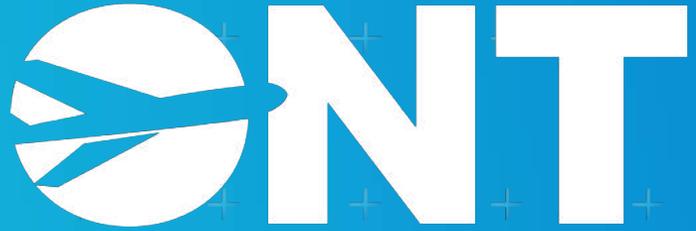


SOUTHERN CALIFORNIA



ONTARIO

INTERNATIONAL AIRPORT

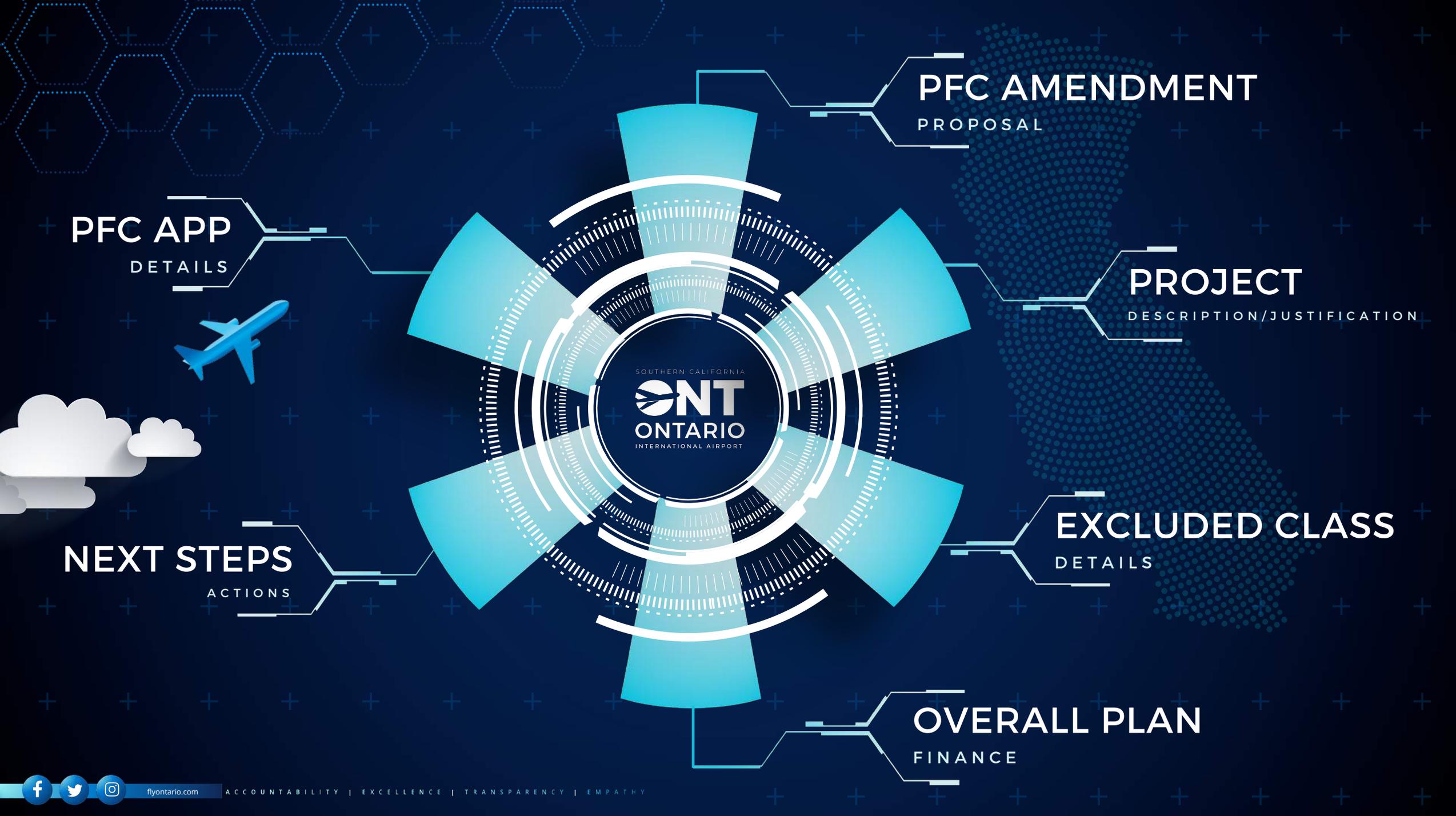
PASSENGER FACILITY CHARGE
PROGRAM AMENDMENT AND NEW
APPLICATION PUBLIC NOTIFICATION

