ONTARIO INTERNATIONAL AIRPORT AUTHORITY

COMMISSION AGENDA – REGULAR MEETING

ONTARIO INTERNATIONAL AIRPORT
So Cal. So Easy.

August 22, 2024, at 2:00 P.M.

Ontario International Airport Authority Administration Offices
1923 East Avion Street, Room 100, Ontario, CA 91761

Live YouTube Streaming for Listening Only: https://www.youtube.com/@flyont/streams

ALAN D. WAPNER President	**CURT HAGMAN** Vice President	**RONALD O. LOVERIDGE** Treasurer	**JIM W. BOWMAN** Secretary	**JULIA GOUW** Commissioner
ATIF ELKADI Chief Executive Officer	**LORI D. BALLANCE** General Counsel	**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.
- This meeting is streamed live from our YouTube channel at https://www.youtube.com/@flyont/streams. Streaming will be for listening only and not participation. Public Comments will be taken by email or in-person only. This is a pilot stream, so errors and bugs may occur. If you have any issues, feel free to email clerk@flyontario.com for resolution after the meeting.
- 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

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.

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.

CLOSED SESSION

PUBLIC COMMENT ON CLOSED SESSION

CLOSED SESSION

- GC § 54956.9: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (1 matter)
- GC § 54956.8: CONFERENCE WITH REAL PROPERTY NEGOTIATORS
  Property: ONT Property
  Agency Negotiator: OIAA General Counsel's Office

REPORT ON CLOSED SESSION

General Legal Counsel

CONSENT CALENDAR

All matters listed under CONSENT CALENDAR will be enacted by one motion in the form listed below. There will be no separate discussion on these items prior to the time Commission votes on them, unless a member of the Commission requests a specific item be removed from the Consent Calendar for a separate vote. Members of the public wishing to address the Commission on items listed on the Consent Calendar will be given a total of 3 minutes each to address the items collectively.

2. APPROVAL OF MINUTES

Approve minutes for the OIAA Commissioner Meeting on July 25, 2024.

3. CASH DISBURSEMENT REPORT (BILLS/PAYROLL)

Receive and file the Cash Disbursement Report (Bills/Payroll) for the month ended July 31, 2024.

4. FISCAL YEAR 2023-2024 FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Receive and file financial statements (unaudited) for the fiscal year ended June 30, 2024.

5. INVESTMENT REPORT FOR THE YEAR ENDED JUNE 30, 2024

Receive and file the Investment Report for the year ended June 30, 2024.

6. CONTRACT AMENDMENT WITH COFFMAN SPECIALTIES, INC., FOR EMERGENCY TAXIWAY DRAINAGE REPAIR

Authorize the Chief Executive Officer (CEO) to execute an amendment to the Coffman Specialties, Inc., to increase the contract amount by $115,368.95 for additional repairs incurred during emergency repair of a collapsed and deteriorated drainage pipe from Taxilane G to Taxiway N.

7. NON-EXCLUSIVE LICENSE AGREEMENT WITH LONGO AVIATION INC.

Authorize the Chief Executive Officer (CEO) to execute a three-year non-exclusive license agreement with Longo Aviation Inc (Longo) to operate a Container Freight Station (CFS) at Ontario International Airport (ONT).

8. LEASE AGREEMENT WITH LONGO AVIATION, INC.

Authorize the Chief Executive Officer (CEO) to execute a three-year lease agreement with Longo Aviation Inc (Longo) to operate a Container Freight Station (CFS) at Ontario International Airport (ONT).

9. LEASE AGREEMENT WITH THE CITY OF ONTARIO FOR THE CONTAINER FREIGHT STATION

Authorize the Chief Executive Officer (CEO) to negotiate and execute a five-year Lease Agreement with City of Ontario for the Container Freight Station.

10. LEASE AGREEMENT WITH MAJESTIC TERMINAL SERVICES, INC. DBA PRIMEFLIGHT CARGO FOR CARGO SERVICES

Authorize the Chief Executive Officer (CEO) to negotiate and execute a Lease Agreement with Majestic Terminal Services, Inc. dba PrimeFlight Cargo (PrimeFlight) for cargo handling service areas.

11. AGREEMENT AMENDMENT WITH WINDSONG PRODUCTIONS, LLC, FOR THE STATE OF THE AIRPORT VIDEO PRODUCTION

Authorize the Chief Executive Officer (CEO) to execute an agreement amendment with Windsong Productions, LLC, for State of the Airport (SOTA) video production in the amount, not to exceed, $150, 000.

12. RESOLUTION APPROVING WITHDRAWAL FROM THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT

Approve a resolution terminating the Health Contract with CalPERS and move to large group health plans in the private marketplace and repealing Resolution No. 2020-05.

RESOLUTION NO. 2024-07

A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY APPROVING REMOVAL/WITHDRAWAL FROM THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT FOR EMPLOYEES AND ANNUITANTS 700 NON-PERS ALL EMPLOYEES AND REPEALING RESOLUTION NO. 2020-05

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

13. CONTRACT WITH COFFMAN SPECIALTIES, INC., FOR TERMINAL 1 APRON REHABILITATION PROJECT

Authorize the Chief Executive Officer (CEO) to execute a contract with Coffman Specialties, Inc., for the Terminal 1 (T1) Apron Rehabilitation Project in the amount of $10,391,420, and execute budget amendments to the contract, for additional related services and construction contingency, up to 15% of the overall contract value.

CEO REPORT

CHIEF EXECUTIVE OFFICER UPDATES

COMMISSION MATTERS

PRESIDENT WAPNER

VICE PRESIDENT HAGMAN

TREASURER LOVERIDGE

SECRETARY BOWMAN

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: August 19, 2024 Posted Prior To: 2:00 P.M.

Signature: Norma I. Alley

Norma I. Alley, MMC
Ontario International Airport Authority Board Clerk

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ONTARIO INTERNATIONAL AIRPORT
So Cal. So Easy.

MEETING DATE: **AUGUST 22, 2024**

SUBJECT: **RELATIVE POTENTIAL 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
06 & 13	Coffman Specialties, Inc.	• Cindy Trump, Inc. dba Lindys Cold Planning • Antigo Construction, Inc. • Penhall Company • Pavement Coatings Co. • Monzon & Son Enterprises, Inc. • Dirdy Deedz Dumping • Chrisp Company • Madole & Associates, Inc. • LMS Transport • Sequoia Consulting
07 & 08	Longo Aviation, Inc.	• None
10	PrimeFlight Aviation Services, Inc.	• None

11	Windsong	• CNML, LLC • Jon Pham, LLC • BLARE Media • Amber Medina Hair & Make-Up • Wada Media • Christopoher Neely • Alleycat Sound
12	Brown & Brown Insurance Services, of CA, Inc.	• 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 REVIEW AND APPROVAL:

Originator:	Norma I. Alley, MMC, Board Clerk
Originating Dept.:	Clerk's Office
Director Review:	Norma I. Alley
Chief Review:	Atif Elkadi
CFO Review:	N/A
CEO Approval:	Atif Elkadi

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. Hours to review are between 8:30 a.m. and 4:30 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.

MEETING DATE: **AUGUST 22, 2024**

SUBJECT: **APPROVAL OF MINUTES**

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

RECOMMENDED ACTION(S): Approve minutes for the OIAA Board of Commissioners meeting on July 25, 2024.

FISCAL IMPACT SUMMARY: N/A

BACKGROUND: The OIAA Board of Commission held a public meeting and minutes were recorded in text. In accordance with OIAA's Records Retention Schedule, the OIAA must preserve these historical records in hard copy form for permanent retention.

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:
1. Minutes

STAFF REVIEW AND APPROVAL:

Originator:	Norma I. Alley, MMC, Board Clerk
Originating Dept.:	Clerk's Office
Director Review:	Norma I. Alley
Chief Review:	Atif Elkadi
CFO Review:	N/A
CEO Approval:	Atif Elkadi

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ONTARIO INTERNATIONAL AIRPORT AUTHORITY
COMMISSION MEETING
MINUTES
JULY 25, 2024

CALL TO ORDER

President Wapner called the Ontario International Airport Authority Commission meeting to order at 2:00 p.m.

ROLL CALL

COMMISSIONERS:

PRESENT:
Alan D. Wapner, President
Curt Hagman, Vice President
Ronald D. Loveridge, Treasurer
Jim W. Bowman, Secretary

ABSENT:
Julia Gouw, Commissioner

A quorum of the Board of Commissioners was present.

STAFF:
Chief Executive Officer Atif Elkadi
Assistant Legal Counsel Kevin P. Sullivan
Board Clerk/Assistant Secretary Norma I. Alley, MMC

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

AGENDA REVIEW/ANNOUNCEMENTS

1. **INFORMATION RELATIVE TO POSSIBLE CONFLICT OF INTEREST**

No conflicts of interests were declared.

PUBLIC COMMENT

President Wapner called for public comment.

Board Clerk Alley noted one written comment was received from Richard Sherman.

Seeing no one come forward, President Wapner closed public comment.

CLOSED SESSION

PUBLIC COMMENT ON CLOSED SESSION

President Wapner called for public comment. Seeing no one come forward, he closed public comment.

CLOSED SESSION

- GC § 54956.9: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (1 matter)

- GC § 54956.8: CONFERENCE WITH REAL PROPERTY NEGOTIATORS
  Property: ONT Terminal 4.
  Agency negotiator: OIAA General Counsel's Office
  Under negotiation: Lease Negotiation/Tenant Improvements

President Wapner announced the closed session items.

President Wapner recessed the Open Session and called the Closed Session to order at 2:02 p.m. The Open Session reconvened at 3:00 p.m.

REPORT ON CLOSED SESSION

Assistant Legal Counsel Sullivan announced there was no reportable action.

CONSENT CALENDAR

2. APPROVAL OF MINUTES

Approved minutes for the OIAA Board of Commissioners meeting on June 27, 2024.

3. CASH DISBURSEMENT REPORT (BILLS/PAYROLL)

Received and filed the Cash Disbursement Report (Bills/Payroll) for the month ended June 30, 2024.

4. RESOLUTIONS IMPLEMENTING A NEW AIR CARRIER INCENTIVE PROGRAM B (ACIP B), AND EXTENDING THE VALIDITY OF THE EXISTING AIR CARRIER INCENTIVE PROGRAM A (ACIP A)

Approved a resolution approving a new Air Carrier Incentive Program B (ACIP B), offering qualifying Air Carriers various incentives to promote the entry of new international carriers at ONT, as well as new nonstop service to unserved destinations outside of the United States, Canada and Mexico, and approve a six-month extension of the existing Air Carrier Incentive Program A (ACIP A), covering new entrant carriers and new nonstop service to destinations within the United States, Canada and Mexico.

RESOLUTION NO. 2024-05: A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY EXTENDING THE EXISTING AIR CARRIER INCENTIVE PROGRAM A (ACIP A)

RESOLUTION NO. 2024-06: A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY APPROVING A NEW AIR CARRIER INCENTIVE PROGRAM B (ACIP B) COVERING NEW ENTRANT CARRIERS AND DESTINATIONS OUTSIDE THE UNITED STATES, CANADA AND MEXICO

5. **CONTRACT WITH CONTROLTOUCH SYSTEMS, LLC., FOR THE TERMINALS 2 AND 4 UPPER AND LOWER BAGGAGE HANDLING SYSTEMS CONTROLS PROJECT**

Authorized the Chief Executive Officer (CEO) to execute a contract with ControlTouch Systems, LLC., in the amount of $5,131,279.21 for the Terminal 2 (T2) and Terminal 4 (T4) Upper and Lower Baggage Handling System (BHS) Controls; and approve the amount of $333,227.00 for program and construction management (PMCM) services; and execute budgeted amendments to the contract for additional related services, if needed, up to 15% of the contract value.

MOTION: Moved to by Vice President Hagman, seconded by Secretary Bowman, to approve the Consent Calendar, including Resolution No. 2024-05 and Resolution No. 2024-06. Motion carried by a 4 Yes/0 No/1 Absent (Gouw) vote.

CEO REPORT

CHIEF EXECUTIVE OFFICER UPDATES

Chief Executive Officer Elkadi provided updates on passenger traffic numbers, changes to flights, and general airport matters, accompanied by a PowerPoint. Mr. Elkadi fielded inquiries from the Commissioners.

COMMISSIONER MATTERS

Treasurer Loveridge requested the 2022 Economic Development Report be distributed to the Commissioners and have an update at a future meeting focusing on the vitality of the airport.

ADJOURNMENT

President Wapner adjourned the Ontario International Airport Authority Board of Commissioners Meeting at 3:07 p.m.

RESPECTFULLY SUBMITTED:	APPROVED:
___________________________________	______________________________________
NORMA I. ALLEY, MMC, BOARD CLERK	ALAN D. WAPNER, PRESIDENT

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MEETING DATE: **AUGUST 22, 2024**

SUBJECT: **CASH DISBURSEMENT REPORT (BILLS/PAYROLL)**

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

RECOMMENDED ACTION(S): Receive and file the Cash Disbursement Report (Bills/Payroll) for the month ended July 31, 2024.

FISCAL IMPACT SUMMARY: The funding is approved in the Fiscal Year 2024-2025 budget.

BACKGROUND: In June 2024, the OIAA Board of Commissioners adopted an operating budget that is driven by strong aviation activity and financial performance realized by OIAA in FY2024. The operating budget was developed from OIAA goals and objectives and includes significant increases in resources to meet current and expected near term growth.

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:
1. Cash Disbursement Report (Bills/Payroll) for the month ended July 31, 2024.

STAFF REVIEW AND APPROVAL:

Originator:	Celeste Heinonen, Chief Financial Officer
Originating Dept.:	Financial Accounting and Reporting
Director Review:	N/A
Chief Review:	Celeste Heinonen
CFO Review:	Celeste Heinonen
CEO Approval:	Atif Elkadi

This Agenda Report has been reviewed by OIAA General Counsel.

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ONTARIO INTERNATIONAL AIRPORT
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MEETING DATE: **AUGUST 22, 2024**

SUBJECT: **FISCAL YEAR 2023-2024 FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024**

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

RECOMMENDED ACTION(S): Receive and file financial statements (unaudited) for the fiscal year ended June 30, 2024.

FISCAL IMPACT SUMMARY: The OIAA's increase in net position excluding capital contributions was favorable to budget by $13.4M (83.4%). This was primarily the result of favorable variances compared to budget in operating revenues of $5.5M (4.8%) and operating expenses of $5.2M (5.1%). The favorable operating expense variance was primarily driven by a lag in ramping up operations, and related costs compared to planned activities.

BACKGROUND: Aviation Activity and Financial Statements: In June 2023, the OIAA Board of Commissioners adopted an operating budget that is driven by strong aviation activity and financial performance realized by OIAA in FYE 2023. The operating budget was developed from OIAA goals and objectives and includes significant increases in resources to meet current and expected near term growth.

The attached financial statements reflect these industry and economic conditions, as well as the OIAA's efforts to meet these conditions.

Aviation Activity: Aviation activity is measured predominately as a function of commercial enplanements and landed weights as these activities act as direct and indirect drivers of most operating revenues for the Airport.

Enplanements are a measurement exclusive to passenger carriers, and directly and indirectly impact all concession revenues, Passenger Facility Charge (PFC) revenues, and Customer Facility Charge (CFC) revenues. Enplanements for the fiscal year ended June 30, 2024, totaled 3.4M, which exceeded the budgeted amount by 288K (9.3%). Enplanements for the fiscal year ended June 30, 2024, were 335K (11.0%) higher than the prior fiscal year.

Landed weight (in thousand-pound units) for the fiscal year ended June 30, 2024, totaled 8.2M, which was unfavorable to budget by 440K (5.1%). Landed weight for the fiscal year ended June 30, 2024, was 252K (3.0%) lower than the prior fiscal year. The unfavorable budget variance for the fiscal year ended June 30, 2024, and the decrease in landed weight over the prior fiscal year was due to a decrease in cargo activity offset by an increase in passenger activity. Passenger landed weight for the fiscal year ended June 30, 2024, exceeded the budget by 419K (12.1%) and was 439K (12.7%) higher than the prior fiscal year. Cargo landed weight for the fiscal year ended June 30, 2024, was unfavorable to budget by 859K (16.6%) and was 692K (13.8%) lower than the prior fiscal year.

Financial Results Compared to Budget for the Fiscal Year Ended June 30, 2024

Operating Revenues: For the fiscal year ended June 30, 2024, operating revenues were favorable to budget by $5.5M (4.8%). This was the result of net favorable variances in aeronautical and nonaeronautical revenues.

Aeronautical revenues were favorable to budget by $2.7M (5.3%). Airline terminal rent was favorable to budget by $1.3M (8.0%). Facilities and land rent was favorable to budget by $1.3M (10.8%), which was primarily the result of additional rents earned by the OIAA during peak season. Airline fees were favorable to budget by $759K (12.0%), which was primarily the result of increased passenger operations and additional revenue received for contract services. Landing fees were unfavorable to budget by $705K (4.4%), which was primarily the result of decreased cargo landed weight.

Nonaeronautical revenues were favorable to budget by $2.8M (4.5%). Favorable nonaeronautical revenue variances include non-airline terminal rent, favorable to budget by $74K (5.1%). Parking and ground transportation revenues of $39.5M were favorable to budget by $2.2M (5.9%), which was primarily the result of increased passenger parking activity. Total concession revenues of $15.9M were unfavorable to budget by $277K (1.7%). Concession revenue favorable variances include advertising revenue, which was favorable to budget by $492K (48.0%). Concession revenue unfavorable variances include rental car revenues of $429K (4.3%), food and beverage revenues of $289K (9.5%), and gifts and news of $51K (2.4%). The unfavorable variance in food and beverage revenues was primarily the result of delays in opening new food and beverage concessions. Other nonaeronautical revenues, which primarily consists of badging and operating permit revenues, were favorable to budget by $618K (309.0%). Facilities and land rent was unfavorable to budget by $36K (2.8%). Operating grants of $6.8M were favorable to budget by $267K (4.1%), which was primarily the result of the OIAA submissions for grant reimbursements of American Rescue Plan Act of 2021 (ARPA) during the fiscal year ended June 30, 2024. The total ARPA grant awarded to OIAA was $24.8M. The OIAA recognized $6.6M of ARPA grant funds for the fiscal year ended June 30, 2024, and the OIAA has a $11.7M balance in grant funds remaining.

Operating Expenses: Total operating expenses of $96.7M were favorable to budget by $5.2M (5.1%), which was primarily the result of a lag in ramping up operations, and related costs compared to planned activities. Favorable operating expense variances include personnel of $985K (5.6%), public safety of $570K (2.4%), contractual services of $1.6M (4.0%), insurance and administration of $84K (4.3%), materials and supplies of $1.1M (41.2%), telecommunications and utilities of $527K (7.2%), and other operating expenses of $971K (32.2%). The favorable operating expense variances are offset by an unfavorable operating expense variance in marketing and public relations of $662K (10.5%).

Nonoperating Revenues and Expenses: Net nonoperating revenues were favorable to budget by $4.9M (39.6%). Higher-than-expected passenger carrier activity resulted in PFC revenues favorable to budget by $1.3M (10.1%) and CFC revenues favorable to budget by $272K (7.9%). Net investment income was favorable to budget by $3.8M (745.7%). The net investment income is associated with an unanticipated unrealized gain from the OIAA's investment in the California Treasury Local Agency Investment Fund (LAIF) and higher-than-expected interest returns. Unrealized gains and losses are attributable to temporary changes in market conditions.

Financial Results Compared to Prior Fiscal Year Ended June 30, 2023

Operating Revenues: For the fiscal year ended June 30, 2024, total operating revenues exceeded the prior fiscal year by 32.2M (37.1%). This was the result of favorable variances in aeronautical and nonaeronautical revenues, offset by an unfavorable variance in operating grants.

Aeronautical revenues exceeded the prior fiscal year by $24.1M (82.7%). Landing fees increased by $10.1M (194.6%). Airline terminal rent increased by $13.6M (400.7%). Airline fees increased by $568K (8.7%). Aeronautical revenue favorable variances were offset by an unfavorable variance in facilities and land rent of $181K (1.3%).

Nonaeronautical revenues exceeded the prior fiscal year by $8.2M (14.2%). Non-airline terminal rent increased by $84K (5.9%). Facilities and land rent decreased by $124K (9.0%). Parking and ground transportation revenues of $39.5M increased by $6.6M (20.1%), which was primarily the result of increased passenger parking activity. Total concession revenues of $15.9M increased by $1.7M (12.0%). Concession revenue increases include rental car revenues of $144K (1.5%), food and beverage revenues of 1.2M (82.0%), gifts and news revenues of $124K (6.4%) and advertising revenue of $202K (15.4%). Other nonaeronautical revenues, which primarily consists of badging and operating permit revenues, increased by $96K (13.3%). Operating grants decreased by $214K (3.0%) compared to the prior fiscal year. This is primarily due to grant funding and availability that can vary from year to year.

