negotiate and sign a contract with Mead & Hunt for as-needed engineering, architectural, survey, and construction inspection support services at the airport for a 6-month period, for a not-to-exceed monthly amount of (up to) \$60,000 until OIAA staff is able to procure similar services from one or more firms via an RFQ process.

**FISCAL IMPACT SUMMARY:**

If approved, Mead & Hunt would be retained on an as-needed 6-month not-to-exceed amount of (up to) \$60,000 per month. Funding the Mead & Hunt contract would require use of funds from the OIAA's FY 2017/18 budget, or any other budget adopted, continued, or approved by the OIAA Commission.

**BACKGROUND**

The OIAA was formed in August 2012, under a Joint Powers Agreement (JPA) between the City of Ontario and the County of San Bernardino, to provide overall direction for the management, operations, development, and marketing of Ontario International Airport (ONT). As part of the preparation for transfer of ownership, the OIAA identified a need for engineering support services during this transition period. After transfer of ownership, the OIAA identified the critical need for immediate engineering support services for ongoing projects as LAWA did not have any engineering staff located at ONT to manage tenant improvement or capital improvement projects, and would have no engineering staff that would be transferred as part of the Staff Augmentation Agreement.

**PROCUREMENT**

**STAFF MEMBER PRESENTING:** Bruce Atlas, Chief Operating Officer

Prepared by: Bruce Atlas  
Department: OIAA

Submitted to OIAA: July 25, 2017  
General Counsel: July 12, 2017  
Review: \_\_\_\_\_  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

Interim Chief Executive Officer Approval: 

Item No. 08

The OIAA entered into a contract with Mead & Hunt in August 2016, prior to the transfer of airport ownership, so that critical engineering support services could be performed until permanent OIAA staff could be hired to fill these roles. OIAA staff has determined that out-sourcing most of its engineering, architectural, and survey needs is a cost-effective alternative to hiring a full complement of OIAA staff to carry out these functions, particularly in light of the variable nature of the workload required for these tasks.

Subsequent to this action, OIAA Staff will begin a qualifications-based solicitation process to identify one or more firms to provide similar services, for a longer term, on a similar on-call, as-needed basis. OIAA staff expects to have the firms selected through this RFQ process replace Mead & Hunt once the six-month period covered by this action has expired.

### **FISCAL IMPACT AND SOURCE OF FUNDS**

Approval of this recommendation would require the use of additional funds in the 2017/18 OIAA budget, or any other budget adopted, continued, or approved by the OIAA Commission. As proposed, Mead & Hunt would be retained on a month-to-month basis for the next six months, for engineering, architectural, survey, and construction inspection support services. The contract would be for a not-to-exceed amount of (up to) \$60,000 per month. This not-to-exceed amount is based on average monthly billing spent for engineering support services between January 2017 and May 2017.

### **CEQA COMPLIANCE**

The proposed staffing services decision is not a “project” under CEQA and does not require environmental review. To the extent the staffing services decision could be deemed a “project” for purposes of CEQA, it would be Categorically Exempt (Class 1) from the 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)**

The proposed action will not create any permanent positions in the OIAA.

### **IMPACT ON OPERATIONS**

The proposed staffing services are to ensure airport operations and airport projects, and tenant improvement projects continue uninterrupted.

### **SCHEDULE**

N/A

### **EXHIBITS AND ATTACHMENTS**

Attachment A – Mead & Hunt Proposal

Attachment B – Agreement with Mead & Hunt

Attachment C – Projected projects that Mead & Hunt will work on for the OIAA, July-Dec 2017

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This Agenda Report has been reviewed by General Counsel.

**ONTARIO INTERNATIONAL  
AIRPORT AUTHORITY**  
*Agenda Report*  
July 25, 2017

**SECTION:  
ADMINISTRATIVE  
REPORTS/DISCUSSION/ACTION**

**SUBJECT: APPROVE AND AUTHORIZE EXECUTION OF SECOND AMENDMENT TO LEASE ONT 7994 BETWEEN ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND GUARDIAN AIR SERVICES, LLC AT ONTARIO INTERNATIONAL AIRPORT**

**RECOMMENDED ACTION(S):** That the Ontario International Airport Authority Commission approve and authorize execution of the second amendment to Lease ONT 7994 between Ontario International Airport Authority and Guardian Air Services, LLC at Ontario International Airport.

**FISCAL IMPACT:**

Initial increased monthly rent income from this lease would be \$29,332.14, retroactive to January 1, 2017 under the Second Amendment, which replaces and supersedes the First Amendment. A one-time lease execution fee of \$150,000.00 would also be paid by Guardian upon signing and delivery of a fully-executed lease.

