

# ONTARIO INTERNATIONAL AIRPORT AUTHORITY

## COMMISSION AGENDA – SPECIAL MEETING



**OCTOBER 29, 2019 AT 8:00 A.M.**

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

**ALAN D. WAPNER**  
President

**RONALD O. LOVERIDGE**  
Vice President

**JIM W. BOWMAN**  
Secretary

**CURT HAGMAN**  
Commissioner

**JULIA GOUW**  
Commissioner

**MARK A. THORPE**  
Chief Executive Officer

**LORI D. BALLANCE**  
General Counsel

**JOHN M. SCHUBERT**  
Treasurer

### WELCOME TO THE MEETING OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY

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

## ORDER OF BUSINESS

The Authority meeting begins at 8:00 a.m. with Public Comment and the Special Meeting.

(Sign Language Interpreters, Communication Access Real-Time Transcription, Assistive Listening Devices, or other auxiliary aids and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting you wish to attend. Due to difficulties in securing Sign Language Interpreters, five or more business days notice is strongly recommended.)

## CALL TO ORDER (OPEN SESSION) - 8:00 A.M.

### ROLL CALL

Loveridge, Bowman, Hagman, Gouw, President Wapner

### PLEDGE OF ALLEGIANCE

### INVOCATION

Dr. Juan Williams, Sr., Pastor, Ontario Christian Center

## PUBLIC COMMENT

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

## AGENDA REVIEW/ANNOUNCEMENTS

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

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

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

## CONSENT CALENDAR

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

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

### 2. APPROVAL OF MINUTES

Minutes for the meetings of the Ontario International Airport Authority cancelled meeting on October 22, 2019, regular meeting on September 24, 2019, amended special meeting on July 31, 2019, and amended regular meeting on May 28, 2019, and approving the same as on file with the Secretary/Assistant Secretary.

### 3. BILLS/PAYROLL

Bills September 1, 2019 through September 30, 2019 and Payroll September 1, 2019 through September 30, 2019.

### 4. AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE EASEMENTS BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND THE ONTARIO MUNICIPAL UTILITIES COMPANY AS PART OF THE FEDEX CARGO DEVELOPMENT PROJECT

That the Ontario International Airport Authority (OIAA) authorize the Chief Executive Officer (CEO) to negotiate and execute easements between the Ontario International Airport Authority and Ontario Municipal Utilities Company as part of the FedEx Cargo Development Project. The easement documents will be prepared by an OIAA consultant, Mead & Hunt, based on survey and engineering drawings prepared by the project designer. Staff and its counsel will review easements and provide comments to Mead & Hunt as part of standard procedures for an OIAA project, therefore, there will not be any fiscal impact.

### 5. APPROVAL OF A CONTRACT WITH GRIFFITH COMPANY FOR THE TAXIWAY S (TAXIWAY F TO THE CUCAMONGA CHANNEL) REHABILITATION PROJECT AT THE ONTARIO INTERNATIONAL AIRPORT

That the Ontario International Airport Authority authorize the Chief Executive Officer (CEO) to execute a contract with Griffith Company, in the amount of \$6,377,216.78 for the Taxiway S (Taxiway F to the Cucamonga Channel) Rehabilitation Project at Ontario International Airport. The cost to construct this project is accounted for in the OIAA Fiscal Year 2019-2020 budget. Total construction cost of \$5,797,469.80, plus a 10% contingency in the amount of \$579,746.98 for this project, is to be paid with a combination of FAA Airport Improvement Program (AIP) entitlement grant funds and OIAA appropriations in the amount of \$4,672,180.91.

**6. APPROVAL OF THE FIRST AMENDMENT OF THE LEASE AGREEMENT BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND FEDERAL EXPRESS CORPORATION AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE**

That the Ontario International Airport Authority (OIAA) Commission approve the first amendment to the Lease Agreement between the OIAA and Federal Express Corporation (FedEx) and authorize the Chief Executive Officer to negotiate and execute. The First Amendment Agreement will not impact the OIAA financially at the present moment.

**7. AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE A SECOND AMENDMENT BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND ALTA ENVIRONMENTAL TO PERFORM MAINTENANCE, INSPECTION, AND REPAIR SERVICES FOR THE ABOVE GROUND AND UNDERGROUND STORAGE TANKS AT ONT**

That the Ontario International Airport Authority (OIAA) authorize the Chief Executive Officer (CEO) to execute a second amendment to the Alta Environmental contract increasing it by a cost of up to \$130,000 annually. Funding for this amendment are included in the current fiscal year 2020 budget. Funding for subsequent years will be requested through the annual budget process.

**8. AUTHORIZE THE CEO TO NEGOTIATE AND EXECUTE A SIX MONTH EXTENSION, ON A MONTH TO MONTH BASIS, TO THE CONCESSION AGREEMENT BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND BANK OF AMERICA, NATIONAL ASSOCIATION FOR ATM SERVICES AT ONTARIO INTERNATIONAL AIRPORT**

That the Ontario International Airport Authority Board of Commissioners (OIAA Board) authorize the Chief Executive Officer (CEO) to negotiate and execute a six month extension, on a month to month basis, to the Concession Agreement (Agreement) with Bank of America, National Association (Concessionaire) for the existing five (5) Automated Teller Machines (ATMs) located in Terminal 2, Terminal 4, and the Ground Transportation Center. Concessionaire shall continue to pay to the OIAA the greater of (a) a Minimum Monthly Guarantee of \$9,000 per month, or (b) a transaction fee of \$1.75 per transaction, which is defined as any authorized and approved cash withdrawal processed at ATMs located at ONT.

**9. APPROVE AN AUTHORITY INCREASE TO OIAA CONTRACT NO. SCONT-000197 WITH BRAUGHTON CONSTRUCTION, INC. FOR GENERAL CONSTRUCTION AND BOARD-UP SERVICES AT ONTARIO INTERNATIONAL AIRPORT**

That the Ontario International Airport Authority authorize the Chief Executive Officer (CEO) to increase the existing OIAA Contract No. SCONT-000197 with Braughton Construction, Inc. for on-call general construction and board-up services for an amount not to exceed \$300,000 annually and authorize the CEO to exercise extensions for additional contract years as approved by the City of Ontario. Funds for this contract are included in the current Fiscal Year 2020 budget. Funding for subsequent years will be requested through the annual budget process.

## ADMINISTRATIVE DISCUSSION/ACTION/REPORT

### 10. APPROVE MEMORANDUM OF UNDERSTANDING BETWEEN THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT AND ONTARIO INTERNATIONAL AIRPORT AUTHORITY

That the Ontario International Airport Authority approve the proposed Memorandum of Understanding between South Coast Air Quality Management District and Ontario International Airport Authority.

## SPECIAL CEREMONIES

### *The Trazees - Special Achievement Award 2019 – Presented to the OIAA*

## MANAGEMENT REPORT

Chief Executive Officer Thorpe

## COMMISSION MATTERS

President Wapner

Vice President Loveridge

Secretary Bowman

Commissioner Hagman

Commissioner Gouw

## ADJOURNMENT

# ONTARIO INTERNATIONAL AIRPORT AUTHORITY



**DATE:** OCTOBER 29, 2019

**SECTION:** MINUTE ACTION

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

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

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

Item No	Principals & Agents	Subcontractors
Item No. 05	Griffith Co.	<ul style="list-style-type: none"><li>• Celcrete</li><li>• Hydrosprout</li><li>• RMA</li><li>• Austin Enterprises</li><li>• Payco Specialties</li></ul>
Item No. 06	FedEx	<ul style="list-style-type: none"><li>• None</li></ul>
Item No. 07	Alta Environmental	<ul style="list-style-type: none"><li>• Tait</li></ul>
Item No. 08	Bank of America	<ul style="list-style-type: none"><li>• None</li></ul>
Item No. 09	Broughton Construction, Inc.	<ul style="list-style-type: none"><li>• None</li></ul>

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

Department: Clerk's Office

Submitted to OIAA: October 29, 2019

Item No. 01

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY  
MINUTES  
Tuesday, October 22, 2019  
(Not Official Until Approved)**

The Regular Meeting scheduled for Tuesday, October 22, 2019 at 3:00 p.m. was cancelled due to a lack of available quorum.

Respectfully submitted:

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CLAUDIA Y. ISBELL, CLERK OF THE BOARD

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ALAN D. WAPNER, PRESIDENT  
ONTARIO INTERNATIONAL AIRPORT AUTHORITY

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY  
REGULAR COMMISSION MEETING  
MINUTES  
SEPTEMBER 24, 2019  
(Not Official Until Approved)**

A regular meeting of the Ontario International Airport Authority was held on Tuesday, September 24, 2019, at 1923 E. Avion Street, Room 100, Ontario, California.

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

**CALL TO ORDER**

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

**ROLL CALL**

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

ABSENT: Commissioners: Curt Hagman and Julia Gouw (excused).

Also present were: Chief Executive Officer Mark A. Thorpe, General Counsel Lori D. Ballance and Assistant Secretary Claudia Y. Isbell.

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Deputy Chief Art Andres.

**INVOCATION**

The invocation was led by Joshua Arana, Pastor, Sunrise Church, Ontario

A moment of silence was held in remembrance of Montclair Council Member Trisha Martinez who passed away on September 21, 2019.

**CLOSED SESSION**

Receiving no request to speak, President Wapner recessed the regular meeting of the Ontario International Airport Authority to Closed Session at 3:04 p.m. with all Commissioners in attendance, with the exception of Commissioner Gouw and Commissioner Hagman who were absent (excused).

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

The Ontario International Airport Authority Commission special meeting was reconvened in public session at 3:15 p.m.

## **REPORT ON CLOSED SESSION**

President Wapner announced the report regarding the CEO employment agreement will be discussed during agenda item #16.

## **PUBLIC COMMENT**

*Veronica Nunez*, spoke on airplane noise concerns.

*Richard Sherman, Ontario Noise Abatement Team*, spoke on airplane noise concerns. Mr. Sherman provided a journal article for the record concerning health impacts related to airplane noise.

*Jesse Fonseca*, spoke on airplane noise concerns. Mr. Fonseca provided the Chino Hills Champion newspaper for the record containing an article regarding residents organizing and meeting with their attorney regarding airplane noise.

*Nancy Collins*, spoke on airplane noise concerns.

General Counsel Ballance spoke regarding the airplane noise concerns stating that based on existing facts and circumstances at recent meetings, a point has been reached where there is significant exposure for litigation, therefore she recommended that the item be added as a closed session item for discussion when necessary.

President Wapner added that there has been a threat to file a class action lawsuit, legal counsel has been retained by various people, therefore the law requires that we do not discuss the item in public session since the threat of litigation has been made.

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

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

There were no conflicts announced.

## **AGENDA REVIEW/ANNOUNCEMENT**

CEO Thorpe announced Item #10 is being pulled from the Consent Calendar.

## **ITEM PULLED FROM AGENDA**

### **10. APPROVAL OF THE FIRST AMENDMENT OF THE LEASE AGREEMENT BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND FEDERAL EXPRESS CORPORATION**

The Ontario International Airport Authority (OIAA) Commission approve the first amendment to the Lease Agreement between the OIAA and Federal Express Corporation (FedEx). The First Amendment Agreement will not impact the OIAA financially at the present moment.