Operating Expenses: For the fiscal year ended June 30, 2024, total operating expenses of $96.7M exceeded the prior fiscal year by $17.2M (21.7%). The increase in operating expenses is primarily the result of an overall increase in operations and planned capital projects compared to the prior fiscal year, resulting in an increase in contractual services of $7.9M (26.1%). There was also an increase in new staff positions resulting in an increase in personnel expenses of $4.7M (39.0%). Other operating expense increases include public safety of $2.0M (9.4%), insurance and administration of $113K (6.4%), marketing and public relations of $1.1M (18.8%), materials and supplies of $773K (95.1%), telecommunications and utilities of $883K (13.9%), and other operating expenses of $558K (37.5%).

Nonoperating Revenues and Expenses: Net nonoperating revenues exceeded the prior fiscal year by $5.4M (44.7%). Higher than expected passenger carrier activity resulted in PFC revenues increasing by $1.4M (11.3%). CFC revenues increased by $355K (10.5%). Interest expense decreased by $232K (5.3%) as a result of the OIAA paying down existing debt service. Net investment income increased by $3.6M (505.8%). The net investment income is associated with an unanticipated unrealized gain from the OIAA's investment in the California Treasury Local Agency Investment Fund (LAIF) and higher than expected interest returns. Unrealized gains and losses are attributable to temporary changes in market conditions.

Capital contributions of $28.7M exceeded the prior fiscal year by $13.7M (91.5%). Capital contributions can vary from year to year.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: The financial results provide additional resources for the OIAA to respond to increased passenger activity.

SCHEDULE: N/A

ATTACHMENTS:

1. OIAA Financial Statements (Unaudited) for the Fiscal Year ended June 30, 2024.

STAFF REVIEW AND APPROVAL:

Originator:	Celeste Heinonen, Chief Financial Officer
Originating Dept.:	Financial Accounting and Reporting
Director Review:	N/A
Chief Review:	Celeste Heinonen
CFO Review:	Celeste Heinonen
CEO Approval:	Atif Elkadi

This Agenda Report has been reviewed by OIAA General Counsel.

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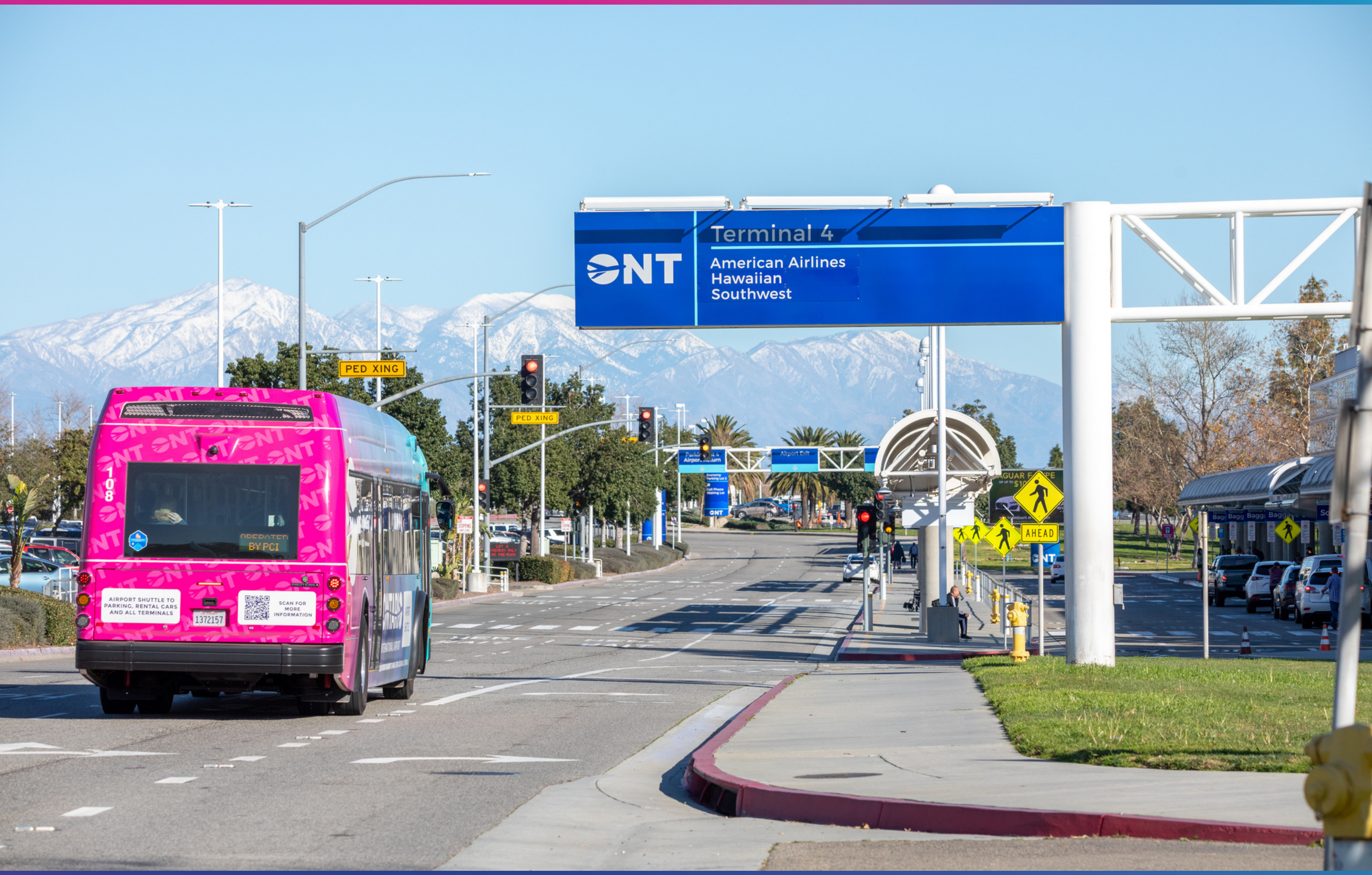
Financial Statements

FOR THE YEAR ENDED JUNE 30, 2024 AND 2023

ONTARIO INTERNATIONAL AIRPORT AUTHORITY



ONTARIO INTERNATIONAL AIRPORT | So Cal. So Easy.

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
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FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
STATEMENTS OF NET POSITION (UNAUDITED)
JUNE 30, 2024 AND 2023

	2024	2023
ASSETS		
Current Assets:		
Unrestricted Assets:		
Cash and Cash Equivalents	$ 50,466,107	$ 75,348,288
Accounts Receivable, Net of Allowance for Doubtful Accounts of $756,750 and $756,750 as of June 30, 2024 and 2023, Respectively	8,430,741	7,535,598
Grants Receivable	12,491,039	14,230,016
Leases Receivable – Current	660,170	660,170
Interest Receivable	390,852	261,989
Prepaid Expenses	3,738,455	2,771,007
Total Unrestricted Current Assets	76,177,364	100,807,068
Restricted Assets:		
Cash and Cash Equivalents	123,676,520	63,055,057
Accounts Receivable	2,562,803	2,176,442
Total Restricted Current Assets	126,239,323	65,231,499
Total Current Assets	202,416,687	166,038,567
Noncurrent Assets:		
Leases Receviable – Noncurrent	2,643,353	2,643,354
Capital Assets:		
Not Depreciated or Amortized	138,810,436	103,486,311
Depreciated and Amortized, Net of Accumulated Depreciation and Amortization of $45,400,968 and $35,221,937 as of June 30, 2024 and 2023, Respectively	116,286,443	94,986,414
Net Capital Assets	255,096,879	198,472,725
Total Noncurrent Assets	257,740,232	201,116,079
TOTAL ASSETS	$ 460,156,919	$ 367,154,646

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
STATEMENTS OF NET POSITION (UNAUDITED) – CONTINUED
JUNE 30, 2024 AND 2023

	2024	2023
LIABILITIES		
Current Liabilities:		
Payable From Unrestricted Assets:		
Accounts Payable	$ 12,623,206	$ 10,871,140
Accrued Expenses	19,044,508	7,335,451
Accrued Payroll and Vacation	1,794,987	1,273,284
Accrued Interest	509,689	536,014
Customer Deposits	574,725	560,653
Due to Airlines	336,918	28,048,657
Unearned Revenues	60,193,148	4,990,328
Subscription Liability – Current	544,848	544,848
Current Portion of Long-Term Debt	5,820,000	5,645,000
Total Unrestricted Current Liabilities	101,442,029	59,805,375
Noncurrent Liabilities:		
Payable From Unrestricted Assets:		
Subscription Liability – Noncurrent	1,339,642	1,339,642
Long-Term Debt:		
Bonds Payable – Series 2016	6,040,000	11,860,000
Revenue Bonds – Series 2021, Including Bond Premium of $18,714,926 and $19,582,913 as of June 30, 2024 and 2023, Respectively	122,054,926	122,922,913
Revolving Credit Facility	483,771	483,771
Total Long-Term Debt	128,578,697	135,266,684
Total Unrestricted Noncurrent Liabilities	129,918,339	136,606,326
Total Liabilities	231,360,368	196,411,701
DEFERRED INFLOW OF RESOURCES		
Deferred Inflow of Resources – Leases	3,303,524	3,303,524
Total Deferred Inflow of Resources	3,303,524	3,303,524
Total Liabilities and Deferred Inflow of Resources	234,663,892	199,715,225
NET POSITION		
Net Investment in Capital Assets	147,620,333	91,703,690
Restricted	42,944,682	29,204,360
Unrestricted	34,928,012	46,531,371
Total Net Position	225,493,027	167,439,421
TOTAL LIABILITIES AND NET POSITION	$ 460,156,919	$ 367,154,646

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – QUARTER (UNAUDITED)

FOR THE QUARTERS ENDED JUNE 30, 2024 AND 2023

	FOR THE QUARTER ENDED JUNE 30, 2024		VARIANCE FAVORABLE (UNFAVORABLE)		JUNE 30, 2023
	BUDGET	ACTUAL	$	%	ACTUAL
OPERATING REVENUES					
Aeronautical:					
Landing Fees	$ 3,944,973	$ 3,810,184	$ (134,789)	(3.4) %	$ 3,431,013
Airline Terminal Rent	3,970,032	4,179,387	209,355	5.3	4,284,581
Facilities and Land Rent	3,113,974	3,262,449	148,475	4.8	3,181,397
Airline Fees	1,581,706	1,646,792	65,086	4.1	1,710,980
Total Aeronautical Revenues	12,610,685	12,898,812	288,127	2.3	12,607,971
Nonaeronautical:					
Facilities and Land Rent	321,924	312,934	(8,990)	(2.8)	311,392
Non-Airline Terminal Rent	360,273	382,121	21,848	6.1	365,467
Parking and Ground Transportation	10,285,921	10,547,439	261,518	2.5	9,027,293
Concessions:					
Rental Cars	2,668,894	2,572,747	(96,147)	(3.6)	2,398,927
Food and Beverage	799,513	834,141	34,628	4.3	634,395
Gifts and News	564,571	532,715	(31,856)	(5.6)	505,567
Advertising	256,078	349,751	93,673	36.6	356,536
Operating Grants	1,643,751	30,030	(1,613,721)	(98.2)	6,737,729
Other Nonaeronautical Revenues	49,994	126,821	76,827	153.7	(252,958)
Total Nonaeronautical Revenues	16,950,919	15,688,699	(1,262,220)	(7.4)	20,084,348
Total Operating Revenues	29,561,604	28,587,511	(974,093)	(3.3)	32,692,319
OPERATING EXPENSES					
Personnel	5,034,078	4,539,614	494,464	9.8	3,095,517
Public Safety	5,823,321	5,680,972	142,349	2.4	5,192,540
Contractual Services	9,923,685	10,526,432	(602,747)	(6.1)	8,951,513
Marketing and Public Relations	1,576,125	2,171,801	(595,676)	(37.8)	2,005,167
Materials and Supplies	674,955	416,080	258,875	38.4	197,168
Insurance and Administration	489,348	479,776	9,572	2.0	440,982
Telecommunications and Utilities	1,832,826	1,601,333	231,493	12.6	1,109,593
Bad Debt Expense	-	-	-	-	648,868
Other Operating Expenses	753,952	700,245	53,707	7.1	493,231
Total Operating Expenses	$ 26,108,290	$ 26,116,253	$ (7,963)	- %	$ 22,134,579

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – QUARTER (UNAUDITED) – CONTINUED

FOR THE QUARTERS ENDED JUNE 30, 2024 AND 2023

	FOR THE QUARTER ENDED JUNE 30, 2024		VARIANCE FAVORABLE (UNFAVORABLE)		JUNE 30, 2023
	BUDGET	ACTUAL	$	%	ACTUAL
Net Operating Income Before Depreciation and Amortization	$ 3,453,314	$ 2,471,258	$ (982,056)	(28.4) %	$ 10,557,740
Depreciation and Amortization	1,988,720	2,628,199	(639,479)	(32.2)	3,093,534
Net Operating Income	1,464,594	(156,941)	(1,621,535)	(110.7)	7,464,206
NONOPERATING REVENUES (EXPENSES)					
Investment Income, Net	126,387	1,183,582	1,057,195	836.5	208,822
Passenger Facility Charges	3,361,165	4,088,482	727,317	21.6	3,593,100
Customer Facility Charges	922,201	1,021,694	99,493	10.8	917,666
Interest Expense	(1,009,399)	(1,009,399)	-	-	(1,139,931)
Gain on Disposition of Assets	-	-	-	-	5,335
Other Nonoperating Expenses	-	(32,079)	(32,079)	-	-
Total Nonoperating Revenues, Net	3,400,354	5,252,280	1,851,926	54.5	3,584,992
Net Income Before Capital Contributions	4,864,948	5,095,339	230,391	4.7	11,049,198
CAPITAL CONTRIBUTIONS					
Federal Grants and Other	-	14,836,596	14,836,596	-	11,001,827
Increase in Net Position	4,864,948	19,931,935	15,066,987	309.7	22,051,025
TOTAL NET POSITION – BEGINNING OF QUARTER	178,607,921	205,561,092	26,953,171	15.1	145,388,396
TOTAL NET POSITION – END OF QUARTER	$ 183,472,869	$ 225,493,027	$ 42,020,158	22.9 %	$ 167,439,421

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – YEAR TO DATE (UNAUDITED)
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	FOR THE YEAR ENDED JUNE 30, 2024		VARIANCE FAVORABLE (UNFAVORABLE)		JUNE 30, 2023
	BUDGET	ACTUAL	$	%	ACTUAL
OPERATING REVENUES					
Aeronautical:					
Landing Fees	$ 16,006,964	$ 15,302,270	$ (704,694)	(4.4) %	$ 5,194,113
Airline Terminal Rent	15,688,558	16,946,811	1,258,253	8.0	3,384,381
Facilities and Land Rent	12,455,895	13,804,467	1,348,572	10.8	13,985,845
Airline Fees	6,331,239	7,090,314	759,075	12.0	6,522,452
Total Aeronautical Revenues	50,482,656	53,143,862	2,661,206	5.3	29,086,791
Nonaeronautical:					
Facilities and Land Rent	1,287,699	1,252,094	(35,605)	(2.8)	1,375,783
Non-Airline Terminal Rent	1,441,093	1,515,062	73,969	5.1	1,431,104
Parking and Ground Transportation	37,295,494	39,480,742	2,185,248	5.9	32,870,076
Concessions:					
Rental Cars	9,996,171	9,566,789	(429,382)	(4.3)	9,423,111
Food and Beverage	3,029,527	2,740,848	(288,679)	(9.5)	1,505,946
Gifts and News	2,124,170	2,073,581	(50,589)	(2.4)	1,949,187
Advertising	1,024,316	1,516,428	492,112	48.0	1,314,569
Operating Grants	6,575,000	6,841,906	266,906	4.1	7,055,702
Other Nonaeronautical Revenues	199,971	817,800	617,829	309.0	721,682
Total Nonaeronautical Revenues	62,973,441	65,805,250	2,831,809	4.5	57,647,160
Total Operating Revenues	113,456,097	118,949,112	5,493,015	4.8	86,733,951
OPERATING EXPENSES					
Personnel	17,602,014	16,616,690	985,324	5.6	11,950,238
Public Safety	23,293,289	22,723,669	569,620	2.4	20,770,240
Contractual Services	39,694,741	38,112,067	1,582,674	4.0	30,234,146
Marketing and Public Relations	6,304,500	6,966,340	(661,840)	(10.5)	5,862,878
Materials and Supplies	2,699,817	1,586,956	1,112,861	41.2	813,575
Insurance and Administration	1,957,391	1,873,582	83,809	4.3	1,761,063
Telecommunications and Utilities	7,331,304	6,804,597	526,707	7.2	5,971,589
Bad Debt Expense	-	-	-	-	648,868
Other Operating Expenses	3,015,824	2,045,052	970,772	32.2	1,487,299
Total Operating Expenses	$ 101,898,880	$ 96,728,953	$ 5,169,927	5.1 %	$ 79,499,896

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – YEAR TO DATE (UNAUDITED) – CONTINUED

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	FOR THE YEAR ENDED JUNE 30, 2024		VARIANCE FAVORABLE (UNFAVORABLE)		JUNE 30, 2023
	BUDGET	ACTUAL	$	%	ACTUAL
Net Operating Income Before Depreciation and Amortization	$ 11,557,217	$ 22,220,159	$ 10,662,942	92.3 %	$ 7,234,055
Depreciation and Amortization	7,954,879	10,179,030	(2,224,151)	(28.0)	8,485,077
Net Operating Income	3,602,338	12,041,129	8,438,791	234.3	(1,251,022)
NONOPERATING REVENUES (EXPENSES)					
Investment Income, Net	505,546	4,275,321	3,769,775	745.7	705,745
Passenger Facility Charges	12,589,028	13,856,521	1,267,493	10.1	12,450,838
Customer Facility Charges	3,454,045	3,725,728	271,683	7.9	3,370,712
Interest Expense	(4,117,509)	(4,117,509)	-	-	(4,349,792)
Debt Issuance Costs	-	-	-	-	(190,000)
Gain on Disposition of Assets	-	70,305	70,305	-	5,705
Other Nonoperating Expenses	-	(452,299)	(452,299)	-	-
Total Nonoperating Revenues, Net	12,431,110	17,358,067	4,926,957	39.6	11,993,208
Net Income Before Capital Contributions	16,033,448	29,399,196	13,365,748	83.4	10,742,186
				-	
CAPITAL CONTRIBUTIONS					
Federal Grants and Other	-	28,654,410	28,654,410	-	14,964,592
Increase in Net Position	16,033,448	58,053,606	42,020,158	262.1	25,706,778
TOTAL NET POSITION – BEGINNING OF PERIOD	167,439,421	167,439,421	-	-	141,732,643
TOTAL NET POSITION – END OF PERIOD	$ 183,472,869	$ 225,493,027	$ 42,020,158	22.9 %	$ 167,439,421

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
SUPPLEMENTAL SCHEDULES OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – BY QUARTER (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2024

	FOR THE QUARTERS ENDED				FOR THE YEAR ENDED
	SEPTEMBER 30, 2023	DECEMBER 31, 2023	MARCH 31, 2024	JUNE 30, 2024	JUNE 30, 2024
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
OPERATING REVENUES					
Aeronautical:					
Landing Fees	$ 3,793,569	$ 4,147,252	$ 3,551,265	$ 3,810,184	$ 15,302,270
Airline Terminal Rent	4,288,341	4,203,911	4,275,172	4,179,387	16,946,811
Facilities and Land Rent	3,460,289	3,890,213	3,191,516	3,262,449	13,804,467
Airline Fees	1,819,029	1,872,564	1,751,929	1,646,792	7,090,314
Total Aeronautical Revenues	13,361,228	14,113,940	12,769,882	12,898,812	53,143,862
Nonaeronautical:					
Facilities and Land Rent	312,877	313,349	312,934	312,934	1,252,094
Non-Airline Terminal Rent	366,797	377,200	388,944	382,121	1,515,062
Parking and Ground Transportation	10,161,080	10,152,848	8,619,375	10,547,439	39,480,742
Concessions:					
Rental Cars	2,375,201	2,302,756	2,316,085	2,572,747	9,566,789
Food and Beverage	681,392	674,490	550,825	834,141	2,740,848
Gifts and News	600,541	506,922	433,403	532,715	2,073,581
Advertising	408,535	367,783	390,359	349,751	1,516,428
Operating Grants	5,950,704	773,106	88,066	30,030	6,841,906
Other Nonaeronautical Revenues	182,481	249,092	259,406	126,821	817,800
Total Nonaeronautical Revenues	21,039,608	15,717,546	13,359,397	15,688,699	65,805,250
Total Operating Revenues	34,400,836	29,831,486	26,129,279	28,587,511	118,949,112
OPERATING EXPENSES					
Personnel	3,710,374	4,052,002	4,314,700	4,539,614	16,616,690
Public Safety	5,680,862	5,680,864	5,680,971	5,680,972	22,723,669
Contractual Services	9,017,756	9,027,120	9,540,759	10,526,432	38,112,067
Marketing and Public Relations	855,568	2,540,083	1,398,888	2,171,801	6,966,340
Materials and Supplies	285,540	703,495	181,841	416,080	1,586,956
Insurance and Administration	450,184	484,113	459,509	479,776	1,873,582
Telecommunications and Utilities	2,124,922	1,602,915	1,475,427	1,601,333	6,804,597
Other Operating Expenses	405,513	467,132	472,162	700,245	2,045,052
Total Operating Expenses	$ 22,530,719	$ 24,557,724	$ 23,524,257	$ 26,116,253	$ 96,728,953

