

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

COMMISSION AGENDA – REGULAR MEETING



October 24, 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.

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 September 26, 2024.

3. CASH DISBURSEMENT REPORT (BILLS/PAYROLL)

Receive and file the Cash Disbursement Report (Bills/Payroll) for the month ended September 30, 2024.

4. RESOLUTION AMENDING THE AGREEMENT WITH PNC BANK FOR EXTENSION OF MATURITY DATE FOR EXISTING REVOLVING CREDIT FACILITY FOR CAPITAL PROJECTS

Approve a resolution approving the execution and delivery of the first amendment to Revolving Credit Agreement, between the Ontario International Airport Authority and PNC Bank, National Association, authorizing additional actions and providing for certain other matters.

RESOLUTION NO. 2024-10

A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT APPROVING THE EXECUTION AND DELIVERY OF THE FIRST AMENDMENT TO REVOLVING CREDIT AGREEMENT, BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND PNC BANK, NATIONAL ASSOCIATION, AUTHORIZING ADDITIONAL ACTIONS AND PROVIDING FOR CERTAIN OTHER MATTERS

5. ACCEPT THE FEDERAL AVIATION ADMINISTRATION VOLUNTARY AIRPORT LOW EMISSIONS GRANT FOR THE PRE-CONDITIONED AIR UNITS PROJECT

Authorize the Chief Executive Officer (CEO) to accept grant funding from the Federal Aviation Administration (FAA) for the federal share of the eligible airport project at Ontario International Airport in the total amount of \$2,522,008.00 awarded as a grant through the Voluntary Airport Low Emissions Program (VALE) for the design-build of Pre-conditioned (PC) Air Units Project; receipt and deposit of grant funds in the amount of \$2,522,008.00; and execute the grant agreement and all terms, conditions, and documents required by the grant agreement.

6. AGREEMENT AMENDMENT WITH CITY OF ONTARIO FOR POLICE AND FIRE SERVICES

Authorize the Chief Executive Officer (CEO) to execute a contract amendment with the City of Ontario (City) for Police and Fire Services to reduce the contract value for FY24-25 by \$634,822 and modify the Base Service Level for the contract.

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: October 21, 2024

Posted Prior To: 2:00 P.M.

Signature: _____

Norma I. Alley

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



MEETING DATE: OCTOBER 24, 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
04	PNC Bank	<ul style="list-style-type: none">None

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A

ATTACHMENTS: N/A

STAFF REVIEW AND APPROVAL:

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

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: OCTOBER 24, 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 September 26, 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:	<u>Norma I. Alley, MMC, Board Clerk</u>
Originating Dept.:	<u>Clerk's Office</u>
Director Review:	<u><i>Norma I. Alley</i></u>
Chief Review:	<u><i>Atif Ekadi</i></u>
CFO Review:	<u>N/A</u>
CEO Approval:	<u><i>Atif Ekadi</i></u>

This Agenda Report has been reviewed by OIAA General Counsel.

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ONTARIO INTERNATIONAL AIRPORT AUTHORITY
COMMISSION MEETING
MINUTES
SEPTEMBER 26, 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
Ronald D. Loveridge, Treasurer
Julia Gouw, Commissioner

Curt Hagman, Vice President
Jim W. Bowman, Secretary

A quorum of the Board of Commissioners was present.

STAFF:

Chief Executive Officer Atif Elkadi
Board Clerk/Assistant Secretary Norma I. Alley, MMC

General Legal Counsel Lori Ballance

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

AGENDA REVIEW/ANNOUNCEMENTS

Board Clerk Alley noted a supplemental packet was provided and entered into the record.

1. INFORMATION RELATIVE TO POSSIBLE CONFLICT OF INTEREST

No conflicts of interests were declared.

PUBLIC COMMENT

President Wapner called for public comment. 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)

General Legal Counsel Balance announced the Closed Session item and led the Board into Closed Session.

President Wapner recessed the Open Session and called the Closed Session to order at 2:03 p.m. The Open Session reconvened at 2:18 p.m.