Total rent payments during the Initial Extended Term of 15 years (through the end of 2032) for the Existing Premises are expected to be about \$5,300,000, plus future annual rent adjustments and 5-year market rate adjustments that will apply over the course of the lease.

**BACKGROUND**

On March 28, 2017, the OIAA Commission directed staff to negotiated and prepared a Second Amendment to Lease ONT-7994 between OIAA and Guardian at Ontario International for OIAA consideration.

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

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Prepared by:	<u>Mark A. Thorpe</u>	Submitted to OIAA:	<u>July 25, 2017</u>
Department:		General Counsel	
	<u>OIAA</u>	Review:	<u>July 10, 2017</u>
		Approved:	_____
		Continued to:	_____
Interim Chief Executive Officer Approval:		Denied:	_____

Item No. 09

The proposed Guardian Lease is consistent with FAA recommendations and requirements. Under the terms of the proposed Lease, Guardian will continue to maintain and operate the existing lease premises, including making annual capital expenditures necessary to maintain the performance of the existing aging facilities (no less than two hundred and fifty thousand dollars (\$250,000) during each five-year period of the lease). In addition, Guardian will construct a third hangar, new offices, new aircraft parking apron, new auto parking and associated landscaping at a total cost of a minimum of three million dollars (\$3,000,000). Once the construction of these improvements is complete, Guardian will utilize the additional existing parking apron and existing auto parking, and pay an appropriate increase in rent for the leased premises.

The initial extended term of the lease will be fifteen (15) years and consist of two (2) phases. The first phase will be five (5) years, during which Guardian will be required to provide a concept plan for the new hangar, offices and related improvements and obtain all necessary governmental permits to begin construction of the improvements. The second phase will be ten (10) years in duration, during which Guardian will be required to construct the facility improvements within the first two (2) years. If Guardian complies with all of the terms and conditions of the initial extended fifteen (15) year term of the lease, Guardian will be provided with a first option to extend the lease for up to an additional fifteen (15) years. Guardian will also have a second option to extend the Lease term for up to an additional five (5) years at terms, conditions and rent subject to re-negotiation in good faith and contingent upon mutual consent.

The existing base rent shall be adjusted to reflect market rates in accordance with FAA policies and procedures and based upon an appraisal for the leased premises. In addition, the base rent will be increased to incorporate land used for parking aircraft that was not previously part of the lease premises. Annual rent adjustments will be based upon CPI-U or not less than two percent (2.0%) per annum and not more than four percent (4.0%) per annum. The rent will be adjusted to market rates every five (5) years starting on July 1, 2018. In addition, after improvements are complete, the base rent will be adjusted to reflect that facilities improvements. The lease provides details and the rental rate structure for the premises during each phase of the Lease.

Guardian responsibilities under the Lease will include, but not be limited to: (i) All licenses, fees, and any and all taxes and assessments associated with the Leased premises during the Lease Term and any Lease Term Option periods; (ii) All operating, permitting and costs and expenses associated with the operation, maintenance, alteration and improvement of the Leased premises during the Lease Term and any Lease Term Option periods; (iii) All maintenance expenses associated with the Leased premises during the Lease Term and any Lease Term Option periods; and (iv) All financing required to meet its obligations under the Second Amendment to Lease ONT-7994. In addition, Guardian will procure and provide the amount and extent of coverage as identified in the OIAA insurance requirements.

All Lease provisions are consistent with FAA grant assurance requirements including non-discrimination. In addition, the lease is subordinate to the provisions and requirements of any existing or future agreements between OIAA and the United States or California, relative to the operation, maintenance, or development of the Airport.

## **CEQA COMPLIANCE**

The proposed project relating to the extended lease term for the exiting premises and facilities is Categorically Exempt (Class 1) from the provisions of CEQA pursuant to Section 15301, because it provides for the exemption from environmental review relating to the operations, repair, maintenance,

permitting, leasing, licensing, 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.

As to phase 2 of the lease amendment, which may involve the construction of new facilities, appropriate environmental review under CEQA, which may include issuance of a Categorical Exemption, will be required when the scope of the improvement plans are proposed by Guardian. Guardian shall be responsible for all costs of any CEQA review and any permits.

## **EXHIBITS AND ATTACHMENTS**

Attachment A - Proposed Second Amendment to Lease ONT-7994 between Ontario International Airport Authority and Guardian Air Services LLC at Ontario International Airport

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This Agenda Report has been reviewed by General Counsel.]



