

**ONTARIO INTERNATIONAL AIRPORT
AUTHORITY
COMMISSION AGENDA
SPECIAL MEETING
MARCH 17, 2014**

Alan D. Wapner
President

Gary Ovitt
Vice President

Ronald O. Loveridge
Secretary

Jim W. Bowman
Commissioner

Lucy Dunn
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.

- Commission 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 Commission'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 Commission President before speaking.

ORDER OF BUSINESS: The Commission 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

Ovitt, Bowman, Dunn, Loveridge, Wapner

CLOSED SESSION PUBLIC COMMENT The Closed Session Public Comment portion of the Council/Housing 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: Ovitt, Bowman, Dunn, Loveridge, Wapner

PLEDGE OF ALLEGIANCE

REPORT ON CLOSED SESSION

PUBLIC COMMENTS

The Public Comment portion of the Commission 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.

DISCUSSION/ACTION ITEMS

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 February 3, 2014, and approving same as on file with the Secretary/Assistant Secretary.

2. A MEMORANDUM OF UNDERSTANDING TO REIMBURSE THE CITY OF ONTARIO FOR ALL COSTS INCURRED RELATED TO THE TRANSFER OF THE ONTARIO INTERNATIONAL AIRPORT

That the Commission authorize the Executive Director to execute a Memorandum of Understanding (MOU) by and between the Ontario International Airport Authority (OIAA) and the City of Ontario (Ontario) setting forth the terms and conditions for reimbursement of costs and expenditures incurred and anticipated to be incurred on behalf of the OIAA in pursuit of a successful Ontario International Airport (ONT) transfer.

COMMISSIONER MATTERS

STAFF MATTERS

ADJOURNMENT

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY
CLOSED SESSION REPORT**

March 17, 2014

ROLL CALL: Ovitt __, Bowman __, Dunn __, 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: Ovitt, Bowman, Dunn, Loveridge, Wapner

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

Reported by: _____
Legal Counsel / Executive Director

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY
COMMISSION MEETING**

MINUTES

Monday, February 3, 2014
(Not Official Until Approved)

The regular meeting of the Ontario International Airport Authority was held on Monday, February 3, 2014, 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 10:03 a.m.

ROLL CALL

PRESENT: Commissioners: Jim W. Bowman, Ronald O. Loveridge,
Gary Ovitt and Alan D. Wapner
(Commissioner Dunn participated
telephonically from 2 Park Place,
Suite 100, Irvine, CA)

ABSENT: Commissioners: None

Also present were: Executive Director Al C. Boling, Legal Counsel Alison P. Gomer, and Assistant Secretary Vicki Kasad.

The Pledge of Allegiance was led by Commissioner Bowman.

CLOSED SESSION

Hearing no requests to speak from the public, President Wapner adjourned the meeting to Closed Session at 10:04 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 10:43 a.m.

CLOSED SESSION REPORT

President Wapner commented that the stay on litigation had expired and the matter was scheduled to return to court on Wednesday, February 5, 2014. He indicated that the Commission had given direction to Executive Director Boling with regard to that litigation.

PUBLIC COMMENTS

None.

DISCUSSION/ACTION ITEMS

1. Approval of Minutes

Approved the Minutes for the meeting of the Ontario International Airport Authority of January 6, 2014, as on file with the Secretary/ Assistant Secretary.

MOTION: Moved by Secretary Loveridge, seconded by Vice President Ovitt and carried by the following roll call vote to approve the Minutes as presented.

	Yes	No	Abstain
President Wapner	X		
Vice President Ovitt	X		
Secretary Loveridge	X		
Commissioner Bowman	X		
Commissioner Dunn	X		

COMMISSIONER MATTERS

Commissioner Bowman noted that there would be a regular LAWA meeting at 1:30 p.m. today, and expressed concern that LAWA staff continues to make recommendations on multi-year contracts, which would bind Ontario as the future owners of the airport. He noted that one such contract extends to 2019, which he believes is very presumptuous.

President Wapner concurred, noting that Ontario's role is explained by Los Angeles as "purely advisory." He explained that they fax the agenda, and we are welcome to show up during public comments and talk like anyone else. He suggested that at a minimum it would seem reasonable to discuss binding contracts that would come into play after Ontario takes control of the airport.