REPORT ON CLOSED SESSION

President Wapner announced there was no reportable action.

CONSENT CALENDAR

2. APPROVAL OF MINUTES

Approved minutes for the OIAA Board of Commissioners meeting on August 22, 2024.

3. CASH DISBURSEMENT REPORT (BILLS/PAYROLL)

Received and filed the Cash Disbursement Report (Bills/Payroll) for the month ended August 31, 2024.

4. RESOLUTION AMENDING EXHIBITS TO THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY CONFLICT OF INTEREST CODE

Approved a Resolution amending the exhibits to the Ontario International Airport Authority's (OIAA) Conflict of Interest Code to update position classification titles and Conflict of Interest Disclosure Form regarding filing requirements for OIAA employee and consultants.

RESOLUTION NO. 2024-08: A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY APPROVING AND ADOPTING AMENDED EXHIBITS OF THE CONFLICT OF INTEREST CODE PURSUANT TO THE POLITICAL REFORM ACT OF 1974

5. CONTRACT WITH OSHKOSH CORPORATION FOR PRE-CONDITIONED AIR UNITS PROJECT

Authorized the Chief Executive Officer (CEO) to execute a contract with Oshkosh Corporation for the Pre-conditioned (PC) Air Units Project in the amount of \$3,397,160.00 and execute budget amendments to the contract, for additional related services and construction contingency, up to 15% of the overall contract value.

6. CONTRACT AMENDMENT WITH BURNS & MCDONNELL FOR AIRFIELD CAPITAL IMPROVEMENT PROJECTS

Authorized the Chief Executive Officer (CEO) to execute a contract amendment with Burns & McDonnell for the design of the Rehabilitate Runway 8L-26R, Reconstruct Taxiway N and Connecting Taxiways, east of Taxiway U and Taxiway S Rehabilitation Projects to approve additional funding in the amount of \$2,100,000.00; extend the contract time to December 31, 2026; and execute budgeted amendments to the contract for additional related services, if needed, up to 15% of the overall value.

7. AGREEMENT AMENDMENT WITH PROSEGURE SERVICE GROUP, INC. FOR TERMINAL CURBSIDE MANAGEMENT

Authorized the Chief Executive Officer (CEO) to execute an amendment to Agreement No. SCONT-000325, with Prosecur Service Group, Inc., increasing the annual spend authority by \$1,500,000.00, providing an annual total contract spend authority not to exceed \$3,500,000, for additional scope of work for terminal curbside management.

8. ONT GROUND SUPPORT EQUIPMENT (GSE) MOTOR VEHICLE OPERATING PERMIT (MVOP) PROGRAM

Approved a resolution adopting and implementing the ONT Ground Support Equipment (GSE) Motor Vehicle Operating Permit (MVOP) Program (Proposed Program) by the Ontario International Airport Authority (OIAA) and amend the ONT's Rules and Regulations, as well as approval of a related implementation document for the Proposed Program.

RESOLUTION NO. 2024-09: A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY APPROVING THE GROUND SUPPORT EQUIPMENT MOTOR VEHICLE OPERATING PERMIT PROGRAM FOR ONTARIO INTERNATIONAL AIRPORT AND AMENDING THE RULES AND REGULATIONS

MOTION: Moved by Vice President Hagman, seconded by Secretary Bowman, to approve the Consent Calendar, including Resolution No. 2024-08, and Resolution No. 2024-09. Motion carried by a 5 Yes/0 No vote.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

9. CEQA EXEMPTION DETERMINATIONS AND APPROVALS FOR THE RECONSTRUCTION, REPAIR, AND REPLACEMENT OF EXISTING PAVEMENT AND LIGHTING SYSTEMS AT PORTIONS OF TAXIWAY S PROJECT

Adopted the California Environmental Quality Act Exemption (CEQA) determinations for the Reconstruction, Repair, and Replacement of Existing Pavement and Lighting Systems at Portions of Taxiway S Project.