On March 29, 2017, Lamar and Clear Channel Airports submitted timely responses to the RFP, and were deemed responsive proposers. An evaluation committee consisting of OIAA staff completed the selection process, choosing Lamar for the contract award based on a superior financial commitment, and its operations and maintenance plan. Lamar (NASDAQ: LAMR) is a media industry leader with significant stability and organizational resources to back its robust airport advertising platform. It is one of the largest outdoor advertising companies in North America, with more than 325,000 billboard displays across the U.S., Canada and Puerto Rico and is the largest operator of digital billboards nationwide. Lamar's support and sales network includes 200 offices across the U.S. and Canada, and nearly 800 local and regional account sales executives, with an extensive sales infrastructure to ensure a steady stream of prospective advertising buyers and agency contacts.

For ONT, Lamar proposed to work with local tourism and corporate stakeholders to promote businesses and attractions and build awareness of ONT's position as a key regional economic driver in the Inland Empire. Lamar's commitment to ONT's advertising program is threefold: (1) increase annual gross advertising revenues and generate for OIAA a projected \$7.6 million during the initial ten-year term; (2) invest \$430,000 in initial capital improvements related to digital advertising and creative static locations, plus an additional capital improvement cost of \$200,000 every five years during the remaining contract term; and (3) improve passenger experiences throughout the airport with engaging, informative, interactive media.

Lamar's proposed advertising concession will be accomplished under two contracts – an Airport Advertising Agreement (for in-terminal, outdoor, and airport parking advertising programs at Terminals 2 and 4); and (2) a Sign Location Lease for outdoor static billboard and digital billboard sign locations at specified locations. All outdoor media will adhere to all local ordinances and/or regulations pertaining to billboards and other outdoor displays within the City of Ontario.

Under the proposed Airport Advertising Agreement, Lamar will have the exclusive right and obligation to operate and manage the airport advertising concession, for national, regional, and local commercial advertisements including:

- **In-Terminal Advertising** in Terminals 2 and 4, including traditional backlit wall mounted displays; floor mounted displays; overhead dioramas; high-tech media including liquid crystal displays, recessed signs with light emitting diode displays, fiber optic displays, wide screen video systems, digital image banners, touch screens, interactive multimedia software, interactive projection systems or optical imaging display cases; wall murals; courtesy phone centers; fixed 3-dimensional displays; and video advertising;
- **Outdoor Advertising** at Terminals 2 and 4 including light pole banners; exterior wall wraps; recessed signs with light emitting diode displays; fiber optic displays; wide screen video systems; digital image banners; touch screens; interactive multimedia software; and interactive projection systems or optical imaging display cases;
- **Airport Parking Advertising** including king size poster ads on the sides and rear of parking shuttle buses; bus branding; wraps on gate arm faces on gate arms at parking lot exits; and advertising on front or back of parking lot tickets.

Under the proposed Sign Location Lease, Lamar will have the exclusive right to display outdoor billboard advertising at assigned locations, including the installation and operation of digital billboard(s). The first proposed digital billboard location will include digital sign at ONT's main entry welcoming travelers and visitors. Additional digital sign locations may subsequently be identified and approved by the OIAA.

Under both agreements, Lamar will be required, at its own expense, to operate, maintain and repair the advertising equipment and locations, and maintain a family friendly, advertising environment which reflects positively on the community. OIAA will reserve its right to change, add, remove, or relocate any advertising as it deems appropriate.

## **CEQA COMPLIANCE AND LAND USE APPROVALS**

To the extent the scope of work under the Airport Advertising Agreement (for in-terminal, outdoor, and airport parking advertising programs at Terminals 2 and 4) could be deemed a "project" for purposes of CEQA by the local land use jurisdiction, it should be Categorical Exempt (Class 1) from the provisions of CEQA pursuant to: (1) 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 (2) CEQA Guidelines section 15303 for new construction, installation or conversion of a limited number of small structures, facilities or equipment.

For the Sign Location Lease (static and digital billboards), some new structures are contemplated, such as installation of a digital billboard at the entrance of the airport and possibly another one near Terminal Way at some point in the future. Under the Sign Location Lease, Lamar has committed to working with the applicable local land use authority to obtain all of the required permits to develop or erect any billboard and shall comply with all governing zoning laws, ordinances, and any and all other such laws, rules, and regulations related to the construction and installation of the billboards. If installation of the billboards could be deemed a "project" for purposes of CEQA by the local land use jurisdiction, it should be Categorical Exempt from the provisions of CEQA pursuant to CEQA Guidelines section 15303 for new construction, installation or conversion of a limited number of small structures, facilities or equipment.

## **EXHIBITS AND ATTACHMENTS**

Attachment A – Airport Advertising Agreement Between Ontario International Airport and Lamar Alliance Airport Advertising

Attachment B – Sign Location Lease Between Ontario International Airport Authority and Lamar Companies

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This Agenda Report has been reviewed by General Counsel.



**EXHIBITS AND ATTACHMENTS:**

Attachment A – Airport Improvement Program Application.