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

SUPPLEMENTAL SCHEDULES OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – BY QUARTER – (UNAUDITED) – CONTINUED
FOR THE YEAR ENDED JUNE 30, 2024

	FOR THE QUARTERS ENDED				FOR THE YEAR ENDED
	SEPTEMBER 30, 2023	DECEMBER 31, 2023	MARCH 31, 2024	JUNE 30, 2024	JUNE 30, 2024
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
Net Operating Income Before Depreciation and Amortization	$ 11,870,117	$ 5,273,762	$ 2,605,022	$ 2,471,258	$ 22,220,159
Depreciation and Amortization	2,179,084	2,398,863	2,972,884	2,628,199	10,179,030
Net Operating Income	9,691,033	2,874,899	(367,862)	(156,941)	12,041,129
NONOPERATING REVENUES (EXPENSES)					
Investment Income, Net	690,823	1,303,251	1,097,665	1,183,582	4,275,321
Passenger Facility Charges	3,384,079	3,257,842	3,126,118	4,088,482	13,856,521
Customer Facility Charges	884,978	911,584	907,472	1,021,694	3,725,728
Interest Expense	(1,035,483)	(1,037,096)	(1,035,531)	(1,009,399)	(4,117,509)
Gain on Disposition of Assets	23,005	-	47,300	-	70,305
Other Nonoperating Expenses	-	-	(420,220)	(32,079)	(452,299)
Total Nonoperating Revenues, Net	3,947,402	4,435,581	3,722,804	5,252,280	17,358,067
Net Income Before Capital Contributions	13,638,435	7,310,480	3,354,942	5,095,339	29,399,196
CAPITAL CONTRIBUTIONS					
Federal Grants and Other	5,545,044	5,900,979	2,371,791	14,836,596	28,654,410
Increase in Net Position	19,183,479	13,211,459	5,726,733	19,931,935	58,053,606
TOTAL NET POSITION – BEGINNING OF QUARTER	167,439,421	186,622,900	199,834,359	205,561,092	167,439,421
TOTAL NET POSITION – END OF QUARTER	$ 186,622,900	$ 199,834,359	$ 205,561,092	$ 225,493,027	$ 225,493,027

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ONTARIO INTERNATIONAL AIRPORT
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MEETING DATE: **AUGUST 22, 2024**

SUBJECT: **INVESTMENT REPORT FOR THE YEAR ENDED JUNE 30, 2024**

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

RECOMMENDED ACTION(S): Receive and file the investment report for the year ended June 30, 2024.

FISCAL IMPACT SUMMARY: As of and for the year ended June 30, 2024, the OIAA's investment portfolio included a single financial instrument with the California Treasury Local Agency Investment Fund (LAIF). The fair market value (FMV) of the OIAA's investment in LAIF was $34,513,241, an increase of $437,693 from the FMV as of March 31, 2024, and an increase of $1,651,009 from the FMV as of June 30, 2023.

Interest earned on the LAIF investment for the year ended June 30, 2024, totaled $1,401,238. No additional investments in or distributions from LAIF funds were made during the year ended June 30, 2024.

BACKGROUND: In October of 2016, the OIAA adopted an investment policy for OIAA's revenues in conformance with federal, state, and other legal requirements, including California Government Code Section 53600 et seq. The objectives of the OIAA's investment policy are safety of principal and enhancement of the economic status of the OIAA. The policy sets forth investment objectives, safekeeping of securities, reporting, competitive bidding, authorization for the purchase and sales of investments, allowable types of investments and an annual policy review. In addition, to and in conformity with the adopted Investment Policy, the OIAA adopted a resolution for the investment of inactive funds in the LAIF.

The Investment Policy requires that reporting include statements as to the OIAA's compliance with the investment policy, as well as a statement denoting the ability of the OIAA to meet its expenditure requirements for the next six months, or an explanation as to why sufficient money may not be available.

Significant financial aspects of the portfolios' financial position and performance are included in the following table:

Description	Quarter Ending September 30, 2023	Quarter Ending December 31, 2023	Quarter Ending March 31, 2024	Quarter Ending June 30, 2024	Balance, Year Ended June 30, 2024
FMV End of Quarter	$ 33,169,994	$ 33,714,631	$ 34,075,548	$ 34,513,241	$ 34,513,241
Interest Receivable	$ 303,266	$ 340,904	$ 366,216	$ 390,852	$ 390,852
Interest Earned	$ 303,266	$ 340,904	$ 366,216	$ 390,852	$ 1,401,238
Unrealized Gain	$ 45,773	$ 241,371	$ 20,013	$ 71,477	$ 378,634

Required Investment Policy Statements:

- The investments identified above comply in all material respects with the OIAA's Investment Policy.
- The OIAA has the ability to meet its expenditure requirements for the next six months.

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: None

STAFF REVIEW AND APPROVAL:

Originator:	Celeste Heinonen, Chief Financial Officer
Originating Dept.:	Financial Accounting and Reporting
Director Review:	N/A
Chief Review:	Celeste Heinonen
CFO Review:	Celeste Heinonen
CEO Approval:	Atif Elkadi

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. Hours to review are between 8:30 a.m. and 4:30 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.

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ONTARIO INTERNATIONAL AIRPORT AUTHORITY

ONTARIO INTERNATIONAL AIRPORT
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MEETING DATE: **AUGUST 22, 2024**

SUBJECT: **CONTRACT AMENDMENT WITH COFFMAN SPECIALTIES, INC. FOR EMERGENCY TAXIWAY DRAINAGE REPAIR**

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

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to execute an amendment to the Coffman Specialties, Inc. (Coffman) to increase the contract amount by $115,368.95 for additional repairs incurred during emergency repair of a collapsed and deteriorated drainage pipe from Taxilane G to Taxiway N.

FISCAL IMPACT SUMMARY: There are leftover funds from previous Capital Funding sources (2021 Bond Series) to pay for the cost of this work.

BACKGROUND: On February 22, 2024, funding was approved to immediately address a failed drainage system located under Taxilane Golf. Due to extreme weather conditions and unforeseen conditions of the area excavated, additional cost was incurred for the safety of the project and the surrounding substructures of the excavation area.

PROCUREMENT: Coffman Specialties, Inc. was awarded a contract via a competitive bid process for related but different scope that is defined in this amendment. The location and severity of the damage to the taxilane created a potentially unsafe situation. Emergency repairs were necessary to correct the situation before any safety incidents could occur. Due to the emergency nature of the work, OIAA determined that it was impractical to conduct a competitive process. Coffman was already onsite and mobilizing with labor, materials, and equipment and able to perform the work most expeditiously and with costs that correlate to the competitively bid scope on the existing contract. This contract amendment will increase the current contract of $42,950,000 by $615,368.95 for a total contract amount not to exceed $43,565,368.95.

CEQA COMPLIANCE AND LAND USE APPROVALS: CEQA review for this emergency repair project is addressed and covered as part of the environmental impacts studied and analyzed in the certified June 2022 Final Supplemental Environmental Impact Report for the Rehabilitation of Runway 8R-26L and Associated Airfield Improvements at Ontario International Airport (SCH No. 2021060531.) No further environmental review is required.

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: This action will not impact ONT operations.

SCHEDULE: N/A

ATTACHMENTS: N/A

STAFF REVIEW AND APPROVAL:

Originator:	Dennis Anderson, Director of Operations
Originating Dept.:	Operations
Director Review:	Dennis Anderson
Chief Review:	James Kesler
CFO Review:	Celeste Heinonen
CEO Approval:	Atif Elkadi

This Agenda Report has been reviewed by OIAA General Counsel.

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ONTARIO INTERNATIONAL AIRPORT
So Cal. So Easy.

MEETING DATE: **AUGUST 22, 2024**

SUBJECT: **NON-EXCLUSIVE LICENSE AGREEMENT WITH LONGO AVIATION INC.**

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 three-year non-exclusive license agreement with Longo Aviation Inc (Longo) to operate a Container Freight Station (CFS) at Ontario International Airport (ONT).

FISCAL IMPACT SUMMARY: Longo will pay NELA fee for services provided to international cargo carriers (8% of gross sales from non-signatory carriers and 6% of gross sales from signatory carriers). This is in addition to the three-year lease agreement which will provide more than $6,341,872 in rental revenue that will be collected from Longo (a total of $3,644,374.98 in rent credits are being offered to account for the total tenant improvements that Longo will be performing).

BACKGROUND: The Revenue Management Division, in cooperation with the Operations Division, has selected Longo to operate ONT's CFS to for international cargo clearance handling under United States Customs & Border Protection requirements. Longo operates a CFS at various large, international airports including Miami International, Dallas-Fort Worth International and Los Angeles International airports.

In addition to the international cargo handling that will take place within other potential cargo facilities (including UPS and FedEx), ONT's CFS will provide the opportunity to process additional international cargo from both passenger and cargo operations. The OIAA has letters of intent from multiple carriers interested in bringing international cargo operations to ONT, this in addition to the international cargo operations that Longo will bring to ONT.

PROCUREMENT: OIAA released a Request for Proposal for Management and Operation of a Container Freight Station in October 2023, in which we received two (2) proposals in December 2023. Staff reviewed both proposal responses and believes Longo has the necessary experience, skills, and qualifications to successfully operate the facility at ONT.

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 REVIEW AND APPROVAL:

Originator:	Elisa Grey, Chief Revenue Management Officer
Originating Dept.:	Revenue Management Division
Director Review:	N/A
Chief Review:	Elisa J. Grey
CFO Review:	Celeste Heinonen
CEO Approval:	Atif Elkadi

This Agenda Report has been reviewed by OIAA General Counsel.

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ONTARIO INTERNATIONAL AIRPORT
So Cal. So Easy.

MEETING DATE: **AUGUST 22, 2024**

SUBJECT: **LEASE AGREEMENT WITH LONGO AVIATION, INC.**

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 three-year lease agreement with Longo Aviation Inc (Longo) to operate a Container Freight Station (CFS) at Ontario International Airport (ONT).

FISCAL IMPACT SUMMARY: The three-year agreement will provide more than $6,341,872 in rental revenue that will be collected from Longo (a total of $3,644,374.98 in rent credits are being offered to account for the total tenant improvements that Longo will be performing). This is in addition to the NELA fee for services provided to international cargo carriers (8% of gross sales from non-signatory carriers and 6% of gross sales from signatory carriers).

BACKGROUND: The Revenue Management Division, in cooperation with the Operations Division, has selected Longo to operate ONT's CFS to for international cargo clearance handling under United States Customs & Border Protection requirements. Longo operates a CFS at various large, international airports including Miami International, Dallas-Fort Worth International and Los Angeles International airports.

In addition to the international cargo handling that will take place within other potential cargo facilities (including UPS and FedEx), ONT's CFS will provide the opportunity to process additional international cargo from both passenger and cargo operations. The OIAA has letters of intent from multiple carriers interested in bringing international cargo operations to ONT, this in addition to the international cargo operations that Longo will bring to ONT.

PROCUREMENT: OIAA released a Request for Proposal for Management and Operation of a Container Freight Station in October 2023, in which we received two (2) proposals in December 2023. Staff reviewed both proposal responses and believes Longo has the necessary experience, skills, and qualifications to successfully operate the facility at ONT.

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 REVIEW AND APPROVAL:

Originator:	Elisa Grey, Chief Revenue Management Officer
Originating Dept.:	Revenue Management Division
Director Review:	N/A
Chief Review:	Elisa J. Grey
CFO Review:	Celeste Heinonen
CEO Approval:	Atif Elkadi

This Agenda Report has been reviewed by OIAA General Counsel.

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ONTARIO INTERNATIONAL AIRPORT
So Cal. So Easy.

MEETING DATE: **AUGUST 22, 2024**

SUBJECT: **LEASE AGREEMENT WITH THE CITY OF ONTARIO FOR THE CONTAINER FREIGHT STATION**

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

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to negotiate and execute a five-year Lease Agreement (Lease) with City of Ontario for the Container Freight Station.

FISCAL IMPACT SUMMARY: OIAA will pay annual rent to the City of Ontario (City) totaling $1,787,441 annually. The rental rate will be adjusted and increased by the Consumer Price Index each year with a cap of 3%. The funds for the rent will need to be requested through the annual budget process.

BACKGROUND: The City of Ontario (City) procured a property adjacent to the Airport through eminent domain. Such property included a 127,000 square foot industrial building, also known as the Oakmont Building. In 2023, the OIAA and the City of Ontario began discussions about potentially leasing the building to allow the OIAA to operate a Container Freight Station (CFS) at ONT. The CFS would allow international cargo handling and clearance at ONT for both passenger and cargo operations, thereby increasing the attractiveness for international carriers and cargo to operate out of ONT.

An agreement was made between the two parties and a lease is being drafted to allow the OIAA to lease the building from the City at Fair Market Value, which the OIAA would sublease the building to an operator to manage and oversee the CFS operations. Further, OIAA has negotiated with the City to include a Right of First Option in the Lease, which would allow the OIAA to purchase and receive title to the property. The term of this Lease is expected to last five years, with an option to extend the agreement for another five years.

PROCUREMENT: N/A

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 Environment Quality Act (CEQA). In addition, to the extent any alteration of facilities occurs, CEQA Guidelines section 15301 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 REVIEW AND APPROVAL:

Originator:	Annie Lin, Sr. Revenue Manager, Airline Affairs & Properties
Originating Dept.:	Revenue Management – Airline Affairs & Properties
Director Review:	N/A
Chief Review:	
CFO Review:	Celeste Heinonen
CEO Approval:	Atif Elkadi

This Agenda Report has been reviewed by OIAA General Counsel.

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MEETING DATE: **AUGUST 22, 2024**

SUBJECT: **LEASE AGREEMENT WITH MAJESTIC TERMINAL SERVICES, INC. DBA PRIMEFLIGHT CARGO FOR CARGO SERVICES**

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

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to negotiate and execute the terms of a Lease Agreement with Majestic Terminal Services, Inc. dba PrimeFlight Cargo (PrimeFlight) for cargo handling service areas.

FISCAL IMPACT SUMMARY: PrimeFlight will pay ground and facility rents totaling $2,191,713 per year with adjusted rates each year in accordance with the OIAA's Consumer Price Index and FMV Rent Adjustment Policies. The annual revenue in the new Lease is a 15% increase from the existing annual rent. The total expected term of this agreement is five years, generating nearly $11 million in lease revenue over the expected term (including potential extensions).

BACKGROUND: PrimeFlight has been operating out of the Airport providing the handling, storage, distribution and forwarding of air cargo goods for air cargo customers validly under a permit or airline use agreement with the Authority and air cargo customers delivering to and from the publicly accessed areas of the Premises. PrimeFlight has supported cargo activities for companies such as American Airlines, Inc., Delta Air Lines, Inc., Alaska Airlines, Inc., Guardian Jet Center, Amazon Air and China Airlines. This Lease will enable PrimeFlight to continue to operate at ONT for the benefit of the flight operations of its high-volume cargo customers.

PROCUREMENT: N/A

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 Environment Quality Act (CEQA). In addition, to the extent any alteration of facilities occurs, CEQA Guidelines section 15301 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 REVIEW AND APPROVAL:

Originator:	Annie Lin, Sr. Revenue Manager, Airline Affairs & Properties
Originating Dept.:	Revenue Management – Airline Affairs & Properties
Director Review:	N/A
Chief Review:	
CFO Review:	Celeste Heinonen
CEO Approval:	Atif Elkadi

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ONTARIO INTERNATIONAL AIRPORT
So Cal. So Easy.

MEETING DATE: **AUGUST 22, 2024**

SUBJECT: **AGREEMENT AMENDMENT WITH WINDSONG PRODUCTIONS, LLC, FOR STATE OF THE AIRPORT VIDEO PRODUCTION**

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

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to execute an agreement amendment with Windsong Productions, LLC, for State of the Airport (SOTA) video production in the amount, not to exceed, $150, 000.

FISCAL IMPACT SUMMARY: The agreement between the OIAA and Windsong Productions is estimated not to exceed $150,000, which will be utilized from the Marketing and Communications budget. Funding for this activity is included in the approved Fiscal Year 25 adopted budget.

BACKGROUND: The Ontario International Airport Authority has managed and operated ONT, generating a significant economic impact in the region. This year's State of the Airport will feature a comprehensive overview of the airport's economic impact on the Inland region and highlight all the milestones achieved during the eight years of local control. Southwest Airlines COO Andrew Watterson will serve as a keynote fireside chat panelist. The event will emphasize a year of unprecedented achievements and the positive impact ONT has had on the community. It will also cover the leadership of the Board, airline partners, stakeholders, and key federal partners.

PROCUREMENT: OIAA's procurement policies allow for non-competitive services if specialized subject matter expertise are unique and competitive proposals would be impractical or undesirable. As determined by OIAA leadership, Windsong Productions (WSP) have demonstrated unique qualifications and have proven expertise in the service of event production for our primary catchment area and in serving the unique needs of ONT video production through their experience with the City of Ontario (WSP).

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: State of the Airport is scheduled for November 6, 2024.

ATTACHMENTS: N/A

STAFF REVIEW AND APPROVAL:

Originator:	Eren Cello, Chief Marketing and Communications Officer
Originating Dept.:	Marketing and Communications Division
Director Review:	N/A
Chief Review:	Eren Cello
CFO Review:	Celeste Heinonen
CEO Approval:	Atif Elkadi

This Agenda Report has been reviewed by OIAA General Counsel.

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MEETING DATE: **AUGUST 22, 2024**

SUBJECT: **RESOLUTION APPROVING WITHDRAWAL FROM THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT**

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

RECOMMENDED ACTION(S): Approve a resolution terminating the Health Contract with CalPERS and move to large group health plans in the private marketplace and repealing Resolution No. 2020-05.

FISCAL IMPACT SUMMARY: The requested approval will reduce the medical coverage costs to the OIAA by approximately $350,000 annually or 15%. Additionally, it will reduce contribution rates for OIAA employees and provide reduced administrative tasks.

BACKGROUND: The Ontario International Airport Authority's (OIAA) was enrolled in CalPERS Health Contract for medical when local control was obtained. They City of Ontario added the OIAA staff to their existing plan to save costs. Initially, this was a sound decision versus the private market as the FTE count was below 100. As the OIAA has grown to surpass this FTE threshold, it is now fiscally prudent for the shift. CalPERS has increased by double digit percentages over each of the last three years.

PROCUREMENT: OIAA reviews the costs related to employee healthcare on an annual basis. A comparison to market cost is made via quotes provided through OIAA's broker. In previous years the cost benefit of CalPERS still provided the most value to the OIAA, however, with the steady double digit cost increases, the OIAA will experience greater value by making this change.

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): There is no impact to staffing.

IMPACT ON OPERATIONS: This will ensure the OIAA offers a competitive benefit package in the industry and marketplace while reducing overall costs.

SCHEDULE: The proposed benefit plan change will have an effective date of January 1, 2025.

ATTACHMENTS:
1. Resolution No. 2024-07

STAFF REVIEW AND APPROVAL:

Originator:	Angela Lauber-Conroy, Chief People Officer
Originating Dept.:	Human Resources
Director Review:	N/A
Chief Review:	Angela Lauber-Conroy
CFO Review:	Celeste Heinonen
CEO Approval:	Atif Elkadi

This Agenda Report has been reviewed by OIAA General Counsel.

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RESOLUTION NO. 2024-07

A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY APPROVING REMOVAL/WITHDRAWAL FROM THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT FOR EMPLOYEES AND ANNUITANTS 700 NON-PERS ALL EMPLOYEES AND REPEALING RESOLUTION NO. 2020-05

WHEREAS, (1) A contracting agency meeting the deadline requirements set forth in Government Code Section 22938, may remove themselves from health benefit plan(s), as defined under Government Code Section 22777, by submitting a resolution to the Board of Administration of the California Public Employees' Retirement System (the "Board"), and upon approval of such resolution by the Board, become withdrawn from the California Public Employees' Medical and Hospital Care Act (the "Act"); and

WHEREAS, (2) Ontario International Airport Authority is a contracting agency eligible to be subject to the Act under Government Code Section 22920; and

WHEREAS, (3) Ontario International Airport Authority desires to obtain for its employees and annuitants the benefit of a large group health plan in the open marketplace and accept the liabilities and obligations of an employer under the Act.