MOTION: Moved by Treasurer Loveridge, seconded by Secretary Bowman, to approve CEQA Categorical Exemptions under CEQA Guidelines Sections 15301 and 15302 for the Taxiway S Rehabilitation, Repair, and Replacement Improvements. Motion carried by a 5 Yes/0 No vote.

10. CEQA EXEMPTION DETERMINATIONS AND APPROVALS FOR THE RECONSTRUCTION, REPAIR, AND REPLACEMENT OF EXISTING FACILITIES AND EQUIPMENT AT PORTIONS OF RUNWAY 8L-26R AND TAXIWAYS N, V, AND W PROJECT

Adopted the California Environmental Quality Act Exemption (CEQA) determinations for the Reconstruction, Repair, and Replacement of Existing Facilities and Equipment at Portions of Runway 8L-26R and Taxiways N, V, and W Project.

MOTION: Moved by Treasurer Loveridge, seconded by Secretary Bowman, to approve CEQA Categorical Exemptions under CEQA Guidelines Sections 15301 and 15302 for the Runway 8L-26R and Connecting Taxiways N, V, and W, east of Taxiway U, Reconstruction, Repair, and Replacement Improvements. Motion carried by a 5 Yes/0 No 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

There were no Commissioner matters to report.

ADJOURNMENT

President Wapner adjourned the Ontario International Airport Authority Board of Commissioners Meeting at 2:39 p.m.

RESPECTFULLY SUBMITTED:

APPROVED:

NORMA I. ALLEY, MMC, BOARD CLERK

ALAN D. WAPNER, PRESIDENT



MEETING DATE: OCTOBER 24, 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 September 30, 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 September 30, 2024.

STAFF REVIEW AND APPROVAL:

Originator:	<u>Celeste Heinonen, Chief Financial Officer</u>
Originating Dept.:	<u>Financial Accounting and Reporting</u>
Director Review:	<u>N/A</u>
Chief Review:	<u><i>Celeste Heinonen</i></u>
CFO Review:	<u><i>Celeste Heinonen</i></u>
CEO Approval:	<u><i>Atif Ekadi</i></u>

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: OCTOBER 24, 2024

SUBJECT: RESOLUTION AMENDING THE AGREEMENT WITH PNC BANK FOR EXTENSION OF MATURITY DATE FOR EXISTING REVOLVING CREDIT FACILITY FOR CAPITAL PROJECTS

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

RECOMMENDED ACTION(S): Approve a resolution approving the execution and delivery of the first amendment to Revolving Credit Agreement, between the Ontario International Airport Authority and PNC Bank, National Association, authorizing additional actions and providing for certain other matters.

FISCAL IMPACT SUMMARY: PNC Bank, N.A. (the Bank) had previously provided a revolving line of credit (the LOC) up to \$50 million, which the Authority may draw upon as needed on either a taxable or tax-exempt basis to fund on-going capital needs. The Authority and the bank have agreed to extend the maturity date from January 30, 2026, through July 30, 2027. The purpose of the extension is to better align the term of the Revolving Credit Agreement with the Authority's capital funding needs and expected timeline the repay the facility from long-term debt.

There is no origination cost for the Authority to the Bank for the extension, except the Bank's legal costs estimated to be \$12,000, plus Authority expenses for legal and consultant costs up to approximately \$10,000. Interest rates on the LOC will vary depending on the timing of draws by the Authority and whether such draws are taxable or tax-exempt. Besides timing of draws by the Authority, the actual interest cost will depend on monthly changes in the base index rate under the Revolving Credit Agreement as described below. In addition to interest costs on borrowings the LOC is subject to a fee ranging from .10% to .15% of the unutilized portions of the LOC with a maximum of \$75K annually. No principal on the Notes is due until the maturity date, however the Authority expects to repay the Notes from its next bond issuance.

Interest costs will be funded from airline rates and charges in accordance with the Airline Operating Use and Lease Agreement (ULA), unless such projects qualify for PFC or CFC funding, which may occur from time to time.

