

**ORANGE COUNTY AIRPORT COMMISSION**  
**Airport Commission Hearing Room**  
**3160 Airway Avenue**  
**Costa Mesa, CA 92626**

**MINUTES OF REGULAR MEETING**

August 18, 2021

**COMMISSIONERS PRESENT:** Bert Ashland, Susan Dvorak, Brendan O'Reilly, John Clarey (phone)

**COMMISSIONERS ABSENT:** Bruce Junor

**STAFF PRESENT:** Rick Francis, Assistant Airport Director  
Carolyn Khouzam, Deputy County Counsel  
Scott Hagen, Deputy Airport Director, Operations  
Robert Holden, Landside Operations Manager  
Eric Freed, Deputy Airport Director, Public Affairs  
Evanna Barbic, Real Estate Manager  
Sheryl Bisogno, Real Property Agent III  
Elizabeth Gallegos, ASR Manager

**CALL TO ORDER:** Vice Chair Ashland called the meeting to order.

**PLEDGE OF ALLEGIANCE:** Commissioner Dvorak led the assembly in the Pledge of Allegiance.

1. **APPROVAL OF MINUTES:** On Commissioner O'Reilly's motion and Commissioner Dvorak's second, the Regular Meeting minutes of August 4, 2021, were approved as written.

2. **APPROVE CONTRACT WITH LAZ PARKING CALIFORNIA, LLC FOR SHUTTLE SERVICES (ASR 21-000653)** – Landside Operations Manager Robert Holden presented the contract with LAZ Parking for shuttle services that would begin on October 1, 2021, through September 30, 2022. LAZ Parking would provide transportation between the terminal and the Main Street lot for employees and parking guests. Due to COVID-19, the Airport cannot anticipate when the parking demand will return. Therefore, it cannot currently determine when employees will need to relocate to a remote lot or when the Airport will open the remote lot to the public. Currently, the parking garages are running at approximately 50% capacity, and the Airport is using a benchmark of 75% capacity to determine when the Main Street lot would reopen for employee parking. This contract will enable the Airport to move quickly to provide remote lot shuttles if the need arises. Upon execution of the contract, it will take LAZ Parking four to five weeks to prepare the shuttles, obtain drivers, and initiate the service. This contract is a Sole Source agreement with LAZ Parking. The vendor is already on-site and has access to the shuttles that were used in the previous shuttle contract.

Robert Holden responded to Commissioner O'Reilly's questions regarding if the decision for a sole source contract was timing and if the \$3 million current year cost is a not-to-exceed amount. Robert Holden also responded to Commissioner Dvorak's question if the Airport will have a competitive bid process when it is close to an RFP. Assistant Airport Director Rick Francis responded to Vice Chair Ashland's question regarding why the Airport has not consolidated this service into one Agenda Staff Report rather than three. Rick Francis and Robert Holden provided the Commission with further clarification of the contract costs, the increase in costs, and the competitive bid process.

On Commissioner O'Reilly's motion and Commissioner Dvorak's second, this item was approved.

3. **APPROVE AIRLINE LEASE WITH AIR CANADA (ASR 21-000691)** – Assistant Airport Director Rick Francis presented the Airline Lease with Air Canada to the Airport Commission. Air Canada was on

the Airport's waiting list and selected to start service before COVID-19. With the restrictions of flights to Canada, the service was temporarily paused. Air Canada is now scheduled to commence service to Vancouver from the Airport beginning October 2, 2021. To begin, they will operate one flight a day, and there may be additional capacity available later. Eric Freed, Deputy Airport Director, Public Affairs, stated that an air carrier on the new entrant waiting list has to perform an aircraft noise test consisting of five arrivals and five departures to verify the carrier knows how to operate at John Wayne Airport (JWA). JWA reviews the aircraft specifications to verify it will meet all of the noise requirements. Since Air Canada performed a noise test when it previously operated at JWA in 2010, an administrative qualification for the aircraft will be approved. Air Canada will also be operating an aircraft that is one of the quietest in the fleets today, a 737-800 Max. Air Canada's paperwork indicates the use of Noise Abatement Departure Procedure (NADP) 2 but they may switch to NADP 1. Air Canada will be pre-clearing, so they will not be going through Customs and Border Protection here and will be doing all of that in Canada. Air Canada's flights in and out of JWA will be operating as domestic flights.