Vice President Ovitt commented on the contracts and suggested that those involving grounds maintenance were a problem. He expressed hopes that good times were coming. President Wapner indicated that landscaping and upkeep was supposedly a responsibility of the 200+ employees at the airport.

ADJOURNMENT

President Wapner adjourned the Ontario International Airport Authority Commission meeting at 10:48 a.m. to the next regularly scheduled meeting on Monday, March 3, 2014.

Respectfully submitted:

ASSISTANT SECRETARY

APPROVED:

ALAN D. WAPNER, PRESIDENT
ONTARIO INTERNATIONAL AIRPORT AUTHORITY

**ONTARIO INTERNATIONAL
AIRPORT AUTHORITY**

Agenda Report
March 17, 2014

**SECTION:
CONSENT CALENDAR**

SUBJECT: A MEMORANDUM OF UNDERSTANDING TO REIMBURSE THE CITY OF ONTARIO FOR ALL COSTS INCURRED RELATED TO THE TRANSFER OF THE ONTARIO INTERNATIONAL AIRPORT

RECOMMENDATION: That the Commission authorize the Executive Director to execute a Memorandum of Understanding (MOU) by and between the Ontario International Airport Authority (OIAA) and the City of Ontario (Ontario) setting forth the terms and conditions for reimbursement of costs and expenditures incurred and anticipated to be incurred on behalf of the OIAA in pursuit of a successful Ontario International Airport (ONT) transfer.

FISCAL IMPACT: The total reimbursement to the City of Ontario is undetermined at this time, but will be tabulated after transfer of the airport and shall be subject to applicable Federal guidelines regulating allowable and allocable airport costs. To date, the City of Ontario has spent over \$1 million on behalf of the entire region and the OIAA to facilitate a successful transfer of ONT.

BACKGROUND: In October 2012, the OIAA was formed through a Joint Exercise of Powers Agreement to accept control of ONT from the City of Los Angeles. Since OIAA's formation, the City of Ontario has provided services in support of the OIAA's mission. Ontario has also launched the "Set ONTario Free" campaign to mobilize Southern California's communities to affect a transfer of ONT to local control.

On December 2, 2013 the Commission gave direction to the Interim Special Counsel to draft an MOU by and between the OIAA and the City of Ontario to facilitate the reimbursement of all expenses associated with the transfer of ONT. On February 4, 2014, the Ontario City Council authorized the City Manager to accept the recommended MOU by the OIAA for reimbursement of all costs incurred related to the transfer of ONT. The MOU is now being brought back to the Commission for final approval.

In accordance with the terms and conditions of the recommended MOU, any and all funds expended by the City of Ontario on behalf of the OIAA in pursuit of a successful ONT transfer shall be reimbursed

STAFF MEMBER PRESENTING: Al C. Boling, Executive Director

Prepared by: Al C. Boling
Department: Administration

Approved: _____
Continued to: _____
Denied: _____

Exec. Director
Approval: 

by the OIAA to Ontario after the airport's financial systems and operating budgets are transferred from the City of Los Angeles to the OIAA.

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF ONTARIO
AND
THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY**

This Memorandum of Understanding (“MOU”) is made and entered into by and between the City of Ontario, California (“City”) and the Ontario International Airport Authority (“OIAA”). The City and OIAA are sometimes referred to individually as “Party” and collectively as “Parties” herein. The purpose of this MOU is to document the Parties’ understanding and responsibilities with respect to cost reimbursement for City activities concerning the transfer of LA/Ontario International Airport (“ONT”) from the City of Los Angeles to the OIAA.

RECITALS

A. The OIAA was formed in October 2012 through a Joint Exercise of Powers Agreement to accept control of ONT from the City of Los Angeles.

B. As of December 2013, the City has provided services and funding totaling over one million dollars (\$1,000,000) on behalf of the entire region and the OIAA to facilitate a successful transfer of ONT, including the City’s launch of the “Set ONTario Free” campaign.