## **PUBLIC COMMENT**

*Taylor Darby, Aldridge Electric*, spoke regarding Item #13, TDZ Lights project, asked why the third bid was not considered.

President Wapner asked if we are required to provide a reason. OIAA General Counsel Ballance confirmed we do not need to provide a reason.

## **CONSENT CALENDAR**

**MOTION:** Moved by Secretary Bowman, seconded by Vice President Loveridge, and carried by a vote of 3-0-2, to approve the consent calendar, including Resolution 2019-06, with Commissioners Gouw and Hagman absent (excused) and with Item No. 10 being pulled.

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

Minutes for the meetings of the Ontario International Airport Authority special meeting on July 31, 2019 and the cancelled meeting on August 27, 2019, and approving the same as on file with the Secretary/Assistant Secretary.

### **3. BILLS/PAYROLL**

Approved bills July 1, 2019 through August 31, 2019 and Payroll July 1, 2019 through August 31, 2019.

### **4. APPROVAL OF MEETING STIPENDS**

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

**5. APPROVAL OF THE SECOND AND FINAL ONE-YEAR EXTENSION WITH AMPCO SYSTEM PARKING, INC. DBA ABM PARKING SERVICES, INC. TO CONTINUE TRANSPORTATION SERVICES FOR THE ONTARIO INTERNATIONAL AIRPORT CONSOLIDATED RENTAL CAR FACILITY**

The Ontario International Airport Authority (OIAA) Board of Commissioners authorized the Chief Executive Officer (CEO) to exercise the second and final one-year extension to the AMPCO System Parking, Inc., dba ABM Parking Services, Inc. (ABM) Agreement for an amount not to exceed \$2,500,000.00. A Customer Facility Charge (CFC) is charged to every car rental customer. This revenue is used to pay for the costs associated with the Agreement (ConRAC transportation services) and is allocated in the OIAA FY 2019-20 budget.

**6. APPROVAL OF THE FIRST AMENDMENT TO THE CONCESSION LEASE AGREEMENT WITH DELAWARE NORTH COMPANIES TRAVEL HOSPITALITY SERVICES, INC. TO MODIFY THE ASSIGNED AREAS AT ONTARIO INTERNATIONAL AIRPORT**

The Ontario International Airport Authority (OIAA) Board of Commissioners approved the First Amendment (Amendment) to the Concession Lease Agreement (Agreement) with Delaware North Companies Travel Hospitality Services, Inc. (Delaware North) to modify the assigned areas in the Agreement, adding Space 2190 and removing the Temporary Assigned Space formerly known as "Plane Box Grab & Go." Delaware North shall immediately begin paying Rent on and after the date of Substantial Completion of the newly Assigned Area (Space 2190), as set forth in Article 4 of the Agreement. In the event that Delaware North fails to open for business on and after Substantial Completion, the OIAA shall collect the greater 1/360th of a Minimum Annual Guarantee per day for Space 2190 or the current daily lease rate applicable to a terminal concession location until Delaware North opens Space 2190 for business.

**7. AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE A LEASE AGREEMENT BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND ATLAS AIR, INC.**

The Ontario International Airport Authority authorized the Chief Executive Officer to execute a Lease Agreement between the Ontario International Airport Authority and Atlas Air, Inc. The annual revenue of the initial term (from the Commencement Date through June 30, 2020) is approximately \$78,000. This rent was calculated based on the FY2020 rates which were also subject to annual Consumer Price Index Adjustment on July 1 of each calendar year. The OIAA also reserves the right to adjust the rent to reflect the fair market value as reasonably determined by OIAA. Thereafter, Rent will be adjusted annually to the Consumer Price Index.

**8. AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE A LEASE AGREEMENT BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND AIR TRANSPORT INTERNATIONAL, INC.**

The Ontario International Airport Authority (OIAA) authorized the Chief Executive Officer to execute a Lease Agreement between the Ontario International Airport Authority and Air Transport International, Inc. The annual revenue of the initial term (from the Commencement Date through June 30, 2020) was approximately \$67,256. This rent was calculated based on the FY2020 rates which were also subject to annual Consumer Price Index Adjustment on July 1 of each calendar year. The OIAA also reserves the right to adjust the rent to reflect the fair market value as reasonably determined by OIAA. Thereafter, Rent will be adjusted annually to the Consumer Price Index.

**9. AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE A LEASE AGREEMENT BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND ABX AIR, INC.**

The Ontario International Airport Authority ("OIAA") authorized the Chief Executive Officer ("CEO") to execute a Lease Agreement ("Lease") between the Ontario International Airport Authority (OIAA) and ABX Air, Inc. ("ABX" or "Tenant"). The annual revenue of the initial term (from the Commencement Date through June 30, 2020) was approximately \$53,500. This rent was calculated based on the FY2020 rates which are also subject to annual Consumer Price Index ("CPI") Adjustment on July 1 of each calendar year. The OIAA also reserved the right to adjust the rent to reflect the fair market value as reasonably determined by OIAA ("FMV Rent Adjustment"). Thereafter, Rent will be adjusted annually to the Consumer Price Index.

**11. AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE AN EASEMENT BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND SOUTHERN CALIFORNIA EDISON**

The Ontario International Airport Authority (OIAA) authorized the Chief Executive Officer (CEO) to negotiate and execute an easement between the Ontario International Airport Authority and Southern California Edison required for the installation of electric vehicle charging stations for Parking Concepts, Inc. (PCI). All charges associated with this project are being funded by the tenant, PCI.

**12. AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE AN EASEMENT BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND SOUTHERN CALIFORNIA GAS COMPANY**

The Ontario International Airport Authority (OIAA) authorized the Chief Executive Officer (CEO) to negotiate and execute an easement between the Ontario International Airport Authority and Southern California Gas Company, required for enabling the FedEx project. The easement was prepared by an OIAA consultant, Mead & Hunt based on engineering drawings prepared by the project designer, Walsh Group, as part of the FedEx project. The OIAA and its counsel will review and provide comments to Mead & Hunt as part of standard procedures for an OIAA project, therefore, there will not be any fiscal impact.

**13. ADOPT A RESOLUTION TO REJECT ALL BIDS FOR THE RUNWAY 26R TOUCHDOWN ZONE LIGHTS PROJECT AND AUTHORIZE THE RE-ADVERTISEMENT OF A NOTICE INVITING BIDS FOR THE PROJECT**

The Ontario International Airport Authority (OIAA) rejected all bids received for the Runway 26R Touchdown Zone Lights and authorized staff to re-advertise a new Request for Proposals for the Project.

**RESOLUTION NO. 2019-06** A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY TO REJECT ALL BIDS FOR THE 26R TOUCHDOWN ZONE LIGHTS PROJECT AND AUTHORIZE STAFF TO RE-ADVERTISEMENT A NOTICE INVITING BIDS FOR THE PROJECT

**14. AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE A LEASE AGREEMENT BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND SOUTHWEST AIRLINES**

The Ontario International Airport Authority (OIAA) authorized the Chief Executive Officer (CEO) to negotiate and execute a lease agreement between the Ontario International Airport Authority and Southwest Airlines.

**15. AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE A LEASE AGREEMENT BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND MAJESTIC TERMINAL SERVICES (OIAA-19-001)**

The Ontario International Airport Authority (OIAA) authorized the Chief Executive Officer (CEO) to negotiate and execute a Lease Agreement (Lease) between the Ontario International Airport Authority (OIAA) and Majestic Terminal Services (MTS).

## **ADMINISTRATIVE DISCUSSION/ACTION/REPORT**

### **16. APPROVAL OF REVISED EMPLOYMENT AGREEMENT FOR ONTARIO INTERNATIONAL AIRPORT AUTHORITY CHIEF EXECUTIVE OFFICER MARK A. THORPE**

The Ontario International Airport Authority (OIAA) Commission approved a revised employment agreement with Mark A. Thorpe to serve as the Chief Executive Officer of the Ontario International Airport Authority. Appropriations for the ongoing salary and associated benefits costs were included in the Authority's baseline operating budget and the Adopted Budget for Fiscal year 2019-2020. Funding for future years' costs will be included in the respective operating budgets for those periods.

President Wapner stated CEO Thorpe went through an evaluation by the Commission. There were negotiations and discussions regarding the proposed revised employment agreement.

General Counsel Ballance presented the changes to employment agreement, including a recommended salary increase of about 7.5% per annum to \$370,082, and an increase in management leave from 5 days to 10 days.

**MOTION:** Moved by Secretary Bowman, seconded by Vice President Loveridge and carried by a vote of 3-0-2, with Commissioner Gouw and Commissioner Hagman absent.

### **17. A DISCUSSION AND POSSIBLE ACTION REGARDING THE REPLACEMENT OF ESCALATORS IN PASSENGER TERMINALS**

The Ontario International Airport Authority (OIAA) discussed the replacement of escalators in the passenger terminals.

President Wapner requested this item be added to the agenda regarding his concerns as a passenger and customer of the airport. He expressed concern about the passenger inconvenience, safety, and liability to the airport due to the perpetually broken escalator. President Wapner inquired on the cost of repairs to date.

CEO Thorpe addressed President Wapner's concerns, stating that the escalators are original to the terminals being built in 1998, are a shopping mall escalator not designed for airport use, and have gone past their useful life of 15 years. The escalators were initially the responsibility of the airline's consortium, and as of January 2018, they have spent almost \$500,000 on escalator repairs and maintenance. CEO Thorpe added, over the past months staff came to an agreement with the airlines to replace the escalators and have taken over the maintenance and repairs.

CEO Thorpe would like to propose a two-step plan to replace the escalators, that first includes spending approximately \$200,000 to replace essentially every part of the escalators in both terminals with the exception of the trusses. The second step would be a long-term solution to replace the escalators with minimal down time with a design that would be appropriate for the airport and incorporates the expansion of the TSA check in area. This would address several long-term issues and would be brought back to the board to review and decide on a plan.

President Wapner expressed concern over the repair cost to date and requested clarification regarding the proposed repair, specifically about a warranty if the escalator continues to break down and the timing of the repair.

CEO Thorpe confirmed a wholesale replacement would provide commitments for maintenance and include response times. COO Bruce Atlas provided more information regarding the escalator replacement parts, discussing the lead time in ordering all parts, and confirming the process can take up to 12 weeks to get all the parts and complete the repairs.

Vice President Loveridge asked further questions regarding the repair timeline. COO Atlas provided the timeline of about five weeks max, with one side of each escalator being down for repairs at one time allowing for one side to be in service during the repairs.

President Wapner inquired on the bid to replace the escalators and staff confirmed that the one bidder was unresponsive, over the engineers estimate, and required up and down escalators to be down for up to nine months.

President Wapner and CEO Thorpe discussed the longer-term solution for the escalator replacement. CEO Thorpe mentioned the terminals were built prior to the events of September 11, 2001 which impacts the design of the TSA checkpoint that now requires more space and limits the passenger queuing area.

President Wapner requested the item to be held over until the next meeting for further discussion, and assured staff to ask for more resources if needed, because the escalators are symbolic of the airport. CEO Thorpe stated within next two months he will have a plan included in his management report.