BACKGROUND: The Board of Commissioners has authorized various capital projects and is expected to authorize future capital projects which are funded from multiple sources including grants, passenger facility and customer facility charges for applicable projects, and rates and charges under its Airline Use Agreements. As of October, 2024, the Authority has identified a number of previously approved Capital Projects to be funded by the LOC. Extending the Maturity Date through July 30, 2027, allows the Authority the flexibility to fund these certain projects prior to a larger debt issuance.

Each draw upon the line of credit becomes a loan secured by a note under the terms of the Revolving Credit Agreement (the RCA), the form of which is attached hereto and subject to Commission approval. Each draw can

be tax-exempt or taxable depending on the project to be funded. Under the original RCA, PNC would be paid during the three-year term of the agreement in two ways: (1) interest accrued on each draw of the line of credit; and (2) a fee for that portion of the line credit that remains unutilized. Under the Amendment the term of repayment is extended to a four and a half-year term. The cost of each component is summarized in the table below:

1. Per annum interest rate on draws		
<i>Tax Exempt draws</i>		
One-month term SOFR* times 79%	Plus Credit Spread of 52 bps (0.52%)	Equals Oct 1 indicative rate of 4.35% <i>(actual rate will adjust each business day)</i>
<i>Taxable draws</i>		
One-month term SOFR*	Plus Credit Spread of 58 bps (0.58%)	Equals Oct 1 indicative rate of 5.43% <i>(actual rate will adjust each business day)</i>
2. Per annum Unutilized Fee		
<ul style="list-style-type: none"> • 0.15% for remaining available balance at <50% drawn • 0.10% for remaining available balance at >50% drawn 		

* SOFR means Secured Overnight Financing Rate, which is a borrowing index that replaced LIBOR (the London Interbank Offered Rate) as the industry standard index for many short-term financing obligations.

The RCA also includes provisions in the event the Authority credit rating is downgraded, in which case the above credit spread increases for each category of downgrade. There is also a provision in the event the Authority does not pay off the line of credit by the maturity date, that converts the outstanding draws to a three-year fixed term out loan. The term out loan rate would likely be higher than the variable rate during the term of the line of credit. In each case, the maximum rate is 12% as permitted by law. The Authority has the ability to pay off the line of credit during the term of the agreement or the term out loan at any time without premium.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: The ability to utilize the line of credit also reduces the need to use rates and charges to fund such projects on a paygo basis. This provides continuity for current project planning, construction, and completion, while limiting impact on the rate base.

SCHEDULE: Upon approval, repayment of the principal will be extended through the extended maturity date.

ATTACHMENTS:

1. Resolution No. 2024-10

STAFF REVIEW AND APPROVAL:

Originator:	<u>Celeste Heinonen, Chief Financial Officer</u>
Originating Dept.:	<u>Finance</u>
Director Review:	<u>N/A</u>
Chief Review:	<u><i>Celeste Heinonen</i></u>
CFO Review:	<u><i>Celeste Heinonen</i></u>
CEO Approval:	<u><i>Atif Elkadi</i></u>

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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RESOLUTION NO. 2024-10

A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY APPROVING THE EXECUTION AND DELIVERY OF THE FIRST AMENDMENT TO REVOLVING CREDIT AGREEMENT, BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND PNC BANK, NATIONAL ASSOCIATION, AUTHORIZING ADDITIONAL ACTIONS AND PROVIDING FOR CERTAIN OTHER MATTERS

WHEREAS, the Ontario International Airport Authority (the “Authority”) and PNC Bank, National Association (the “Lender”), have previously entered into that certain Revolving Credit Agreement (the “Revolving Credit Agreement” and as amended by the Amendment authorized below, the “Agreement”) dated as of February 1, 2023; and

WHEREAS, pursuant to Section 8.04 of the Agreement, the Agreement may be amended by a written amendment thereto, executed by the Authority and the Lender; and

WHEREAS, the Authority now wishes to amend the Agreement to extend the “Facility Maturity Date” as defined in the Agreement to July 30, 2027; and

WHEREAS, the Authority wished to provide Authority staff with additional flexibility to finance the Authority’s capital improvement program.