C. The Parties acknowledge that any and all funds expended by the City on behalf of the OIAA in pursuit of a successful ONT transfer shall be reimbursed by the OIAA to City after ONT’s financial systems and operating budgets are transferred from the City of Los Angeles to the OIAA.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this MOU, the Parties hereto agree as follows:

1. This MOU shall commence on the date of its execution by all of the Parties and shall remain in effect until one year after transfer of ONT to the OIAA, unless extended pursuant to Section 5 or terminated pursuant to Section 6 herein.
2. The Parties acknowledge that the transfer of ONT will be a lengthy and complex process and the ultimate cost of the transfer is presently unknown. The final cost will not be determined until the transfer of ONT to the OIAA is completed and all of ONT’s financial systems and operating budgets are transferred from the City of Los Angeles to the OIAA. Therefore, the Parties acknowledge that the total amount to be reimbursed to the City is undetermined at present.
 - a. The Parties agree that the OIAA intends to reimburse the City for all its costs to date associated with the “Set ONTario Free” campaign and its services associated with the transfer of ONT. The City shall submit to the OIAA sufficient documentation of the City’s expenses thus far for services and funding provided

to facilitate a successful transfer of ONT, including the City's launch of the "Set ONTario Free" campaign. Documentation shall include such items as copies of vendor invoices, materials acquired, timesheets, and any other documentation to justify the City's reimbursement following the transfer of ONT to the OIAA.

- b. The parties also anticipate that the City, in the future, will provide certain administrative, legal, operating, marketing, communications, and consultant/contractor services in connection with the transfer of ONT. The City shall submit to the OIAA written statements for reimbursement of costs based on actual expenditures. Such statements may be annual, quarterly, or monthly, at the discretion of the City. Each statement shall include sufficient back up documentation so that expenses can be tracked. Documentation shall include such items as copies of vendor invoices, materials acquired, timesheets, and any other documentation to justify payment to the City following the transfer of ONT to the OIAA.
 - c. Because the total expenditures associated with the transfer of ONT cannot be projected at this time, following the successful transfer of ONT to the OIAA, including its financial systems and operating budgets, the OIAA shall reimburse the City within thirty (30) days for all approved costs and expenses incurred, sufficiently documented, and invoiced pursuant to this MOU.
3. All Parties shall maintain complete and accurate financial records with respect to all funds expended by Parties in furtherance of the transfer of ONT from the City of Los Angeles to OIAA under this MOU.
 4. During normal business hours and with prior written notice, each Party shall permit representatives of the other Party as well as any appropriate state or federal representatives to examine, audit, and make copies of records and documents relating to funding provided in furtherance of the transfer of ONT from the City of Los Angeles to OIAA under this MOU.
 5. This MOU may be extended at any time with the written consent of all Parties. All extensions will be effectuated through amendments to this MOU which must be approved by the governing bodies of the Parties.
 6. The entire MOU may be terminated if the governing bodies of both Parties agree to do so in writing. In that event, the MOU will be terminated thirty (30) days following the written notice of termination.
 7. The City of Ontario City Manager or his/her designee shall administer this MOU for the City. The Ontario International Airport Authority Executive Director or his/her designee shall administer this MOU for the OIAA.
 8. This MOU may be amended at any time with the concurrence of the Parties. All amendments shall be made in writing.

9. All notices required under this MOU shall be in writing, by certified or registered mail, return receipt requested or reliable overnight courier, addressed as follows:

City

City of Ontario
Attn: City Manager
303 East B Street
Ontario, CA 91764

OIAA

Ontario International Airport Authority
Attn: Executive Director
C/O City Clerk
303 East B Street
Ontario, CA 91764

10. This MOU constitutes the entire understanding between the Parties with respect to the matters set forth above and proceeds all prior or contemporaneous understandings or agreements between the Parties with respect to the subject matter, whether oral or written.
11. This MOU shall be governed by and construed and interpreted in accordance with the laws of the State of California without giving effect to any choice of law or conflicts of law, rule, or principle that would result in the application of any other laws. The Parties further agree that if any action is brought for the purpose of enforcing any provision of this MOU, such action shall be brought only in any state or federal court located in San Bernardino County, California.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed by and through their respective officers hereunto duly authorized on the date written below their signature.

CITY OF ONTARIO

By: _____
Al C. Boling, City Manager

Date: _____

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

By: _____
Al C. Boling, Executive Director

Date: _____

APPROVED AS TO FORM

By: _____
John E. Brown
of Best Best & Krieger LLP