

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

COMMISSION AGENDA

JANUARY 5, 2015

REVISED

Alan D. Wapner
President

Ronald O. Loveridge
Secretary

Jim W. Bowman
Commissioner

Lucy Dunn
Commissioner

Curt Hagman
Commissioner



Al C. Boling
Executive Director

John E. Brown
General Counsel

Grant D. Yee
Treasurer

WELCOME to a meeting of the Ontario International Airport Authority.

- Authority meetings are held at the City of Ontario Council Chambers located at 303 East B Street, Ontario, CA 91764 or at other such places as the Commission shall designate.
- All documents for public review are on file at the Authority Secretary's offices located within City of Ontario facilities at 303 East B Street, Ontario, CA 91764.
- Anyone wishing to speak during public comment or on a particular 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 California Law, remarks during public comment are to be limited to subjects within Authority's jurisdiction. Remarks on other agenda items will be limited to those items.
- Remarks from those seated or standing in the back of chambers will not be permitted. All those wishing to speak including Commissioners and Staff need to be recognized by the Authority President before speaking.

ORDER OF BUSINESS: The Authority meeting begins with Public Comment at 10:00 a.m., immediately followed by the Regular Meeting.

(EQUIPMENT FOR THE HEARING IMPAIRED IS AVAILABLE IN THE CITY OF ONTARIO'S RECORDS MANAGEMENT OFFICE)

CALL TO ORDER (*OPEN SESSION*)

10:00 a.m.

ROLL CALL

Loveridge, Bowman, Dunn, Hagman, Wapner

SPECIAL CEREMONIES

SWEARING-IN: COUNTY SUPERVISOR CURT HAGMAN

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

CLOSED SESSION

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: Ontario International Airport, 2900 East Airport Drive, Ontario; Authority Negotiator: Executive Director or designee; Negotiating parties: Los Angeles Mayor or his designee; Under negotiation: Price and terms of payment.

In attendance: Loveridge, Bowman, Dunn, Hagman, Wapner

PLEDGE OF ALLEGIANCE

REPORT ON CLOSED SESSION

PUBLIC COMMENTS

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

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

CONSENT CALENDAR

Each member of the public wishing to address the Commission on items listed below will be given a total of 3 minutes.

1. APPROVAL OF MINUTES

Minutes for the meetings of the Ontario International Airport Authority of December 1, 2014, and approving same as on file with the Secretary/Assistant Secretary.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

2. PRESENTATION (ONTARIO INTERNATIONAL AIRPORT: ECONOMIC IMPACT UPDATE)

COMMISSIONER MATTERS

3. DESIGNATION OF OFFICERS

STAFF MATTERS

ADJOURNMENT

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY
CLOSED SESSION REPORT**

January 5, 2015

ROLL CALL: Bowman __, Dunn __, Hagman __, Loveridge __
President Wapner __.

STAFF: Executive Director __, Legal Counsel __

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: Ontario International Airport, 2900 East Airport Drive, Ontario; Authority Negotiator: Executive Director or designee; Negotiating parties: Los Angeles Mayor or his designee; Under negotiation: Price and terms of payment.

In attendance: Bowman, Dunn, Hagman, Loveridge, Wapner

| No Reportable Action | Continue | Approved |
|----------------------|----------|----------|
| / / | / / | / / |

Disposition: _____

Reported by: _____
Legal Counsel / Executive Director

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY
COMMISSION – REGULAR MEETING
MINUTES**

Monday, December 1, 2014
(Not Official Until Adopted)

The regular meeting of the Ontario International Airport Authority was held on Monday, December 1, 2014, in the City Council Chambers at Ontario City Hall, 303 East “B” Street, Ontario, California.

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

CALL TO ORDER

Commission President Wapner called the Ontario International Airport Authority Commission meeting to order at 10:01 a.m.

ROLL CALL

| | | |
|----------|----------------|---|
| PRESENT: | Commissioners: | Jim W. Bowman, Ronald O. Loveridge, Gary Ovitt, and Alan D. Wapner |
| ABSENT: | Commissioners: | Lucy Dunn |

Also present were Executive Director Al C. Boling, Legal Counsel Thomas Rice and Assistant Secretary Vicki Kasad.

CLOSED SESSION

Hearing no requests to speak from the public, President Wapner adjourned the meeting to Closed Session at 10:01 a.m., for discussion of the following:

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: Ontario International Airport, 2900 East Airport Drive, Ontario;
Authority Negotiator: Executive Director or designee; Negotiating parties: Los Angeles Mayor or his designee; Under negotiation: Price and terms of payment.

RECONVENE IN PUBLIC SESSION

The Ontario International Airport Authority Commission meeting was reconvened in public session at 10:39 a.m.

The Pledge of Allegiance was led by Vice President Ovitt.

CLOSED SESSION REPORT

President Wapner indicated that the Commission provided direction to its negotiator and authorized the Executive Director to send a letter to the Mayor of Los Angeles formally requesting a meeting this year. He explained that after numerous attempts to contact Los Angeles staff, responses have not been received and negotiations have collapsed. He stressed that it is extremely important that we get together with the Mayor to determine the status of negotiations; and clarified that this is outside the scope of the litigation. He commented that Mayor Garcetti has publicly expressed support for local control of the airport and stated that the transfer amount should be based on what Los Angeles has expended on the airport and no more. President Wapner indicated that the OIAA has publicly supported that position. He further advised that the Commission had directed the Executive Director to make weekly phone calls to the Mayor's Office to assure that we receive a response to the request for meeting prior to the close of the calendar year. President Wapner indicated that there appeared to be a gap between Mayor Garcetti's comments and the direction of his negotiators, and it was important to determine the City of Los Angeles' direction. He also noted that Senator Feinstein would be invited to attend the meeting.