NOW, THEREFORE, BE IT RESOLVED by the Ontario International Airport Authority Commission as follows:

SECTION 1. The Ontario International Airport Authority Commission hereby approves the removal of participation by the Authority in the Public Employees' Medical and Hospital Care Act and the enrollment in a large group health plan through the Authority's current health insurance broker, Brown & Brown, which plan is attached as Exhibit "A", and by this reference is incorporated.

SECTION 2. The Ontario International Airport Authority Commission hereby repeals Resolution No. 2020-05.

SECTION 3. Effective Date. This Resolution will take effect on December 31, 2024.

SECTION 4. Certification. The Secretary/Assistant Secretary shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED at a Regular Meeting this 22nd day of August, 2024.

____
ALAN D. WAPNER, OIAA PRESIDENT

ATTEST:

____
NORMA I. ALLEY, MMC, ASSISTANT SECRETARY

APPROVED AS TO LEGAL FORM:

____
LORI D. BALLANCE, GENERAL COUNSEL

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, Norma I. Alley, MMC, Board Clerk/Assistant Secretary of the Ontario International Airport Authority, DO HEREBY CERTIFY the foregoing Resolution No. 2024-07 is the original and was duly passed and adopted by the Commission of the Ontario International Airport Authority at their Regular Meeting held on August 22, 2024, by the following roll call vote, to wit:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

NORMA I. ALLEY, MMC
BOARD CLERK/ASSISTANT SECRETARY

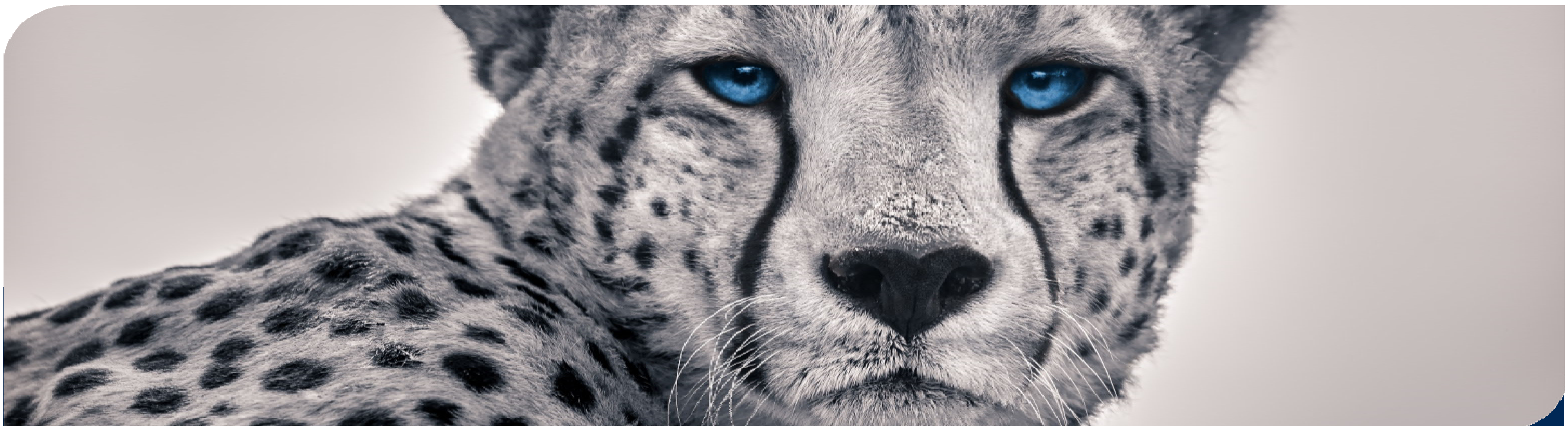
(SEAL)

Brown & Brown

EMPLOYEE BENEFITS RENEWAL PRESENTATION

Prepared for:
Ontario International Airport Authority

Renewal Effective:
January 1, 2025



2 Park Plaza, Suite 440
Irvine, CA 92614
P: (714) 221-1800

Executive Summary

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

GROUP BENEFIT PLAN REVIEW

Executive Summary

Effective January 1, 2025

CALPERS MEDICAL PLANS (95 ENROLLED)

- The CALPERS blended renewal requires an increase of 9% estimated at $214,712 annual.
  - The Kaiser HMO requires an increase of 8.4% estimated at $64,581 annual.
  - The Blue Shield Access+ HMO requires an increase of 8.2% estimated at $20,074 annual.
  - The Anthem Full Network HMO requires an increase of 9.3% estimated at $10,135 annual.
  - The Anthem Select HMO requires an increase of 10.4% estimated at $5,999 annual.
  - The UHC Alliance HMO requires an increase of 8.9% estimated at $3,386 annual.
  - The UHC Harmony HMO requires an increase of 7.4% estimated at $2,031 annual.
  - The PERS Platinum PPO requires an increase of 9.8% estimated at $100,608 annual.
  - The PERS Gold PPO requires an increase of 10% estimated at $7,899 annual.
- Brown & Brown marketed large group carriers – Anthem Blue Cross, Aetna, Blue Shield, Cigna, Kaiser and UnitedHealthcare (UHC).
- Aetna, Cigna and Kaiser presented competitive options compared to the CALPERs renewal.
- Aetna and Kaiser would be a DECREASE of 7% with an estimated savings of $160,944 from the current premium.
- Aetna and Kaiser would be a DECREASE of 15% with an estimated savings $375,656 from the renewal premium.
- Cigna and Kaiser would be a DECREASE of 12% with an estimated savings of $286,491 from the current premium.
- Cigna and Kaiser would be a DECREASE of 20% with an estimated savings $501,203 from the renewal premium.
- Brown & Brown has illustrated benefits from current CALPERS plans versus Aetna and Kaiser direct plans for your review.

OTHER

- Marketing Efforts
- Renewal Illustration / Contribution Analysis
- Disclaimers & Disclosures

Renewal Summary

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

Employee Benefit Plan Cost Summary

Renewal for Plan Year Beginning January 1, 2025

PLAN	EEs	CURRENT	RENEWAL	OPTION 1	OPTION 2
		CALPERS	CALPERS	Cigna/Kaiser Direct	Aetna / Kaiser Direct
PERS Platinum	43	$ 1,024,249	$ 1,124,857	$ 850,259	$ 999,009
PERS Gold	3	$ 80,432	$ 88,330	$ 96,303	$ 95,098
Kaiser HMO	44	$ 768,235	$ 832,815	$ 681,344	$ 683,041
Blue Shield Access+ HMO	14	$ 244,185	$ 264,259	$ 232,488	$ 218,333
Anthem Full HMO	5	$ 109,252	$ 119,387	$ 77,831	$ 73,551
Anthem Select HMO	2	$ 57,756	$ 63,755	$ 57,243	$ 55,812
UHC Alliance HMO	2	$ 38,145	$ 41,530	$ 38,664	$ 37,499
UHC Harmony HMO	2	$ 27,493	$ 29,525	$ 29,124	$ 26,459
SUBTOTAL MEDICAL	115	$ 2,349,746	$ 2,564,458	$ 2,063,256	$ 2,188,802
% DIFFERENCE				-12%	-7%
GRAND TOTAL	115	$ 2,349,746	$ 2,564,458	$ 2,063,256	$ 2,188,802
PEPM		$ 1,702.71	$ 1,858.30	$ 1,495.11	$ 1,586.09
$ DIFFERENCE CURRENT			$ 214,712	$ (286,491)	$ (160,944)
% DIFFERENCE CURRENT			9%	-12%	-7%
$ DIFFERENCE RENEWAL				$ (501,203)	$ (375,656)
% DIFFERENCE RENEWAL				-20%	-15%

PEPM based on Medical EE count

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
Carriers Solicited

Medical	
Aetna	Illustrated
Cigna	Illustrated
Kaiser Permanente	Illustrated
United Healthcare	Declined to Quote as Non-Compete with CALPERS
Blue Shield	Declined to Quote as Non-Compete with CALPERS
Anthem Blue Cross	Not competitive

Medical Options

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
Kaiser HMO Medical Plan
Plan Options - January 1, 2025

		Current	Renewal	Option 1	Option 2
		Kaiser CALPERS	Kaiser CALPERS	Kaiser Direct	Kaiser w/ Chiro
BENEFITS		**HMO 15/100%**	**Trio HMO Zero Admit 10**	**HMO 15/100%**	**HMO 10/100%**
Network		Kaiser HMO Network	Kaiser HMO Network	Kaiser HMO Network	Kaiser HMO Network
Calendar Year Deductible		None	None	None	None
Calendar Year Out-of-Pocket Maximum (Indiv/Family) Includes Rx		$1,500/$3,000	$1,500/$3,000	$1,500/3,000	$1,500/3,000
Office Visits		$15 copay	$15 copay	$15 copay	$15 copay
Inpatient Hospitalization		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Outpatient Surgery		Plan pays 100%	Plan pays 100%	$15 copay	$15 copay
Diagnostic Lab and X-Ray		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Complex Imaging (includes CT, PET, MUGA and MRI)		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Emergency Room (Copay waived if admitted)		$50 copay	$50 copay	$100 copay	$100 copay
Urgent Care		$15 copay	$15 copay	$15 copay	$15 copay
Chiropractic/Acupuncture Rider		$15 copay (20 visits combined)	$15 copay (20 visits combined)	N/A	$15 copay (20 visits combined)
Prescription Drugs		$5 Tier 1 $20 Tier 2	$5 Tier 1 $20 Tier 2	$10 Tier 1 $20 Tier 2	$10 Tier 1 $20 Tier 2
Rates	**Enroll**	**Current**	**Renewal**	**Option 1**	**Option 2**
Employee Only	27	$964.15	$1,045.20	$855.10	$857.23
Employee + 1	8	$1,928.30	$2,090.40	$1,710.20	$1,714.46
Employee + 2 or More	9	$2,506.79	$2,717.52	$2,223.26	$2,228.80
PROJECTED TOTALS					
Monthly Total	44	$64,020	$69,401	$56,779	$56,920
Annual Total		$768,235	$832,815	$681,344	$683,041
Annual $ Change Over Current			**$64,581**	**-$86,891**	**-$85,194**
Annual % Change Over Current			**8.4%**	**-11.3%**	**-11.1%**

Note: This is a summary of the plan, it is not intended to be a full listing of benefits, limitations and exclusions,. The carrier materials will govern in all cases.

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
HMO Medical Plan
Plan Options - January 1, 2025

		Current	Renewal	Option 1	Option 2
		Blue Shield CALPERS	Blue Shield CALPERS	Cigna	Aetna
BENEFITS		**Access+ HMO Zero Admit 15**	**Blue Shield CALPERS**	**S CA GC HMO $15 / 100%**	**HMO $10 / 100%**
Network		Access+ HMO Network (Full)	Access+ HMO Network (Full)	HMO (Full)	HMO (Full)
Calendar Year Deductible		None	None	None	None
Calendar Year Out-of-Pocket Maximum (Indiv/Family) Includes Rx		$1,500/$3,000	$1,500/$3,000	$1,500/$3,000	$1,500/$3,000
Office Visits		$15 copay	$15 copay	$15 copay	$10 copay
Inpatient Hospitalization		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Outpatient Surgery		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Diagnostic Lab and X-Ray		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Complex Imaging (includes CT, PET, MUGA and MRI)		Plan pays 100%	Plan pays 100%	Plan pays 100%	$100 copay
Emergency Room (Copay waived if admitted)		$50 copay	$50 copay	$50 copay	$50
Urgent Care		$15 copay	$15 copay	$15 copay	$35 copay
Chiropractic/Acupuncture Rider		$15 copay (20 visits combined)	$15 copay (20 visits combined)	$15 copay (20 visits combined)	$15 copay / $15 copay (Limited 20 visits each)
Prescription Drugs		$5 Tier 1 $20 Tier 2 $50 Tier 3	$5 Tier 1 $20 Tier 2 $50 Tier 3	$5 Tier 1 $20 Tier 2 $50 Tier 3	$10 Tier 1 $30 Tier 2 $50 Tier 3 30% to $250/fill Tier 4
Rates	**Enroll**	**Current**	**Renewal**	**Option 1**	**Option 2**
Employee Only	7	$892.49	$965.86	$836.89	$799.43
Employee + 1	4	$1,784.98	$1,931.72	$1,590.09	$1,405.49
Employee + 2 or More	3	$2,320.47	$2,511.24	$2,385.13	$2,325.49
PROJECTED TOTALS					
Monthly Total	14	$20,349	$22,022	$19,374	$18,194
Annual Total		$244,185	$264,259	$232,488	$218,333
Annual $ Change Over Current			**$20,074**	**-$11,697**	**-$25,852**
Annual % Change Over Current			**8.2%**	**-4.8%**	**-10.6%**

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ONTARIO INTERNATIONAL AIRPORT AUTHORITY

HMO Medical Plan

Plan Options - January 1, 2025

		Current	Renewal	Option 1	Option 2
		Anthem CALPERS	Anthem CALPERS	Cigna	Aetna
BENEFITS		**Traditional HMO**	**Traditional HMO**	**S CA GC HMO $15 / 100%**	**HMO $10 / 100%**
Network		Anthem HMO Network (Full)	Anthem HMO Network (Full)	HMO (Full)	HMO (Full)
Calendar Year Deductible		None	None	None	None
Calendar Year Out-of-Pocket Maximum (Indiv/Family) Includes Rx		$1,500/$3,000	$1,500/$3,000	$1,500/$3,000	$1,500/$3,000
Office Visits		$15 copay	$15 copay	$15 copay	$10 copay
Inpatient Hospitalization		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Outpatient Surgery		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Diagnostic Lab and X-Ray		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Complex Imaging (includes CT, PET, MUGA and MRI)		Plan pays 100%	Plan pays 100%	Plan pays 100%	$100 copay
Emergency Room (Copay waived if admitted)		$50 copay	$50 copay	$50 copay	$50
Urgent Care		$15 copay	$15 copay	$15 copay	$35 copay
Chiropractic/Acupuncture Rider		$15 copay (20 visits combined)	$15 copay (20 visits combined)	$15 copay (20 visits combined)	$15 copay / $15 copay (Limited 20 visits each)
Prescription Drugs		$5 Tier 1 $20 Tier 2 $50 Tier 3	$5 Tier 1 $20 Tier 2 $50 Tier 3	$5 Tier 1 $20 Tier 2 $50 Tier 3	$10 Tier 1 $30 Tier 2 $50 Tier 3 30% to $250/fill Tier 4
Rates	**Enroll**	**Current**	**Renewal**	**Option 1**	**Option 2**
Employee Only	3	$1,197.94	$1,309.07	$836.89	$799.43
Employee + 1	1	$2,395.88	$2,618.14	$1,590.09	$1,405.49
Employee + 2 or More	1	$3,114.64	$3,403.58	$2,385.13	$2,325.49
PROJECTED TOTALS					
Monthly Total	5	$9,104	$9,949	$6,486	$6,129
Annual Total		$109,252	$119,387	$77,831	$73,551
Annual $ Change Over Current			**$10,135**	**-$31,421**	**-$35,701**
Annual % Change Over Current			**9.3%**	**-28.8%**	**-32.7%**

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ONTARIO INTERNATIONAL AIRPORT AUTHORITY
HMO Medical Plan
Plan Options - January 1, 2025

		Current	Renewal	Option 1	Option 2
		Anthem CALPERS	Anthem CALPERS	Cigna	Aetna
BENEFITS		**Select HMO $15 / 100**	**Select HMO $15 / 100**	**S CA GC HMO $15 / 100%**	**HMO $10 / 100%**
Network		Select HMO (Narrow)	Select HMO (Narrow)	HMO (Full)	HMO (Full)
Calendar Year Deductible		None	None	None	None
Calendar Year Out-of-Pocket Maximum (Indiv/Family) Includes Rx		$1,500/$3,000	$1,500/$3,000	$1,500/$3,000	$1,500/$3,000
Office Visits		$15 copay	$15 copay	$15 copay	$10 copay
Inpatient Hospitalization		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Outpatient Surgery		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Diagnostic Lab and X-Ray		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Complex Imaging (includes CT, PET, MUGA and MRI)		Plan pays 100%	Plan pays 100%	Plan pays 100%	$100 copay
Emergency Room (Copay waived if admitted)		$50 copay	$50 copay	$50 copay	$50
Urgent Care		$15 copay	$15 copay	$15 copay	$35 copay
Chiropractic/Acupuncture Rider		$15 copay (20 visits combined)	$15 copay (20 visits combined)	$15 copay (20 visits combined)	$15 copay / $15 copay (Limited 20 visits each)
Prescription Drugs		$5 Tier 1 $20 Tier 2 $50 Tier 3	$5 Tier 1 $20 Tier 2 $50 Tier 3	$5 Tier 1 $20 Tier 2 $50 Tier 3	$10 Tier 1 $30 Tier 2 $50 Tier 3 30% to $250/fill Tier 4
Rates	**Enroll**	**Current**	**Renewal**	**Option 1**	**Option 2**
Employee Only	0	$925.57	$1,021.71	$836.89	$799.43
Employee + 1	0	$1,851.14	$2,043.42	$1,590.09	$1,405.49
Employee + 2 or More	2	$2,406.48	$2,656.45	$2,385.13	$2,325.49
PROJECTED TOTALS					
Monthly Total	2	$4,813	$5,313	$4,770	$4,651
Annual Total		$57,756	$63,755	$57,243	$55,812
Annual $ Change Over Current			**$5,999**	**-$512**	**-$1,944**
Annual % Change Over Current			**10.4%**	**-0.9%**	**-3.4%**

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ONTARIO INTERNATIONAL AIRPORT AUTHORITY

HMO Medical Plan

Plan Options - January 1, 2025

		Current	Renewal	Option 1	Option 2
		UHC CALPERS	UHC CALPERS	Cigna	Aetna
BENEFITS		**Alliance HMO $15 / 100**	**Alliance HMO $15 / 100**	**S CA GC HMO $15 / 100%**	**HMO $10 / 100%**
Network		Alliance HMO (Narrow)	Alliance HMO (Narrow)	HMO (Full)	HMO (Full)
Calendar Year Deductible		None	None	None	None
Calendar Year Out-of-Pocket Maximum (Indiv/Family) Includes Rx		$1,500/$3,000	$1,500/$3,000	$1,500/$3,000	$1,500/$3,000
Office Visits		$15 copay	$15 copay	$15 copay	$10 copay
Inpatient Hospitalization		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Outpatient Surgery		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Diagnostic Lab and X-Ray		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Complex Imaging (includes CT, PET, MUGA and MRI)		Plan pays 100%	Plan pays 100%	Plan pays 100%	$100 copay
Emergency Room (Copay waived if admitted)		$50 copay	$50 copay	$50 copay	$50
Urgent Care		$15 copay	$15 copay	$15 copay	$35 copay
Chiropractic/Acupuncture Rider		$15 copay (20 visits combined)	$15 copay (20 visits combined)	$15 copay (20 visits combined)	$15 copay / $15 copay (Limited 20 visits each)
Prescription Drugs		$5 Tier 1 $20 Tier 2 $50 Tier 3	$5 Tier 1 $20 Tier 2 $50 Tier 3	$5 Tier 1 $20 Tier 2 $50 Tier 3	$10 Tier 1 $30 Tier 2 $50 Tier 3 30% to $250/fill Tier 4
Rates	**Enroll**	**Current**	**Renewal**	**Option 1**	**Option 2**
Employee Only	1	$882.98	$961.35	$836.89	$799.43
Employee + 1	0	$1,765.96	$1,922.70	$1,590.09	$1,405.49
Employee + 2 or More	1	$2,295.75	$2,499.51	$2,385.13	$2,325.49
PROJECTED TOTALS					
Monthly Total	2	$3,179	$3,461	$3,222	$3,125
Annual Total		$38,145	$41,530	$38,664	$37,499
Annual $ Change Over Current			**$3,386**	**$519**	**-$646**
Annual % Change Over Current			**8.9%**	**1.4%**	**-1.7%**