**MOTION:** No action taken, discussion item only.

## **MANAGEMENT REPORT**

Chief Executive Officer Thorpe gave an update on cargo and passenger numbers for the month of August 2019 and provided updates on parking revenues.

**COMMISSIONER MATTERS**

Vice President Loveridge mentioned the great service he experienced at the Escape Lounge in Terminal 4.

Secretary Bowman complimented CEO Thorpe and staff.

President Wapner inquired about the @YourGate service in the terminals as well as signage to advertise the service.

**ADJOURNMENT**

President Wapner adjourned the Ontario International Airport Authority Commission meeting at 4:02 p.m., in memory of Montclair City Council Member Trisha Martinez.

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  
AMENDED MINUTES  
JULY 31, 2019  
(Not Official Until Approved)**

A special meeting of the Ontario International Airport Authority was held on Wednesday, July 31, 2019, at 1923 E. Avion Street, Room 100, Ontario, California.

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

**CALL TO ORDER**

President Wapner called the Ontario International Airport Authority Commission meeting to order at 11:30 a.m.

**ROLL CALL**

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

ABSENT: Commissioners: Ronald O. Loveridge (excused).

Also present were: Chief Executive Officer Mark A. Thorpe, General Counsel Lori D. Ballance and Assistant Secretary Claudia Y. Isbell.

President Wapner announced that the closed session will be moved to the end of the agenda.

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Commissioner Hagman.

**INVOCATION**

The invocation was led by Don Rucker, Senior Pastor, Ontario First Church of the Nazarene.

**PUBLIC COMMENT**

*Sandra Hubert*, spoke on airplane noise concerns.

*Lillie Bayless*, spoke on airplane noise concerns.

*Jesse Fonseca*, spoke on airplane noise concerns, stating that it is unbelievable he was not helped by the Part 150 noise mitigation that helped the residents one block from him because the decibels were not loud enough at his residence. He requested for the noise issue to be placed on the next agenda and stated that his attorney is gathering more information.

*Veronica Nunez*, spoke on airplane noise concerns.

*Richard Sherman*, spoke on airplane noise concerns.

*Peter Tucker*, spoke on airplane noise concerns and submitted handouts for the record.

## **AGENDA REVIEW/ANNOUNCEMENT**

There were no announcements.

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

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

Commissioner Hagman announced his conflict with Item No. 08 and voiced his abstention regarding the item.

## **CONSENT CALENDAR**

**MOTION:** Moved by Commissioner Gouw, seconded by Secretary Bowman and carried by a vote of 4-0-1, to approve the consent calendar, including Resolution 2019-05, with Vice President Loveridge absent and Commissioner Hagman abstaining from Item No. 08.

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

Minutes for the special meeting on June 24, 2019, cancelled meeting on June 25, 2019, special meeting on July 2, 2019, and cancelled meeting on July 23, 2019 of the Ontario International Airport Authority and approving same as on file with the Secretary/Assistant Secretary.

### **3. BILLS/PAYROLL**

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

### **4. AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE AN EASEMENT BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND THE ONTARIO MUNICIPAL UTILITIES COMPANY AS PART OF THE MTS & SWA CARGO RELOCATION PROJECT**

The Ontario International Airport Authority (OIAA) authorized the Chief Executive Officer (CEO) to negotiate and execute an easement between the Ontario International Airport Authority and Ontario Municipal Utilities Company, City of Ontario, as part of the MTS & SWA

Cargo Relocation project. The easement is being prepared by an OIAA consultant, Mead & Hunt based on engineering drawings prepared by the project designer, OIAA consultant TY Lin International, as part of the MTS & SWA Cargo Relocation project. The OIAA and its counsel will review and provide comments to Mead & Hunt as part of standard procedures for an OIAA project, therefore, there will not be any fiscal impact.

**5. APPROVAL OF THE SECOND CONTRACT AMENDMENT TO HELIX ENVIRONMENTAL PLANNING, INC., FOR PREPARATION OF ENVIRONMENTAL DOCUMENTATION FOR ONTARIO INTERNATIONAL AIRPORT**

The Ontario International Airport Authority (OIAA) authorized the Chief Executive Officer (CEO) to amend the existing Helix Environmental Planning, Inc., Contract No. SCONT-000045, to include the proposed term of contract as three-years with two, one-year extensions, for an authority amount of \$174,029 over the first and second contract year; \$150,000 for the third contract year; and, authorize the CEO to exercise the two, one-year extensions at \$150,000 annually, for an overall contract amount not to exceed \$624,029 over the five-year term of contract.

**6. A RESOLUTION ADOPTING A 415(M) PLAN AND DESIGNATION OF ELIGIBLE EMPLOYEE**

The Ontario International Airport Authority (OIAA) adopted the Ontario International Airport Authority Excess Benefit Plan.

**RESOLUTION NO. 2019-05** A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY COMMISSION ADOPTING THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY EXCESS BENEFIT PLAN

**7. AUTHORIZE APPROVAL TO RENEW THE MICROSOFT ENTERPRISE AGREEMENT FOR OFFICE 365**

The Ontario International Airport Authority authorized the renewal of the Microsoft Enterprise Agreement for a term of three years with Software One. The total cost for the three-year agreement is \$182,350.00 billed in 3 yearly installments of \$60,783.88. The cost includes Office 365 and Software Assurance for all Ontario International Airport Authority Enterprise Microsoft Products.

**8. AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE A LEASE AGREEMENT BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND MAJESTIC TERMINAL SERVICES (OIAA-19-001)**

The Ontario International Airport Authority (OIAA) authorized the Chief Executive Officer (CEO) to negotiate and execute a Lease Agreement (Lease) between the Ontario International Airport Authority (OIAA) and Majestic Terminal Services (MTS). The anticipated annual revenue from an initial five-year term is expected to be approximately \$1.1 million. This rent

will be calculated based on the FY2019 rates, and on and after July 1, 2020, OIAA will have the right to adjust MTS's rent to reflect a fair market value as reasonably determined by OIAA. Thereafter, rent will be adjusted annually to the CPI.

## **ADMINISTRATIVE DISCUSSION/ACTION/REPORT**

### **9. AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE A CONTRACT WITH @YOURGATE LLC TO OPERATE AN ON-DEMAND DELIVERY AND SCHEDULED PICKUP SERVICE**

The Ontario International Airport Authority Board of Commissioners (OIAA) authorized the Chief Executive Officer (CEO) to negotiate and execute a contract with AtYourGate LLC (AtYourGate) to operate an on-demand delivery and scheduled pickup service that delivers food, beverages, retail and passenger services in Passenger Terminals at Ontario International Airport (ONT). Upon execution of this agreement, AtYourGate shall pay the Ontario International Airport Authority a seven percent (7%) Concession Fee of its monthly Gross Receipts and monthly rent of \$1,007 with annual CPI increase for office/storage space rented in the Passenger Terminals to support its operations.

Chief Executive Officer Thorpe gave an overview of the agenda item.

**MOTION:** Moved by Commissioner Hagman, seconded by Commissioner Gouw and carried by a vote of 4-0-1, with Vice President Loveridge absent.

## **MANAGEMENT REPORT**

Chief Executive Officer Thorpe gave an update on cargo and passenger numbers for the month of June 2019 and introduced the four new customer experience team staff who will be staffing both terminals 24 hours a day.

## **COMMISSIONER MATTERS**

Commissioner Gouw had no comments.

Commissioner Hagman had no comments.

Secretary Bowman had no comments.

President Wapner thanked CEO Thorpe and staff for their great performance.

## **CLOSED SESSION**

Receiving no request to speak, President Wapner recessed the special meeting of the Ontario International Airport Authority to Closed Session at 11:51 a.m. with all Commissioners in attendance, with the exception of Vice President Loveridge who was absent (excused).

- GC 54957, PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
Title: Chief Executive Officer
- GC 54956.9, CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
*One (1) potential Case*

The Ontario International Airport Authority Commission special meeting was reconvened in public session at 12:45 p.m.

## **CLOSED SESSION REPORT**

President Wapner announced there was no reportable action.

## **ADJOURNMENT**

President Wapner adjourned the Ontario International Airport Authority Commission meeting at 12:45 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  
REGULAR COMMISSION MEETING  
AMENDED MINUTES  
MAY 28, 2019  
(Not Official Until Approved)**

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

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

**CALL TO ORDER**

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

**ROLL CALL**

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

ABSENT: Commissioners: None.

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

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Commissioner Hagman.

**INVOCATION**

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

**AGENDA REVIEW/ANNOUNCEMENT**

There were no announcements made.

## **CLOSED SESSION**

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

- **CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION**  
Pursuant to Government Code Section 54956.9(c)  
One (1) – Case

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

## **CLOSED SESSION REPORT**

President Wapner announced there was no reportable action.

## **PUBLIC COMMENT**

*Richard Sherman*, voiced concerns regarding airplane noise.

*Jesus Fonseca*, spoke on his concerns regarding airplane noise, stating that a class action lawsuit will happen naming Mr. Wapner and Mr. Leon.

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

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

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

Commissioner Hagman announced his abstention from Item No. 02.

## **CONSENT CALENDAR**

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

## **2. APPROVAL OF MINUTES**

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

**3. BILLS/PAYROLL**

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

**4. APPROVAL OF MEETING STIPENDS**

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

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

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

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

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

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

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

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

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

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

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

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

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

**ADMINISTRATIVE DISCUSSION/ACTION/REPORT**

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

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

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

**MANAGEMENT REPORT**

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

## **COMMISSIONER MATTERS**

Commissioner Gouw had no comments.

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

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

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

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

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

## **ADJOURNMENT**

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

RESPECTFULLY SUBMITTED:

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CLAUDIA Y. ISBELL, CLERK OF THE BOARD

APPROVED:

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ALAN D. WAPNER, PRESIDENT  
ONTARIO INTERNATIONAL AIRPORT AUTHORITY



**DATE:** OCTOBER 29, 2019

**SECTION:** CONSENT CALENDAR

**SUBJECT:** AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE EASEMENTS BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND THE ONTARIO MUNICIPAL UTILITIES COMPANY AS PART OF THE FEDEX CARGO DEVELOPMENT PROJECT

**RELEVANT STRATEGIC OBJECTIVE:** Develop Airport Related Business.

**RECOMMENDED ACTION(S):** That the Ontario International Airport Authority (OIAA) authorize the Chief Executive Officer (CEO) to negotiate and execute easements between the Ontario International Airport Authority and Ontario Municipal Utilities Company as part of the FedEx Cargo Development Project.

**FISCAL IMPACT SUMMARY:** The easement documents will be prepared by an OIAA consultant, Mead & Hunt, based on survey and engineering drawings prepared by the project designer. Staff and its counsel will review easements and provide comments to Mead & Hunt as part of standard procedures for an OIAA project, therefore, there will not be any fiscal impact.

**BACKGROUND:** On June 26, 2018 the OIAA approved FedEx's new Lease to increase FedEx's operational efficiencies at ONT and consolidate FedEx's existing cargo operations in the new location at ONT. The FedEx Cargo Development Project includes a number of enabling projects including the relocation of MTS & SWA Cargo, which require a number of water utility easements to facilitate the construction of the FedEx's new cargo operations facility.