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

SECTION 1. The Ontario International Airport Authority Commission hereby approves First Amendment to Revolving Credit Agreement. There is hereby authorized to be entered into a First Amendment to Revolving Credit Agreement (the “Amendment”), between the Authority and the Lender, pursuant to which the “Facility Maturity Date” as defined in the Agreement shall be extended to June 30, 2027, attached as Exhibit “A”, and by this reference incorporated.

SECTION 2. Form of First Amendment Revolving Credit Agreement. The Amendment shall be in the form presented to the Board at the meeting at which this resolution is adopted, together with such changes as the Chief Executive Officer or Chief Financial Officer of the Authority shall approve consistent with this resolution, upon the advice of counsel, such approval to be conclusively evidenced by the execution thereof. The Amendment shall be executed in the name of the Authority by the manual signature of the Chief Executive Officer or Chief Financial Officer of the Authority, or in such other manner as may be required or permitted by law.

SECTION 3. Authorization of Additional Actions. The Board hereby authorizes the Chief Executive Officer or Chief Financial Officer of the Authority to take any and all such further action or enter into such amendments to the Agreement as upon the advice of counsel the Chief Executive Officer or Chief Financial Officer shall deem necessary or desirable to carry out, give effect to and consummate the transactions contemplated hereby or to implement the Authority’s capital improvement program, other than the provisions relating to the Applicable Factor, Applicable Spread,

Base Rate, Commitment, Daily 1M SOFR or any provisions of the Fee Agreement as such terms are defined in the Agreement.

SECTION 4. Section 5852.1 Compliance. To the extent necessary to comply with Government Code Section 5852.1, the Board has obtained from the Authority's municipal advisor the good faith estimates as set forth in Exhibit "B" attached to this Resolution, and by this reference incorporated, and such information is hereby disclosed and made public.

SECTION 5. Effectiveness of Resolution. This resolution shall take effect immediately.

PASSED, APPROVED, AND ADOPTED at a Regular Meeting this 24th day of October, 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. 2024-10 is the original and was duly passed and adopted by the Commission of the Ontario International Airport Authority at their Regular Meeting held October 24, 2024, by the following roll call vote, to wit:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

NORMA I. ALLEY, MMC
BOARD CLERK/ASSISTANT SECRETARY

(SEAL)

EXHIBIT "A"

FIRST AMENDMENT TO REVOLVING CREDIT AGREEMENT

This FIRST AMENDMENT TO REVOLVING CREDIT AGREEMENT (this "Amendment") dated as November 8, 2024 (the "Amendment Effective Date"), is by and between ONTARIO INTERNATIONAL AIRPORT AUTHORITY (the "Authority"), a joint powers authority established under Article I, Chapter 5, Division 7, of Title 1 of the California Government Code and pursuant to a Joint Exercise of Powers Agreement dated as of August 21, 2012, and PNC BANK, NATIONAL ASSOCIATION, and its successors and assigns (the "Lender"). All capitalized terms used herein and not defined herein shall have the meanings set forth in the hereinafter defined Agreement.

WITNESSETH

WHEREAS, the Authority and the Lender have previously entered into that certain Revolving Credit Agreement dated as of February 1, 2023 (as amended, restated, supplemented or otherwise modified to date, the "Agreement");

WHEREAS, pursuant to Section 8.04 of the Agreement, the Agreement may be amended by a written amendment thereto, executed by the Authority and the Lender; and

WHEREAS, the Authority has requested certain amendments to the Agreement, and the Lender has agreed to such amendments, subject to the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the premises, the parties hereto hereby agree as follows:

SECTION 1. AMENDMENT.

Upon satisfaction of the conditions precedent set forth in Section 2 hereof, the Agreement shall be and hereby is amended as follows:

1.01. The definition of the defined term "Facility Maturity Date" set forth in Section 1.01 of the Agreement is hereby amended in its entirety and as so amended shall be restated to read as follows:

"Facility Maturity Date" means July 30, 2027, or, if such day is not a Business Day, the next succeeding Business Day unless such Business Day falls in another calendar month, in which case the Facility Maturity Date shall be the next preceding Business Day.