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ONTARIO INTERNATIONAL AIRPORT AUTHORITY

HMO Medical Plan

Plan Options - January 1, 2025

		Current	Renewal	Option 1	Option 2
		UHC CALPERS	UHC CALPERS	Cigna	Aetna
BENEFITS		**Harmony HMO $15 / 100**	**Harmony HMO $15 / 100**	**S CA GC HMO $15 / 100%**	**HMO $10 / 100%**
Network		Harmony HMO (Narrow)	Harmony HMO (Narrow)	HMO (Full)	HMO (Full)
Calendar Year Deductible		None	None	None	None
Calendar Year Out-of-Pocket Maximum (Indiv/Family) Includes Rx		$1,500/$3,000	$1,500/$3,000	$1,500/$3,000	$1,500/$3,000
Office Visits		$15 copay	$15 copay	$15 copay	$10 copay
Inpatient Hospitalization		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Outpatient Surgery		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Diagnostic Lab and X-Ray		Plan pays 100%	Plan pays 100%	Plan pays 100%	Plan pays 100%
Complex Imaging (includes CT, PET, MUGA and MRI)		Plan pays 100%	Plan pays 100%	Plan pays 100%	$100 copay
Emergency Room (Copay waived if admitted)		$50 copay	$50 copay	$50 copay	$50
Urgent Care		$15 copay	$15 copay	$15 copay	$35 copay
Chiropractic/Acupuncture Rider		$15 copay (20 visits combined)	$15 copay (20 visits combined)	$15 copay (20 visits combined)	$15 copay / $15 copay (Limited 20 visits each)
Prescription Drugs		$5 Tier 1 $20 Tier 2 $50 Tier 3	$5 Tier 1 $20 Tier 2 $50 Tier 3	$5 Tier 1 $20 Tier 2 $50 Tier 3	$10 Tier 1 $30 Tier 2 $50 Tier 3 30% to $250/fill Tier 4
Rates	**Enroll**	**Current**	**Renewal**	**Option 1**	**Option 2**
Employee Only	1	$763.70	$820.13	$836.89	$799.43
Employee + 1	1	$1,527.40	$1,640.26	$1,590.09	$1,405.49
Employee + 2 or More	0	$1,985.62	$2,132.34	$2,385.13	$2,325.49
PROJECTED TOTALS					
Monthly Total	2	$2,291	$2,460	$2,427	$2,205
Annual Total		$27,493	$29,525	$29,124	$26,459
Annual $ Change Over Current			**$2,031**	**$1,631**	**-$1,034**
Annual % Change Over Current			**7.4%**	**5.9%**	**-3.8%**

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ONTARIO INTERNATIONAL AIRPORT AUTHORITY

PPO Medical Plan

Plan Options - January 1, 2025

		Current		Renewal		Cigna - Option 1		Aetna - Option 2	
		PERS Platinum PPO		PERS Platinum PPO		S CA GC OAP $500		OA Managed Choice 250 100/70 $10/$20 PPO	
BENEFITS		*Network*	*Non-Network*	*Network*	*Non-Network*	*Network*	*Non-Network*	*Network*	*Non-Network*
Calendar Year Deductible (Indiv/Family)		$500/$1,000		$500/$1,000		$500/$1,000		$250/$500	$500/$1,000
Calendar Year Out-of-Pocket		$2,000/$4,000	Unlimited	$2,000/$4,000	Unlimited	$2,000/$4,000	$4,000/$8,000	$2,500/$5,000	$4,000/$8,000
Office Visit		$20 copay (ded. waived)	Plan pays 60% AD	$20 copay (ded. waived)	Plan pays 60% AD	PCP: $20 copay Specialist: $35 copay (ded. waived)	Plan pays 60% AD	PCP: $10 copay Specialist: $20 copay (ded. waived)	Plan pays 70% AD
Coinsurance		Plan pays 90% AD	Plan pays 60% AD	Plan pays 90% AD	Plan pays 60% AD	Plan pays 90%	Plan pays 60% AD	Plan pays 100%	Plan pays 70% AD
Inpatient Hospitalization		Plan pays 90% AD	Plan pays 60% AD	Plan pays 90% AD	Plan pays 60% AD	$250 then Plan pays 90% AD	Plan pays 60% AD	Plan pays 100% AD	Plan pays 70% AD
Outpatient Surgery		Plan pays 90% AD	Plan pays 60% AD	Plan pays 90% AD	Plan pays 60% AD	$250 then Plan pays 90% AD	Plan pays 60% AD	Plan pays 100% AD	Plan pays 70% AD
Outpatient Diagnostic Lab X-ray		Plan pays 90% AD	Plan pays 60% AD	Plan pays 90% AD	Plan pays 60% AD	Plan pays 90% AD	Plan pays 60% AD	Plan pays 100% AD	Plan pays 70% AD
Complex Radiology (includes CT, PET, MUGA and MRI)		Plan pays 90% AD	Plan pays 60%	Plan pays 90% AD	Plan pays 60%	Plan pays 90% AD	Plan pays 60% AD	Plan pays 100% AD	Plan pays 70% AD
Emergency Room (Copay waived if admitted)		$50 copay, then Plan pays 90% (ded. waived)		$50 copay, then Plan pays 90% (ded. waived)		$50 copay, then Plan pays 90% (ded. waived)		$200 copay (ded. waived)	
Urgent Care		$35 copay (ded. waived)	Plan pays 60% AD	$35 copay (ded. waived)	Plan pays 60% AD	$35 copay (ded. waived)	Plan pays 60% AD	$50 copay	Plan pays 70% AD
Chiropractic		$15 copay (ded. waived)	Plan pays 60% AD	$15 copay (ded. waived)	Plan pays 60% AD	$15 copay (ded. waived)	Plan pays 60% AD	$20 copay	Plan pays 70% AD
		Chiro/Accupuncture combined 20 visits per year		Chiro/Accupuncture combined 20 visits per year		Chiro/Accupuncture combined 20 visits per year		Chiro/Accupuncture combined 20 visits per year	
Acupuncture		$15 copay (ded. waived)	Plan pays 60%	$15 copay (ded. waived)	Plan pays 60%	$15 copay (ded. waived)	Plan pays 60% AD	$20 copay	Plan pays 70% AD
		Chiro/Accupuncture combined 20 visits per year		Chiro/Accupuncture combined 20 visits per year		Chiro/Accupuncture combined 20 visits per year		Chiro/Accupuncture combined 20 visits per year	
Prescription Drugs		$5 Tier 1 $20 Tier 2 $50 Tier 3	Not Covered	$5 Tier 1 $20 Tier 2 $50 Tier 3	Not Covered	$5 Tier 1 $20 Tier 2 $50 Tier 3	Not Covered	$10 Tier 1 $30 Tier 2 $50 Tier 3 30% to $250/fill Tier 4	Not Covered
Rates	**Enroll**	**Current**		**Renewal**		**Option 1**		**Option 2**	
Employee Only	23	$1,215.87		$1,335.30		$978.66		$1,156.76	
Employee + 1	8	$2,431.74		$2,670.60		$1,859.45		$2,033.25	
Employee + 2 or More	12	$3,161.26		$3,471.78		$2,789.18		$3,364.94	
PROJECTED TOTALS									
Monthly Total	43	$85,354		$93,738		$70,855		$83,251	
Annual Total		$1,024,249		$1,124,857		$850,259		$999,009	
Annual $ Change Over Current				**$100,608**		**-$173,989**		**-$25,239**	
Annual % Change Over Current				**9.8%**		**-17.0%**		**-2.5%**	

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ONTARIO INTERNATIONAL AIRPORT AUTHORITY

PPO Medical Plan

Plan Options - January 1, 2025

	Current		Renewal		Cigna - Option 1		Aetna - Option 2	
	PERS Gold PPO		PERS Gold PPO		S CA GC OAP $500		OA Managed Choice 1000 80/60 $25/$50 PPO	
BENEFITS	*Network*	*Non-Network*	*Network*	*Non-Network*	*Network*	*Non-Network*	*Network*	*Non-Network*
Calendar Year Deductible (Indiv/Family)	$1,000/$2,000		$1,000/$2,000		$1,000/$2,000		$1,000/$2,000	$2,000/$4,000
Calendar Year Out-of-Pocket	$3,000/$6,000	Unlimited	$3,000/$6,000	Unlimited	$3,000/$6,000	$6,000/$12,000	$3,500/$7,000	$8,000/$16,000
Office Visit	$35 copay (ded. waived)	Plan pays 60% AD	$35 copay (ded. waived)	Plan pays 60% AD	PCP: $35 copay Specialist: $50 copay (ded. waived)	Plan pays 50% AD	PCP: $25 copay Specialist: $50 copay (ded. waived)	Plan pays 60% AD
Coinsurance	Plan pays 80% AD	Plan pays 60% AD	Plan pays 80% AD	Plan pays 60% AD	Plan pays 80%	Plan pays 50% AD	Plan pays 80% AD	Plan pays 60% AD
Inpatient Hospitalization	Plan pays 80% AD	Plan pays 60% AD	Plan pays 80% AD	Plan pays 60% AD	$250 then Plan pays 80% AD	Plan pays 50% AD	Plan pays 80% AD	Plan pays 60% AD
Outpatient Surgery	Plan pays 80% AD	Plan pays 60% AD	Plan pays 80% AD	Plan pays 60% AD	$250 then Plan pays 80% AD	Plan pays 50% AD	Plan pays 80% AD	Plan pays 60% AD
Outpatient Diagnostic Lab X-ray	Plan pays 80% AD	Plan pays 60% AD	Plan pays 80% AD	Plan pays 60% AD	Plan pays 80%	Plan pays 50% AD	Plan pays 80% AD	Plan pays 60% AD
Complex Radiology (includes CT, PET, MUGA and MRI)	Plan pays 80% AD	Plan pays 60%	Plan pays 80% AD	Plan pays 60%	Plan pays 90% AD	Plan pays 50% AD	Plan pays 80% AD	Plan pays 60% AD
Emergency Room (Copay waived if admitted)	$50 copay, then Plan pays 80% (ded. waived)		$50 copay, then Plan pays 80% (ded. waived)		$100 copay, then Plan pays 90% (ded. waived)		$300 copay, then plan pays 80% (ded waived)	
Urgent Care	$35 copay (ded. waived)	Plan pays 60% AD	$35 copay (ded. waived)	Plan pays 60% AD	$50 copay (ded. waived)	Plan pays 50% AD	$50 copay	Plan pays 60% AD
Chiropractic	$15 copay (ded. waived)	Plan pays 60% AD	$15 copay (ded. waived)	Plan pays 60% AD	$15 copay (ded. waived)	Plan pays 50% AD	$50 copay	Plan pays 60% AD
	Chiro/Accupuncture combined 20 visits per year		Chiro/Accupuncture combined 20 visits per year		Chiro/Accupuncture combined 20 visits per year		Chiro/Accupuncture combined 20 visits per year	
Acupuncture	$15 copay	Plan pays 60%	$15 copay	Plan pays 60%	$15 copay (ded. waived)	Plan pays 60% AD	$50 copay	Plan pays 60% AD
	Chiro/Accupuncture combined 20 visits per year		Chiro/Accupuncture combined 20 visits per year		Chiro/Accupuncture combined 20 visits per year		Chiro/Accupuncture combined 20 visits per year	
Prescription Drugs	$5 Tier 1 $20 Tier 2 $50 Tier 3	Not Covered	$5 Tier 1 $20 Tier 2 $50 Tier 3	Not Covered	$5 Tier 1 $20 Tier 2 $50 Tier 3	Not Covered	$10 Tier 1 $30 Tier 2 $50 Tier 3 30% to $250/fill Tier 4	Not Covered

Rates	**Enroll**	**Current**	**Renewal**	**Option 1**	**Option 2**
Employee Only	0	$859.31	$943.70	$938.62	$908.10
Employee + 1	0	$1,718.62	$1,887.40	$1,783.39	$1,596.17
Employee + 2 or More	3	$2,234.21	$2,453.62	$2,675.08	$2,641.60
PROJECTED TOTALS					
Monthly Total	3	$6,703	$7,361	$8,025	$7,925
Annual Total		$80,432	$88,330	$96,303	$95,098
Annual $ Change Over Current			**$7,899**	**$15,871**	**$14,666**
Annual % Change Over Current			**10%**	**19.7%**	**18.2%**

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Contribution Analysis

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

Effective January 1, 2025

Medical Plan Contributions - 100% Employee / 90% Dependents

Current CALPERS vs. CALPERS Renewal

	ENROLL	PREMIUM RATES				CURRENT			RENEWAL			EMPLOYEE SEMI-MONTHLY CONTRIBUTIONS			
						EE	OIAA		EE	OIAA					
	Current	Current	Renewal	$ Change	% Change	$	$	% Share	$	$	% Share	Current	Renew	$ Change	% Change
Kaiser															
EE Only	27	$964.15	$1,045.20	$81.05	8.4%	$0.00	$964.15	100%	$0.00	$1,045.20	100%	$0.00	$0.00	$0.00	0.0%
EE + 1	8	$1,928.30	$2,090.40	$162.10	8.4%	$96.42	$1,831.89	95%	$104.52	$1,985.88	95%	$48.21	$52.26	$4.05	8.4%
EE + 2	9	$2,506.79	$2,717.52	$210.73	8.4%	$154.26	$2,352.53	94%	$167.23	$2,550.29	94%	$77.13	$83.62	$6.48	8.4%
HMO	**44**	**$64,020**	**$69,401**	**$5,382**	**8.4%**	**$2,160**	**$61,860**	**97%**	**$2,341**	**$67,060**	**97%**				
Blue Shield Access + HMO															
EE Only	7	$892.49	$965.86	$73.37	8.2%	$0.00	$892.49	100%	$0.00	$965.86	100%	$0.00	$0.00	$0.00	0.0%
EE + 1	4	$1,784.98	$1,931.72	$146.74	8.2%	$89.25	$1,695.73	95%	$96.59	$1,835.13	95%	$44.62	$48.29	$3.67	8.2%
EE + 2	3	$2,320.47	$2,511.24	$190.77	8.2%	$142.80	$2,177.67	94%	$154.54	$2,356.70	94%	$71.40	$77.27	$5.87	8.2%
HMO	**14**	**$20,349**	**$22,022**	**$1,673**	**8.2%**	**$785**	**$19,563**	**96%**	**$850**	**$21,172**	**96%**				
Anthem Full HMO															
EE Only	3	$1,197.94	$1,309.07	$111.13	9.3%	$0.00	$1,197.94	100%	$0.00	$1,309.07	100%	$0.00	$0.00	$0.00	0.0%
EE + 1	1	$2,395.88	$2,618.14	$222.26	9.3%	$119.79	$2,276.09	95%	$130.91	$2,487.23	95%	$59.90	$65.45	$5.56	9.3%
EE + 2	1	$3,114.64	$3,403.58	$288.94	9.3%	$191.67	$2,922.97	94%	$209.45	$3,194.13	94%	$95.83	$104.73	$8.89	9.3%
	5	**$9,104**	**$9,949**	**$845**	**9.3%**	**$311**	**$8,793**	**97%**	**$340**	**$9,609**	**97%**				
Anthem Select HMO															
EE Only	0	$925.57	$2,021.71	$1,096.14	118.4%	$0.00	$925.57	100%	$0.00	$2,021.71	100%	$0.00	$0.00	$0.00	0.0%
EE + 1	0	$1,851.14	$2,043.42	$192.28	10.4%	$92.56	$1,758.58	95%	$102.17	$1,941.25	95%	$46.28	$51.09	$4.81	10.4%
EE + 2	2	$2,406.48	$2,656.45	$249.97	10.4%	$148.09	$2,258.39	94%	$163.47	$2,492.98	94%	$74.05	$81.74	$7.69	10.4%
	2	**$4,813**	**$5,313**	**$500**	**10.4%**	**$296**	**$4,517**	**94%**	**$327**	**$4,986**	**94%**				
UHC Alliance HMO															
EE Only	1	$882.98	$961.35	$78.37	8.9%	$0.00	$882.98	100%	$0.00	$961.35	100%	$0.00	$0.00	$0.00	0.0%
EE + 1	0	$1,765.96	$1,922.70	$156.74	8.9%	$88.30	$1,677.66	95%	$96.14	$1,826.57	95%	$44.15	$48.07	$3.92	8.9%
EE + 2	1	$2,295.75	$2,499.51	$203.76	8.9%	$141.28	$2,154.47	94%	$153.82	$2,345.69	94%	$70.64	$76.91	$6.27	8.9%
	2	**$3,179**	**$3,461**	**$282**	**8.9%**	**$141**	**$3,037**	**96%**	**$154**	**$3,307**	**96%**				
UHC Harmony HMO															
EE Only	1	$763.70	$820.13	$56.43	7.4%	$0.00	$763.70	100%	$0.00	$820.13	100%	$0.00	$0.00	$0.00	0.0%
EE + 1	1	$1,527.40	$1,640.26	$112.86	7.4%	$76.37	$1,451.03	95%	$82.01	$1,558.25	95%	$38.18	$41.01	$2.82	7.4%
EE + 2	0	$1,985.62	$2,132.34	$146.72	7.4%	$122.19	$1,863.43	94%	$131.22	$2,001.12	94%	$61.10	$65.61	$4.51	7.4%
	2	**$2,291**	**$2,460**	**$169**	**7.4%**	**$76**	**$2,215**	**97%**	**$82**	**$2,378**	**97%**				
PERS Platinum															
EE Only	23	$1,215.87	$1,335.30	$119.43	9.8%	$0.00	$1,215.87	100%	$0.00	$1,335.30	100%	$0.00	$0.00	$0.00	0.0%
EE + 1	8	$2,431.74	$2,670.60	$238.86	9.8%	$121.59	$2,310.15	95%	$133.53	$2,537.07	95%	$60.79	$66.77	$5.97	9.8%
EE + 2	12	$3,161.26	$3,471.78	$310.52	9.8%	$194.54	$2,966.72	94%	$213.65	$3,258.13	94%	$97.27	$106.82	$9.55	9.8%
	43	**$85,354**	**$93,738**	**$8,384**	**9.8%**	**$3,307**	**$82,047**	**96%**	**$3,632**	**$90,106**	**96%**				
PERS Gold															
EE Only	0	$859.31	$943.70	$84.39	9.8%	$0.00	$859.31	100%	$0.00	$943.70	100%	$0.00	$0.00	$0.00	0.0%
EE + 1	0	$1,718.62	$1,887.40	$168.78	9.8%	$85.93	$1,632.69	95%	$94.37	$1,793.03	95%	$42.97	$47.19	$4.22	9.8%
EE + 2	3	$2,234.21	$2,453.62	$219.41	9.8%	$137.49	$2,096.72	94%	$150.99	$2,302.63	94%	$68.74	$75.50	$6.75	9.8%
	3	**$6,703**	**$7,361**	**$658**	**9.8%**	**$412**	**$6,290**	**94%**	**$453**	**$6,908**	**94%**				
PROJECTED TOTALS															
Monthly	**115**	**$195,812**	**$213,705**	**$17,893**	**9.1%**	**$7,490**	**$188,322**	**96%**	**$8,179**	**$205,526**	**96%**				
Annual		**$2,349,746**	**$2,564,459**	**$214,713**		**$89,880**	**$2,259,865**		**$98,152**	**$2,466,307**					
Annual $ Change									**$8,272**	**$206,441**					
Annual % Change									**9.2%**	**9.1%**					
% of Total Premium Increase Absorbed									**4%**	**96%**					

