Resolution 1) approving Modification No. 6 to Airport Contract No. 9186 with The Bank of New York Mellon Trust Company, N.A., for bond trustee services, to increase the contract amount by $1,050,000, for a new total not to exceed amount of $3,800,000, to commence following approval by the Board of Supervisors; 2) retroactively approving Airport Contract No. 9186 with a contract amount of $260,000, with a term date of November 4, 1991, to an indefinite term; 3) retroactively from December 4, 2001, approving Modification No. 1 to increase the contract amount by $600,000 for a total not to exceed amount of $860,000; 4) retroactively from February 6, 2006, approving Modification No. 2 to increase the contract amount by $900,000 for a total not to exceed amount of $1,760,000; 5) retroactively from April 1, 2012, approving Modification No. 3 to increase the contract amount by $800,000 for a total not to exceed amount of $2,560,000; 6) retroactively from April 1, 2017, approving Modification No. 4 to increase the contract amount by $190,000 for a total not to exceed amount of $2,750,000; and 7) retroactively from June 1, 2018, approving Modification No. 5 to update the Trustee fee payment schedule, with no changes to the contract amount.

WHEREAS, By its Resolution No. 91-0210 (as supplemented and amended, the "Master Bond Resolution"), the Airport Commission of the City and County of San Francisco (the "Commission") duly authorized the issuance of San Francisco International Airport Second Series Revenue Bonds (the "Bonds") for any lawful purpose of the Commission; and

WHEREAS, The Master Bond Resolution sets forth the rights and obligations of the Commission, the holders of the Bonds, and the Bond trustee, in connection with the issuance and repayment of the Bonds; and
WHEREAS, A bond trustee serves as the fiduciary for the bondholders and is required to, among other things, maintain bond-related funds and accounts and make timely principal and interest payments to bondholders so long as any bonds are outstanding; and

WHEREAS, The Commission has issued and plans to issue revenue bonds and other debt instruments that will require the services of a bond trustee; and

WHEREAS, The Master Bond Resolution identifies the bond trustee, which serves as the fiduciary for the bondholders of the Bonds and sets forth the provisions of the Commission’s agreement with the trustee, by defining the “Trustee” as “First Interstate Bank, Ltd. or any successor to its duties hereunder,” and

WHEREAS, The Master Bond Resolution also sets forth the Trustee’s duties and certain terms and conditions applicable to the Trustee, providing that the Trustee will serve in its role until it shall have been replaced due to its resignation or removal, and providing that the Commission agrees to pay fees to and expenses of the Trustee for its services under the Master Bond Resolution as agreed to by the Commission and the Trustee pursuant to the terms of a separate agreement; and

WHEREAS, On November 4, 1991, the Commission adopted Resolution No. 91-0197, authorizing award of a contract with First Interstate Bank, Ltd., to provide bond trustee and paying agent services under the Master Bond Resolution in the amount of $260,000; and

WHEREAS, The Board of Supervisors (the “Board”) by its Resolution No. 34-92 approved the Master Bond Resolution and the issuance of the first issue of the Bonds; and

WHEREAS, The Commission and First Interstate Bank, Ltd., entered into Contract No. 9186, dated March 1992 (the “Trustee Agreement”) for First Interstate Bank, Ltd., to provide trustee services for the Bonds with a maximum amount of $260,000; and
WHEREAS, The Trustee Agreement is the “separate agreement” setting forth the
terms of payment of the Trustee’s fees and expenses for its services referenced in the Master
Bond Resolution; and

WHEREAS, The Trustee Agreement does not have a stated expiration date and
continues until it is terminated in accordance with the Master Bond Resolution, which also
does not state an end date for the services of the Trustee and requires a replacement trustee
to be in place before the Trustee can resign or be removed; and

WHEREAS, The Trustee Agreement provides that the entire agreement between the
City and the Trustee includes both the Trustee Agreement and Article VIII of the Master Bond
Resolution, and it states that the Master Bond Resolution is the governing document, and all
provisions contained in the Trustee Agreement are subject to and subordinate to the Master
Bond Resolution; and

WHEREAS, On December 4, 2001, the Commission adopted Resolution No. 01-0360,
which authorized a first modification to the Trustee Agreement to increase the contract
amount by $600,000 for a new total not to exceed amount of $860,000, which the parties
executed on the same date; and

WHEREAS, On February 6, 2007, the Commission adopted Resolution No. 07-0035,
which authorized a second modification to the Trustee Agreement, to increase the contract
amount by $900,000 for a new total not to exceed amount of $1,760,000, which the parties
executed on the same date; and