SECTION 2. CONDITIONS.

This Amendment shall become effective on the Amendment Effective Date subject to the satisfaction of or waiver by the Lender of all of the following conditions precedent (such satisfaction or waiver to be evidenced by the Lender's execution and delivery of this Amendment):

2.01. Delivery by the Authority to the Lender of an executed counterpart of this Amendment.

2.02. Delivery by the Authority to the Lender of (a) evidence of corporate authority for this Amendment and the transactions contemplated hereby; and (b) a customary certificate executed by

an appropriate officer of the Authority, including the incumbency and signature of the officer of the Authority authorized to sign this Amendment in form and substance satisfactory to the Lender.

2.03. Delivery to the Lender of a “no adverse effect opinion” of Bond Counsel with respect to the tax exempt status of the Tax-exempt Loans to be made from time to time, as evidenced by the Tax-exempt Note.

2.04. Payment directly to Chapman and Cutler LLP, as special counsel to the Lender (“Lender Counsel”), of the reasonable legal fees and expenses of Lender Counsel.

2.05. All other legal matters pertaining to the execution and delivery of this Amendment shall be satisfactory to the Lender and Lender Counsel.

SECTION 3. REPRESENTATIONS AND WARRANTIES OF THE AUTHORITY.

3.01. The Authority represents and warrants that the following statements are true and correct as of the date hereof:

(a) the representations and warranties of the Authority contained in Article IV of the Agreement and in each of the other Financing Documents are true and correct on and as of the date hereof and hereby remade on and as of such date (except to the extent the same expressly relate to an earlier date and except that the representations contained in Section 4.04 of the Agreement shall be deemed to refer to the most recent financial statements of the Authority delivered to the Lender pursuant to Section 5.01(a) of the Agreement); and

(b) no Default or Event of Default has occurred and is continuing or would result from the execution of this Amendment.

3.02. In addition to the representations given in Article IV of the Agreement, the Authority hereby represents and warrants as follows:

(a) The execution, delivery and performance by the Authority of this Amendment and the performance by the Authority of the Agreement, as amended hereby, are within its powers, have been duly authorized by all necessary action and do not contravene any law, rule or regulation, any judgment, order or decree or any contractual restriction binding on or affecting the Authority.

(b) No authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Authority of this Amendment or the performance by the Authority of the Agreement, as amended hereby.

(c) This Amendment and the Agreement, as amended hereby, constitute legal, valid and binding obligations of the Authority enforceable against the Authority in accordance with their respective terms, except as enforcement thereof may be limited by laws relating to bankruptcy, reorganization, insolvency, or other similar laws affecting the enforcement of creditors’ rights generally or by usual limitations on the availability of equitable remedies.

SECTION 4. MISCELLANEOUS.

Except as specifically amended herein, the Agreement shall continue in full force and effect in accordance with its original terms. Reference to this specific Amendment need not be made in

any note, document, agreement, letter, certificate, the Agreement or any communication issued or made subsequent to or with respect to the Agreement, it being hereby agreed that any reference to the Agreement shall be sufficient to refer to the Agreement, as hereby amended. In case any one or more of the provisions contained herein should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby. THIS AMENDMENT AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AMENDMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF CALIFORNIA.

This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. This Amendment may be delivered by the exchange of signed signature pages by facsimile transmission or by e mail with a pdf copy or other replicating image attached, and any printed or copied version of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective officers hereunto duly authorized as of the Amendment Effective Date.

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

By:

Name: Celeste Heinonen
Title: Chief Financial Officer

PNC BANK, NATIONAL ASSOCIATION

By:

Name: Adam Barnhart
Title: Senior Vice President

EXHIBIT "B"

Government Code Section 5852.1 Disclosure

The good faith estimates set forth herein are provided with respect to the Notes in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the Authority by CSG Advisors Incorporated, the Authority's Municipal Advisor based on the terms of the amended Revolving Credit Agreement, market conditions, and the current balance as of October 1, 2024 and assuming the Authority were to borrow the maximum amount permitted under this resolution upon the dated date of the amendment and did not repay such principal amount until the Facility Maturity Date as defined in such agreement.