Eric Freed responded to Vice Chair Ashland's question clarifying that a former incumbent wanting to return would go to the bottom of the new entrant waiting list but may be selected only if those carriers above them chose to pass. Eric Freed responded to Commissioner Dvorak's questions regarding if it was JWA's goal to increase international commercial flights and if JWA could pick the aircraft a carrier would fly. Rick Francis responded to Commissioner Dvorak's question regarding if the length of this new lease is typical with new airlines coming into JWA. Vice Chair Ashland requested an update of the noise profiles for the newest commercial aircraft fleet. Real Estate Manager Evanna Barbic responded to Commissioner O'Reilly's question regarding the projected revenue of the lease and why there was a drop-off in FY 2025-26.

PUBLIC COMMENT – Newport Beach Resident Jim Mosher stated that he is curious how Air Canada got through the waitlist so quickly and would like to know why the Agenda Staff Report has the Board listed to authorize one average daily departure for the remainder of the current plan year when back in November the Board already authorized the overall capacity plan of one annual average daily departure for Air Canada. He asked if that previous authorization from November expired. Jim Mosher also stated that he read Air Canada's lease, and it mentioned areas for exclusive use and shared areas. He asked about the use of the airport apron and stated the previous contract Air Canada had back in 2010, all airlines would share the apron as a common area. He stated the current lease states in multiple places that it is for exclusive use and the diagram in Exhibit C shades an entire area under the landing bridges and does not mention how many square feet will be leased by Air Canada specifically. Jim Mosher asked if that was a mistake on the lease and wanted to know more about their plan and what other services Air Canada provides in this area.

Air Canada SNA Station Manager Lynne Burrow spoke to the Airport Commission in regards to the public comment and responded to Vice Chair Ashland's question regarding how many flights Air Canada has in southern California. Lynne Burrow stated Air Canada has seven flights into Los Angeles, one into San Diego, and one daily into Palm Springs beginning October 30. Air Canada only flies directly from Canada to one U.S. city. Upon landing in the U.S., Air Canada cannot land in another city and continue on. Beginning October 2, 2021, Air Canada will start with four weekly flights initially into JWA, which will go up to five by December. By January 10, 2022, that will go up to daily flights. Real Estate Manager Evanna Barbic responded to the public comment regarding the apron space. Barbic stated she believes the equipment out on the apron space is measured twice a year, or the square footage possibly occupying on the apron space is identified. That is submitted to the JWA Finance team, which is calculated for the rates and charges. Although Exhibit C identifies the entire apron area, each airline submits, and the airlines are charged according to how much space they actually use. Rick Francis further clarified that JWA is a common use airport, and airlines do not have exclusive rights to gates and apron space, so anybody can use any part, and they are not locked into any space. The spaces the airlines are locked into are the airline ticketing and baggage offices. Francis responded to Vice Chair Ashland's question regarding if additional ticketing counter space would be available to an airline should travel begin to pick up.

On Vice Chair Ashland's motion and Commissioner O'Reilly's second, this item was unanimously approved.

4. **SUMMARY OF RELEVANT ACTIONS BY THE BOARD OF SUPERVISORS (Board)** – Rick Francis stated that on August 10, 2021, the Board approved as recommended the amendment and extension for shuttle maintenance, repair, and support services with LAZ Parking, as well as the consultant contracts for maintenance task facilitation and support with the JOA Group and Woolpert.

**5. ADDITIONAL BUSINESS**

A. PUBLIC COMMENTS – None

B. AIRPORT DIRECTOR COMMENTS – Rick Francis shared with the Airport Commission that passenger traffic for the week of July 18 – 24 was a peak week, and JWA was at about 93-94% compared to 2019 numbers. Since then, JWA has seen a minor decline, which the Airport believes is attributed to school starting and was expected to decline late summer into the fall. Projection numbers are still unknown for September and October because business travel is not expected to return immediately.

C. AIRPORT COMMISSION COMMENTS – None

6. **ADJOURNMENT OF PUBLIC MEETING** The meeting adjourned at 5:43 pm.