**PROCUREMENT:** N/A

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

Department: Engineering

Submitted to OIAA: October 29, 2019

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

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

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

Chief Executive Officer Approval: *Mark A. Thorpe*

Item No. 04

**CEQA COMPLIANCE AND LAND USE APPROVALS:** The granting of easements to OMUC to provide domestic water to existing facilities are Categorical Exempt (Class 1 and Class 4) from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301, as well as under CEQA Guidelines Sections 15304(a) and (f) involving minor grading in non-sensitive areas, and minor trenching and backfilling where the surface is restored.

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

**IMPACT ON OPERATIONS:** This action will have no impact to operations.

**SCHEDULE:** N/A

**EXHIBITS & ATTACHMENTS:** None.

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



DATE: OCTOBER 29, 2019

SECTION: CONSENT CALENDAR

SUBJECT: APPROVAL OF A CONTRACT WITH GRIFFITH COMPANY FOR THE TAXIWAY S (TAXIWAY F TO THE CUCAMONGA CHANNEL) REHABILITATION PROJECT AT THE ONTARIO INTERNATIONAL AIRPORT

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

RECOMMENDED ACTION(S): That the Ontario International Airport Authority authorize the Chief Executive Officer (CEO) to execute a contract with Griffith Company, in the amount of \$6,377,216.78 for the Taxiway S (Taxiway F to the Cucamonga Channel) Rehabilitation Project at Ontario International Airport.

FISCAL IMPACT SUMMARY: The cost to construct this project is accounted for in the OIAA Fiscal Year 2019-2020 budget. Total construction cost of \$5,797,469.80, plus a 10% contingency in the amount of \$579,746.98 for this project, is to be paid with a combination of FAA Airport Improvement Program (AIP) entitlement grant funds and OIAA appropriations in the amount of \$4,672,180.91.

BACKGROUND: This project consists of rehabilitation and repair of the portion of Taxiway S over the Cucamonga Channel extending west to Taxiway F, and directly benefits all airfield users. Taxiway S was commissioned in 1993 and the existing pavement has exceeded beyond its useful life. Staff recommends full depth reconstruction of the pavement for the portion of Taxiway S over Cucamonga Channel, and selective replacement of Portland Concrete Panels (PCC) along with crack/spall repair and joint sealing for the remaining taxiway sections. This project utilizes Airport Entitlement

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

Department: Engineering

Submitted to OIAA: October 29, 2019

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

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

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

Chief Executive Officer Approval: Mark A. Thorpe

funds, which will be returned to the FAA if not utilized for this project. All supplemental documents have been received, and OIAA has executed the grant offer, AIP Grant Number 3-06-0175-045-2019.

**PROCUREMENT:** On July 17, 2019, a NIB was advertised for the Taxiway S (Taxiway F to the Cucamonga Channel) Rehabilitation Project. On August 16, 2019, the OIAA received four sealed bids in response to the project. Staff reviewed the apparent low bid response, and, with the advice of General Counsel, deemed the bid non-responsive due to material discrepancies in the bid submittal documents. Therefore, staff recommends the award of contract for the Taxiway S (Taxiway F to the Cucamonga Channel) Rehabilitation Project to Griffith Company as the low, most responsive, responsible bidder for an amount of \$5,797,469.80, plus a 10% contingency for change orders, for an overall contract amount not to exceed \$6,377.216.78.

**CEQA COMPLIANCE AND LAND USE APPROVALS:** CATEX has been approved by the FAA. This project is Categorically Exempt (Class 1 and Class 2) from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines sSection 15301 provides an exemption for relating to minor alterations to existing structures or facilities involving negligible or no expansion of use beyond that existing at the time of the lead agency’s determination, as well as under CEQA Guidelines Section 15302 relating to the reconstruction of existing structures or facilities involving substantially the same purpose and capacity as the structure replaced.

**STAFFING IMPACT (# OF POSITIONS):** Not applicable.

**IMPACT ON OPERATIONS:** Taxiway S, Cucamonga Channel to Taxiway F, will be partially closed during construction, with phasing to allow use of specific sections for ingress and egress to south airfield lease holds and aircraft parking.

**SCHEDULE:** The Taxiway S Rehabilitation project is scheduled to be commence after the 26R Touchdown Zone lights have been replaced in the summer of 2020 and completed before Fall of 2021. This

**ATTACHMENTS:** None

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



**DATE:** OCTOBER 29, 2019

**SECTION:** CONSENT CALENDAR

**SUBJECT:** APPROVAL OF THE FIRST AMENDMENT OF THE LEASE AGREEMENT BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND FEDERAL EXPRESS CORPORATION AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE

**RELEVANT STRATEGIC OBJECTIVE:** Improve Airport Business and Property, and Improve Operational Efficiencies.

**RECOMMENDED ACTION(S):** That the Ontario International Airport Authority (OIAA) Commission approve the first amendment to the Lease Agreement between the OIAA and Federal Express Corporation (FedEx) and authorize the Chief Executive Officer to negotiate and execute.

**FISCAL IMPACT SUMMARY:** The First Amendment Agreement will not impact the OIAA financially at the present moment.

**BACKGROUND:** FedEx has been a long-time tenant at ONT for the past 31 years, and currently operates cargo and express mail facilities at ONT under two leases - a facility lease (ONT-8787A) and an Airline Use and Lease Agreement (ONT-7903). The current facilities include cargo buildings, former aircraft hangars, temporary trailers, aircraft parking aprons, cargo truck docks and parking, parking lots, and other amenities.

At the regular meeting on June 26, 2018, the OIAA approved FedEx's new Lease, approved an agreement with FedEx to increase operational efficiencies at ONT and consolidate FedEx's existing cargo operations to the new location. Staff recommends the proposed First Amendment to the Lease Agreement to define

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

Department: Administration

Submitted to OIAA: October 29, 2019

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

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

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

Chief Executive Officer Approval: *Mark A. Thorpe*

and replace language in sections 2.11, 2.11(b), 3.01, and 3.09(a) through 3.09(b) of the existing Lease. In summary, the First Amendment makes the following changes:

- Readjusts the obligation to fund, construct, and maintain certain taxilane improvements to FedEx instead of to the Authority;
- Allows the Authority to recapture FedEx's taxilane improvements if they are ever needed for common use, provided that FedEx is paid the remaining unamortized construction costs at that time;
- Requires a taxilane connector to be built by September 30, 2020 (target date), if the Authority achieves an ability to proceed with that portion of the project;
- Provides a method for the Authority to purchase portions of FedEx's improvements and make them available for common use, if FedEx does not exercise certain lease option rights for additional land at the airport;
- Updates and revises the Lease exhibits for the premises, FedEx's concept plan, and the Authority's taxilane connector.

Staff recommends these changes to the Lease so that the Lease provides a more orderly process to complete the cargo consolidation project at the airport.

**PROCUREMENT:** N/A

**CEQA COMPLIANCE AND LAND USE APPROVALS:** In accordance with CEQA Guidelines §§15162 and 15164, on June 26, 2018, the OIAA already considered, approved, adopted and certified an Addendum to the Pacific Gateway Cargo Center (PGCC) Final Environmental Impact Report for the Ontario International Airport Cargo Facility Consolidation and Improvement Program (Project), and considered, approved, and adopted a Mitigation Monitoring and Reporting Program (MMRP). These prior approvals included all work described above.

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

**IMPACT ON OPERATIONS:** N/A

**SCHEDULE:** N/A

**ATTACHMENTS:** First Amendment to Lease ONT-18-001 Between the Ontario International Airport Authority and Federal Express Corporation at Ontario International Airport

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This Agenda Report has been reviewed by OIAA General Counsel.



DATE: OCTOBER 29, 2019

SECTION: CONSENT CALENDAR

SUBJECT: AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE A SECOND AMENDMENT BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND ALTA ENVIRONMENTAL TO PERFORM MAINTENANCE, INSPECTION, AND REPAIR SERVICES FOR THE ABOVE GROUND AND UNDERGROUND STORAGE TANKS AT ONT.

RELEVANT STRATEGIC OBJECTIVE: Maintain a Safe and Secure Airport.

RECOMMENDED ACTION(S): That the Ontario International Airport Authority (OIAA) authorize the Chief Executive Officer (CEO) to execute a second amendment to the Alta Environmental contract increasing it by a cost of up to \$130,000 annually.

FISCAL IMPACT SUMMARY: Funding for this amendment are included in the current fiscal year 2020 budget. Funding for subsequent years will be requested through the annual budget process.

BACKGROUND: The Airport contains multiple aboveground storage tanks ("ASTs") and underground storage tanks ("USTs"), which are used to store gasoline and diesel fuel. Petroleum storage tanks are vital to the operation of the Airport and are heavily regulated by agencies including, but not limited to, the San Bernardino County Fire Department, Hazardous Materials Division. In order to maintain compliance and operational working conditions, ASTs and USTs require regular maintenance and inspections, plus occasional repairs. Alta Environmental will bill the OIAA for as-needed services dedicated by regulatory and maintenance needs. Services under this Scope of Work are expected to cost up to \$130,000 annually. Alta will not exceed these costs without prior approval from the OIAA. Each task will be billed separately on a time and materials basis.

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

Department: Engineering

Submitted to OIAA: October 29, 2019

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

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

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

Chief Executive Officer Approval: Mark A. Thorpe

**SCOPE OF WORK:** The following AST and UST maintenance, inspection, and repair services will be performed by Tait Environmental technicians under the oversight of Alta Environmental consultants and Ontario International Airport Authority (“OIAA”) personnel.

As stated above, ASTs and USTs require periodic maintenance and inspections, as well as occasional repairs, to ensure operational conditions and regulatory compliance. Maintenance, inspection, and repair services to be performed under this Scope of Work include, but are not limited to:

- Designated Operator Monthly Inspections
- Designated Operator Training
- Annual Vapor Recovery System Testing
- Annual Leak Detection and Spill Prevention System Testing
- Response to Leak Detection Alarms
- Veeder Root System Operation and Maintenance
- Coordination with Regulatory Agencies
- Scheduled and Unscheduled Repairs
- Other related services as needed.

**PROCUREMENT:** N/A

**CEQA COMPLIANCE AND LAND USE APPROVALS:** This item is Categorically Exempt (Class 1, Class 2, Class 6, and Class 9) from the requirements of the California Environmental Quality Act (CEQA) pursuant to (1) CEQA Guidelines Section 15301 relating to minor alterations to existing structures or facilities involving negligible or no expansion of use beyond that existing at the time of the lead agency’s determination, (2) CEQA Guidelines Section 15302 relating to the reconstruction of existing structures or facilities involving substantially the same purpose and capacity as the structure replaced, (3) CEQA Guidelines Section 15306 relating to data collection and research not resulting in serious disturbance to an environmental resource, and (4) CEQA Guidelines Section 15309 involving inspections.

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

**IMPACT ON OPERATIONS:** This action will have no impact to operations.

**SCHEDULE:** N/A

**EXHIBITS & ATTACHMENTS:** Attachment A: Second Amendment to an Agreement between the OIAA and Alta Environmental.

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This Agenda Report has been reviewed by OIAA General Counsel.