Mellon”), succeeded to the duties of Trustee under the Trustee Agreement and the role of
Trustee under the Master Bond Resolution; and

WHEREAS, On November 15, 2011, the Commission adopted Resolution No. 11-
0251, which authorized a third modification to the Trustee Agreement, dated as of April 1,
2012, to increase the contract amount by $800,000 for a new total not to exceed amount of
$2,560,000, which the parties executed on April 1, 2012; and

WHEREAS, On February 7, 2017, the Commission adopted Resolution No. 17-0022,
which authorized a fourth modification to the Trustee Agreement, to increase the contract
amount by $190,000 for a new total not to exceed amount of $2,750,000, which the parties
executed on April 1, 2017; and

WHEREAS, The Commission and the Trustee entered into a fifth modification to the
Trustee Agreement, dated as of June 1, 2018, to modify the original agreement to update the
Trustee fee payment schedule, without increasing the not to exceed compensation amount;
and

WHEREAS, On December 7, 2021, by its Resolution No. 21-0229, the Commission
approved Modification No. 6 to the Trustee Agreement ("Modification No. 6") with BNY Mellon,
to increase the contract amount by $1,050,000, for a new total not to exceed amount of
$3,800,000; and

WHEREAS, The Trustee Agreement, as previously modified, Commission Resolution
No. 21-0229, and Modification No. 6 are on file with the Clerk of the Board of Supervisors in
File No. 220076; and

WHEREAS, Charter, Section 9.118(b), provides that agreements entered into by a
department, board, or commission requiring anticipated expenditures by the City and County
of San Francisco of ten million dollars or more shall be subject to approval by the Board of
Supervisors by Resolution; and

WHEREAS, The Trustee Agreement has a term in excess of ten years, and
Modification No. 6 is in excess of $500,000, requiring the approval of this Board under
Charter, Section 9.118; and
WHEREAS, This Board approved the issuance of Bonds under the Master Bond Resolution on January 6, 1992, by Resolution No. 34-92, and with several other subsequent Board Resolutions, and confirmed the retention of The Bank of New York Trust Company, N.A., as Trustee on May 1, 2007, by Resolution No. 235-07, but the Trustee Agreement and the previous modifications have not been presented to the Board for stand-alone approvals; and

WHEREAS, In order to resolve any uncertainty about whether further Board approval is required, the Commission has requested Board approval under Charter, Section 9.118 for Modification No. 6, as well as retroactive Board approval of the Trustee Agreement, as modified by the previous modifications; now, therefore, be it

RESOLVED, That Modification No. 6 in the form presented and on file with the Clerk of the Board is hereby approved, and that the Airport Director is hereby authorized to execute and deliver Modification No. 6; and, be it

FURTHER RESOLVED, That within thirty (30) days of Modification No. 6 being executed by all parties, the Airport Director shall provide copies of the executed document to the Clerk of the Board for inclusion into the official file; and, be it

FURTHER RESOLVED, That the Trustee Agreement, as previously modified, in the form presented and on file with the Clerk of the Board is hereby approved, and all actions of staff relating thereto are hereby ratified and confirmed.
Resolution 1) approving Modification No. 6 to Airport Contract No. 9186 with The Bank of New York Mellon Trust Company, N.A., for bond trustee services, to increase the contract amount by $1,050,000 for a new total not to exceed amount of $3,800,000 to commence following approval by the Board of Supervisors; 2) retroactively approving Airport Contract No. 9186 with a contract amount of $260,000 with a term date of November 4, 1991, to an indefinite term; 3) retroactively from December 4, 2001, approving Modification No. 1 to increase the contract amount by $600,000 for a total not to exceed amount of $860,000; 4) retroactively from February 6, 2006, approving Modification No. 2 to increase the contract amount by $900,000 for a total not to exceed amount of $1,760,000; 5) retroactively from April 1, 2012, approving Modification No. 3 to increase the contract amount by $800,000 for a total not to exceed amount of $2,560,000; 6) retroactively from April 1, 2017, approving Modification No. 4 to increase the contract amount by $190,000 for a total not to exceed amount of $2,750,000; and 7) retroactively from June 1, 2018, approving Modification No. 5 to update the Trustee fee payment schedule, with no changes to the contract amount.

March 02, 2022 Budget and Finance Committee - RECOMMENDED

March 08, 2022 Board of Supervisors - ADOPTED

Ayes: Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

I hereby certify that the foregoing Resolution was ADOPTED on 3/8/2022 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

3/14/22
Date Approved