Respectfully submitted

Elizabeth Gallegos, ASR Manager

**ORANGE COUNTY AIRPORT COMMISSION**  
**Airport Commission Hearing Room**  
**3160 Airway Avenue**  
**Costa Mesa, CA 92626**

**MINUTES OF REGULAR MEETING**

October 20, 2021

**COMMISSIONERS PRESENT:** Bruce Junor, Susan Dvorak, Brendan O'Reilly, John Clarey

**COMMISSIONERS ABSENT:** Bert Ashland

**STAFF PRESENT:** Barry Rondinella, Airport Director  
Lauren Kramer, County Counsel  
Dave Pfeiffer, Deputy Airport Director, Business Development  
Eric Freed, Deputy Airport Director, Public Affairs  
Kevin Flynn, Deputy Airport Director, Maintenance  
Roger Yee, Maintenance Operations Manager  
Nick Gaskins, Access & Noise Manager  
Elizabeth Gallegos, ASR Manager

**CALL TO ORDER:** Chair Junor called the meeting to order.

**PLEDGE OF ALLEGIANCE:** Commissioner Dvorak led the assembly in the Pledge of Allegiance.

- 1. APPROVAL OF MINUTES:** Approval of the Regular Meeting minutes of August 18, 2021, was continued to the next meeting.
- 2. JOHN WAYNE AIRPORT CAPACITY ALLOCATIONS FOR 2022 PLAN YEAR (ASR 21-000865) –** Access & Noise Manager Nick Gaskins presented the Airport Capacity Allocation for the 2022 Plan Year. The annual allocation process maintains the 1985 Settlement Agreement limitations on Commercial and Commuters departures and million annual passengers (MAP). In August, the Carriers were notified to submit their requests to the Access and Noise office. Airport staff completed an internal workshop, and a recommendation is presented to the Airport Commission and Board of Supervisors. Gaskins explained the difference between Class A versus Class E capacity. Class A is in the form of Average Daily Departures (ADDs). It has the highest representative noise level, is considered long-term capacity, and is tied to the airline lease. Class E is in the form of seats, has significantly lower representative noise levels, and is short-term capacity, usually one Plan Year. An exception to this are the Permanent Class E ADDs (Class PE ADDs). The Airport allocates up to 14 Class PE ADDs, which are all currently allocated to Southwest Airlines. Commuter Carriers received passenger capacity under Section 3.5.1 of the Access Plan. There is a set aside of 400,000 Authorized Passengers for use by Commuter Carriers. Any unused commuter passenger capacity is converted into Supplemental Class E capacity for use by Commercial Carriers. For Plan Year 2022, the Airport was able to fulfill all of the seat requests for the Commercial Carriers. A total of 15,537,468 seats with a MAP projection of 11.69. Of the number of seats recommended for allocation, JWA projects a 98.1 percent seat utilization and 73.7 percent load factor by Air Carriers during the 2022 Plan Year. The County had within its control five Class A ADDs that the Airport did not allocate as permanent Class A capacity. That capacity consisted of returns from Air Carriers, County-controlled capacity, or capacity returned if a Carrier exited JWA. Delta/WestJet AOG, United Airlines, and Southwest Airlines were each allocated one Supplemental Class A ADD, and Spirit Airlines was allocated two Supplemental Class A ADDs. That is where the five County-controlled Class A ADDs were allocated in Plan Year 2022. Six new entrants submitted requests to the Airport. The Airport decided not to allocate to a new entrant for this upcoming Plan Year due to incumbent requests and four new entrants being brought in within the last 12 months. The County has four Commercial Cargo Class A ADDs. One went to FedEx and one to UPS. The remaining two of these four were converted

to passenger carriers. A total of 30 Commercial Carrier RON positions were requested for allocation for the 2022 Plan Year. The Airport is requesting the Board to authorize the Airport to allocate up to 30 RONs for use during the 2022 Plan Year. Two Qualified Commuter Carriers, SkyWest Airlines (Alaska Airlines and United Express) and Delux Public Charters, LLC (JSX), have requested Passenger Capacity allocations for the 2022 Plan Year. JWA recommends that 41,495 passengers be allocated to SkyWest for use during the 2022 Plan Year and 200,000 passengers be conditionally allocated to JSX if they choose to operate out of the terminal or 95,070 passengers if they operate from an FBO for use during the 2022 Plan Year. The RONs that are being recommended for JSX are two apron RONs. A total of six commuter RONs can be allocated by the Airport.

Airport Director Barry Rondinella responded to Chair Junor's question regarding the yearly process completed by the Airport in compliance with the Phase II Commercial Access Plan. County Counsel Lauren Kramer responded to Commissioner Dvorak's question if the Commission could vote on JSX and the RONs separately. Nick Gaskins responded to Commissioner Clarey's question regarding the recommended allocation to JSX and Commissioner Junor's question if JSX has accepted the conditional allocation or the 95,070 allocation. Barry Rondinella addressed Chair Junor's and Commissioner Dvorak's comments regarding the RONs.