NOVEMBER 6, 2019



flyontario.com

ACCOUNTABILITY | EXCELLENCE | TRANSPARENCY | EMPATHY



PFC AMENDMENT
PROPOSAL

PROJECT
DESCRIPTION/JUSTIFICATION

EXCLUDED CLASS
DETAILS

OVERALL PLAN
FINANCE

SOUTHERN CALIFORNIA
ONT
ONTARIO
INTERNATIONAL AIRPORT

PFC APP
DETAILS



NEXT STEPS
ACTIONS



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ACCOUNTABILITY | EXCELLENCE | TRANSPARENCY | EMPATHY

PFC Application Overview

- The Ontario International Airport Authority (Authority) intends to submit a new PFC Amendment and a new PFC Application for the Ontario International Airport (Airport)
- Pursuant to Section 158.24(b) of the PFC regulations, this notice of opportunity for public comment provides:
 - Project descriptions
 - Project justifications
 - PFC level
 - PFC revenue to be collected
 - Proposed effective and expiration dates
 - Contact information

PFC Program History

- 1995 – Los Angeles World Airports (LAWA), who operated at the Airport, imposed a PFC at the Airport
- 2016 – LAWA applied to the FAA for approval to increase the PFC collection level at the Airport from \$2.00 per passenger to \$4.50 per passenger. This application was approved as of April 1, 2016
- On September 26, 2016, the FAA approved an amendment to 16-05- ONT FAD increasing the amount of the approval to \$117,338,500

PFC Program at the Airport		
Application Number	Approved for Collection	Status
95-02-U-00-ONT	\$ 27,333,931	Closed
97-03-C-00-ONT	\$ 75,347,899	Closed
07-04-C-00-ONT	\$ 71,602,305	Closed
16-05-C-00-ONT	\$ 117,338,500	
	\$ 291,622,635	
Collections through September 30, 2019	\$ 256,124,902	
Remaining approved collections	\$ 35,497,733	



PROPOSED PFC AMENDMENT

PFC

Amendment Background

- The proposed amendment would amend #16-05-C-00-ONT to include financing and interest costs to allow the Authority to repay its remaining obligation to LAWA under the transfer of the Airport from LAWA to the Authority
- The Authority is proposing to repay its remaining obligation to LAWA in a lump sum payment through the issuance of bonds that would be repaid from PFCs as follows:

Description	Costs
LAWA Repayment	
Project costs (a)	\$ 32,148,685
Financing costs (b)	\$ 41,937,208
Total (c)	\$ 74,085,893

(a) Balance remaining to repay LAWA as of September 1, 2019

(b) Per CSG Advisors Incorporated

Columns may not add to totals shown because of rounding.

- The estimated charge effective date for the collections under the proposed PFC amendment would be July 1, 2020 (FY 2021)
- Estimated PFC expiration date would be September 30, 2028 (FY 2029)

Summary of PFC Amendment

- **PFC Level:** \$4.50 per eligible enplaned passenger is being requested
- **PFC Revenue to be Collected:** \$74,085,893
- **Charge Effective Date:** July 1, 2020
- **Estimated Charge Expiration Date:** September 20, 2028



**NEW APPLICATION
PROJECT DESCRIPTIONS AND JUSTIFICATIONS**

Northwest Development

- Project Cost: \$19,492,000 (prev. \$16,492,000)
- Total PFC Funds: \$44,646,000
(includes Bond Capital and Financing & Interest)
- Project Implementation Date: December 2019
- Project Completion Date: November 2020

- The project includes demolition of the former Lockheed Air Services (LAS) facilities located in the Northwest Quadrant of the airport. The facilities included for demolition are four hangars that are currently in moderate use as cargo processing facilities and alterations to existing utilities. The project includes demolition in compliance with California Environmental Quality Act and National Environmental Policy Act (NEPA) as well as clearing abandoned facilities, relocation and construction management.
- This project also includes the engineering, design and construction work for a new connecting taxiway located between Taxiway N and a new parallel taxiway north of and parallel to Taxiway N. The new connecting taxiway involves the demolition and removal of existing Taxiway D and construction of a new connecting taxiway to the west.
- This project will provide additional aircraft parking as well as ground service equipment storage and will refurbish failing pavement in this area.