**DATE:** OCTOBER 29, 2019

**SECTION:** CONSENT CALENDAR

**SUBJECT:** AUTHORIZE THE CEO TO NEGOTIATE AND EXECUTE A SIX MONTH EXTENSION, ON A MONTH TO MONTH BASIS, TO THE CONCESSION AGREEMENT BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND BANK OF AMERICA, NATIONAL ASSOCIATION FOR ATM SERVICES AT ONTARIO INTERNATIONAL AIRPORT.

**RELEVANT STRATEGIC OBJECTIVE:** Provide Customer-Friendly Facilities and Services.

**RECOMMENDED ACTION(S):** That the Ontario International Airport Authority Board of Commissioners (OIAA Board) authorize the Chief Executive Officer (CEO) to negotiate and execute a six month extension, on a month to month basis, to the Concession Agreement (Agreement) with Bank of America, National Association (Concessionaire) for the existing five (5) Automated Teller Machines (ATMs) located in Terminal 2, Terminal 4, and the Ground Transportation Center.

**FISCAL IMPACT SUMMARY:** Concessionaire shall continue to pay to the OIAA the greater of (a) a Minimum Monthly Guarantee of \$9,000 per month, or (b) a transaction fee of \$1.75 per transaction, which is defined as any authorized and approved cash withdrawal processed at ATMs located at ONT.

**BACKGROUND:** On or around October 29, 2012, Concessionaire entered into an agreement entitled *Concession Agreement ONT-8706* ("Agreement") with the City of Los Angeles, by and through its Board of Airport Commissioners of the Department of Airports ("LAWA") for the operation and management of ATMs at ONT. A first amendment to the Agreement was made on May 1<sup>st</sup>, 2018, to (1) extend the term of the Agreement, (2) allow the placement of one (1) additional ATM machine at the Airport, (3) adjust Concessionaire's Minimum Monthly Guarantee, and (4) adjust sharing of costs associated with any removal of the newly added ATM, should that occur. The Term of the

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

Department: Commercial

Submitted to OIAA: October 29, 2019

Chief Executive Officer Approval: 

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

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

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

Agreement was extended to May 31, 2019 for the existing 5 ATMs in Terminals 2, 4, and the Ground Transportation Center, and the Agreement is currently on an automatic extension on a month-to-month basis for a maximum of six (6) months as allowed by the current Agreement.

The Commercial Department is currently preparing a Request for Proposal (RFP) for the installation, maintenance, and operation of the five (5) ATMs at ONT, located in Terminals 2, 4, and the Ground Transportation Center. Staff is requesting an extension to the agreement to allow for sufficient preparation and time to prepare and issue the RFP, review proposals, and award the new Concession Agreement.

**PROCUREMENT:** N/A

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

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

**IMPACT ON OPERATIONS:** N/A

**SCHEDULE:** N/A

**ATTACHMENTS:** N/A

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



**DATE:** OCTOBER 29, 2019

**SECTION:** CONSENT CALENDAR

**SUBJECT:** APPROVE AN AUTHORITY INCREASE TO OIAA CONTRACT NO. SCONT-000197 WITH BRAUGHTON CONSTRUCTION, INC. FOR GENERAL CONSTRUCTION AND BOARD-UP SERVICES AT ONTARIO INTERNATIONAL AIRPORT.

**RELEVANT STRATEGIC OBJECTIVE:** Provide Facilities to Support Air Services and Increase Revenue.

**RECOMMENDED ACTION(S):** That the Ontario International Airport Authority authorize the Chief Executive Officer (CEO) to increase the existing OIAA Contract No. SCONT-000197 with Braughton Construction, Inc. for on-call general construction and board-up services for an amount not to exceed \$300,000 annually and authorize the CEO to exercise extensions for additional contract years as approved by the City of Ontario.

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

**BACKGROUND:** As a means to uphold available and/or immediate facility occupancy for prospective lease-hold tenants, general construction and repair services are required on an ongoing basis. In July 2019, the OIAA joined the City of Ontario's contracts with Braughton Construction, Inc. for general construction and board-ups, at an annual expenditure estimated at \$100,000. Due to the neglect of various facilities, the lack of a maintenance program for vacant buildings/structures as well as vandalism, the OIAA requires outsourced contractors to provide maintenance and repairs on an as-needed basis. General construction repairs assist in the preservation of OIAA's assets, provides increased activities around the facilities, keeps vacant

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

Department: Operations

Submitted to OIAA: October 29, 2019

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

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

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

Chief Executive Officer Approval: *Mark A. Thorpe*

Item No. 09

facility systems operational, and will assist in deterring vandals and squatters from occupying the property.

**PROCUREMENT:** In July 2019, the OIAA piggybacked the City of Ontario's general construction and board-up services contract for ONT. This contract may be extended upon approval by the City of Ontario.

**CEQA COMPLIANCE AND LAND USE APPROVALS:** The issuance or approval of leases, agreements, renewals, amendments, or extension thereof, granting use of an existing facility at a public airport, involving negligible or no expansion of use is exempt from the requirements of the California Environmental Quality Act (CEQA). In addition, to the extent any alteration of facilities occurs, CEQA Guidelines section 15301 provides an exemption for minor alterations to existing structures or facilities involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. Further, CEQA Guidelines Section 15302 provides an exemption relating to the reconstruction of existing structures or facilities involving substantially the same purpose and capacity as the structure replaced.

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

**IMPACT ON OPERATIONS:** N/A

**SCHEDULE:** N/A

**ATTACHMENTS:** None.

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



**DATE:** OCTOBER 29, 2019

**SECTION:** ADMINISTRATIVE REPORT/DISCUSSION/ACTION

**SUBJECT:** APPROVE MEMORANDUM OF UNDERSTANDING BETWEEN THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT AND ONTARIO INTERNATIONAL AIRPORT AUTHORITY

**RELEVANT STRATEGIC OBJECTIVE:** Approval of the proposed Memorandum of Understanding between South Coast Air Quality Management District and Ontario International Airport Authority which sets forth how Ontario International Airport will implement voluntary airport emission reduction measures to obtain Nitrogen Oxide reductions, and corresponding reductions of associated pollutants from non-aircraft airport mobile sources, and provide the means for the South Coast Air Quality Management District to quantify the emission reduction benefits from these voluntary airport measures to obtain State Implementation Plan credits consistent with the 2023 and 2031 dates for attainment of the ozone standards.

**RECOMMENDED ACTION(S):** That the Ontario International Airport Authority approve the proposed Memorandum of Understanding between South Coast Air Quality Management District and Ontario International Airport Authority.

**FISCAL IMPACT AND SOURCE OF FUNDS:** N/A.

**BACKGROUND INFORMATION:**

In 2016, the South Coast Air Quality Management District (SCAQMD) revised and adopted the 2016 Air Quality Management Plan (AQMP or Plan) for the South Coast Air Basin (Basin), which is a regional

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

Department: Administration

Submitted to OIAA: October 29, 2019

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

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

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

Chief Executive Officer Approval: *Mark A. Thorpe*

blueprint for achieving air quality and pollution attainment standards to comply with the federal Clean Air Act. The Plan recognized the importance of working with other agencies to develop new emission reductions, as well as secure funding and other incentives that encourage the accelerated transition of vehicles, buildings, and industrial facilities to cleaner technologies in a manner that benefits not only air quality, but also local businesses and the regional economy.

As part of the adopted 2016 AQMP, the SCAQMD Governing Board directed staff to pursue approaches for Facility-Based Mobile Source Measures (FBMSM). These measures focus on mobile source emission reductions at commercial airports, commercial marine ports, rail yard and intermodal facilities, warehouse distribution centers and new or redevelopment projects in the Basin. The main goal of these measures is to identify additional voluntary opportunities that can provide emission reductions to assist in the attainment of federal air quality standards.

### **MEMORANDUM OF UNDERSTANDING OVERVIEW**

The five commercial airports in the South Coast Air Basin (Burbank-Hollywood Airport (BUR), Long Beach Airport (LGB), Los Angeles International Airport (LAX), Ontario International Airport (ONT) and John Wayne Airport (SNA)) have been working in close coordination with SCAQMD to develop an approach to implement the mobile source measure for airports in the Basin (MOB-04). The agreed upon approach includes preparation of a Memorandum of Understanding (MOU) between each airport and the SCAQMD regarding implementation of the various emission reduction strategies and measures for each airport in the Basin.

Toward this goal, and in partnership with the California Airports Council (CAC), airports developed a common framework for the MOU between airport operators and SCAQMD. Although the MOU follows a common framework, each airport MOU is an individual agreement between the airport and SCAQMD to achieve voluntary emission reductions. Attached to each MOU, as an appendix, are MOU Schedule(s) that provide voluntary airport measures for which SCAQMD may quantify emission reductions and seek State Implementation Plan (SIP) credit through a separate SIP submittal. The identified emission sources associated with ONT operations that are the focus of the voluntary emission reduction measures and have a projected benefit that may be quantified by SCAQMD are mobile sources (ground support equipment (GSE)) that are under the direct or indirect control of the Airport. The SCAQMD will use the projected emission reductions from this GSE voluntary emission reduction measure to achieve emission reductions that meet SIP requirements. To the extent the airport(s) are not able to achieve the SCAQMD projected emission reductions for the Basin from the voluntary airport initiatives and measures, SCAQMD has agreed to provide for the emission shortfalls.

In addition to the MOU, ONT has developed its own voluntary Air Quality Improvement Plan (AQIP). The AQIP represents the Airport's best efforts to develop additional voluntary programs and strategies for reducing NO<sub>x</sub> emissions from airport mobile source operations based on its existing authority over airport emission sources. The AQIP includes specific voluntary initiatives and measures for certain non-aircraft emission sources operating at the Airport. As requested by SCAQMD's staff, only those voluntary measures included in the AQIP that the SCAQMD can quantify emission reductions to achieve emission reduction requirements for the SIP are included in the schedule attached to the MOU. Because the additional voluntary measures and initiatives included in the AQIP are only goals for the Airport and will

not achieve quantifiable emission reductions for purposes of SCAQMD's SIP compliance requirements, at SCAQMD's request, the additional voluntary measures and initiatives are not included in the MOU between SCAQMD and ONT. The AQIP is a working informational document only and is available for review and information purposes only.

### **COLLABORATION**

The Airport has worked collaboratively with other airports in the Basin throughout the MOU process. As the MOU frameworks were developed, ONT met regularly with other airports as well as with airline stakeholders, which included the industry's national trade group Airlines for America (A4A), along with individual airlines such as Delta, Frontier, JetBlue, Southwest, United, and cargo air carriers, FedEx and UPS, to obtain their feedback and support. The industry collaboration has benefited ONT in its development of the Airport's MOU and provided for stakeholder support of each airport's MOU. Through this collaborative process, the MOUs for the other airports in the Basin, particularly for JWA, BUR, and LGB, are substantially similar to the MOU for ONT.

Additionally, SCAQMD has organized periodic public working group meetings for airports, airlines, other stakeholders, and the public during the course of the MOU development process and held a public consultation meeting to receive public input and comment. These public working group and public consultation meetings have provided further opportunity for collaboration, discussions and feedback as the process has moved forward toward the successful development of voluntary airport reduction measures and an MOU between the SCAQMD and each of the airports in the Basin. Each of the airports in the Basin is scheduled to consider approval of their respective MOUs in October/November 2019 and the SCAQMD Board is scheduled to consider the MOUs for approval at its regularly scheduled meeting on December 6, 2019.