Principal Amount. The Municipal Advisor has informed the Authority that, based on the assumptions described above, the good faith estimate of the aggregate principal amount of the Notes is **\$50,000,000** (the "Estimated Principal Amount").

True Interest Cost of the Notes. The Municipal Advisor has informed the Authority that, assuming that the Estimated Principal Amount of the Notes is sold, and based on the assumptions described above, the True Interest Cost of the Notes is **4.35%** if issued on a fully Tax-exempt basis, and **5.43%** if issued on a fully Taxable basis.

Finance Charge of the Notes. The Municipal Advisor has informed the Authority that, assuming that the Estimated Principal Amount of the Notes is sold, and based on the assumptions described above, its good faith estimate of the finance charge for the Notes, which means the sum of all fees and charges paid to third parties (or costs associated with the Notes), is **\$22,000**.

Amount of Proceeds to be Received. The Municipal Advisor has informed the Authority that, assuming that the Estimated Principal Amount of the Notes is sold, and based on assumptions described above, its good faith estimate of the amount of proceeds expected to be received by the Authority for sale of the Notes, less the finance charge of the Notes, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Notes, is **\$50,000,000**.

Total Payment Amount. The Municipal Advisor has informed the Authority that, assuming that the Estimated Principal Amount of the Notes is drawn, and based on the assumptions described above, its good faith estimate of the total payment amount, which means the sum total of all payments the Authority will make to pay debt service on the Notes, plus the finance charge for the Notes, as described above, not paid with the proceeds of the Notes, calculated to the final maturity of the Notes, is **\$53,806,250** if issued on a fully Tax-exempt basis, and **\$54,751,250** if issued on a fully Taxable basis.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Notes issued, and amounts and dates drawn upon, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of draws on the Notes being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Notes drawn upon being different from the Estimated Principal Amount, (c) the actual repayment dates of the Notes being different than assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of each Note being different than those estimated for purposes of such estimates, (e) other market conditions, (f) any Unutilized Fees incurred if less than the full amount of authorized principal is drawn during the term of the Revolving Credit Agreement, (g) any downgrades to the credit rating of the Authority, or (f) alterations in the Authority's financing

plan, delays in the financing, additional legal work, or a combination of such factors and additional finance charges, if any, attributable thereto. The actual date of the Notes and the actual principal amount of Notes drawn upon will be determined by the Authority based on the timing of the need for proceeds of the Notes and other factors. The actual interest rates borne by the Notes will depend on market interest rates at the time of draws thereof. Any amortization of the Notes, if applicable, will also depend, in part, on market interest rates at the time of draw and/or repayment thereof. Market interest rates are affected by economic and other factors beyond the control of the Authority.



MEETING DATE: OCTOBER 24, 2024

SUBJECT: ACCEPT THE FEDERAL AVIATION ADMINISTRATION VOLUNTARY AIRPORT LOW EMISSIONS GRANT FOR THE PRE-CONDITIONED AIR UNITS PROJECT

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

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to accept grant funding from the Federal Aviation Administration (FAA) for the federal share of the eligible airport project at Ontario International Airport in the total amount of \$2,522,008.00 awarded as a grant through the Voluntary Airport Low Emissions Program (VALE) for the design-build of Pre-conditioned (PC) Air Units Project; receipt and deposit of grant funds in the amount of \$2,522,008.00; and execute the grant agreement and all terms, conditions, and documents required by the grant agreement.