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

Effective January 1, 2025

Medical Plan Contributions - 100% Employee / 90% Dependents

Current CALPERS vs. Cigna / Kaiser

	ENROLL	PREMIUM RATES				CURRENT			CIGNA / KAISER			EMPLOYEE SEMI-MONTHLY CONTRIBUTIONS			
						EE	OIAA		EE	OIAA					
	Current	Current	Renewal	$ Change	% Change	$	$	% Share	$	$	% Share	Current	Renew	$ Change	% Change
Kaiser															
EE Only	27	$964.15	$858.79	-$105.36	-10.9%	$0.00	$964.15	**100%**	$0.00	$858.79	**100%**	$0.00	**$0.00**	$0.00	0.0%
EE + 1	8	$1,928.30	$1,717.58	-$210.72	-10.9%	$96.42	$1,831.89	95%	$85.88	$1,631.70	95%	$48.21	**$42.94**	-$5.27	-10.9%
EE + 2	9	$2,506.79	$2,232.86	-$273.93	-10.9%	$154.26	$2,352.53	94%	$137.41	$2,095.45	94%	$77.13	**$68.70**	-$8.43	-10.9%
HMO	**44**	**$64,020**	**$57,024**	**-$6,996**	**-10.9%**	**$2,160**	**$61,860**	**97%**	**$1,924**	**$55,100**	**97%**				
Blue Shield Access + HMO															
EE Only	7	$892.49	$836.89	-$55.60	-6.2%	$0.00	$892.49	**100%**	$0.00	$836.89	**100%**	$0.00	**$0.00**	$0.00	0.0%
EE + 1	4	$1,784.98	$1,590.09	-$194.89	-10.9%	$89.25	$1,695.73	95%	$79.50	$1,510.59	95%	$44.62	**$39.75**	-$4.87	-10.9%
EE + 2	3	$2,320.47	$2,385.13	$64.66	2.8%	$142.80	$2,177.67	94%	$146.78	$2,238.35	94%	$71.40	**$73.39**	$1.99	2.8%
HMO	**14**	**$20,349**	**$19,374**	**-$975**	**-4.8%**	**$785**	**$19,563**	**96%**	**$758**	**$18,616**	**96%**				
Anthem Full HMO															
EE Only	3	$1,197.94	$836.89	-$361.05	-30.1%	$0.00	$1,197.94	**100%**	$0.00	$836.89	**100%**	$0.00	**$0.00**	$0.00	0.0%
EE + 1	1	$2,395.88	$1,590.09	-$805.79	-33.6%	$119.79	$2,276.09	95%	$79.50	$1,510.59	95%	$59.90	**$39.75**	-$20.14	-33.6%
EE + 2	1	$3,114.64	$2,385.13	-$729.51	-23.4%	$191.67	$2,922.97	94%	$146.78	$2,238.35	94%	$95.83	**$73.39**	-$22.45	-23.4%
	5	**$9,104**	**$6,486**	**-$2,618**	**-28.8%**	**$311**	**$8,793**	**97%**	**$226**	**$6,260**	**97%**				
Anthem Select HMO															
EE Only	0	$925.57	$836.89	-$88.68	-9.6%	$0.00	$925.57	**100%**	$0.00	$836.89	**100%**	$0.00	**$0.00**	$0.00	0.0%
EE + 1	0	$1,851.14	$1,590.09	-$261.05	-14.1%	$92.56	$1,758.58	95%	$79.50	$1,510.59	95%	$46.28	**$39.75**	-$6.53	-14.1%
EE + 2	2	$2,406.48	$2,385.13	-$21.35	-0.9%	$148.09	$2,258.39	94%	$146.78	$2,238.35	94%	$74.05	**$73.39**	-$0.66	-0.9%
	2	**$4,813**	**$4,770**	**-$43**	**-0.9%**	**$296**	**$4,517**	**94%**	**$294**	**$4,477**	**94%**				
UHC Alliance HMO															
EE Only	1	$882.98	$836.89	-$46.09	-5.2%	$0.00	$882.98	**100%**	$0.00	$836.89	**100%**	$0.00	**$0.00**	$0.00	0.0%
EE + 1	0	$1,765.96	$1,590.09	-$175.87	-10.0%	$88.30	$1,677.66	95%	$79.50	$1,510.59	95%	$44.15	**$39.75**	-$4.40	-10.0%
EE + 2	1	$2,295.75	$2,385.13	$89.38	3.9%	$141.28	$2,154.47	94%	$146.78	$2,238.35	94%	$70.64	**$73.39**	$2.75	3.9%
	2	**$3,179**	**$3,222**	**$43**	**1.4%**	**$141**	**$3,037**	**96%**	**$147**	**$3,075**	**95%**				
UHC Harmony HMO															
EE Only	1	$763.70	$836.89	$73.19	9.6%	$0.00	$763.70	**100%**	$0.00	$836.89	**100%**	$0.00	**$0.00**	$0.00	0.0%
EE + 1	1	$1,527.40	$1,590.09	$62.69	4.1%	$76.37	$1,451.03	95%	$79.50	$1,510.59	95%	$38.18	**$39.75**	$1.57	4.1%
EE + 2	0	$1,985.62	$2,385.13	$399.51	20.1%	$122.19	$1,863.43	94%	$146.78	$2,238.35	94%	$61.10	**$73.39**	$12.29	20.1%
	2	**$2,291**	**$2,427**	**$136**	**5.9%**	**$76**	**$2,215**	**97%**	**$80**	**$2,347**	**97%**				
PERS Platinum															
EE Only	23	$1,215.87	$978.66	-$237.21	-19.5%	$0.00	$1,215.87	**100%**	$0.00	$978.66	**100%**	$0.00	**$0.00**	$0.00	0.0%
EE + 1	8	$2,431.74	$1,859.45	-$572.29	-23.5%	$121.59	$2,310.15	95%	$92.97	$1,766.48	95%	$60.79	**$46.49**	-$14.31	-23.5%
EE + 2	12	$3,161.26	$2,789.18	-$372.08	-11.8%	$194.54	$2,966.72	94%	$171.64	$2,617.54	94%	$97.27	**$85.82**	-$11.45	-11.8%
	43	**$85,354**	**$70,855**	**-$14,499**	**-17.0%**	**$3,307**	**$82,047**	**96%**	**$2,803**	**$68,051**	**96%**				
PERS Gold															
EE Only	0	$859.31	$938.62	$79.31	9.2%	$0.00	$859.31	**100%**	$0.00	$938.62	**100%**	$0.00	**$0.00**	$0.00	0.0%
EE + 1	0	$1,718.62	$1,783.39	$64.77	3.8%	$85.93	$1,632.69	95%	$89.17	$1,694.22	95%	$42.97	**$44.58**	$1.62	3.8%
EE + 2	3	$2,234.21	$2,675.08	$440.87	19.7%	$137.49	$2,096.72	94%	$164.62	$2,510.46	94%	$68.74	**$82.31**	$13.57	19.7%
	3	**$6,703**	**$8,025**	**$1,323**	**19.7%**	**$412**	**$6,290**	**94%**	**$494**	**$7,531**	**94%**				
PROJECTED TOTALS															
Monthly	**115**	**$195,812**	**$172,183**	**-$23,629**	**-12.1%**	**$7,490**	**$188,322**	**96%**	**$6,726**	**$165,458**	**96%**				
Annual		**$2,349,746**	**$2,066,196**	**-$283,549**		**$89,880**	**$2,259,865**		**$80,706**	**$1,985,490**					
Annual $ Change									**-$9,174**	**-$274,375**					
Annual % Change									**-10.2%**	**-12.1%**					
% of Total Premium Increase Absorbed									**3%**	**97%**					

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

Effective January 1, 2025

Medical Plan Contributions - 100% Employee / 90% Dependents

Current CALPERS vs. Aetna / Kaiser

	ENROLL	PREMIUM RATES				CURRENT			AETNA / KAISER			EMPLOYEE SEMI-MONTHLY CONTRIBUTIONS			
						EE	OIAA		EE	OIAA					
	Current	Current	Renewal	$ Change	% Change	$	$	% Share	$	$	% Share	Current	Renew	$ Change	% Change
Kaiser															
EE Only	27	$964.15	$858.79	-$105.36	-10.9%	$0.00	$964.15	**100%**	$0.00	$858.79	**100%**	$0.00	**$0.00**	$0.00	0.0%
EE + 1	8	$1,928.30	$1,717.58	-$210.72	-10.9%	$96.42	$1,831.89	95%	$85.88	$1,631.70	95%	$48.21	**$42.94**	-$5.27	-10.9%
EE + 2	9	$2,506.79	$2,232.86	-$273.93	-10.9%	$154.26	$2,352.53	94%	$137.41	$2,095.45	94%	$77.13	**$68.70**	-$8.43	-10.9%
HMO	**44**	**$64,020**	**$57,024**	**-$6,996**	**-10.9%**	**$2,160**	**$61,860**	**97%**	**$1,924**	**$55,100**	**97%**				
Blue Shield Access + HMO															
EE Only	7	$892.49	$799.49	-$93.00	-10.4%	$0.00	$892.49	**100%**	$0.00	$799.49	**100%**	$0.00	**$0.00**	$0.00	0.0%
EE + 1	4	$1,784.98	$1,405.49	-$379.49	-21.3%	$89.25	$1,695.73	95%	$70.27	$1,335.22	95%	$44.62	**$35.14**	-$9.49	-21.3%
EE + 2	3	$2,320.47	$2,325.49	$5.02	0.2%	$142.80	$2,177.67	94%	$143.11	$2,182.38	94%	$71.40	**$71.55**	$0.15	0.2%
HMO	**14**	**$20,349**	**$18,195**	**-$2,154**	**-10.6%**	**$785**	**$19,563**	**96%**	**$710**	**$17,484**	**96%**				
Anthem Full HMO															
EE Only	3	$1,197.94	$799.49	-$398.45	-33.3%	$0.00	$1,197.94	**100%**	$0.00	$799.49	**100%**	$0.00	**$0.00**	$0.00	0.0%
EE + 1	1	$2,395.88	$1,405.49	-$990.39	-41.3%	$119.79	$2,276.09	95%	$70.27	$1,335.22	95%	$59.90	**$35.14**	-$24.76	-41.3%
EE + 2	1	$3,114.64	$2,325.49	-$789.15	-25.3%	$191.67	$2,922.97	94%	$143.11	$2,182.38	94%	$95.83	**$71.55**	-$24.28	-25.3%
	5	**$9,104**	**$6,129**	**-$2,975**	**-32.7%**	**$311**	**$8,793**	**97%**	**$213**	**$5,916**	**97%**				
Anthem Select HMO															
EE Only	0	$925.57	$799.49	-$126.08	-13.6%	$0.00	$925.57	**100%**	$0.00	$799.49	**100%**	$0.00	**$0.00**	$0.00	0.0%
EE + 1	0	$1,851.14	$1,405.49	-$445.65	-24.1%	$92.56	$1,758.58	95%	$70.27	$1,335.22	95%	$46.28	**$35.14**	-$11.14	-24.1%
EE + 2	2	$2,406.48	$2,325.49	-$80.99	-3.4%	$148.09	$2,258.39	94%	$143.11	$2,182.38	94%	$74.05	**$71.55**	-$2.49	-3.4%
	2	**$4,813**	**$4,651**	**-$162**	**-3.4%**	**$296**	**$4,517**	**94%**	**$286**	**$4,365**	**94%**				
UHC Alliance HMO															
EE Only	1	$882.98	$799.49	-$83.49	-9.5%	$0.00	$882.98	**100%**	$0.00	$799.49	**100%**	$0.00	**$0.00**	$0.00	0.0%
EE + 1	0	$1,765.96	$1,405.49	-$360.47	-20.4%	$88.30	$1,677.66	95%	$70.27	$1,335.22	95%	$44.15	**$35.14**	-$9.01	-20.4%
EE + 2	1	$2,295.75	$2,325.49	$29.74	1.3%	$141.28	$2,154.47	94%	$143.11	$2,182.38	94%	$70.64	**$71.55**	$0.92	1.3%
	2	**$3,179**	**$3,125**	**-$54**	**-1.7%**	**$141**	**$3,037**	**96%**	**$143**	**$2,982**	**95%**				
UHC Harmony HMO															
EE Only	1	$763.70	$799.49	$35.79	4.7%	$0.00	$763.70	**100%**	$0.00	$799.49	**100%**	$0.00	**$0.00**	$0.00	0.0%
EE + 1	1	$1,527.40	$1,405.49	-$121.91	-8.0%	$76.37	$1,451.03	95%	$70.27	$1,335.22	95%	$38.18	**$35.14**	-$3.05	-8.0%
EE + 2	0	$1,985.62	$2,325.49	$339.87	17.1%	$122.19	$1,863.43	94%	$143.11	$2,182.38	94%	$61.10	**$71.55**	$10.46	17.1%
	2	**$2,291**	**$2,205**	**-$86**	**-3.8%**	**$76**	**$2,215**	**97%**	**$70**	**$2,135**	**97%**				
PERS Platinum															
EE Only	23	$1,215.87	$1,156.76	-$59.11	-4.9%	$0.00	$1,215.87	**100%**	$0.00	$1,156.76	**100%**	$0.00	**$0.00**	$0.00	0.0%
EE + 1	8	$2,431.74	$2,033.25	-$398.49	-16.4%	$121.59	$2,310.15	95%	$101.66	$1,931.59	95%	$60.79	**$50.83**	-$9.96	-16.4%
EE + 2	12	$3,161.26	$3,364.94	$203.68	6.4%	$194.54	$2,966.72	94%	$207.07	$3,157.87	94%	$97.27	**$103.54**	$6.27	6.4%
	43	**$85,354**	**$83,251**	**-$2,103**	**-2.5%**	**$3,307**	**$82,047**	**96%**	**$3,298**	**$79,953**	**96%**				
PERS Gold															
EE Only	0	$859.31	$908.10	$48.79	5.7%	$0.00	$859.31	**100%**	$0.00	$908.10	**100%**	$0.00	**$0.00**	$0.00	0.0%
EE + 1	0	$1,718.62	$1,596.17	-$122.45	-7.1%	$85.93	$1,632.69	95%	$79.81	$1,516.36	95%	$42.97	**$39.90**	-$3.06	-7.1%
EE + 2	3	$2,234.21	$2,641.60	$407.39	18.2%	$137.49	$2,096.72	94%	$162.56	$2,479.04	94%	$68.74	**$81.28**	$12.54	18.2%
	3	**$6,703**	**$7,925**	**$1,222**	**18.2%**	**$412**	**$6,290**	**94%**	**$488**	**$7,437**	**94%**				
PROJECTED TOTALS															
Monthly	**115**	**$195,812**	**$182,505**	**-$13,308**	**-6.8%**	**$7,490**	**$188,322**	**96%**	**$7,133**	**$175,372**	**96%**				
Annual		**$2,349,746**	**$2,190,054**	**-$159,691**		**$89,880**	**$2,259,865**		**$85,595**	**$2,104,459**					
Annual $ Change									**-$4,285**	**-$155,407**					
Annual % Change									**-4.8%**	**-6.9%**					
% of Total Premium Increase Absorbed									**3%**	**97%**					

Disclosures & Disclaimers

Proposal Assumptions

* Employer pays 100% of the employee & 90% for dependents rate for the medical plans. **The carriers require a minimum of 50% employer contribution to issue the policy.**
* Employer requires a minimum of **30** Full-Time hours in order to be eligible for benefits under the plans included in this presentation. Also, there is a waiting period of **First of the Month following Date of Hire for all plans.**
* A minimum of 60% of eligible employees must participate in the plan.
* The rates and premiums shown are based on the employee lives and volumes contained in the most recent census information and renewal information received.
* The rates quoted are based on the renewal effective date. Rates will be subject to change after this date and paperwork must be submitted prior to the effective date.
* To ensure all members are in the carrier's system for confirmation of benefits, forms must be received three weeks prior to effective date.
* **It is imperative we be informed of any employee or dependent that is hospitalized or otherwise disabled and not actively at work on the effective date of any new contract. Coverage may not be available for these individuals.**
* **For Marketing Purposes:** The rates shown are not guaranteed. Upon enrollment, carriers may require an Employer Medical Questionnaire be completed or Individual Medical Questionnaires be completed. **Final rates will be based on the information released on this (these) form(s). The final rates for these plans may vary if the census changes.**
* The analysis of the following plans is a summary. Please refer to the policy certificate for a full list of coverage and exclusions.
* The rates and benefits in this proposal are based upon underwriting factors which include, but are not limited to, the census provided, the effective date shown, the status of employees/dependents (i.e. actively at work, COBRA, FMLA), final enrollment, etc. If any of the aforementioned changes prior to the proposed effective date, the final provisions, including rates, for these plans may vary or result in the proposed plan to be withdrawn.
* If you elect to change carriers, any existing plans with other carriers should not be cancelled until advised by Brown & Brown.
* This proposal may not be a complete listing of all available benefit options. Different benefit levels may be available.
* This presentation is the proprietary work product of Brown & Brown and is not authorized for further use or distribution
* All insurance carriers have their own operating procedures. A change in carrier could affect certain benefits and coverage.
* Brown & Brown representatives are available to explain any items presented. It is assumed that the recipients of this proposal will seek an explanation of any items that may be in question.
* Brown & Brown representatives may, from time to time, provide guidance regarding certain requirements affecting health plans, including the requirements of federal and state health care reform legislation. Such guidance is based on good-faith interpretation of laws and regulations currently in effect, and is not intended to be a substitute for legal advice. Employers should contact their own legal counsel for advice regarding legal requirements.
* The network provider/facility lists obtained via paper directories or carrier websites may contain providers and facilities that are no longer participating in the insurance carriers' networks. We cannot be responsible for any changes to the provider/facility listings that are not reflected. To ensure that a specific provider or facility is still participating in the provider's preferred network, we recommend contacting the provider/facility directly.
* Failure to adhere to provisions of the Affordable Care Act (such as pay-or-play, employer reporting requirements, benefit mandates, etc.) may result in significant fees and penalties to the employer. For a more comprehensive explanation of what fees and penalties may apply to you, you may contact your Brown & Brown representative at any time.
* You are required to comply with Health Care Reform's Summary of Benefits & Coverage (SBC) distribution guidelines, which include requirements for SBC distribution at the plan renewal date. If an employee must enroll to continue coverage, the SBC must be provided when open enrollment materials are distributed. If enrollment materials are not distributed, employees must receive an SBC by the first day they are eligible to enroll. For insured plans, if coverage continues automatically for the next year, the SBC must be provided at least 30 days before the beginning of the new plan year. If the policy is not issued by that date, the SBC must be provided within seven business days once the information is available. Please refer to the Department of Health & Human Services' (HHS) official guidance for complete details regarding renewal and other SBC distribution guidelines.

This proposal is for illustrative purposes and is not a complete explanation of the policies. It is intended to provide a brief, general description of the coverages quoted. Please remember that only the insurance policies can give you the actual insuring agreements, limits of coverage, definitions, exclusions, terms and conditions of the insurance shown in this proposal. Upon issue, please read your policy carefully. This presentation is the proprietary work product of Brown & Brown and is not authorized for further use or distribution. Executive summaries and proposals are created by Brown & Brown; neither Brown & Brown nor the carrier will be held responsible for typographical or clerical errors.

Acronyms and Key Definitions

For the purposes of this proposal, the following acronyms may be used:

Type of Plan
DHMO - Dental Health Maintenance Organization
HMO - Health Maintenance Organization / POS - Point of Service
PPO - Preferred Provider Organization

Financial Arrangements
ASO - Administrative Services Only / FI - Full Insured
MP - Minimum Premium
PSF - Partially Self Funded

Self-Funded Policy Terms
ASL - Aggregate Stop Loss / ISL - Individual Stop Loss
MRA - Maximum Reimbursement Aggregate

Reimbursement / Saving Accounts
FSA - Flexible Spending Account / HSA - Health Savings Account
HRA - Health Reimbursement Account

Other
DED - Deductible
IND - Individual / FAM - Family
ER - Emergency Room / HOSP - Hospital
IN-NET - In-Network / OON - Out-of-Network
MAX - Maximum
N/A - Not Applicable
OV - Office Visit
PCP - Primary Care Physician / SPEC - Specialist
RX - Prescription Drug
EE - Employee Only, ES - Employee + Spouse, EC - Employee + Child(ren), EF - Employee + Family
Generic - A drug that is no longer covered by patent protection and may be produced and/or distributed by multiple drug companies (usually tier 1).
Preferred Drugs - Drugs included on a formulary or preferred drug list; for example, a brand name-drug without a generic substitute (usually tier 2).
Non-preferred Drugs - Drugs not included on a formulary or preferred drug list; for example, a brand-name drug with a generic substitute (usually tier 3).
Specialty Drugs: Specifically identified types of drugs, such as lifestyle drugs or biologics (usually tier 4).
Embedded - Once participant meets Individual Deductible, Co-insurance applies to that individual.
Aggregate - Family Deductible must be met before Co-insurance applies, to all family members.

Notice of Carrier Financial Status

Brown & Brown makes every attempt to place coverage with carriers rated A- or better* through AM Best (www.ambest.com), a national credit rating agency with a specific focus on the insurance industry. Because an AM Best rating is not required by the various state departments of insurance, there are many carriers in the Employee Benefits industry that elect not to participate in AM Best's rating process for various reasons. Therefore, Brown & Brown periodically places coverage with carriers rated less than A- or non-rated by AM Best.
Please be advised that Brown & Brown does monitor carriers rated less than A- or non-rated on an ongoing basis. However, because Brown & Brown cannot certify the financial soundness or stability of any insurance company or alternative risk transfer entity, or otherwise predict whether the financial condition of a company might improve or deteriorate, we encourage you to review the financial information for each carrier at AM Best's website (www.ambest.com), a state department of insurance website, the applicable carrier website and/or with your accountant, legal counsel and other advisors.
If you need assistance identifying the appliable issuing carriers for your current coverage, renewal coverage, or the coverage options being presented to you, please feel free to contact us for assistance. Alternative quotes with an A- or better rated carrier may also be available upon your request.