### **KEY PROVISIONS OF THE MEMORANDUM OF UNDERSTANDING**

- **Voluntary Airport Emission Reduction Measures.** The MOU provides specific voluntary Airport emission reduction measures, identified in Attachment A to the MOU, for ground support equipment (GSE) that are intended to provide emission reduction benefits in the Basin. The specific voluntary Airport emission reduction measure for GSE is summarized and discussed in more detail below. The Airport will monitor implementation of the voluntary airport emission reduction measure and provide data and annual emissions inventory reports to SCAQMD as described in Attachment A.
- **SCAQMD Required to Quantify Emission Reductions.** The MOU does not create SIP creditable reductions; rather, it identifies a specific voluntary airport emission reduction measure and provides the means for SCAQMD to quantify the emission reductions to obtain SIP credits. The SCAQMD, and not the Airport, will rectify any shortfall in prospective emission reductions from the voluntary airport emission reductions measure.
- **No Emissions Cap or Facility-Wide Limit.** The MOU does not establish an emissions cap or any other facility-wide limit for NOx or any other pollutant or limit the Airport's ability to seek incentive or grant funding.

- Future Air Quality Management Plans. ONT has agreed to continue to work together with SCAQMD in developing inventories of airport emission sources to support the development of future Air Quality Management Plans (AQMPs) outside of the MOU process.
- Future Coordination Efforts. The Airport has no obligation or requirement to implement any substitute measures to remedy any potential emission reduction shortfall associated with implementation of the MOU Schedule A voluntary measure, unless otherwise mutually agreed on by both parties. ONT has agreed, however, to work with SCAQMD to consider potential new or enhanced programs or better efforts to quantity existing programs, to the extent possible and practicable, in the event there are potential emission reduction shortfalls associated with implementation of the voluntary airport emission reduction measures.
- Term of MOU. The MOU shall be effective when fully executed by both OIAA and the SCAQMD, following their respective authorization processes. The initial term of the MOU shall expire on December 31, 2031, unless terminated earlier by either party after notice and opportunity to meet and confer. The MOU term may be extended if mutually agreed upon by both parties.
- Enforceability. The Airport's implementation of the voluntary emission reduction measures are not to be construed as a regulation or requirement of SCAQMD. In the event either party fails to meet its commitment(s), the parties shall seek to negotiate a mutually agreeable solution within a specified time period.

### **VOLUNTARY EMISSION REDUCTION MEASURES**

The AQIP for ONT, which is a working document that has been prepared for information only purposes, is a set of nine (9) voluntary emission reduction measures and initiatives. The primary goal of the voluntary emission measures and initiatives is to reduce emissions of nitrogen oxides (NOx). However, actions taken under each measure or initiative will likely have the effect of reducing emissions of other pollutants such as particulate matter (PM), volatile organic compounds (VOCs) and greenhouse gases (GHGs). The AQIP includes seven (7) voluntary emission reduction measures (RMs), which contain concrete measures or goals that result in quantifiable emission reductions, and two (2) initiatives (Is), which are policies that provide infrastructure, incentives, or other tools that promote emission reductions, but do not contain specific requirements. The list of proposed reduction measures and incentives is provided below.

- RM1 – Ground Support Equipment (GSE) Policy
- RM2 – Fuel Truck Operations
- RM3 – Crash Truck Replacement
- RM4 – Airport Fleet Policy
- RM5 – Maintenance Vehicle Reduction
- RM6 – Sally Port
- RM7 – Construction Equipment Policy

## 18 – CalGreen and LEED Silver Requirement

## 19 – Electric Vehicle Charging Infrastructure in Passenger Parking Lots

The only voluntary reduction measure or initiative that will be utilized by SCAQMD for State Implementation Plan (SIP) credit is RM1, GSE Policy. MOU Schedule 1 (Attachment A to the MOU) contains airport and SCAQMD agreements, which must be followed in order to obtain SIP Credit. Under RM1, GSE Policy, ONT will work with tenants and GSE operators to reduce emissions from GSE associated with commercial operations. Specifically, RM1 establishes airport-wide average NO<sub>x</sub> emission factor targets of 2.2 grams per horsepower-hour (g/hp-hr) for 2023 and 1.0 g/hp-hr for 2031. The fleet-wide average emission factor can be achieved using a combination of approaches including, but not limited to, replacing or repowering old equipment with newer, cleaner engines, replacing traditional-fueled equipment with alternative fuel equipment, and replacing equipment with combustion engines with electric or other zero-emission equipment. Achieving these targets will require contribution of resources from both the Airport and GSE operators. The Airport shall have complete discretion as to the mechanisms used to implement the GSE policy. Such mechanisms may include leases, licenses, operational requirements, or other agreements.

As part of the MOU, ONT will be required to submit an annual GSE inventory, including emissions calculations, and a progress report for the other measures and initiatives. This annual report must be submitted on or before June 1 of each year, starting in 2021.

At the direction of SCAQMD staff, the remaining voluntary reduction measures and initiatives are not included in the MOU and will not be utilized by SCAQMD for SIP Credit. The following bullets provide a brief summary of each measure. Full descriptions and expected emissions benefits for each measure are provided in the AQIP.

- RM2 – Fuel Truck Operations involves modifying the current aircraft fueling operations to reduce vehicle miles traveled by diesel-fueled fuel trucks. The AQIP states, “Various alternatives are under development and assessment for feasibility and cost-effectiveness will be conducted.”
- RM3 – Crash Truck Replacement establishes a policy to ensure that when heavy-duty diesel emergency vehicles need replacement, they will be replaced with vehicles with Tier 4<sup>1</sup> engines. The crash trucks that have recently been ordered/purchased will comply with this reduction measure.
- RM4, Airport Fleet Policy, and RM5, Maintenance Truck Reduction, are related measures that involve removing and replacing aging airport fleet vehicles with newer, cleaner models. Under RM4, Airport Fleet Policy, OIAA proposes to turn over leased vehicles ever three years, maintain current compressed natural gas (CNG) vehicles, and look for opportunities to increase the ratio of near-zero and zero emission vehicles in the OIAA fleet. RM4 also includes the installation of electric vehicle chargers in the OIAA Administration Building parking lot. RM5, Maintenance

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<sup>1</sup> Engine tiers are emission standards set by the United States Environmental Protection Agency (USEPA) based on engine size and model year. Tier 4 is the cleanest, most-strict engine standard for diesel engines.

Truck Reduction, takes credit for the recent sales of aging OIAA maintenance trucks and inclusion of newer vehicles leased by maintenance contractors.

- RM6 – Sally Port involves the construction and operation of a Sally Port, which is a centralized delivery location for materials with destinations within the AOA or security perimeter, including the commercial terminals. The Sally Port will be used in lieu of the terminal loading docks, which may result in a reduction of emissions from delivery trucks. In addition to air emission reductions, the Sally Port is expected to significantly reduce waste and provide security benefits.
- RM7 – Construction Equipment Policy will require contractors performing work under contract with OIAA to utilize Tier 4 Final construction equipment. In certain cases where Tier 4 equipment is not available, the best available engine Tier must be used. This policy would be achieved by including a requirement in specification and contract language for each future construction project.
- I8 – CalGreen and LEED Silver Requirement will ensure that future structures constructed on airport property will meet the Title 24 standards for non-residential buildings. In doing so, new buildings will also meet Leadership in Energy and Environmental Design (LEED) Silver requirements in most cases. I8 is in line with City of Ontario energy efficiency policies.
- I9 – EV Infrastructure in Passenger Parking Lots involves expanding existing electric vehicle (EV) charging capacity to keep up with growing demand. The AQIP States, “Potential plans for electric vehicle charging infrastructure will be developed and implemented over the course of this AQIP.”

**CEQA COMPLIANCE:** The ONT MOU is a project that has been determined to not have a significant effect on the environment and which, is therefore, exempt from the provisions of CEQA because it is an action taken by a regulatory agency to assure the maintenance, restoration, enhancement, or protection of the environment (CEQA Guidelines Section 15308) and includes basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource (CEQA Guidelines Section 15306).

**STAFFING IMPACT (# OF POSITIONS):** The proposed action will not create any permanent positions in the OIAA.

**IMPACT ON OPERATIONS:** This action would not impact existing ONT operations.

**SCHEDULE:** N/A |

**EXHIBITS & ATTACHMENTS:** Memorandum of Understanding Between the South Coast Air Quality Management District and Ontario International Airport Authority Regarding Ontario International Airport’s Air Quality Improvement Plan, including Attachment A

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

**MEMORANDUM OF UNDERSTANDING BETWEEN  
THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT AND  
ONTARIO INTERNATIONAL AIRPORT  
REGARDING ONTARIO INTERNATIONAL AIRPORT'S AIR QUALITY IMPROVEMENT PLAN**

This Memorandum of Understanding (MOU) is entered into by the South Coast Air Quality Management District (South Coast AQMD), acting by and through its Governing Board, and Ontario International Airport (ONT or Airport), acting by and through the Ontario International Airport Authority (OIAA) in its capacity as the proprietor and certificated operator of ONT. The Airport and South Coast AQMD shall be referred to collectively as Parties (each a Party) to this MOU.

I. RECITALS

A. RECITALS BY SOUTH COAST AQMD

1. Air Regulatory Agencies. Air pollution remains a significant public health concern in many parts of California, and specifically in the South Coast Air Basin (Basin). The South Coast AQMD, California Air Resources Board (CARB), and the United States Environmental Protection Agency (USEPA) are the regional, state, and federal regulatory agencies, respectively, with jurisdiction over air quality in the Basin. South Coast AQMD and CARB have developed and approved the 2016 Air Quality Management Plan (AQMP) for the Basin for incorporation into the California State Implementation Plan (SIP). The 2016 AQMP received approval by USEPA on October 1, 2019.
2. South Coast AQMD. The South Coast AQMD is the regional air pollution control agency primarily responsible for reducing air pollution in the Basin, which consists of the County of Orange, and the non-desert portions of the Counties of Los Angeles, Riverside, and San Bernardino. The ONT is located within the Basin.
3. Need for Emission Reductions. The Basin is classified as an extreme non-attainment area for the 1997 and 2008 8-hour ozone national ambient air quality standards (NAAQS) with statutory deadlines to reach attainment by 2023 and 2031, respectively. Despite significant air quality improvements achieved over the last several decades, to meet these standards, emissions of oxides of nitrogen (NOx) must be reduced by 45% in 2023 and 55% in 2031 as outlined in the 2016 AQMP, adopted by the South Coast AQMD Governing Board in March 2017. The 2016 AQMP included Control Measure MOB-04 (Emission Reductions at Commercial Airports), with the goal of achieving emission reductions from commercial airports through implementation of voluntary airport strategies.
4. Emissions from Sources at Commercial Airports. Emissions associated with operations at commercial airports contribute to adverse air quality in the

Basin, primarily due to airport-related mobile source activities. These sources include aircraft, cargo trucks, ground support equipment (GSE), off-road vehicles, shuttle buses, and passenger vehicles. Therefore, NOx emission reductions from commercial airports can assist with the effort to attain the ozone standards in 2023 and 2031.