PUBLIC COMMENTS

None.

CONSENT CALENDAR

1. APPROVAL OF MINUTES

Approved the Minutes for the meeting of the Ontario International Airport Authority of November 3, 2014, as on file with the Secretary/Assistant Secretary.

2. FISCAL YEAR 2014-15 PROPOSED BUDGET

The Commission considered and adopted the Fiscal Year 2014-15 Proposed Budget.

3. PRESENTATION (ONTARIO INTERNATIONAL AIRPORT: PERFORMANCE UPDATE)

Executive Director Boling presented the Performance Update as prepared by Bob Hazel of Oliver Wyman, to cover the period through September 2014 and projections through the end of the year. He noted that Ontario has suffered the greatest passenger decline from 2000 to 2014 among the competing airports in the region.

Secretary Loveridge questioned the large swing in numbers for Long Beach airport. Executive Director Boling indicated that it was partially due to the limitations on Jet Blue. President Wapner added that Jet Blue was initially established at Ontario, doubled its flights to two non-stops to the east coast and intended to establish a hub at Ontario, but could not negotiate the agreement with LAWA, so Jet Blue then went to Long Beach.

Executive Director Boling indicated that it is anticipated that ONT will finish the year with 4.1 million passengers. He commented that while any increase is welcomed, the increase comes as seat capacity is being reduced. He further commented that 2015 shows capacity reductions for the eighth consecutive year. He presented market share comparisons and noted that all of the growth in the other airports has been predominantly at the expense of Ontario.

President Wapner noted that since the election of prior Mayor Villaraigosa the Los Angeles market share has not gone down. Executive Director Boling confirmed that since 2007 LAX's market share had only gone up.

President Wapner indicated that the reason for this report is that there continues to be statements from Mr. Jess Romo, General Manager of ONT and Van Nuys, and LAWA, is that the numbers for Ontario are increasing. He stressed the need to keep the reported numbers in perspective and commented that the efforts by Los Angeles to regionalize aviation have failed miserably. He indicated that it is not fair to the residents who live near LAX, which continues to steal passengers from ONT, and LAX is causing excessive environmental issues to all of Southern California. He stressed the need to bring back local control, noting that Ontario has publicly posted a business plan to reverse the trends at Ontario International Airport, and Los Angeles has done nothing to address the concerns because it is not to their benefit.

Secretary Loveridge indicated that he thought the numbers were important to focus on as a monitor, but for Inland Southern California it is not so much a number of passengers, but an economic impact. He stressed that the airport is an economic driver which has direct and indirect impacts on the employment and economics of the region.

Commissioner Bowman commented that the economic impact is staggering when you look at employment, cash flow and other issues, in addition to making people drive to Los Angeles to catch a flight. He expressed that there has to be a way to resolve this issue and make a deal.

Vice President Ovitt commented that he was disappointed to be leaving the Commission today, as he had hoped we would have the airport back before he left. He noted that the original JPA was formed in the 1960's to benefit the airport and LAWA has not done their job and that Los Angeles is not working with us. He stressed the need for the Los Angeles Mayor to get serious about his comments. He looked forward to the future success of the Commission.

President Wapner indicated that the Commission would like an economic impact analysis included in the report next month as an update. He commented that Mayor Garcetti has said he wants to be a regional Mayor, but his efforts to date are all for Los Angeles County, not the rest of Southern California. He indicated that since no public campaign effort has been as successful as Set ONTario Free, Mayor Garcetti needs to join the effort if he wants to be a regional Mayor. He suggested finishing this process to benefit everyone in Southern California and looked forward to meeting with Mayor Garcetti personally.

Secretary Loveridge noted that we are entering our second year of negotiations with Mayor Garcetti.

MOTION: Moved by Secretary Loveridge, seconded by Commissioner Bowman and carried by unanimous vote of those present, with Commissioner Dunn absent, to approve the Consent Calendar as presented.

COMMISSIONER MATTERS

President Wapner noted that this would be Vice President Ovitt's last meeting as the San Bernardino County representative on the Commission, but clarified that we will invite him back to celebrate when we bring the airport home. He presented Mr. Ovitt with a Certificate of Appreciation on behalf of the Commission, noting that San Bernardino County has been very supportive of this effort. He thanked Mr. Ovitt for his personal work in and for Ontario.

Commissioner Bowman commented on the contributions of Vice President Ovitt and expressed appreciation for all he has done for the community.

Secretary Loveridge commented that Mr. Ovitt has brought good will, perspective, integrity and trust, and thanked him for his many years of public service.

Vice President Ovitt thanked the Commissioners for their comments and for the opportunity to serve.

ADJOURNMENT

President Wapner adjourned the Ontario International Airport Authority Commission meeting at 11:07 a.m.

Respectfully submitted:

VICKI KASAD, MMC, ASSISTANT SECRETARY

APPROVED:

ALAN D. WAPNER, PRESIDENT
ONTARIO INTERNATIONAL AIRPORT AUTHORITY