

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY
COMMISSION MEETING**

MINUTES

MONDAY, APRIL 1, 2013

A meeting of the Ontario International Airport Authority was held on Monday, April 1, 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 10:00 a.m.

ROLL CALL

PRESENT: Commissioners: Jim W. Bowman, Lucy Dunn, Gary Ovitt
Ronald O. Loveridge, 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 10:06 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 10:51 a.m.

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

Approved the Minutes for the meeting of the Ontario International Airport Authority of February 4, 2013 and March 4, 2013, and approving same as on file with the Secretary/Assistant Secretary.

MOTION: Moved by Commissioner Bowman, seconded by Commissioner Dunn and carried by unanimous vote to approve the Minutes as presented.

2. Approval of Official Logo and Associated Colors

Executive Director Hughes noted that at the last meeting direction had been given to staff with regard to the proposed logo. He indicated that the proposed revision looked good and with approval would allow staff to move forward to order business cards for the Board. He also noted that the new logo would be consistent with the City and Convention Center marketing marks.

President Wapner questioned the Ontario identity and whether it would be appropriate to add "California" to the logo. Executive Director Hughes indicated that with the additional verbiage it starts to get too busy and presents a design challenge. He suggested that the only real issue is the connection with Canada. Commissioner Dunn indicated that she likes the logo as revised, noting that it is clean and simple.

MOTION: Moved by Commissioner Dunn, seconded by Commissioner Bowman and carried by unanimous vote to approve the official logo and associated colors (Blue – Pantone 2757C, Grey – Pantone 428C and Dark Grey – Pantone 425C) to represent and identify the Ontario International Airport Authority (OIAA).

3. Update on Passenger and Cargo Traffic at ONT.

Nick Johnson, Johnson Aviation, noted that questions arose at the meeting in February, so the slide presentation had been updated to include the outlook for continued passenger activity. He indicated that there continues to be a

downward trend on a month to month basis. He also showed the percentage change by airline on a monthly basis.

Secretary Loveridge addressed the table regarding scheduled seats compared to the prior year and noted that the trend was pretty consistent since January. He inquired if there was any expectation or variable that would change the sequence of loss of passengers. Mr. Johnson indicated that airport financing is an internal enterprise fund, so all costs to operate are distributed among the available passengers. He explained that as the number of passengers are reduced, the costs per enplanement are increased, so the cost for each successive passengers goes up; so until it is possible to change the trajectory of the passengers using the airport, it will be stuck in this trend.

Mr. Johnson noted that on an airline by airline basis Delta and United are pulling back service and introducing smaller aircrafts. He indicated that this drives people away because they don't want to fly on smaller planes. President Wapner addressed the airline comparison, noting that overall Southwest has about half of the flights at the airport and stressed the significance of their decline. Commissioner Dunn commented that the statistical area was now showing improvement in employment numbers, but the airport continued to decline. Executive Director Hughes inquired of Mr. Johnson what happens after airlines start bringing in regional jets. Mr. Johnson indicated the next step is cessation of service to that particular market. Vice President Ovitt inquired what percentage of passengers choose not to fly on smaller airlines. Mr. Johnson indicated that he could bring that information back to the Board, but stressed that there were fewer seats available in the marketplace and this made the operating costs so high per passenger that they would be pulled off the market completely. He commented that this year the airport would be down another eight percent, taking the ridership below four million annual passengers, even though the population in the service area continues to increase steadily and there has been a major turnaround in the employment picture. President Wapner indicated that the economy would be even stronger if we had a strong airport, because even with the huge downturn at the airport we are still seeing a turnaround in the economy. He suggested that one indicator to keep an eye on is that while income continues to grow, the buying power of that income is challenged, which impacts leisure travel.

President Wapner inquired whether the airport governing board in Los Angeles has had an opportunity to review this same presentation. He indicated that it

appears that the information does not matter to them. Commissioner Dunn inquired if it would be possible to present this information to them during public comment or in some other way present it to the Board. Executive Director Hughes indicated that either would work, and indicated that he would be happy to forward the presentation to them. Secretary Loveridge inquired if Ontario had ever appeared before a LAWA meeting. President Wapner indicated that they had attended and were given three minutes. He indicated that they still view Ontario as the competition, not a partner. Commissioner Dunn volunteered to take a three minute power point and attend a meeting to make a presentation. President Wapner thought it would be good to appear on the agenda and make a presentation on what is going on in Ontario. Executive Director Hughes inquired if that should be a request from staff. President Wapner indicated that it was a request from the Authority.

Commissioner Bowman questioned the potential of an expanded effort on the educational process through the Los Angeles Times. Executive Director Hughes indicated he would share the information with them. Vice Chairman Ovitt questioned the last time the LAWA Board came out here for a meeting. President Wapner indicated that he spoke with a member of their Board who indicated that their attorney indicated this was outside the jurisdiction. Vice President Ovitt suggested extending an invitation to them. Executive Director Hughes suggested this might be a dual request, to which he received Board concurrence. Commissioner Dunn suggested sharing this information with the community partners so they could participate as well.

President Wapner inquired of Mr. Johnson about the cargo statistics. Mr. Johnson indicated that he had no further updates on cargo.

President Wapner noted a comment in the San Bernardino County Sentinel regarding the impact of sequestration closing the tower at ONT at night, and a comment by UPS that it could cause them to close their operation. Executive Director Hughes commented that the closure of the tower could be an issue for the City with the Police helicopter, but to date no decision had been made. He indicated that such a decision would impact the ability to fly between midnight and 6 a.m., and UPS would have to fly out to the west. He advised that there would be no real answers until the next meeting. President Wapner commented that his fear was that Los Angeles would just say that it was too bad. He suggested that it was cheaper to pay our own FAA person to staff the tower at night.

COMMISSIONER MATTERS

Commissioner Dunn commented that the California Transportation Commission has an Aeronautics Committee, and she is now the Chair of that Committee. President Wapner suggested making a presentation to that body.

Vice President Ovitt indicated that his anger with airport issues only makes him feel more strongly about the righteous pursuit of the ownership of the airport.

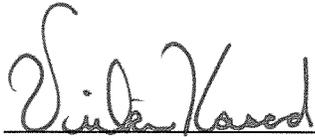
STAFF MATTERS

None.

ADJOURNMENT

President Wapner adjourned the Ontario International Airport Authority Commission meeting at 11:28 a.m. to the next regularly scheduled meeting on Monday, May 5, 2012 at 10:00 a.m.

Respectfully submitted:



ASSISTANT SECRETARY

APPROVED:



ALAN D. WAPNER, PRESIDENT
ONTARIO INTERNATIONAL AIRPORT AUTHORITY