ONTARIO INTERNATIONAL AIRPORT AUTHORITY
COMMISSION MEETING

MINUTES

MONDAY, JANUARY 7, 2013

A meeting of the Ontario International Airport Authority was held on Monday, January 7, 2013 in the City Council Chambers at Ontario City Hall, 303 East "B" Street, Ontario, CA.

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, Lucy Dunn, Ronald O. Loveridge, Gary Ovitt, and Alan D. Wapner
ABSENT:	Commissioners:	None

Also present were: Executive Director Chris Hughes, General Counsel John Brown, 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 10:25 a.m.

The Pledge of Allegiance was led by Commissioner Dunn.

CLOSED SESSION REPORT

President Wapner advised that there was no reportable action from the Closed Session discussion.

PUBLIC COMMENTS

None.

DISCUSSION/ACTION ITEMS

1. Approval of Minutes

Minutes for the meetings of the Ontario International Airport Authority of November 5 and December 3, 2012, and approving same as on file with the Secretary/Assistant Secretary.

MOTION: Moved by Commissioner Bowman, seconded by Vice-President Ovitt and carried by unanimous vote to approve the Minutes as presented.

2. Presentation, Discussion and Approval of the Business Plan for the Ontario International Airport.

President Wapner requested comments from the ad hoc committee members, Commissioner Dunn and Commissioner Bowman.

Commissioner Dunn indicated that she was delighted to work with Commissioner Bowman and staff during this project. She indicated that this is an overarching, aspirational plan that helps guide the Authority's thinking as it moves forward in preparation for ultimate local control of the airport.

Commissioner Bowman expressed appreciation for the opportunity to work with Commissioner Dunn. He indicated that this plan is a high altitude view of how best to make the airport successful, and it provides a road map for cooperation with the business community. He further indicated that it includes plans for developing the ancillary properties around the airport, and focuses on growing the number of flights. He noted that a marketing plan is critical in the overall development of the airport, as is the relations with the customer, setting of air fares, accountability and intelligence in the operation and management of a well run, self-sufficient airport.

Secretary Loveridge indicated that he thought the plan was exceptionally well-crafted and a statement both of aspirations and reasons why there is a quest for a separate authority. He suggested that once the executive summary is approved, he would like to have copies of it for distribution and a written response when he is asked about the purpose of the Authority and where it is headed.

President Wapner stated that this plan answers the question of what would be different under local control. Having presented publicly an outline for a business plan lends credibility to what the turnaround plan is and the direction of the Authority. He reiterated that after approval it should be available for dissemination by the commissioners and other entities involved in the issue of local control.

Commissioner Bowman noted that the ad hoc committee saw this as a fluid, living document subject to change. He stressed that there are other factors such as outside influences, the economy and upgrades of aircraft which would need to be factored in as they arise and impact operations.

Nick Johnson, Johnson Aviation, presented the executive summary. He clarified that the document presented was an outline for the ultimate business plan, and addresses the major goals and primary challenges the Commission faces. He read the Mission Statement, and identified some of the initial issues for ONT; operating costs are too expensive and non-competitive; passenger service levels in serious decline; fierce competition and airline industry consolidation continues because costs are too high and margins are too low. He noted that businesses and corporations are continuing to wane and stressed the importance of a comprehensive regional economic development strategy. He explained the four goals set out in the plan being 1) Reduce airline costs to compete effectively in the marketplace; 2) Develop airport related businesses, such as cargo services to minimize costs and generate more jobs; 3) Expand air service, offering more flights at more reasonable fares; and 4) Provide customer friendly facilities and services to raise airport customer service satisfaction. He reiterated that this was an executive summary and a starting point for discussions. The Authority must fill in more details as the efforts move forward; and the plan should be a guideline on how to implement the goals and provide direction to staff, which is key to the success of the airport.

Commissioner Dunn commended Mr. Johnson on his presentation, noting that this is a high-level overview, which has encapsulated the concerns and needs of

the major stakeholder groups for the area. She indicated that with all of the listed components in place the airport will achieve success.

MOTION: Moved by Commissioner Bowman, seconded by Vice-President Ovitt to approve the Business Plan as presented.

Secretary Loveridge commented on the importance of "best in class" service ratings, noting recent comments from people having to leave out of LAX. He stressed that people need to view using Ontario Airport as a good experience, and noted that this is a search for best practices to implement, so ONT can remain in the forefront.

Commissioner Bowman expressed appreciation to the Executive Director and Legal Counsel for their assistance in putting this plan together.

Vice President Ovitt concurred with distributing the executive summary, noting connections with SCAG, SANBAG and other organizations to get the word out to all of Southern California. He also commented on customer satisfaction aspects in that while no one looks forward to security checks and other components at the airport, the Authority needs to look at making it a more pleasant experience.

President Wapner noted that this commission would be involved in the future design of the third terminal. He also commented on the importance of integrating the airport into a regional economic development strategy, not only for the Inland Empire, but all of Southern California.

Motion carried by unanimous vote.

COMMISSIONER MATTERS

Commissioner Bowman noted that there would be a meeting of the Ontario Airport Alliance at the Citizens Business Bank Arena on January 9, 2013 from 5:30 to 7:00 p.m. He commented that this was part of the ongoing efforts by the business community to provide support to the commission and the airport. President Wapner added that the Alliance meeting would be held in the San Manuel Club of the Arena.

STAFF MATTERS

None.

ADJOURNMENT

President Wapner adjourned the Ontario International Airport Authority Commission meeting at 10:45 a.m. to the next regularly scheduled meeting on Monday, February 4, 2012 at 10:00 a.m.

Respectfully submitted:

ASSISTANT SECRETARY

APPROVED:

ALAN D. WAPNER, PRESIDENT
ONTARIO INTERNATIONAL AIRPORT AUTHORITY