*Commissioner Dvorak read a statement that has been attached to the Minutes as an Attachment.*

PUBLIC COMMENT – Newport Beach Resident Jim Mosher stated he had several questions for Airport staff. The first was for the load factor issue multiplied by the number of seats requested by the carriers. He stated he was puzzled that it somehow totaled up to the correct number in the settlement agreement and requested to know what had been discussed and or negotiated with the airlines at the workshop Nick Gaskins mentioned in his presentation to the Commission. The second question was regarding the decision for no new entrants in the 2022 plan year. Mosher asked if there were any carriers on the waiting list that requested an allocation and were refused, and if so, who on the waiting list asked to be added. The third question was in reference to the first slide presented to the Commission (Attachment A of the ASR) that Class E allocations were going to Delta and Horizon, who also received allocations last year, but in the quarterly noise report, there has been no reporting of Class E activity by Delta or Horizon. Mosher stated he wanted to know why the Airport was allocating Class E's to them if they were not being used. The next was in regards to the RONs. Mosher stated that it is a potential problem at 07:00; if the Airport has 30 RONs and two more on the commuter list, all 32 could take off within the first half-hour. Mosher's observation post-COVID is that the lineup of aircraft is not as busy as it used to be. He stated 32 carriers would take up to one or one and a half-hour to leave. He asked if that was a directive by the Airport or an operational aspect. Lastly, Mosher recalls JSX receiving a conditional allocation in the past and asked to know that outcome.

Nick Gaskins and Barry Rondinella responded to the public comment.

On Commissioner Clarey's motion and Commissioner O'Reilly's second, this item was approved 2 – 1, Commissioner Dvorak voted no.

- 3. APPROVE AMENDMENT ONE WITH JBT AEROTECH CORPORATION (ASR 21-000844) –** Maintenance Operations Manager Roger Yee presented Amendment One to renew and amend the Contract with JBT AeroTech Corporation Passenger Boarding Bridges and Baggage Handling System Maintenance Services in an amount not to exceed \$4,273,116 commencing January 14, 2022, for one year. There is no scope change in this one-year renewal. The Contract provides standby and scheduled maintenance services on a 24 hour/ seven days per week basis, and under the Contract, JBT maintains three independent inbound and outbound baggage handling systems with over 16,000 linear feet of conveyor belt for Terminals A, B, and C. Maintenance support is also included for the six outbound baggage carousel units in the sterile side and the seven inbound baggage carousels utilized by the passengers in the arrival area. The baggage handling system allows the Transportation Security Administration to meet their 100 percent checked baggage screening requirement by ensuring that all checked-in baggage is adequately screened. Also, under

this Contract, JBT provides the maintenance support for 20 Passenger Loading Bridges and the associated preconditioned air units providing cool air to the aircraft and ground power units providing power for onboard electronics to the aircraft parked at the gates. Over the past three years, JBT has provided responsive onsite service to remedy unanticipated issues and performed all scheduled maintenance tasks on time. This proposed one-year renewal contains a six percent cost escalation over the third year fixed cost from the first Contract term. This cost increase is directly attributable to anticipated prevailing wage increases paid to the Baggage Handling System and Passenger Boarding Bridges technicians, as this Contract is subject to California Prevailing Wage Law. This is the first contract renewal period for the original three-year term and Airport staff will be returning to this Commission and Board of Supervisors in the fall of 2022 for a second and final renewal.

Roger Yee and Airport Director Barry Rondinella responded to Commissioner Clarey's question if there was a competitive bid on the renewal. Roger Yee responded to Commissioner O'Reilly's questions if the original contract term was for three years of four and the amounts paid in the Contract for each year.

On Commissioner Clarey's motion and Commissioner Dvorak's second, this item was unanimously approved.

4. **SUMMARY OF RELEVANT ACTIONS BY THE BOARD OF SUPERVISORS (Board)** – Barry Rondinella stated that on August 24, 2021, the Board approved the Contract with LAZ Parking for Shuttle Services and the Airline Lease with Air Canada.