You can reach us at:
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Irvine, CA 92614
P: (714) 221-1800

Financial Strength Rating	
A++, A+	Superior
A, A-	Excellent
B++, B+	Good
B, B-	Fair
C++, C+	Marginal
C, C-	Weak
D	Poor
E	Under Regulatory Supervision
F	In Liquidation
S	Suspended

Financial Size Category (in Thousands)			
Class I	$0	Up to	$1,000
Class II	$1,000	to	$2,000
Class III	$2,000	to	$5,000
Class IV	$5,000	to	$10,000
Class V	$10,000	to	$25,000
Class VI	$25,000	to	$50,000
Class VII	$50,000	to	$100,000
Class VIII	$100,000	to	$250,000
Class IX	$250,000	to	$500,000
Class X	$500,000	to	$750,000
Class XI	$750,000	to	$1,000,000
Class XII	$1,000,000	to	$1,250,000
Class XIII	$1,250,000	to	$1,500,000
Class XIV	$1,500,000	to	$2,000,000
Class XV	$2,000,000	or	Greater

This information has been provided to you so that consideration is given to the financial condition of our proposed carriers. The financial information disclosed is the most recent available to Brown & Brown. Brown & Brown does not guarantee financial condition of the insurers listed on the Market Summary.

Disclaimer

Brown & Brown cannot certify the financial soundness or stability of a company, so we encourage you to review the financial information for each carrier as found in one or more of the following sources before making a decision as to where to place your coverage: a state department of insurance website, A.M. Best Company website, or a carrier website.

• The analysis of the following plans is a summary. Please refer to the policy certificate for a full list of coverage and exclusions.

• The rates and benefits in this proposal are based upon underwriting factors which include, but are not limited to, the census provided, the effective date shown, the status of employees/dependents (i.e. actively at work, COBRA, FMLA), final enrollment, etc. If any of the aforementioned changes prior to the proposed effective date, the final provisions, including rates, for these plans may vary or result in the proposed plan to be withdrawn.

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• The network provider/facility lists obtained via paper directories or carrier websites may contain providers and facilities that are no longer participating in the insurance carriers' networks. We cannot be responsible for any changes to the provider/facility listings that are not reflected. To ensure that a specific provider or facility is still participating in the provider's preferred network, we recommend contacting the provider/facility directly.

• Failure to adhere to provisions of the Affordable Care Act (such as pay-or-play, employer reporting requirements, benefit mandates, etc.) may result in significant fees and penalties to the employer. For a more comprehensive explanation of what fees and penalties may apply to you, you may contact your Brown & Brown representative at any time.

• You are required to comply with Health Care Reform's Summary of Benefits & Coverage (SBC) distribution guidelines, which include requirements for SBC distribution at the plan renewal date. If an employee must enroll to continue coverage, the SBC must be provided when open enrollment materials are distributed. If enrollment materials are not distributed, employees must receive an SBC by the first day they are eligible to enroll. For insured plans, if coverage continues automatically for the next year, the SBC must be provided at least 30 days before the beginning of the new plan year. If the policy is not issued by that date, the SBC must be provided within seven business days once the information is available. Please refer to the Department of Health & Human Services' (HHS) official guidance for complete details regarding renewal and other SBC distribution guidelines.

• Compensation. In addition to the commissions or fees received by us for assistance with the placement, servicing, claims handling, or renewal of your insurance coverages, other parties, such as excess and surplus lines brokers, wholesale brokers, reinsurance intermediaries, underwriting managers and similar parties, some of which may be owned in whole or in part by Brown & Brown, Inc., may also receive compensation for their role in providing insurance products or services to you pursuant to their separate contracts with insurance or reinsurance carriers. That compensation is derived from your premium payments. Additionally, it is possible that we, or our corporate parents or affiliates, may receive contingent payments or allowances from insurers based on factors which are not client-specific, such as the performance and/or size of an overall book of business produced with an insurer. We generally do not know if such a contingent payment will be made by a particular insurer, or the amount of any such contingent payments, until the underwriting year is closed. That compensation is partially derived from your premium dollars, after being combined (or "pooled") with the premium dollars of other insureds that have purchased similar types of coverage. We may also receive invitations to programs sponsored and paid for by insurance carriers to inform brokers regarding their products and services, including possible participation in company-sponsored events such as trips, seminars, and advisory council meetings, based upon the total volume of business placed with the carrier you select. We may, on occasion, receive loans or credit from insurance companies. Additionally, in the ordinary course of our business, we may receive and retain interest on premiums you pay from the date we receive them until the date of premiums are remitted to the insurance company or intermediary. In the event that we assist with placement and other details of arranging for the financing of your insurance premium, we may also receive a fee from the premium finance company.

If an intermediary is utilized in the placement of coverage, the intermediary may or may not be owned in whole or part by Brown & Brown, Inc. or its subsidiaries. Brown & Brown entities operate independently and are not required to utilize other companies owned by Brown & Brown, Inc., but routinely do so. In addition to providing access to the insurance company, the Wholesale Insurance Broker/Managing General Agent may provide additional services including, but not limited to: underwriting; loss control; risk placement; coverage review; claims coordination with insurance company; and policy issuance. Compensation paid for those services is derived from your premium payment, which may on average be 15% of the premium you pay for coverage, and may include additional fees charged by the intermediary.

Disclaimer

NEW YORK COMPENSATION DISCLOSURE

Insurance producers licensed by the State of New York are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. Our role as an insurance producer in any ordinary transaction typically involves one or more of these activities.

We will receive compensation in the form of commission or fees for assistance with the placement, servicing, claims handling, or renewal of your insurance coverages. Commission compensation will be based on the insurance contract you purchase and may vary depending on a number of factors including the insurance contract(s) and the insurer(s) the purchaser selects. In addition to compensation we will receive, other parties such as excess and surplus lines brokers, wholesale brokers, reinsurance intermediaries, underwriting managers and similar parties, some of which may be owned in whole or in part by Brown & Brown, Inc., may also receive compensation (derived from your premium payments) for their role in providing insurance products or services to you pursuant to their separate contracts with insurance or reinsurance carriers. Additionally, it is possible we, or our corporate parents or affiliates, may receive contingent payments or allowances from insurers based on factors that are not client-specific, such as the performance and/or size of an overall book of business produced with an insurer. That compensation is partially derived from your premium dollars, after being combined (or “pooled”) with the premium dollars of other insureds that have purchased similar types of coverage. We generally do not know if a contingent payment will be made by a particular insurer, or the amount of any such contingent payment, until the underwriting year is closed. We may also receive invitations to programs sponsored and paid for by insurance carriers to inform brokers regarding their products and services, including possible participation in company-sponsored events such as trips, seminars, and advisory council meetings, based upon the total volume of business placed with the carrier you select. We may, on occasion, receive loans or credit from insurance companies. Additionally, in the ordinary course of our business, we may receive and retain interest on premiums you pay from the date we receive them until the date premiums are remitted to the insurance company or intermediary. If we assist with placement and other details of arranging for the financing of your insurance premium, we may also receive a fee from the premium finance company.

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You may obtain information about compensation expected to be received by us based in whole or part on the sale of insurance to you, and (if applicable) compensation expected to be received based in whole or part on any alternative quotes presented to you by us, by requesting such information from us.

This proposal is for illustrative purposes and is not a complete explanation of the policies. It is intended to provide a brief, general description of the coverages quoted. Please remember that only the insurance policies can give you the actual insuring agreements, limits of coverage, definitions, exclusions, terms and conditions of the insurance shown in this proposal. Upon issue, please read your policy carefully. This presentation is the proprietary work product of Brown & Brown and is not authorized for further use or distribution. Executive summaries and proposals are created by Brown & Brown; neither Brown & Brown nor the carrier will be held responsible for typographical or clerical errors.

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Compensation Disclaimer

Compensation. In addition to the commissions or fees received by us for assistance with the placement, servicing, claims handling, or renewal of your insurance coverages, other parties, such as excess and surplus lines brokers, wholesale brokers, reinsurance intermediaries, underwriting managers and similar parties, some of which may be owned in whole or in part by Brown & Brown, Inc., may also receive compensation for their role in providing insurance products or services to you pursuant to their separate contracts with insurance or reinsurance carriers. That compensation is derived from your premium payments. Additionally, it is possible that we, or our corporate parents or affiliates, may receive contingent payments or allowances from insurers based on factors which are not client-specific, such as the performance and/or size of an overall book of business produced with an insurer. We generally do not know if such a contingent payment will be made by a particular insurer, or the amount of any such contingent payments, until the underwriting year is closed. That compensation is partially derived from your premium dollars, after being combined (or “pooled”) with the premium dollars of other insureds that have purchased similar types of coverage. We may also receive invitations to programs sponsored and paid for by insurance carriers to inform brokers regarding their products and services, including possible participation in company-sponsored events such as trips, seminars, and advisory council meetings, based upon the total volume of business placed with the carrier you select. We may, on occasion, receive loans or credit from insurance companies. Additionally, in the ordinary course of our business, we may receive and retain interest on premiums you pay from the date we receive them until the date of premiums are remitted to the insurance company or intermediary. In the event that we assist with placement and other details of arranging for the financing of your insurance premium, we may also receive a fee from the premium finance company.

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Health and Welfare Plans
Checklist of Reporting & Disclosure Requirements

Disclosure Requirements

Document	Description	Responsible Party	Included in Important Notices?
Summary Plan Description (SPD)	An SPD is a legal disclosure to employees explaining the rights and privileges extended to them within a health and welfare benefit plan. An SPD must be provided to new health plan participants within 90 days of when their plan coverage begins. If an employee requests the SPD, an employer has 30 days to furnish or pay a penalty. An updated SPD must be distributed every five years, if material modifications have been made. Otherwise, every 10 years. The employer should distribute the document in a manner “reasonably calculated to ensure actual receipt,” using a method “likely to result in full distribution.” The SPD may be included in open enrollment materials.	Employer	No
Summary of Material Modifications (SMM)	A SMM must be provided when there is a material modification/change in the terms of the plan or any change in the information required to be in the SPD. This change/revision should be distributed within 210 days after the end of the plan year. If the change is a reduction in benefits the change should be distributed within 60 days of the adoption date. When plan changes will take effect at the beginning of the upcoming plan year, employers may include the SMMs in their open enrollment materials.	Employer	No
Summary of Benefits and Coverage (SBC)	Employers plans are required to provide an SBC to all benefit-eligible employees and COBRA participants for each medical plan (includes prescription drug) by the **first day of each annual enrollment period**. SBCs must also be provided at **initial eligibility, within 90 days of a special enrollment, and within 7 business days of a request**.	Employer	No
Notice of Change to SBC	Must provide advance notice of any material modification in the SBC, at least 60 days prior to the date on which the modification will become effective.	Insurer and Employer	No
Notice of Rescission	Must provide advance notice of retroactive termination of coverage due to fraud or intentional misrepresentation of material facts by a participant, at least 30 days before coverage is rescinded.	Employer	No
Notice of Exchange (Marketplace) Availability	Must provide notice to all newly hired employees about the availability of the health insurance marketplaces within 14 days of hire.	Employer	Yes
Patient Protection Notice	Must provide notice of right to choose a primary care provider, pediatrician or network provider specializing in OB-GYN care (if the plan requires or allows for the designation of a primary care provider). Notice must be included with SPD or other description of benefits.	Insurer	No
Women’s Health and Cancer Rights Act (WHCRA) Notice	Must provide to participants upon enrollment and annually. Can include the required notice in annual enrollment materials or SPD (if redistributed) each year.	Employer	Yes
Children’s Health Insurance Program Reauthorization Act (“CHIPRA”) Notice	Must provide notice of potential opportunities for premium assistance under state Medicaid or CHIP to all employees annually. Can include the required notice in annual enrollment materials or SPD (if re-distributed) each year.	Employer	Yes
Medicare Part D Credibility Coverage Notice	Disclosure notices must be provided at all Medicare Part D eligible individuals (employees and/or dependents) annually, prior to the start of the Medicare Part D open enrollment period (i.e., before October 15), who are covered under, or apply for, the plan’s prescription drug coverage.	Employer	Yes
Health Insurance Portability & Accountability Act (HIPAA) Notice of Privacy Practices	HIPAA aims to make healthcare coverage more secure for employees and their dependents. Any employer that sponsors a “Group Health Plan” is likely to be affected by the HIPAA Privacy Rules—regulations governing the use and disclosure of Protected Health Information (PHI). Any employer who uses a third party administer must have HIPAA documents and policies in place. Must provide to participants upon enrollment and when there are material changes to the notice. Notice of material changes must generally be provided within 60 days of the change (or in plan’s next annual mailing, if posted on website). Every three years, must notify participants that a Notice of Privacy Practices is available and how to obtain it.	Employer	Yes

Health and Welfare Plans

Checklist of Reporting & Disclosure Requirements

Disclosure Requirements

Document	Description	Responsible Party	Included in Important Notices?
HIPAA Special Enrollment Notices	Must provide to employees eligible to enroll in plan on or before opportunity to enroll.	Employer	Yes
Initial COBRA Notice	Must provide to covered employees and spouses within 90 days of when coverage begins.	Employer	No
COBRA Election Notice	COBRA requires employers with 20 or more full-time equivalent employees in the preceding year, to offer continuation coverage to participants who would otherwise lose their group health benefits (i.e. Medical, Dental, Vision, Health FSA, Telemedicine, EAP, etc.) due to termination, reduction in hours or a qualifying event. Employers must notify participants of their COBRA rights. Employer must notify plan administrator within 30 days of the qualifying event. The plan administrator then has 14 days following receipt of the notice of qualifying event to notify qualified beneficiaries of right to elect COBRA. Where the employer is also the plan administrator, notice must be provided to qualified beneficiaries no later than 44 days after the qualifying event (or no later than 44 days after the employee provides notice of the qualifying event, in the case of divorce, legal separation or loss of dependent status).	Employer or COBRA TPA	No
Notice of Unavailability of COBRA	Employer must notify plan administrator within 30 days of the qualifying event. If plan administrator determines that the individual is not entitled to COBRA, the plan administrator has 14 days following receipt of the notice of qualifying event to notify qualified beneficiaries that COBRA is unavailable. Where the employer is also the plan administrator, notice of unavailability of COBRA must be provided to qualified beneficiaries no later than 44 days after the qualifying event (or, in the case of divorce, legal separation or loss of dependent status, no later than 44 days after notice of the qualifying event).	Employer or COBRA TPA	No
Early Termination of COBRA	If COBRA coverage is terminated earlier than the maximum time period for which COBRA must be made available, must provide notice to qualified beneficiaries as soon as practicable after determination of coverage termination.	Employer or COBRA TPA	No
Conversion Notice	Must provide to certain qualified beneficiaries where the plan provides a conversion option.	Employer or COBRA TPA	No
Claims Procedure Notice	Must comply with the requirements for internal claims and appeals and external reviews, including timing and content requirements for notices of claim denials.	Insurer	No
Participant and Beneficiary Requests for Documents	If a participant or beneficiary makes a written request for a copy of plan documents, including the SPD, SMMs and Form 5500, they must be provided within 30 days of the request.	Employer	No
QMCSO Receipt and Determination Notices	Must provide notices of receipt of a proposed order and of determination regarding the order.	Employer	No
Family Medical Leave Act (FMLA)	Certain notices relating to health coverage may be required by FMLA for employees on FMLA leave.	Employer	No
USERRA	Certain notices relating to health coverage may be required by USERRA for employees performing qualifying military service.	Employer	Yes
GINA	In any lawful request for medical information, should include language specifically directing the individual or health care provider not to provide genetic information.	Employer	Yes

Reporting Requirements

Document	Description	Responsible Party
Form 5500 Filing and Summary Annual Report (SAR)	Employers who have **100 or more employee participants in any one-benefit plan** (including Section 125 plans), at the start of the plan year, must report to the IRS via the Form 5500. The Form 5500 **must be filed by the last day of the seventh month following the end of the plan year**. An employer may request a one-time extension of 2 ½ months by filing IRS Form 5558 by the normal due date of the Form 5500. Employers that file a Form 5500 must provide participants with a summary of the information in the Form 5500, called a Summary Annual Report (SAR). The must provide the SAR within nine months of the close of the plan year. Large, completely unfunded health plans are generally exempt from the SAR.	Employer
Form W-2 Reporting	Employers that filed 250 or more IRS Forms W-2 for the prior calendar year must include the aggregate cost of employer-sponsored health plan coverage on employees' Forms W-2. This reporting is optional for employers that had to file fewer than 250 Forms W-2 for the prior calendar year. Employers must file Forms W-2 with the Social Security Administration and furnish Forms W-2 to employees by Jan. 31 of each year unless an extension applies.	Employer
Employer Reporting under Code Sections 6055 and 6056	For a self-insured plan, the employer will be responsible for satisfying the reporting obligations under both Code Section 6055 and 6056. Section 6055 reporting relates to whether the employer's health coverage constitutes "minimum essential coverage" under Health Care Reform. Section 6056 reporting relates to whether the employer's health coverage satisfies the "pay or play" regulations under Health Care Reform. Reporting under both Sections may be completed using a single, combined form. Reporting is due annually, after the end of the calendar year to which it relates (generally, no later than March 31, if filing electronically).	Employer
Medicare Part D Creditable Coverage Disclosure Notice to CMS	All employers who sponsor Group Health Plans that include prescription drug coverage are required to notify the Centers for Medicare & Medicaid Services (CMS) whether their coverage is "creditable prescription drug coverage". Employers must report the information annually, using CMS' online disclosure form, within 60 days of the beginning of the plan year: www.cms.gov/CreditableCoverage/45_CCDisclosureForm.asp	Employer

Other Requirements

Document	Description	Responsible Party
Patient Centered Outcomes Research Institute (PCORI) fee	Employers with self-funded health plans and/or HRAs must pay the annual PCORI fee, sent by the IRS each year. HRAs offered with self-insured group medical plans are not subject to separate PCORI fees, if they have the same plan sponsor and plan year. Employers use IRS Form 720 to report and pay the fees directly to the IRS typically due by July 31 of the calendar year that begins after the end of the plan year. **PCORI fees have been reinstated through 2029**.	Employer (with assistance from Insurer)

Health Care Reform Notices

As you may know, several of the provisions of the new Health Care Reform law require group health plans to provide certain notices either to particular groups of participants or as part of participant communications. This memorandum summarizes these notice requirements.

The regulatory agencies (the Departments of Labor, Treasury and Health and Human Services) have issued model language for some of the required notices. The model language is also available on the Department of Labor's website, www.dol.gov/ebsa.

As a general matter, Health Care Reform does not specifically address acceptable delivery methods (except as indicated below) for the required notices. However, it appears that the standard for electronic notice delivery under the Employee Retirement Income Security Act of 1974 ("ERISA") will apply to these required notices (for plans that are subject to ERISA). ERISA generally permits electronic notice delivery to employees with work-related computer access, where computer access is an integral part of their duties. Where computer access is not an integral part of an employee's job duties, or where notice must be provided to a non-employee, ERISA-required notices may not be provided electronically unless the individual consents in advance to the electronic delivery.

A. The following notices must be included with this year's annual enrollment materials:

- *Summary of Benefits and Coverage*
  - Issuers must provide the SBC to health plans effective Sept. 23, 2012.
  - Plans and issuers must provide the SBC to participants and beneficiaries who enroll or re-enroll during an open enrollment period beginning with the first day of the first open enrollment period that begins on or after Sept. 23, 2012.
  - For participants who enroll in coverage other than through an open enrollment period (for example, newly eligible individuals and special enrollees), plans and issuers must provide the SBC beginning on the first day of the first plan year that begins on or after Sept. 23, 2012.
- *Summary of Material Changes*

  Plans and issuers are required to give at least 60 days advance notice of any material modification in plan terms or coverage that are not reflected in the most recent SBC. This notice requirement is limited to material modifications that do not occur in connection with a renewal or reissuance of coverage.

  - According to the regulations, a "material modification" includes: (1) an enhancement of covered benefits or services, such as coverage of previously excluded benefits or reduced cost-sharing; (2) a material reduction in covered services or benefits, such as through increased premiums or cost-sharing; or (3) more stringent requirements for receipt of benefits, such as a new referral requirement.
  - The material modification notice can be provided in a separate document describing the material modification or through an updated SBC.
- *Summary of Care Management Programs*

  Participants with self-insured plans, including case management, disease management and wellness and administrative programs to improve patient safety, will need to receive language describing all care management programs. If a company offers fully-insured plans, the administrator will handle this requirement. HHS was required to develop the reporting within 2 years after implementation of PPACA (by 3/23/12), however no such reporting requirements have been issued by HHS at this time.
- *Notice of Automatic Enrollment*

  The Affordable Care Act (ACA) requires certain large employers that offer health coverage to automatically enroll new employees (and re-enroll current employees) in one of the employer's health plans, subject to any permissible waiting period. This requirement is found in Section 18A of the Fair Labor Standards Act (FLSA), which was created by the ACA. Section 18A further requires adequate notice to employees and the opportunity for an employee to opt out of any coverage in which the employee was automatically enrolled.
  *The DOL originally intended to complete this rulemaking by 2014. In view of the need for coordinated guidance and a smooth implementation process, including an applicability date that gives employers sufficient time to comply, the DOL has concluded that its automatic enrollment guidance will not be ready to take effect by 2014. Accordingly, the DOL stated that, until regulations are issued and become applicable, employers are not required to comply with section 18A.
- *Notice of Exchange Availability*

  Effective March 1, 2013, all employees and new hires must be informed of the new exchanges. Companies will need to provide a print notice with information about the exchanges and an employee's ability to shop for coverage. The notice should also include eligibility rules for premium credits and the differences between an exchange plan and an employer-sponsored plan. The regulatory agencies should issue guidance on this requirement in the future.