Runway 26 ILS Upgrade

- Project Cost: \$6,100,000
- Total PFC Funds: \$13,972,000
(includes Bond Capital and Financing & Interest)
- Project Implementation Date: November 2018
- Project Completion Date: June 2022

- This project will fund an FAA Survey that will provide all the requirements to upgrade Runway 26R to a CAT III runway in time for the Runway 8R-26L repair project. The Airport will then implement the construction of a CAT III approach. This includes installation of an upgraded glideslope array, localizer array, and runway visual range station. This project will also install a new approach lighting system (ALSF-2).
- This project will allow for aircraft to land at the Airport during inclement weather. The reconstruction of Runway 8R-26L will deactivate the only CAT III landing at the Airport. This means that during inclement weather, aircraft will be unable to land without the upgrade to Runway 26R ILS.

ARFF Vehicles

- The purchase of the new and replacement ARFF vehicles will ensure that the Airport remains compliant with its requirements under Part 139.

- Project Cost: \$4,641,000
- Total PFC Funds: \$10,630,000
(includes Bond Capital and Financing & Interest)
- Project Implementation Date: July 2019
- Project Completion Date: December 2019

- Purchase of new aircraft rescue and firefighting equipment that meets FAA Part 139 certification requirements:
 - 3 new Panther 6x6 3170 gallon with high reachable extendable turret Rosenbauer ARFF Rapid Intervention Vehicle Class 5 including one Little Giant Ladder mounted on rear of each vehicle and one set of diagnostic cables and software for the vehicle and ABS brake system
 - 1 new Panther 4x4 1598 gallon Rosenbauer ARFF Rapid Intervention Vehicle Class 4 including one Little Giant Ladder mounted on the rear of the vehicle and one set of diagnostic cables and software for the vehicle engine and ABS brake system
 - 1 new 2019 Chevrolet Suburban 4 wheel-drive which will be retrofitted and serve as a replacement vehicle for C2443
 - 1 new 2019 Ford Super Duty F-350 DRW (W3H) XL 4WD Drew Cab with 2 piece roller top and equipment which will be retrofitted and serve as a replacement for C3519
 - 1 new 2019 Sinar SPS 6018 Passenger Stairway Truck which will be ADA compliant and be retrofitted as a replacement for C3605
 - 1 Penetration Aircraft Skin Trainer (PAST Trainer) with foundation anchor system and three aluminum penetration panels

Rehabilitation of Taxiways S&W Intersection and Construction of Taxiway S5

- Project Cost: \$8,471,000
- Total PFC Funds: \$3,927,000
(includes Bond Capital and Financing & Interest)
- Project Implementation Date: December 2017
- Project Completion Date: September 2018

- The project will construct a new bypass taxiway (Taxiway S5) connecting Taxiway S to Taxiway W and then reconstruct the pavement at the intersection of Taxiway S and Taxiway W in accordance with FAA advisory circulars.
- This taxiway has severe cracking and full depth pavement replacement is recommended for continued use of this taxiway.

Airfield Pavement Management System

- Project Cost: \$1,088,000
- Total PFC Funds: \$866,000
(includes Bond Capital and Financing & Interest)
- Project Implementation Date: December 2018
- Project Completion Date: January 2020

- This project includes a complete evaluation of existing pavement at the Airport that begins with a walking survey of each and every airfield concrete pavement panel and asphalt pavement sections on the Airport airside and landside by licensed civil engineers. Once the observations and data collection is completed, the data is analyzed to determine pavement condition. Finally, a report is written to present findings and recommendations.
- This project will provide the Airport with a comprehensive review of its pavement to ensure compliance with all FAA rules and regulations.

Airport Layout Plan Update

- Project Cost: \$1,117,000 (prev. \$991,000)
- Total PFC Funds: \$497,000
(includes Bond Capital and Financing & Interest)
- Project Implementation Date: December 2018
- Project Completion Date: March 2020

- This project is to prepare an Airport Layout Plan (ALP) that meets FAA requirements, illustrates data with excellent cartographic quality, and meets FAA Airports requirements. This project will consist of a complete GIS Data Collection, including Aeronautical Surveys compliant with FAA Airports minimum standards to be submitted via the FAA Airports GIS website and used to prepare planimetric data. This project will also include the preparation of a Triggering Event Narrative Report that describes the airport, anticipated future activity levels, and planned projects including project purpose and need to meet future passenger, cargo, and general aviation demand. Forecast data will be derived from FAA Terminal Area Forecasts or provided by the Airport.
- This project to prepare an ALP update is justified as it is an FAA requirement that an airport maintain an updated ALP.