## 5. ADDITIONAL BUSINESS

### A. PUBLIC COMMENTS –

- Newport Beach General Aviation, Community Member Steve Livingston stated that one of his roles is to report to the Newport Beach Aviation Committee what is happening with the General Aviation Improvement Program and asked if the Airport Commission was able to provide him with a status of the taxiway widening and status of the Clay Lacy FBO buildout.
- Newport Beach resident Jim Mosher suggested printed copies of the agenda be provided to the public so they may know what agenda number to indicate when completing the public speaker form. In addition to having the agenda printed for the public, he requests copies of the meeting packet printed and available.

Airport Director Barry Rondinella responded to the public comments.

- ### B. AIRPORT DIRECTOR COMMENTS –
- Barry Rondinella stated that from July 1 through mid-October, passenger traffic at the Airport had hit between 88 and 95 percent monthly. The Airport is currently at or above 2019 numbers and doing better than other airports in comparison to our California neighbors, excluding Palm Springs, which is currently experiencing tremendous growth.

- ### C. AIRPORT COMMISSION COMMENTS –
- None.

6. **ADJOURNMENT OF PUBLIC MEETING** The meeting adjourned at 5:49 pm.

Respectfully submitted

Elizabeth Gallegos, ASR Manager

**JWA Capacity Allocations for 2022 Plan Year****Remain Overnight (RON)**

According to the Access Plan, only emergency circumstances qualify for an increase in RON allocations from the maximum of 27 allowed in that document (5.1.1). In addition, the Access Plan stipulates that no air carrier can operate, park or Remain Overnight on the leased premises of any FBO at JWA unless it is an emergency situation (5.1.5).

I don't see where an emergency circumstance has been identified to justify the increase in the commercial RON allocations (5.1.1), or to allow any air carrier to Remain Overnight at an FBO location (5.1.5), so it doesn't seem like a waiver is justified (5.3).

The ASR emphasizes that the allocation has long been a commercially and operationally significant issue for the carriers. I'd like to also highlight the fact that any increase in the number of RONs from the maximum of 27 stipulated in the Access Plan is also a significant issue for those who reside in communities impacted by airport operations.

And, while the airport is only requesting an increase of 3 RONs, any increase in the number of aircraft operations beginning at 7:00 AM negatively impacts the communities surrounding the airport.

I understand that the airport has always had multiple audiences to consider as it develops and presents the annual allocation recommendations, and that the FAA and the carriers are always watching to be sure that the restrictions at JWA do not unnecessarily or unfairly restrict commercial passenger operations. The community is also watching to ensure a fair process is conducted that doesn't leave them out of this process. In this case, there doesn't appear to be any consideration for the community, as evidenced by the non-adherence to the RON limitation of 27 clearly stipulated in the Access Plan.

The airport states that they are committed to ensuring safety, a positive passenger experience, and being a good neighbor. If the airport truly wants to be a good neighbor, it's important to consider the impact of its actions on the surrounding communities, and for the ASR's to include an analysis of community impact in addition to the current emphasis on what's best for the air carriers.

***-MORE-***

**JSX Allocation Conditions**

I am not sure why the Board of Supervisors authorized, in June of 2018, this Commuter Carrier to operate at an FBO location for the following reasons:

- 1) Lower level of security regulations are required by the TSA at an FBO vs TSA requirements when passengers depart via a scheduled airline in the Main Terminal. This puts the airport at serious risk of a security breach and liability if such a breach occurs.
- 2) According to the Access Plan, Commuter Carriers are supposed to conduct air passenger business through the Main Terminal, unless, of course, they are granted a special exception by the Airport Director or by the Board of Supervisors (**8.1.7 a & b**). Scheduled Commuter Carriers carrying out security operations at the FBOs is an aberration which carries potentially serious security risks.

The TSA requires passengers to be positively identified before boarding a private jet and to be screened for the TSA No-Fly List. The same items banned on commercial flights – everything from weapons to narcotics to large liquids – are also prohibited on private jets, but there is often no physical screening of bags or passengers.

It's a huge loophole that's being exploited by some Commuter Air Carriers that are bypassing the more stringent TSA security checks in the Main Terminal by operating out of the General Aviation area of the airport due to its less-stringent security requirements.

ACI Jet has stated publicly that they do not intend to continue to do business with this Commuter Carrier in the future, but the precedent that has already been set should be overturned now and not be repeated in the future.

The "hassle-free and crowd-free" business model that allows passengers to "arrive at the airport 20 minutes before your flight and stroll right in" seems like something this airport, which prides itself on its exemplary safety record, ought to avoid.

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