B. RECITALS BY ONT

1. Airport. The Ontario International Airport Authority is the proprietor and certificated operator of ONT.
2. Airport Obligations. ONT enters into this MOU pursuant to its proprietary and governmental powers and authority under the State Aeronautics Act (California Public Utilities Code Sections 21001, et seq.).
3. Management and Operation. The Air Quality Improvement Plan (AQIP) and this MOU reflect the experience of ONT in the management and operation of the Airport including extensive experience with the federal government, commercial aviation operators, general aviation operators and suppliers, the community, local public entities, and the residents of areas in the general vicinity of ONT.
4. Responsibility to Community. The MOU supports and is made in recognition of the importance of ONT to the economic health and well-being of the communities surrounding ONT and the importance of balancing the needs of the City of Ontario, County of San Bernardino and other surrounding communities for adequate commercial air transportation facilities with environmentally responsible air transportation operations at ONT.
5. Statement of Intent. ONT's consideration of the matters and issues referred to in this MOU is not intended as a statement that such matters and issues are the only ones considered by the Airport in connection with the formulation of the AQIP and this MOU. Rather this MOU reflects consideration by ONT of all of its state and federal obligations and responsibilities as the proprietor of the Airport and addresses only those emission sources that the Airport believes it can reasonably affect.
6. Air Quality Improvement Plan (AQIP). ONT has developed its own voluntary AQIP, with technical support provided by the South Coast AQMD. The AQIP represents the Airport's best efforts to develop programs and strategies for reducing NOx emissions from airport mobile source operations based on its existing authority over airport emission sources. The AQIP includes specific initiatives and measures for certain non-aircraft emission sources operating at the Airport.
7. Emissions Inventory. The AQIP includes the 2017 base year emissions inventory and 2023 and 2031 business as usual emissions forecast as well as

the 2023 and 2031 forecasts that include the projected estimates of emissions benefits from voluntary airport AQIP measures with quantifiable emission reductions. The AQIP provides an emissions inventory only for non-aircraft airport sources for which the AQIP includes specific voluntary airport measures and initiatives (i.e., ground support equipment, fuel/delivery trucks, on-road and off-road airport fleet vehicles, shuttle buses, and passenger transportation). ONT has provided the AQIP with supporting calculations to the South Coast AQMD.

C. JOINT RECITALS

1. Purpose of MOU

The purpose of this MOU is to set forth how the Parties, consistent with their respective legal authorities, intend to quantify the emission reduction benefits in the Basin through the implementation of the voluntary airport strategies developed by ONT under the AQIP and MOU, and adopted by the OIAA on [INSERT DATE]. Attachment A, "MOU Schedule," sets forth the specific voluntary airport AQIP measures that are subject to the MOU. This MOU does not create SIP creditable reductions; rather, it identifies specific voluntary airport AQIP measures and provides the means for the South Coast AQMD to quantify the emission reductions from these voluntary airport AQIP measures to obtain SIP credits. The MOU is not intended to limit Airport growth. A central objective of the AQIP and MOU is to generate NO<sub>x</sub> reductions, and corresponding reductions of associated pollutants from non-aircraft airport mobile sources.

- a. The MOU Schedule 1, specified in Attachment A, establish metrics for quantification of emission benefits associated with implementation of voluntary airport AQIP measures for each emissions source category consistent with the 2023 and 2031 dates for attainment of the ozone standards.
- b. The Parties agree the MOU does not: i) Establish an emissions cap or any other facility-wide limit for NO<sub>x</sub>, or any other pollutant; ii) Obligate the Airport to provide a facility-wide inventory of NO<sub>x</sub> or VOC emissions; however, the parties agree to continue to work together in developing inventories of airport emission sources to support the development of future AQMPs outside of the AQIP/MOU process; or iii) Limit the Airport's ability to seek incentive or grant funding through federal, State and local programs, including but not limited to the FAA Voluntary Aviation Low Emissions (VALE) program and other similar programs, which require emissions reductions achieved through such programs to be voluntary in nature and exceed existing obligations to achieve emissions reductions.

- c. The emission reduction benefits from the voluntary airport AQIP measures in Attachment A may be used by South Coast AQMD to obtain SIP credit to the extent the emission reduction benefits quantified by South Coast AQMD for these measures satisfy USEPA's integrity elements (i.e., the emission reductions are quantifiable, surplus, permanent, and enforceable). South Coast AQMD may seek SIP credit for the quantified emission reductions through a separate SIP submittal.
- d. The Parties agree that the South Coast AQMD, and not the Airport, will rectify any shortfall in prospective emission reductions from the voluntary airport AQIP measures specified in Attachment A.
- e. The Parties specifically disavow any desire or intention to create any third-party beneficiary under this MOU, and specifically declare that no person or entity shall have any remedy or right of enforcement.

2. MOU Public Process

- a. Following the adoption of the 2016 AQMP, South Coast AQMD staff held a series of public working group meetings to solicit comments on implementing Control Measure MOB-04 for commercial airports. Based on input received during the public process, South Coast AQMD staff developed a recommendation for the South Coast AQMD Governing Board for the development of an MOU with the commercial airports. In the event that the MOU approach with the airports was not successful, staff also recommended consideration of a regulatory approach for reducing emissions from commercial airports.
- b. In May 2018, the South Coast AQMD Governing Board approved staff's recommendation and directed staff to pursue an MOU approach with the commercial airports to implement 2016 AQMP Control Measure MOB-04.
- c. South Coast AQMD staff has established an MOU Working Group (WG), consisting of representatives from the South Coast AQMD, commercial airports (Los Angeles International Airport, John Wayne Airport, Ontario International Airport, Hollywood Burbank Airport, and Long Beach Airport), CARB, USEPA, environmental organizations, labor, freight industry, airlines, other stakeholders, and the public to solicit comments on the MOU development. South Coast AQMD staff will also monitor the implementation of this MOU and provide reports to USEPA. In addition, South Coast AQMD may utilize other well-established means of communication, including the South Coast AQMD website, Subscribers lists, and Governing Board and Committee meetings, for disseminating information concerning the status of MOU implementation.
- d. The MOU is developed through the public process outlined above for consideration by the South Coast AQMD Governing Board and the Airport's Board.

3. MOU Applicability

- a. The MOU (1) addresses only the voluntary Airport AQIP measures identified in Attachment A, and (2) does not supersede rules that are established by the USEPA or CARB, or legal, regulatory, or contractual obligations that the Airport is subject to such as U.S. Department of Transportation (USDOT) or Federal Aviation Administration (FAA) regulations; federal statutes, including the Anti-Head Tax Act (AHTA), the Federal Aviation Act, and the Airline Deregulation Act; international treaties; or the doctrines of federal preemption, the dormant Commerce Clause, and the Supremacy Clause.
- b. Excluded Sources. Nothing in the AQIP or this MOU is intended or shall be interpreted to regulate or otherwise apply to (1) any source that is not specifically identified as a AQIP Source in Attachment A, including aircraft, inclusive of Auxiliary Power Units (APUs), aircraft engines or any other aircraft parts or systems, (2) the operation of any source that is not specifically identified as a AQIP Source in Attachment A, including aircraft, inclusive of APUs, aircraft engines, or any other aircraft parts or systems, either in flight or on the ground, including while taxiing or parked at an aircraft gate, remain-overnight (RON) position, maintenance facility, or any other airport location, or (3) any and all activities associated with General Aviation (GA) operations including aircraft, GA related GSE and vehicles and equipment. For purposes of the AQIP and this MOU, GA is defined as all civil aviation operations *except*: operations by 14 C.F.R. Part 121 commercial carriers, and regularly scheduled air services, defined as: (i) operated in support of, advertised, or otherwise made available to members of the public by any means for commercial air transportation purposes, and members of the public may travel or ship commercial cargo on the flights; (ii) the flights are scheduled to occur, or are represented as occurring (or available) at specified times and days; and (iii) the operator conducts, or proposes to operate, departures at ONT at a frequency greater than two (2) times per week during any consecutive three (3) week period.

II. NOW, THEREFORE, in consideration of the mutual interests and benefits of all parties to be derived from emissions reductions of NO<sub>x</sub>, and corresponding anticipated reductions of other pollutants, including VOC and PM, resulting from the implementation of the strategies identified in the voluntary AQIP, the Parties hereto agree as follows:

A. AIRPORT'S RESPONSIBILITIES

The OIAA or Airport agrees to take the following actions:

1. AQIP Implementation. Implement voluntary airport AQIP measures identified in Attachment A, Schedule 1.

2. Monitoring and Reporting. Monitor the implementation of voluntary airport AQIP measures and provide data and annual emissions inventory reports to South Coast AQMD as described in Attachment A, Schedule 1.
3. Incentives. Provide monetary or non-monetary incentives for non-aircraft airport mobile sources to the extent possible and as included in the AQIP. Nothing in this MOU requires the Airport to provide incentives.
4. Funding. Support grant funding efforts with potential funding sources that may provide funding for the voluntary airport AQIP measures, at ONT's discretion.

B. SOUTH COAST AQMD'S RESPONSIBILITIES

South Coast AQMD agrees to take the following actions:

1. Technical Analyses for SIP Credit from AQIP emission reductions. The South Coast AQMD will provide the necessary documentation and technical analysis with respect to the calculation of the emission reductions benefits attributable to the voluntary airport AQIP measures identified in Attachment A. This would include, but not be limited to, an analysis of the AQMP/SIP baseline for affected airport sources, emission reductions achieved through AQIP measures in Attachment A based on the AQIP inventories, and an estimation of emissions reductions benefits and corresponding SIP credits. Factors to be considered for purposes of calculating the emission reductions benefits attributable to the voluntary airport AQIP measures in Attachment A shall include, but not be limited to: growth forecasts from the airports, an implementation schedule for voluntary airport AQIP measures, the availability of funding for relevant incentives programs, and the technical and economic feasibility of specific voluntary airport AQIP measures.
2. Federal Enforceability. To the extent necessary to obtain SIP approval, the South Coast AQMD will provide federally enforceable commitments in a SIP update document that is separate from this MOU to the USEPA after approval by the South Coast AQMD and the CARB Boards. South Coast AQMD will monitor, assess, and report emission reductions benefits from the voluntary airport AQIP measures identified in Attachment A to the USEPA.
3. Responsibility for Shortfall. The South Coast AQMD shall be solely responsible to make up any emissions reduction shortfalls that may occur in the event that the actual voluntary airport AQIP emissions reduction benefits do not achieve the projected emissions reduction benefits resulting from implementation of the voluntary airport AQIP measures specified in Attachment A. South Coast AQMD will also commit to adopt and submit substitute measures to USEPA to remedy any potential emission reduction shortfall associated with implementation of the AQIP measures identified in Attachment A. The Airport shall have no obligation(s) and/or requirement(s) to implement any substitute

measures to remedy any potential emission reduction shortfall associated with implementation of the AQIP measures identified in Attachment A, unless otherwise mutually agreed on by both parties. Notwithstanding the above, ONT and South Coast AQMD agree that, in the event that the actual emission reductions associated with implementation of voluntary AQIP measures in Attachment A are less than the estimated emissions reduction benefits projected for implementation of these voluntary AQIP measures, ONT and South Coast AQMD will work together to consider potential new or enhanced programs, or better efforts to quantify existing programs, to help South Coast AQMD address any shortfalls.