Taxiway S Rehabilitation and TDZ Lights

- Project Cost: \$11,637,000 (prev. \$10,246,000)
- Total PFC Funds: \$5,765,000
(includes Bond Capital and Financing & Interest)
- Project Implementation Date: December 2018 and August 2020
- Project Completion Date: July 2020 and August 2021

- This project consists of civil engineering design for the long-term repair of the portion of Taxiway S over the Cucamonga Channel extending west to Taxiway F. This project includes engineering design work for the installation of Touchdown Zone Lights for Runway 26R.
- Taxiway S was commissioned in 1993 and severe cracking has been observed. This project will extend the life of Taxiway S and the installation of the TDZ lights will enhance the all-weather operational capability at the Airport.

Rehabilitation of Terminal 1 Apron and South Cargo Apron

This project has two components:

- [Terminal 1 Apron Rehabilitation](#)
- [South Cargo Ramp Expansion](#)

These apron and ramp areas have exceeded their useful life and are in need of reconstruction to bring them back into good condition. Further, the expansion of the south cargo ramp will provide additional aircraft parking areas.

- Project Implementation Date: October 2018
- Project Completion Date: July 2019

- [Terminal 1 Apron Rehabilitation:](#)
 - A section of the Terminal 1 apron pavement (Gates 1, 2 and part of 3) along with the northern portion of Taxilane G will be reconstructed with a new pavement section to support the FAA P-401 asphalt concrete pavement. Also, there will be new striping for the Gates 1, 2 and 3 and Taxilane G.
 - Project Cost: \$4,069,000
(prev. \$4,041,000)
 - Total PFC Funds: \$1,667,000
(includes Bond Capital and Financing & Interest)

Rehabilitation of Terminal 1 Apron and South Cargo Apron

This project has two components:

- [Terminal 1 Apron Rehabilitation](#)
- [South Cargo Ramp Expansion](#)

These apron and ramp areas have exceeded their useful life and are in need of reconstruction to bring them back into good condition. Further, the expansion of the south cargo ramp will provide additional aircraft parking areas.

- Project Implementation Date: October 2018
- Project Completion Date: July 2019

- [South Cargo Ramp Expansion:](#)

- Rehabilitation of the concrete apron joints and spalls and construction of structural FAA P-403 asphalt concrete pavement on the east side of the concrete apron to accommodate tugs for widebody aircraft such as Boeing 767 freighters.

- Project Cost: \$2,291,000
(prev. \$2,279,000)
- Total PFC Funds: \$1,423,000
(includes Bond Capital and Financing & Interest)



IT Security and Infrastructure Study and Planning

- Project Cost: \$7,930,000
- Total PFC Funds: \$19,097,000
(includes Bond Capital and Financing & Interest)
- Project Implementation Date: April 2019
- Project Completion Date: December 2019

- This project will identify Airport security issues and create a security master plan known as an Airport Security Plan. The plan will provide a phased implementation and may include ACAMS updates, camera installations, biometrics, Pedestrian Intrusion Detection, and perimeter security upgrades. Security improvements may be airport-wide and may include infrastructure and operational changes. The Airport Security Plan will provide short-term recommendations for upcoming projects and long term information to guide the Airport's project prioritization.
- The Airport Security Plan is required under 49 CFR Part 1542 which requires commercial airports to have an Airport Security Plan.

Airport Drive Rehabilitation

- Project Cost: \$6,712,000 (prev. \$4,000,000)
- Total PFC Funds: \$15,375,000
(includes Bond Capital and Financing & Interest)
- Project Implementation Date: August 2019
- Project Completion Date: March 2021

- The project includes design, construction, and inspection to rehabilitate Airport Drive which is the north side public access road to the terminal loop. Rehabilitation will range from slurry seal to a mill-and-replace of the surface wear course.
- Airport Drive, which is the north side public access road to the terminal loop, is 20 years old. The road needs varying levels of rehabilitation, to be determined by the Pavement Management Plan.