Health Care Reform Notices

B. Other notice requirements scheduled to take effect in 2014 or later:

- *Final Employer Pay or Play Regulations Issued*
  - On Feb. 12, 2014, the U.S. Treasury Department published final regulations implementing the Affordable Care Act's (ACA) employer shared responsibility provisions. The ACA imposes a penalty on applicable large employers (ALEs) that do not offer minimum essential coverage to full-time employees and their dependents.
  - *Delay for Medium-sized Businesses: The employer shared responsibility provisions apply only to ALEs that have 50 or more full-time employees. However, the final rules delay implementation for medium-sized ALEs, or those with 50 to 99 full-time employees, that are covered by the employer mandate. Applicable ALEs will have an additional year, until 2016, to comply with the pay or play rules. Provisions for Businesses That Offer Coverage to Most, But Not All, Employees in 2015
  - The final rule graduates a provision that all ALEs offer coverage to at least 95 percent of their FTEs across two years beginning in 2015.
  - Also included in the final rules is a clarification of full-time status for certain groups, including volunteers, educational employees, seasonal employees, students in work-study programs and adjunct faculty.
- *Pre-Existing Condition Exclusion*
  - A pre-existing condition exclusion is a limitation or exclusion of benefits related to a condition based on the fact that the condition was present before the date of enrollment for the coverage, whether or not any medical advice, diagnosis, care or treatment was recommended or received before that date.
  - The ACA rules prohibit any pre-existing condition from being imposed by group health plans or group health insurance coverage, and extend this protection to individual health insurance coverage. This prohibition generally is effective with respect to plan years beginning on or after Jan. 1, 2014.
- *Final Rules on the 90-day Waiting Period Limit*
  - The Affordable Care Act (ACA) prohibits group health plans and issuers from applying waiting periods in excess of 90 days for plan years starting Jan. 1, 2014, or later. Among the additions to the final rules are the following:
    *A one-month orientation period is a permitted eligibility condition.
    *Rehired employees may be required to satisfy the waiting period again.
  - The one-month maximum is part of a separate proposal expanding on the final rules that allows a reasonable and bona fide employment-based orientation period to be a condition for eligibility.
  - The final regulations apply for plan years beginning on or after Jan. 1, 2015. For plan years beginning in 2014, the Departments will consider compliance with either the 2013 proposed regulations or the final regulations to constitute compliance with the 90-day waiting period limit requirement.
- *Reinsurance Fee Changes for 2015*
  - Beginning in 2014, the Affordable Care Act (ACA) requires a three-year transitional reinsurance program to be established in each state.
  - On Nov. 24, the Department of Health and Human Services (HHS) published its 2015 Notice of Benefit and Payment Parameters Proposed Rule, which addresses the reinsurance program. This rule contains the proposed reinsurance payment parameters and reinsurance contribution rate for the 2015 benefit year, as well as certain oversight provisions related to the operation of the transitional reinsurance program.
  - First, the proposed rule would exempt certain self-insured, self-administered group health plans from the ACA's reinsurance contribution requirement by redefining a "contributing entity." This change is proposed to be effective for the 2015 and 2016 benefit years and applies to self-insured, self-administered group health plans that do not use a third party administrator for core processing functions.
  - Second, HHS announced that the annual contribution rate for 2015 will be $44 per enrollee per year.
  - Finally, HHS modified the reinsurance payment schedule, effective for the 2014 benefit year. Under the 2013 rule, contributing entities were required to submit payment within 30 days of receiving an HHS notification of the required reinsurance contribution. The proposed rule would change the collection schedule, requiring payment of reinsurance contributions in two installments—one at the beginning of the calendar year following the benefit year and one at the end of that calendar year. For example, for 2015, the proposed rule would require the newly defined "contributing entities" to pay the $44 per enrollee in a $33 allotment in January 2016 and $11 in the fourth quarter of 2016.

Insurance Terms

Administration: The amount that the carrier retains in order to cover expenses for administering the plan benefits often referred to as retention.

Ambulatory Care: Outpatient care services received in a facility (i.e., not in physician's office).

Billed Premium: The amount that the carrier has billed the employer during the contract year. Billed premium may be less than the contract premium if a retroactive premium arrangement has been negotiated.

Cafeteria Plan: An employee benefit program that offers participants a choice between cash and on or more tax-favored benefits as defined by Internal Revenue Code Sections 125. Typical benefits include health insurance, group term life and dental benefits. See also Flexible Benefit Plan.

Carve-Outs: Type of service separately designed and contracted to an exclusive, independent provider by an employer or managed care plan. For example, mental health care and vision coverage are often carve-out services (Due to HCR: Only applies to grandfathered plans).

Case Management: The coordination of patient care by a health care professional (e.g., nurse, doctor, social worker) to ensure appropriate care and to reduce costs of providing service.

Claims Reserve: The insurers forecast of the claims that have been incurred during the contract period but have not yet been reported. This may include estimates of claims that have been reported but not yet paid. A carrier normally requires reserves of 2 to 3 months of claims. The reserve is determined by the carrier's historical claims run out experience for all its insured and on a case by case basis. Also referred to a Incurred But Not Reported Liability (IBNR).

COBRA (Consolidated Omnibus Budget Reconciliation Act): Federal legislation passed in 1995 that requires employers with 20 or more employees to offer continued health insurance coverage to certain employees and their beneficiaries whose group health insurance coverage has been terminated. Group health plans subject to COBRA include: Medical, Dental, Vision, Hearing, Prescription, Drug and Alcohol Treatment Plans, and Alternative Health Plans. In addition, On-Site Medical Services provided by the employer and Free or Discounted Medical Services may also be subject to COBRA continuation of coverage requirements. Employer-provided medical plans can no longer require Medicare to be the primary payer for participants age 70 and over.

Co-Insurance: The portion of the cost for care received for which an individual is financially responsible. Usually this is determined by a fixed percentage, as in major medical coverage. Often co-insurance applies after a specific deductible has been met and may be subject to an individual out-of-pocket limit.

Contract Premium: The maximum premium payment that the employer is obligated to pay the carrier during the contract period. The contract premium may often be greater than the billed premium.

Copayment: A payment made by an enrollee at the time that selected services are rendered and no additional payment is required. Copayments are typically flat amounts, covering such items as office visits, prescriptions, and emergency care.

Deductible: The amount a policyholder must pay for health care, as established under the terms of his or her contract, before insurance benefits begin.

Defined Contribution Health Program: A system in which each employee is given a fixed dollar amount by their employer to apply to the cost of any health plan offered by that employer. In addition to the employer's "defined contribution," employees may contribute incremental dollars to purchase additional other benefits or plan enhancements. Unlike a "voucher" system, the employer retains its role in the selection and negotiation of terms with the health plans.

Disease Management: A comprehensive integrated approach to care designed to influence the progression of disease within select patient populations. In disease management, the emphasis is on prevention, proactive case management, patient education, and population-based interventions. Disease management depends on clients learning to become more accountable for their health and more skillful users of medical care.

DMO (Dental Maintenance Organization): A dental plan that enables members to select and receive care from in-network doctors.

Drug Utilization Review: An evaluation of prescription drug use and provider prescribing patterns to determine the appropriateness of drug therapy.

Durable Medical Equipment: Reusable medical equipment, such as hospital beds and wheelchairs, that can be used by patients either in a hospital or a home setting.

EAP (Employee Assistance Program): An employer-sponsored behavioral health program designed to assist in the identification and resolution of a broad range of employee personal concerns that may affect job performance. EAP programs deal with situations such as mental illness, substance abuse, marital problems, family troubles, stress, and domestic violence. The assistance may be provided within the organization or by referral to outside resources.

EPO (Exclusive Provider Organization): Employer-funded managed care program which provides coverage only through contracted providers. Technically, many HMOs also can be described as EPOs. Fee-For-Service (FFS): The traditional health insurance reimbursement method in which a set fee (e.g., reasonable and customary) is established for each health care service performed. Services are paid for as rendered.

Flexible Benefit Plan: A benefit program under Section 125 of the Internal Revenue Code that offers employees a choice between permissible taxable benefits (including cash) and nontaxable health and welfare benefits such as life and health insurance, vacation pay, retirement plans and child care. While a common core of benefits may be required, the employee can determine how his or her remaining benefit dollars are to be allocated for each type of benefit from the total amount allocated by the employer. See also Cafeteria Plan.

Flexible Spending Account: A spending arrangement that allows employers and employees to use pretax dollars to pay for certain health care or dependent care expenses not otherwise covered by insurance. Health care FSAs can be used to finance health care expenses, including deductibles and copayments.

FMLA (Family and Medical Leave Act): A federal law passed in 1993 that requires companies to provide eligible workers with up to 12 weeks of job-protected unpaid leave each year for certain medical and family situations, such as the birth of a child or the care of an aged parent. Employees are eligible to take FMLA leave if they've worked for their employer for at least 12 months, have worked for at least 1,250 hours over the previous 12 months, and work at a location where the employer has at least 50 workers within 75 miles.

Formulary: A formulary is a listing of preferred prescription drugs chosen by a health plan or Pharmacy Benefit Manager for their cost-efficiency. An open formulary covers formulary and non-formulary drugs, but favors prescribing and dispensing patterns for formulary brands. A tiered copay formulary covers formulary and non-formulary drugs, but offers employees a financial incentive to choose a formulary or preferred brand. A closed formulary covers only formulary drugs, with no coverage provided for non-formulary drugs.

Gatekeeper: A primary care physician who is charged with directing all care and treatment and determining whether to treat the member or refer to a specialist. Gatekeepers are typical in HMOs, EPOs, and the in-network portion of a POS.

Gross Paid Claims: Dollars actually paid out to claimants or providers for services, including claim paid above the specific pooling level.

HIPAA: The Health Insurance Portability and Accountability Act of 1996 (HIPAA) was designed to provide portability of health coverage by limiting pre-existing conditions and exclusions in health plans. It requires employers sponsoring a group health plan with two or more employees and their health insurance issuers to provide written certification of prior creditable coverage for every individual covered under the plan.

HMO (Health Maintenance Organization): An HMO contracts to provide health services for plan members on a fixed, prepaid, per capita basis. Under the HMO model, members are required to receive all non-emergency care from network providers. HMOs require that only certain providers be used, and often offer co-payments for physicians and prescriptions.

Incurred Claims: Claims that have been made but not yet reported. Generally, incurred claims are estimated by the carrier.

Indemnity: A health care insurance plan that reimburses policy holders for covered services. There is usually a deductible which must be met before payment starts and a maximum benefit, either annual or lifetime, that the insurer will pay.

Loss Ratio: This is the ratio of incurred claims to the net premium. A loss ratio of 100% is the “break-even point”, meaning the net premium equaled the claims incurred.

Insurance Terms

Managed Care: A method of providing health care in which the insurer maintains a discounted provider network and medical management to control costs and utilization.

Medicaid: A federal program administered by the states to provide low-income individuals with medical benefits.

Medicare: Health insurance provided by the federal government for the elderly and disabled. Medicare covers the cost of hospitalization, medical care, and some related services. It is funded primarily by Federal Insurance Contributions Act (FICA) payroll deductions and somewhat by general revenues and is administered by the Health Care Financing Administration.

Medicare Part A: The component of Medicare benefits covering inpatient hospital stays, skilled nursing facilities, home health services, and hospice care. Medicare Part A is premium-free for anyone automatically eligible for Medicare. Those not automatically eligible may purchase Medicare Part A coverage for a monthly premium.

Medicare Part B: The optional part of Medicare that can be purchased for a monthly premium. Part B covers outpatient costs, such as the cost of physician services, outpatient hospital services, medical equipment, and medical supplies.

Medicare+Choice: Also known as Medicare Part C, Medicare+Choice is an expansion of Medicare health plan choices created as part of the Balanced Budget Act of 1997. In addition to fee-for-service Medicare and HMO options, Medicare+Choice, which went into effect in January 1999, enables consumers to choose from preferred provider organizations, provider-sponsored organizations, private fee-for-service, and a medical savings account demonstration project. To participate in the program, health plans and organizations must adhere to a federally prescribed set of policies and standards.

Medicare Part D: optional prescription drug coverage, which can be purchased for a monthly premium, for everyone with Medicare. This coverage may help lower prescription drug costs and help protect against higher costs in the future.

Medigap Supplement: A private insurance policy that meets federal standards for augmenting Medicare coverage. A supplemental policy pays for most, if not all, Medicare coinsurance amounts and may provide coverage for Medicare deductibles. Some plans pay for services not covered by Medicare, such as outpatient prescription drugs and preventive screenings. Supplemental policies are also referred to as Medicare wrap policies or Medicare supplements.

MSA (Medical Savings Accounts): Also called Medical IRAs and Medisave Accounts, MSAs are a health care financing arrangement proposed by the federal government to augment major medical coverage by allowing individuals and their employers to make regular, pre-tax deposits to personal medical accounts that can be used to pay for medical expenditures or health insurance premiums.

Net Premium: The dollars available to pay claims after deducting administrative and pooling costs.

Out of Pocket: The maximum dollar amount a member is required to pay out of pocket during a year. Until this maximum is met, the plan and the member shares is the cost of covered expenses.

PBM (Pharmaceutical Benefit Manager): A managed care organization for prescription drug benefits, using discounted pharmacy networks and utilization management to control costs.

PCP (Primary Care Provider): Also referred to as a primary care physician, the PCP is responsible for determining the care a member receives. PCPs act as "gatekeepers" because members must obtain their authorization before seeing a specialist in HMO, POS, and EPO environments.

PEPM (Per Employee Per Month): Refers to the cost to cover one employee (and their family) for one month.

Pre-Existing Condition: Any condition or complications there of for which you received medical advise, treatment, diagnosis, or for which prescription drugs or medicines have been prescribed or taken, or of which there is a medical record of your awareness of symptoms before the effective date of your coverage.

Pooled Claims: Claims paid in excess of a specific pre-determined level. Since these claims are pooled, they are removed from the plan experience.

Pooling Charge: A premium charged by the carrier to assume the underwriting risk for claims incurred during the contract period that are in excess of a specified amount.

POS (Point of Service) Plan: Also known as open-ended health maintenance organizations, point-of-service plans allow members to use out-of-network providers for covered services but require them to pay a higher share of the cost of treatment-in the form of higher premiums, copayments, and/or deductibles-for doing so. The in-network benefit requires gatekeeper authorization prior to accessing specialist care.

PPO (Preferred Provider Organization): A group of physicians and/or hospitals which contracts with an employer to provide services to their employees. A PPO differs from a POS by allowing access to in-network specialists without a gatekeeper referral. A PPO allows patients to choose between "preferred" providers, those who have signed a contract with the organization, and non-participating providers. Patients who opt for non-participating providers are required to pay a higher share of their health care costs.

Premium: The amount paid for an insurance policy.

Pre-tax Premium Contribution Account: A medical savings account that enables participants to make health care premium contributions on a pre-tax basis.

Prior Authorization: Procedure used in managed care to control utilization of services by requiring prior review and approval.

Retention: The amount that the carrier retains in order to cover expenses for administering the plan benefits often referred to as administration.

Self-Insurance: A health care program in which an employer or entity assumes the risk of coverage by funding benefit plans from their own resources, rather than purchasing insurance from a third party.

Stop Loss: The dollar level at which claims are “pooled” and thus not charged against a plan’s experience. The plan or employer is responsible for the risk up to the stop loss (pooling level).

Takeover Provision: A full takeover of pre-existing conditions is now the law for groups in Florida under 51 lives. Consequently, if an employee is fully covered now, he or she will be fully covered by the new plan. Any employee currently in the pre-existing conditions period will receive credit for any of the period completed under your current plan.

TEFRA (Tax Equity and Fiscal Responsibility Act): Requires certain health care providers, through a contract with the Health Care Financing Administration, to provide at least Medicare level benefits for a capitated rate.

TPA (Third Party Administrator): An independent organization that administers claims and benefits for a self-insured organization without underwriting the risk.

Trend Cap: A pre-established cut-off point defining the maximum amount an employer will pay to an insurer or TPA for increases in premiums or fees from one year to the next.

UCR (Usual, Customary, and Reasonable): The average cost of a medical procedure or health service in a given geographic area. Insurers use the rate to determine reimbursement levels for certain covered expenses.

Underwriting: An insurer's procedure for analyzing a group or individual applicant to determine whether or not to offer insurance coverage and, if so, at what price. Insurers weigh risk assessment and feasibility based on an applicant's past usage and health-risk factors.

Usual, Customary and Reasonable (UCR): The cost associated with health care services that are consistent with the going rate for identical or similar services within that geographic area. It is used to determine the amount to pay health care providers or reimburse policy holders.

Utilization Management: A process for assessing the use of resources (including staff, facilities, and services) to determine medical necessity, cost-effectiveness, and conformity to optimal-use criteria.

Utilization Review: A formal assessment of a patient's course of treatment to evaluate the appropriateness of care.

ONTARIO INTERNATIONAL AIRPORT
So Cal. So Easy.

MEETING DATE: **AUGUST 22, 2024**

SUBJECT: **CONTRACT WITH COFFMAN SPECIALTIES, INC. FOR TERMINAL 1 APRON REHABILITATION PROJECT**

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 contract with Coffman Specialties, Inc. for the Terminal (T1) Apron Rehabilitation Project in the amount of $10,391,420.00, and execute budget amendments to the contract, for additional related services and construction contingency, up to 15% of the overall contract value.

FISCAL IMPACT SUMMARY: The project and budget amount of $12,500,000 was approved via the Majority of Interest (MII) process on June 18, 2023. The funding for this project is accounted for in the Ontario International Airport Authority (OIAA) Fiscal Year 2024-2025 capital budget, is not expected to exceed $12,500,000, the approved budget amount, and will be paid with OIAA appropriations or local funds. There will be no Federal Aviation Administration (FAA) grant funding for this project.

BACKGROUND: A section of the T1 concrete apron was originally constructed in the mid-1950s, with the full build out of the apron completing sometime in the early 1970s. During and after the concrete apron, other asphalt concrete pavement sections of the T1 apron were constructed until the mid-1970s based on aerial photos. The pavement condition index (PCI) results from the January 2020 Pavement Management Program report revealed both the west and east sides of Taxiway G required rehabilitation.

Previously, the OIAA had a project that rehabilitated the T1 apron, Gates 1 – 3, and the northern section of Taxi-lane G. This T1 Apron Rehabilitation project involves the airfield pavement areas that were "not" rehabilitated on the previous project. However, included on this T1 Apron Rehabilitation project, a slurry seal will be applied to the Terminal 1 apron, Gates 1 – 3 pavement areas.

PROCUREMENT: The Notice Inviting Bids (NIB) was posted on May 31, 2024, and bids were received on July 12, 2024. Coffman Specialties, Inc. was the apparent low bidder and after staff review and validation of all bids, the OIAA is recommending award of contract to Coffman Specialties, Inc. Other services, construction administration and management, necessary for and related to construction will be performed utilizing other OIAA contracts previously procured competitively and approved by the OIAA Commission.

CEQA COMPLIANCE AND LAND USE APPROVALS: The project has been cleared environmentally for both California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA). A Notice of Exemption for CEQA was approved by the Board on November 30, 2023. The Categorical Exclusion (CATEX) was issued by the FAA on April 9, 2024.

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: The project was initially scheduled to commence following the airfield moratorium at the beginning of November 2024 to mid-January 2025. However, due to coordination regarding operational requirements, airport stakeholders reached a consensus that the project could begin ahead of the airfield moratorium and take place during the OIAA peak cargo and holiday season moratorium. This schedule adjustment has facilitated an anticipated earlier project completion date, now estimated for February 2025. Sections of the T1 apron and the Federal Inspection Services (FIS) west gates will have phased closures from September 2024 to February 2025, for the rehabilitation of the apron pavement.

SCHEDULE: Construction of the project is anticipated to begin in September 2024 and be completed in February 2025, and back in operational service in March 2025.

ATTACHMENTS: N/A

STAFF REVIEW AND APPROVAL:

Originator:	Keith Owens, Director of Program Management
Originating Dept.:	Capital Development
Director Review:	Keith Owens
Chief Review:	Marissa Sanchez
CFO Review:	Celeste Heinonen
CEO Approval:	Atif Elkadi

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. Hours to review are between 8:30 a.m. and 4:30 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.