4. Funding. The South Coast AQMD, at its Governing Board's discretion, will support grant funding efforts with potential funding sources that may provide funding for the voluntary airport AQIP measures.
5. Monitoring. The South Coast AQMD will monitor and assess the implementation of SIP creditable AQIP measures based on information provided by ONT as outlined in Schedule 1 in Attachment A.
6. Information Sharing. The South Coast AQMD will provide the means for ensuring that emission reduction data and other pertinent information related to the implementation of SIP creditable AQIP measures are fully accessible to the public and the USEPA.

C. MOU SCHEDULE

The voluntary airport AQIP measures for which the South Coast AQMD may quantify emission reductions and seek SIP credit through a separate SIP submittal is identified in Schedule 1 of Attachment A and is incorporated as part of this MOU:

1. MOU SCHEDULE NO. 1 - GROUND SUPPORT EQUIPMENT

The Schedule focuses on the voluntary airport AQIP measure and time frame aligned with the AQMP and SIP emission reduction target dates (i.e., 2023, 2031), and includes technical details pertinent to the equipment category such as:

- Metrics or performance targets
- Schedule for program implementation
- Annual reporting by the Airport to South Coast AQMD

Variations in the nature of information and data needed for each of the source measures may be addressed with focused and adaptive revisions to the individual equipment category schedule and may be revised by mutual agreement of the Parties without modifying this MOU.

- D. TERM OF MOU. This MOU shall be in full force and in effect when signed by all Parties following their respective required authorization processes. The initial term of this MOU shall expire on December 31, 2031 unless terminated earlier

pursuant to Section II.E, below. Prior to expiration of this MOU, all Parties agree to meet to evaluate the need for continuing participation. If all Parties agree that continuing participation is desirable, they shall negotiate for their respective Boards' approval, a written extension of the term of this MOU, and any applicable additional MOU Schedules.

- E. WITHDRAWAL AND EARLY TERMINATION. If any Party to this MOU determines that it wishes to no longer be a party to this MOU, then the Party shall provide notice to the other Party at least ninety (90) days in advance of the specified date of termination of the MOU. The Parties commit to work together to resolve any issues and negotiate an updated MOU at least thirty (30) days in advance of the specified date of termination of the MOU. If the Parties are unable to reach agreement, the MOU shall terminate on the date specified in the notification.
- F. ENFORCEABILITY. The Parties agree to implement the provisions in the MOU. The parties agree that implementation of the measures specified in Attachment A is not to be construed as a regulation or requirement of the South Coast AQMD. In the event that any party fails to meet its commitment(s) or anticipates an inability to meet its commitment(s), the Party shall provide notice to the other Party within sixty (60) days of such determination and seek to negotiate a mutually agreeable solution within ninety (90) days of the date of the Notice. The Parties shall continue to comply with all other commitments under this MOU during the negotiations. Nothing contained in this paragraph is intended to limit any rights or remedies that the Parties may have under law. The Parties shall attempt in good faith to resolve any controversy that may arise out of or relating to this MOU. If a controversy or claim should arise that cannot be resolved informally by the respective staffs, executive level representatives of the Parties will meet at least once in person and, in addition, at least once in person or by telephone to attempt to resolve the matter. The Representatives will make every effort to meet as soon as reasonably possible at a mutually agreed time and place.
- G. NOTICES. All notices that are required under this MOU shall be provided in the manner set forth herein, unless specified otherwise. Notice to a Party shall be delivered to the attention of the person listed below, or to such other person or persons as may hereafter be designated by that party in writing. Notice shall be in writing sent by U.S. Certified Mail, Return Receipt Requested, or a nationally recognized overnight courier service. Notice shall be deemed to be received when delivered (written receipt of delivery).

South Coast AQMD:	South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, CA 91765-4178 Attn: Assistant Deputy Executive Officer - Planning, Rule Development & Area Sources
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ONTARIO INTERNATIONAL AIRPORT: Mr. Mark Thorpe  
Chief Executive Officer  
1923 E. Avion Street  
Ontario, CA 91761

- H. AVAILABLE FUNDING. Each Party shall be responsible for its respective costs associated with this MOU and acknowledges that the agreements contained herein by the Parties are subject to the availability of appropriated funds. No Party will submit a claim for compensation to the other Party, or otherwise seek reimbursement of costs from the other Party, for activities carried out pursuant to this MOU.
- I. FUTURE AGREEMENTS. This MOU does not restrict any future agreements between the Parties with respect to the subject matter stated herein or any other subject matter.
- J. JOINT WORK PRODUCT. This MOU shall not be construed against the Party preparing the same, shall be construed without regard to the identity of the person who drafted such and shall be construed as if all Parties had jointly prepared this MOU and it shall be deemed their joint work product.
- K. RECITALS. Each of the Recitals is incorporated into this MOU.
- L. ENTIRE UNDERSTANDING. This MOU, including all attachments, constitutes the entire understanding between the Parties and supersedes all other agreements, oral or written, with respect to the subject matter herein. This MOU shall not be amended except in writing, signed by the Parties which expressly refers to this MOU.
- M. VENUE. This MOU shall be construed and interpreted and the legal relations created thereby shall be determined in accordance with the laws of the State of California. Venue for resolution of any disputes under this MOU shall be County of San Bernardino, California, USA.
- N. SEVERABILITY. If a court of competent jurisdiction holds any provision of this MOU to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of those provisions, will not be affected.
- O. ATTORNEYS' FEES. In the event any action is filed in connection with the enforcement or interpretation of this MOU, each Party shall bear its own attorneys' fees and costs.
- P. AUTHORITY. Except as expressly stated herein, nothing in this MOU shall be construed as a waiver of any Party's discretionary authority or deemed to restrict authority granted to any Party under law in any way with respect to future legislative, administrative, or other actions.

- Q. VOLUNTARY AQIP. The Parties agree that the Airport's AQIP measures in Attachment A are voluntary and are not to be construed as a regulation or requirement of South Coast AQMD.
- R. MOU Modification. This MOU may be subsequently modified at any time but no modification shall be valid or binding unless made in writing and signed by authorized representatives of both Parties.
- S. COUNTERPARTS. The signature pages of this MOU are being executed in counterparts by authorized signatories of the Parties following the approvals by their respective public agency governing boards. When both Parties have signed, all executed counterparts taken together shall constitute one and the same instrument.
- T. AUTHORIZED SIGNATURES. Each signatory of this MOU represents that s/he is authorized to execute on behalf of the Party for which s/he signs. Each Party represents that it has legal authority to enter into this MOU and to perform all obligations under this MOU.
- U. NO ENFORCEMENT AGAINST THIRD PARTIES. The South Coast AQMD shall not seek to enforce the measures specified in Attachment A or any of the measures or new initiatives in the AQIP or any of its terms against JWA's tenants, concessionaries, third party licensees, vendor, or other relevant operators doing business at JWA facilities.

**IN WITNESS WHEREOF**, the Parties hereto have caused this Memorandum of Understanding to be executed by their authorized representatives.

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**

By \_\_\_\_\_  
Name: Dr. William Burke  
Title: Chairman, South Coast Governing Board

Date: \_\_\_\_\_, 20\_\_

Attest \_\_\_\_\_  
Name:  
Title:

**APPROVED AS TO FORM:**

Date: \_\_\_\_\_, 20\_\_  
BAYRON T. GILCHRIST,  
General Counsel

By \_\_\_\_\_  
Name:  
Title:

**ONTARIO INTERNATIONAL AIRPORT**

By \_\_\_\_\_  
Name: Mr. Alan D. Wapner  
Title: President, Ontario International Airport Authority

Date: \_\_\_\_\_, 20\_\_

Attest \_\_\_\_\_  
Name:  
Title:

**APPROVED AS TO FORM:**

Date: \_\_\_\_\_, 20\_\_  
Lori D. Ballance  
General Counsel

By \_\_\_\_\_  
Name:  
Title:

# ATTACHMENT A

## MOU Schedule

### MOU SCHEDULE NO. 1 – GROUND SUPPORT EQUIPMENT

This MOU Schedule No. 1 is based on ONT’s AQIP measure for ground support equipment<sup>1</sup>.

- I. PROGRAM DESCRIPTION – Require that all ground support equipment associated with commercial operations achieve a fleet average NOx emission factors of 2.2 and 1.0 g/bhp-hr in 2023 and 2031, respectively.
- II. PROGRAM TIMEFRAME - Upon execution through 2031.
- III. AIRPORT AGREEMENTS – ONT agrees to the following:
  - A. Implement the measure by working with airport tenants to achieve the above performance targets by specified dates through accelerated turnover to cleaner equipment. ONT shall have complete discretion as to mechanisms used to implement this measure. Such mechanisms may include leases, licenses, operational requirements, or other agreements.
  - B. Beginning in 2021, and every year thereafter through 2031, provide the following information to South Coast AQMD on an annual basis by June 1 for each preceding calendar year:
    1. List of ground support equipment subject to GSE measure with the following information:
      - a. Equipment ID
      - b. Equipment type
      - c. Fuel type
      - d. Engine model year
      - e. Power rating (hp or kW)
      - f. Engine tier level (for diesel engines)
      - g. Annual activity data for non-zero emission equipment that is sufficient to determine emission reductions at a reasonable level of accuracy (i.e., actual operating hours from hour meter readings/maintenance records, average operating hours representative of equipment type and airport, or average operating hours by equipment/fuel type from CARB’s OFFROAD model, if applicable)

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<sup>1</sup> Ground Support Equipment or “GSE” is any vehicle or equipment used to support aircraft operations that is subject to, or included in compliance plans to meet, the requirements of the California Air Resources Board (CARB) In-Use Off-Road Diesel (ORD) Vehicle Regulation Program, CARB Off-Road Large Spark-Ignition (LSI) Engine Fleet Requirements Regulation Program, or CARB Portable Equipment Registration Program and associated Portable Diesel Engine Airborne Toxic Control Measure. Furthermore, GSE as defined here only includes equipment that is not subject to compliance with SCAQMD Rule XX – RECLAIM, or included in a mobile source emission reduction credit program under SCAQMD Rule XVI.

2. For non-zero emission ground support equipment subject to this GSE measure, information regarding the sale or retirement of equipment available through CARB's DOORS system and, for pre-Tier 4 diesel, pre-2010 gasoline, or pre-2010 LPG ground support equipment relocated from ONT to another airport within the South Coast Air Basin, identify: a) the airport to which equipment is relocated, b) date of relocation, and c) estimated projected usage hours.
3. An annual emission inventory for all ground support equipment associated with commercial operations at ONT, including methodology and calculations.

IV. SOUTH COAST AQMD AGREEMENTS – South Coast AQMD agrees to the following:

- A. Verify emission reductions from the implementation of this AQIP measure in order to determine actual emission reductions.
- B. Ensure that any emission reduction data related to this AQIP measure and other pertinent information are accessible to the public and the USEPA.