FISCAL IMPACT SUMMARY: The project and budget amount of \$2,750,000.00 was previously approved by the Board on June 23, 2022, and via the Majority of Interest (MII) process on January 18, 2023. The funding for this project is accounted for in the Ontario International Airport Authority (OIAA) Fiscal Year 2024-2025 capital budget, however, the bid amount was \$3,397,167.00 and will be paid with a combination of this VALE grant funding, with the balance paid by bond financing. The VALE grant, received on September 6, 2024, and executed on September 9, 2024, is in the amount of \$2,522,008.00, which is 74% of the total project cost. Therefore, the OIAA obligation will be in the amount of \$875,159.00, to be recovered through the aeronautical rates and charges.

BACKGROUND: The Voluntary Airport Low Emissions (VALE) program improves airport air quality and provides air quality credits for future airport development. Created in 2004, VALE helps airport sponsors meet their state-related air quality responsibilities under the Clean Air Act. Through VALE, airport sponsors can use Airport Improvement Program (AIP) funds and Passenger Facility Charges (PFC) to finance airport air quality improvements.

On September 26, 2024, the OIAA awarded a contract to OshKosh Corporation for the Pre-Conditioned Air Units project. The external PC Air units provide external supply of conditioned air for the parked aircraft at the gate, allowing the aircraft to shut down their auxiliary power units (APUs) while at the gate resulting in a reduction in air emissions while parked.

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:	<u>Keith Owens, Director of Program Management</u>
Originating Dept.:	<u>Capital Development</u>
Director Review:	<u><i>Keith Owens</i></u>
Chief Review:	<u><i>Marissa Sanchez</i></u>
CFO Review:	<u><i>Celeste Heinonen</i></u>
CEO Approval:	<u><i>Atif Ekadi</i></u>

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: OCTOBER 24, 2024

SUBJECT: AGREEMENT AMENDMENT WITH CITY OF ONTARIO FOR POLICE AND FIRE SERVICES

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 the City of Ontario (City) for Police and Fire Services to reduce the contract value for FY24-25 by \$634,822 and modify the Base Service Level for the contract.

FISCAL IMPACT SUMMARY: This action will save the Authority \$523,350 beginning in year 2 of the Agreement.

BACKGROUND: On July 1, 2024, the Ontario International Airport Authority (OIAA) and the City entered into a new Municipal Service Agreement (MSA) for the City to provide Police Services and Fire Protection/EMS Services, both which also include dispatch services. The MSA details a Base Service Level (BSL) agreed to by the OIAA and the City which outlines the number of staff to be provided by the Police and Fire, and task to be completed.

The MSA initially designated eight (8) Community Service Officers (CSOs). Staff from both agencies met to discuss the utilization of CSOs. Ontario Police Department (OPD) expressed a desire to utilize the CSOs accounted for in the BSL in a more impactful way back at their main office. The OIAA expressed a desire to separately contract out the curbside management currently being done by the CSOs under the MSA. With this, the parties agreed to reduce the BSL CSO count by six (6), sending 6 CSOs back to OPD and leaving two (2) with the OIAA to handle a variety of different tasks. The parties will revisit the allocation of the remaining 2 CSOs in the future years of the MSA.

This action further displays the close partnership between the City of Ontario and the Ontario International Airport Authority. Both agencies worked together to find a solution that worked for all involved. The resultant action will provide the OIAA with more direct control of its curb side management, it will provide OPD with the return of valuable assets to its operations, and while savings will not be actualized in this fiscal year (FY 24-25) based on timing, this action will save the OIAA \$523,350 beginning in year 2 of the contract (FY 25-26).

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: Police and Fire Services will continue, uninterrupted, as they have since the original agreement in 2017.

SCHEDULE: Reduction of the CSOs will take place beginning November 1, 2024.

ATTACHMENTS: N/A

STAFF REVIEW AND APPROVAL:

Originator:	<u>Jamaal Avilez, Chief Administrative Officer</u>
Originating Dept.:	<u>Administrative Division</u>
Director Review:	<u>N/A</u>
Chief Review:	<u><i>Jamaal Avilez</i></u>
CFO Review:	<u><i>Celeste Heinonen</i></u>
CEO Approval:	<u><i>Atif Qkadi</i></u>

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.