SPECIAL MEETING MINUTES ONTARIO CITY COUNCIL AND ONTARIO HOUSING AUTHORITY March 2, 2018

JOINT MEETINGS

Special meetings of the Ontario City Council/Ontario Housing Authority were held on Friday March 2, 2018 in the City Council Chamber at the Ontario City Hall, 303 East B Street, Ontario, California.

CALL TO ORDER

Mayor Leon called the City Council/Housing Authority meetings to order at 9:05 a.m. and requested the City Clerk call the roll.

PRESENT: Mayor/Chairman

Mayor pro Tem/Vice Chairman

Council/Authority Members:

Paul S. Leon

Alan D. Wapner

Jim W. Bowman, Debra Dorst-Porada

and Ruben Valencia

ABSENT: None

Also present were City Manager/Executive Director Scott Ochoa, ONT CEO Mark Thorpe and City Clerk Sheila Mautz.

PUBLIC COMMENTS

There were no public comments.

AGENDA REVIEW/ANNOUNCEMENTS

City Manager Ochoa indicated that there were no additions or announcements regarding the agenda.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

1. UPDATE ON ONTARIO INTERNATIONAL AIRPORT (ONT) BY CEO MARK THORPE.

ONT CEO Thorpe provided an update on the airport indicating that the new year was off to a good start with great growth since the transition. He indicated that 2017 had a 7% increase in passenger traffic over 2016 and cargo increased 15.3%. He explained that much of that growth was due to new services launched by Southwest to Dallas Love Field, American Airlines nonstop service to Chicago O'Hare, Volaris nonstop service to Leon/Guanajuato and Frontier Airlines nonstop service to Denver and San Antonio. He also explained that a portion of the increase is due to the number of seats per aircraft being increased. He noted that in January of 2018, passenger traffic was up almost 11%, and the summer should see even higher peak traffic levels. Cargo levels were also up for January.

Mayor pro Tem Wapner requested clarification of the importance of cargo traffic to the success of the airport. CEO Thorpe explained that when passenger traffic was at its lowest, cargo traffic kept the airport on financially firm footing, as it tends to be pretty consistent.

Mayor Leon noted that a lot of people are unaware that there is also cargo being transported in the bellies of passenger planes. CEO Thorpe confirmed, noting the significance of that portion of cargo activity. He explained that freight/cargo activity is an indicator of job creation in the area of technology as logistics companies adopt more automation.

CEO Thorpe indicated that the most important recent news was that China Air is poised to start operations at Ontario on March 25, 2018, as the first new trans-oceanic flights for California outside of LAX. He noted that China Air's original intent was to have flights four times a week, but they have increased their plan to daily and moved one flight from LAX to ONT due to the high demand in this area. Thorpe advised that the airline will utilize 330-seat planes for these flights to Taiwan.

CEO Thorpe commented on upgraded signage, shuttle buses and FIDS screens at the airport, as well as new food, beverage and retail options. Council Member Valencia inquired if there would be duty free lockers. Mr. Thorpe confirmed that they are looking into something like Amazon Lockers.

CEO Thorpe showed examples of the new billboards and played sample radio spots. Council Member Bowman gave his personal experience with the difference in drive times to access ONT versus LAX. Mr. Thorpe concurred, and noted the need for an ongoing partnership with LAX and taking a regional view of Southern California's airport system.

Mayor pro Tem Wapner asked about the ability to make transfers easy for international passengers. Mr. Thorpe indicated that it should be pretty seamless once passengers clear customs, as long as the airlines have inter-line agreements in place.

Mr. Thorpe talked of market sensitivity caused by spikes in jet fuel costs. He also noted that several airports have no room for more flights, so any new flights would likely come to Ontario.

Mayor Leon inquired about marketing in other languages and the balance of general aviation between ONT and Chino Airport. Mr. Thorpe explained the marketing strategy in the U. S. and abroad; and that airport staff had spent a lot of time on "good-better-best" discussions—always looking to do what is best for Ontario Airport and region. Mayor pro Tem Wapner offered that the FBO's at Ontario and Chino are completely different, so there is room in the market for both.

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None.

COUNCIL MATTERS

None.

ADJOURNMENT

Mayor Leon adjourned the meetings of the Joint Agencies at 9:51 a.m. and announced the next regular meetings to be held on Tuesday, March 6, 2018.

Respectfully submitted:

SHEILA MAUTZ, CITY CLERK / SECRETARY

APPROVED

PAUL S. LEON, MAYOR/CHAIRMAN