IT Equipment

- Project Cost: \$407,000
- Total PFC Funds: \$932,000
(includes Bond Capital and Financing & Interest)
- Project Implementation Date: January 2019
- Project Completion Date: July 2020

- The existing IT infrastructure at the Airport includes mono-color LED displays, outdated computers with CRT displays, and outdated routers and switches that limit security camera functions and customer service. New IT equipment will replace the computers, monitors, display systems, routers and switches.
- This project accomplishes the objective of enhancing safety and security at the Airport by integrating systems at the Airport to ensure that all Airport staff have access to the required network capabilities.

New Perimeter Security Fence

- Project Cost: \$10,000,000
- Total PFC Funds: \$22,905,000
(includes Bond Capital and Financing & Interest)
- Project Implementation Date: June 2020
- Project Completion Date: June 2021

- This project will identify issues with the current Airport perimeter security fence. The project will then address all identified issues and provide improved camera monitoring in limited visibility areas.
- The project will likely recommend cameras as well as thermal detection in certain areas of the airport
- The Airport is required to maintain its perimeter security fence. This project will identify any issues and correct any such issues.

Escalator Replacement

- Project Cost: \$2,000,000
- Total PFC Funds: \$4,581,000
(includes Bond Capital and Financing & Interest)
- Project Implementation Date: June 2020
- Project Completion Date: October 2020

- This project will replace all four escalators in Terminals 2 and 4 (two in each terminal). The project will include complete replacement of the escalators and installation of modern, energy-efficient, large volume heavy duty equipment.
- The escalators have reached end of life and are in consistent need of maintenance which is not cost effective. In their current state they are unreliable to passengers entering or exiting the TSA airport screening areas.

Common Use Passenger Processing System (CUPPS)

- Project Cost: \$2,550,000
- Total PFC Funds: \$5,841,000
(includes Bond Capital and Financing & Interest)
- Project Implementation Date: June 2020
- Project Completion Date: March 2021

- The project will install CUTE (Common Use Terminal Equipment)/CUPPS (Common Use Passenger Processing System) equipment and improvements in Terminal 2. This includes 21 check-in desks located on the west end of Terminal 2, four common use kiosks located in the west end of Terminal 2, and four common use gates (Gates 204, 207, 211 and 212).
- The systems are required due to space constraints in Terminal 2 that prevent or restrict ticketing and improve passenger flow on the common use gates identified.

New International Arrivals / Federal Inspection Service Facility (FIS) – Design

- Project Cost: \$6,000,000
- Total PFC Funds: \$13,743,000
(includes Bond Capital and Financing & Interest)
- Project Implementation Date: June 2020
- Project Completion Date: September 2022

- This project would complete the design of a new International Arrivals/Federal Inspection Services (FIS) Facility for Terminal 2 from a previously developed concept design. The new facility would be an expansion of the existing Terminal 2 on the east side, including two wide-body contact gates, a new ground-loading parking position, and a new sterile corridor connecting at least two of the existing Terminal 2 gates, and a complete, inbound-passenger processing facility consistent with United States Customs and Border Protection (CBP) requirements. This initial project authorization would include design development up to 60% as well as preconstruction activities such as estimating, evaluations, value engineering, value analysis, scheduling, constructability reviews, permitting, and life-cycle costing.
- The current FIS facility is limited in its ability to serve International arrivals and departures. It does not provide access to jet bridges, gates, corresponding holdrooms and access to food and retail concessions. The ability to grow International traffic is limited by current FIS space size and layout that prevents or restricts CBP from processing multiple flights within the same time frame.

Summary of PFC Application

- **PFC Level:** \$4.50 per eligible enplaned passenger is being requested
- **PFC Revenue to be Collected:** \$164,934,000
- **Charge Effective Date:** July 1, 2020
- **Estimated Charge Expiration Date:** June 30, 2040

Excluded Class

- On-Demand Air Taxi Commercial Operators (ATCOs)
- Number of passengers enplaned by these classes in CY 2018 was less than 1% of total annual enplanements at the Airport
- Burden of collecting fees would be greater than the revenue being collected



**CONTACT INFORMATION AND
PUBLIC COMMENT PERIOD**

CONTACT INFORMATION AND PUBLIC COMMENT PERIOD

In accordance with 14 CFR Sec. 158.24, the public is given the opportunity to comment on the proposed applications for 30 days or by December 6, 2019

Comments or questions should be sent to:

John M. Schubert
Chief Financial Officer
Ontario International Airport Authority

1923 East Avion Avenue
Ontario, CA 91761

Email: jschubert@flyontario.com



flyontario.com

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