

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

COMMISSION AGENDA – SPECIAL MEETING



JANUARY 19, 2023, AT 2:00 P.M.

Ontario International Airport Authority Administration Offices
1923 East 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

ATIF ELKADI
Chief Executive Officer

LORI D. BALLANCE
General Counsel

JOHN M. SCHUBERT
Treasurer

NORMA I. ALLEY, MMC
Board Clerk/Assistant Secretary

WELCOME TO A 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 agenda item, will be required to fill out a Request to Address Card (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.
- You may submit public comments by e-mail to publiccomment@flyontario.com no later than 4:00 p.m. the day before the meeting. Please identify the Agenda item you wish to address in your comments. All e-mail comments will be included in the meeting record.
- Comments will be limited to 3 minutes. Speakers will be alerted when their time is up and no further comments will be permitted. Speakers are then to return to their seats.
- 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.
- 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. Any members of the public who require special assistance or a reasonable accommodation to participate may contact the Board Clerk at (909) 544-5307 or clerk@flyontario.com.

CALL TO ORDER (OPEN SESSION)

ROLL CALL

Loveridge, Bowman, Hagman, Gouw, President Wapner

PLEDGE OF ALLEGIANCE

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

Agenda item contractors, subcontractors and agents 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.

CLOSED SESSION

PUBLIC COMMENT ON CLOSED SESSION

CLOSED SESSION

- CONFERENCE WITH REAL PROPERTY NEGOTIATORS (GOV §54956.8.)
Property: ONT Terminals
Agency negotiator: OIAA General Counsel's office
Under negotiation: Potential Lease with SSP America

REPORT ON CLOSED SESSION

General Legal Counsel

PUBLIC COMMENTS

The Public Comment portion of the Commission meeting is limited to a maximum of 3 minutes for each Public Comment. Under provisions of the Brown Act, the Commission is prohibited from taking action on oral requests.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

2. CONCESSION AGREEMENT WITH SSP AMERICA FOR FOOD AND BEVERAGE OUTLETS

That the Ontario International Airport Authority (OIAA) Commission authorize the Chief Executive Officer (CEO) to execute a Food & Beverage (F&B) concession agreement with SSP America to re-brand and build restaurants in Terminals 2 & 4 to provide food and beverage services at Ontario International Airport (ONT) for a term of 20 years with one 5-year option to extend the term.
(CONTINUED FROM 12/19/2022)

MANAGEMENT REPORT

Executive Office

COMMISSION MATTERS

President Wapner

Vice President Loveridge

Secretary Bowman

Commissioner Hagman

Commissioner Gouw

ADJOURNMENT


AFFIDAVIT OF POSTING

I, Norma I. Alley, MMC, Board Clerk of the Ontario International Airport Authority (OIAA), do hereby declare under penalty of perjury that the foregoing agenda has been posted at the administrative office and on the OIAA website in compliance to the Brown Act.

Date Posted: January 12, 2023

Time posted: 2:00 P.M.

Signature:



Norma I. Alley, MMC

Ontario International Airport Authority Board Clerk

THIS PAGE INTENTIONALLY LEFT BLANK



MEETING DATE: JANUARY 19, 2023

AGENDA SECTION: AGENDA REVIEW/ANNOUNCEMENTS

SUBJECT: RELATIVE POSSIBLE CONFLICT OF INTEREST

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Declare Conflict of Interest pertaining to agenda items and contractors and/or subcontractors, which may require member abstentions due to possible conflicts of interest.

FISCAL IMPACT SUMMARY: N/A

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
02	SSP America, Inc.	<ul style="list-style-type: none">None

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A

ATTACHMENTS: N/A

STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: Norma I. Alley, MMC

Originating Dept.: Executive

Director Review: N/A

Chief Review: 

CEO Approval: 

This Agenda Report has been reviewed by OIAA General Counsel.

The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein, which are not attached or posted online, may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Board. Office hours are 8:30 a.m. to 5:00 p.m., Monday through Friday, although these hours and review procedures may be modified. In that case, the documents may be requested by email at clerk@flyontario.com.

BOARD DISPOSITION: Approved Denied Continued to _____



MEETING DATE: DECEMBER 19, 2022 (CONTINUED)
JANUARY 19, 2023

AGENDA SECTION: ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

SUBJECT: CONCESSION AGREEMENT WITH SSP AMERICA FOR FOOD AND BEVERAGE OUTLETS

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to execute a Food & Beverage (F&B) concession agreement with SSP America to re-brand and build restaurants in Terminals 2 & 4 to provide food and beverage services at Ontario International Airport (ONT) for a term of 20 years with one 5-year option to extend the term.

FISCAL IMPACT SUMMARY: There will be a positive impact to the income to OIAA over the term with short term impact during the transition and a measured impact during the mid-term refurbishment and potential rebranding at that time. Upon the Rent Commencement Date of this agreement, SSP shall pay the OIAA a twelve percent (12%) Concession Fee for food & beverage and sixteen percent (16%) for alcohol sales of its monthly Gross Receipts. Annual rent of \$124.23 per square foot shall be paid monthly upon occupancy for any office or storage space rented in the Terminals, as may be required to support their operations. SSP projects first year \$14,620,000 sales, more than \$475,000,000 in sales over the initial term with more than \$66,000,000 income to OIAA within the initial 20 year term. Please note that the COVID pandemic experienced since 2020 has resulted in changes to the non-aeronautical concession industry, such that if the operation of concessionaire's business at the Airport is affected by shortages, disruptions of the supply chain, or staffing at levels resulting in materially decreased gross revenues for a period of sixty (60) or more consecutive days, then the obligation to open the leased premises for business shall be excused, until such shortage or disruption ceases.

BACKGROUND: ONT is a medium hub airport and is a major air-cargo facility in Southern California, with more than 750,000 tons being carried to and from the airport each year. The OIAA wishes to provide passengers traveling through ONT with a friendly environment that helps reduce the stress of travel, while providing them with a superior travel experience and productivity-enhancing amenities. The OIAA is confident that the development of a broad width and breadth of food and beverage outlets in each of its terminals will be an important step to provide such highly-sought-after amenities. reflects the attractiveness of OIAA in the industry, while including local business in providing such highly-sought-after amenities for the continued growth and productivity of the OIAA concession business.

PROCUREMENT: RFP #220011 Operation, Maintenance, and Management of Food and Beverage Outlets and or Retail Outlets at Terminal 2 & Terminal 4 at Ontario International Airport was issued on Friday, January 28, on Planet Bids with more than ten firms attending the pre-proposal meeting and the OIAA receiving two (2)

qualified proposals. The RFP team reviewed, graded and interviewed both firms, which presented various options for a variety of Food & Beverage offerings.

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) under CEQA Guidelines section 15301. In addition, to the extent any alteration of the facilities occurs, CEQA Guidelines section 15301 also 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.

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A


SCHEDULE: N/A


ATTACHMENTS: N/A


STAFF MEMBER PRESENTING: Chief Executive Officer Atif Elkadi

Originator Name: Jeff Laass

Originating Dept.: Revenue Management

Director Review: 

Chief Review: 

CEO Approval: 

This Agenda Report has been reviewed by OIAA General Counsel.

The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein, which are not attached or posted online, may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Board. Office hours are 8:30 a.m. to 5:00 p.m., Monday through Friday, although these hours and review procedures may be modified. In that case, the documents may be requested by email at clerk@flyontario.com.

BOARD DISPOSITION: Approved Denied Continued to _____