

MINUTES OF A REGULAR MEETING OF THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY GOVERNING BOARD HELD VIA TELECONFERENCE IN ACCORDANCE WITH THE GOVERNOR'S EXECUTIVE ORDER N-29-20, ON JUNE 11, 2020 AT 9:30 A.M.

Members participating via teleconference:

Frank Colonna, Port of Long Beach
Janice Hahn, Los Angeles County
Metropolitan Transportation Authority
Edward Renwick, Port of Los Angeles

Alternate Members participating via teleconference:

Tony Gioiello, Port of Los Angeles
Duane Kenagy, Port of Long Beach

Members absent:

Suzie Price, City of Long Beach
Joe Buscaino, City of Los Angeles

Also participating via teleconference:

Michael Leue, ACTA, Chief Executive Officer
James P. Preusch, ACTA, Chief Financial Officer
Heather McCloskey, ACTA, Co-General Counsel
Lauren Misajon, ACTA, Co-General Counsel

COMMISSIONER RENWICK PRESIDED AS CHAIR.

The meeting was called to order at 9:38 a.m. Roll call was taken.

1. CLOSED SESSION

At 9:45 a.m., Chair Renwick recessed the Governing Board meeting to hold a conference with labor negotiator Stanton Chase pursuant to Government Code Section 54957 to consider the appointment and employment of ACTA's Chief Financial Officer.

At 10:02 a.m., the meeting was again called to order. Ms. Heather McCloskey, ACTA Co-General Counsel, announced there were no reportable actions from closed session.

CONSENT CALENDAR - ITEM NOS. 2-3

2. MINUTES - ACTA GOVERNING BOARD REGULAR MEETING OF MAY 14, 2020 – RECEIVED AND FILED.

Minutes of the Regular Meeting of May 14, 2020 of the Governing Board of the Alameda Corridor Transportation Authority were presented to the Governing Board.

3. MONTHLY FINANCIAL REPORTS AS OF MARCH 31, 2020 – RECEIVED AND FILED.

Communication from James P. Preusch, Chief Financial Officer, dated June 11, 2020, recommending that the monthly financial reports as of March 31, 2020, be received and filed, was presented to the Governing Board.

Board Member Hahn motioned, seconded by Board Member Kenagy that Item Nos. 2 - 3 be received and filed. Roll call was taken and carried by the following vote:

AYES: Colonna, Gioiello, Hahn, Kenagy, Renwick

NOES: None

ABSENT: Buscaino, Price

4. ELECTION OF ACTA CHAIR AND VICE CHAIR FOR FY21 – APPROVED.

Communication from Michael Leue, Chief Executive Officer, dated June 11, 2020, recommending the Governing Board to elect a Chair and Vice-Chair of the ACTA Governing Board for FY21, was presented to the Governing Board.

Board Member Colonna made a motion, seconded by Board Member Hahn, that Councilman Joe Buscaino be elected as Chair of the Governing Board for FY21. Board Member Renwick made a motion, seconded by Board Member Colonna that Councilwoman Suzie Price be elected as Vice-Chair. Roll call was taken and carried by the following vote:

AYES: Colonna, Gioiello, Hahn, Kenagy, Renwick

NOES: None

ABSENT: Buscaino, Price

5. APRIL 2020 CORRIDOR PERFORMANCE – INFORMATION ITEM.

Mr. Leue gave an update on the Corridor performance statistics including revenue and cargo volume through April 2020. Compared to 2019, April is not down as much as February and March were, and May cargo volumes at Ports are slightly better than April.

6. FY 2021 BUDGET – ADOPTED.

Communication from James P. Preusch, Chief Financial Officer, dated June 11, 2020, recommending adoption of the final FY 2020/2021 (FY21) Budget and appropriate cash spending of \$139,909,694, was presented to the Governing Board.

Before introducing Mr. Preusch to present the budget summary, Mr. Leue informed the Board that salary increases were not incorporated in the FY21 Budget. He stated that the item would be brought back in November, as previously requested, for specific direction and if approved, the budget would be amended.

Mr. Preusch presented a summary of the budget assumptions, the revenue operating budget summary, operating budget summary, net administrative expense comparison and administrative spending by expense type.

Board Member Colonna thanked Mr. Preusch for a job well done. He added that he looks forward to the good work of the new CFO as well.

Chair Renwick stated that the budget is going to consume \$39 million of the \$42 million of ACTA's current cash. He stated that there may be a need for advances from the Ports, depending on next year's budget, to pay the debt service. He stated that it will be the new CFO's job to keep the Ports informed about the implications, as well as looking at refinancing opportunities, sooner rather than later. Mr. Preusch stated that the cash flow is an area that should be monitored carefully and often; he is confident that it will continue to be done by the new CFO and tenured staff.

Alternate Member Kenagy motioned, seconded by Board Member Colonna that the FY 2020/2021 Budget be adopted as recommended. Roll call was taken and carried by the following vote:

AYES: Colonna, Gioiello, Hahn, Kenagy, Renwick

NOES: None

ABSENT: Buscaino, Price

7. HANSON BRIDGETT LLP – TERMINATION OF AGREEMENT NO. C0876 – LEGAL SERVICES – APPROVED.

Communication from Heather McCloskey and Lauren Misajon, Co-General Counsel, dated June 11, 2020, recommending the termination of Agreement No. C0876 with Hanson Bridgett LLP and authorize the Chief Executive Officer or Co-General Counsel to send a notice of termination letter to the firm, was presented to the Governing Board.

Board Member Hahn motioned, seconded by Board Member Colonna that Item No. 7 be approved as recommended. Roll call was taken and carried by the following vote:

AYES: Colonna, Gioiello, Hahn, Kenagy, Renwick

NOES: None

ABSENT: Buscaino, Price

8. AMERICAN ENVIRONMENTAL TESTING LABORATORIES, LLC – AGREEMENT NO. C0891 – ENVIRONMENTAL LAB SERVICES – APPROVED.

Communication from Michael Leue, Chief Executive Officer, dated June 11, 2020, recommending the approval of Agreement No. C0891 with American Environmental Testing Laboratories, LLC for environmental lab services in an amount not-to-exceed \$25,000 for the period July 1, 2020 through June 30, 2023 with an optional three-year extension, if later approved by the Board; and authorize the Chief Executive Officer or Chief Financial Officer to execute said agreement, was presented to the Governing Board.

Board Member Hahn motioned, seconded by Board Member Colonna that Item No. 8 be approved as recommended. Roll call was taken and carried by the following vote:

AYES: Colonna, Gioiello, Hahn, Kenagy, Renwick

NOES: None

ABSENT: Buscaino, Price

9. RAILWORKS TRACK SERVICES, INC. – TASK ORDER UNDER AGREEMENT NO. C0885 FOR CRIMSON PIPELINE POST-SETTLEMENT WORK – APPROVED.

Communication from Michael Leue, Chief Executive Officer, dated June 11, 2020, recommending the authorization of staff to issue a task order for services related to the Crimson Pipeline, LLC Post-Settlement work in the amount of \$100,000 under Alameda Corridor Maintenance Agreement No. C0885 with RailWorks Track Services, Inc. and authorize the Chief Executive Officer or Chief Financial Officer to execute said task order, was presented to the Governing Board.

Board Member Hahn motioned, seconded by Board Member Colonna that Item No. 9 be approved as recommended. Roll call was taken and carried by the following vote:

AYES: Colonna, Gioiello, Hahn, Kenagy, Renwick

NOES: None

ABSENT: Buscaino, Price

10. ALAMEDA CORRIDOR ENGINEERING TEAM – CONTRACT WORK ORDERS, CHANGE ORDERS & EXTENSION OF AGREEMENT NO. C0027 – APPROVED.

Communication from Michael Leue, Chief Executive Officer, dated June 11, 2020, recommending the approval of: 1) Contract Work Orders (CWOs) through corresponding Change Orders (COs) to First Amended Agreement No. C0027 with the Alameda Corridor Engineering Team for FY21 in the aggregate amount of \$2,389,909 allocated at \$1,880,048 for ACTA Support and \$509,861 for the SR-47 Project; 2) Extending the term of the First Amended Agreement No. C0027 for one additional year through June 30, 2021; and 3) Authorizing the reallocation of the FY21 CWO amounts amongst the ASA CWO and SR-47 CWO during the fiscal year provided the approved aggregate total amount is not exceeded, and authorize the Chief Executive Officer or Chief Financial Officer to execute said CWOs and reallocate funding amounts, was presented to the Governing Board.

Chair Renwick stated that the agreement will continue to be extended as necessary, however, it was previously requested that staffing be evaluated to consider alternatives to the ACET contract. Mr. Leue responded that he reviewed the minutes of past meetings and is aware that it is a pending matter; alternatives will be evaluated and a recommendation will be made at a future meeting.

Board Member Colonna motioned, seconded by Board Member Hahn that Item No. 10 be approved as recommended. Roll call was taken and carried by the following vote:

AYES: Colonna, Gioiello, Hahn, Kenagy, Renwick

NOES: None

ABSENT: Buscaino, Price

11. RESOLUTION NO. JPA 20-5 – APPOINTMENT & SALARY OF ACTA’S CHIEF FINANCIAL OFFICER – APPROVED.

Communication from Honorable Suzie A. Price, ACTA Board Chair recommending the approval of Resolution No. JPA 20-5 for the appointment of a Chief Financial Officer (CFO) of the Alameda Corridor Transportation Authority, effective the date of the first day that the Chief Financial Officer reports to work and approve the CFO’s salary, was presented to the Governing Board.

Chair Renwick thanked Councilwoman Price, chair of the Succession Planning Committee, Committee Member Colonna, Mr. Leue, Mr. Preusch and Stanton Chase for all of the work that was done.

Board Member Colonna motioned that the Governing Board of ACTA adopt Resolution JPA 20-5 appointing Kevin Lloyd Scott, as ACTA’s Chief Financial Officer effective the date of the first day that Mr. Scott reports to work, expected to be July 2, 2020; and that the Governing Board of ACTA authorize the Chief Financial Officer’s compensation to be an annual salary of \$225,000, and all other employee benefits offered to salaried Fair Labor Standards Act exempt employees but with an adjustment to the Chief Financial Officer’s biweekly vacation accrual rate for years zero thru five of service at 4.61 hours, and years six or more at 6.15 hours.

The motion was seconded by Board Member Hahn. Roll call was taken and carried by the following vote:

AYES: Colonna, Gioiello, Hahn, Kenagy, Renwick

NOES: None

ABSENT: Buscaino, Price

Chair Renwick invited Mr. Scott to address the Governing Board. Mr. Scott thanked the Governing Board for the appointment as CFO. He stated that he looked forward to utilizing his skills and experience to partner with Mr. Leue to lead ACTA. He added that he would work with Mr. Leue and ACTA’s able staff to face the challenges of these uncertain times. He concluded by congratulating Mr. Preusch, thanking him for his leadership and stating he left him with big shoes to fill.

12. RESOLUTION NO. JPA 20-6 – APPOINTMENT OF JAMES P. PREUSCH AS RETIRED ANNUITANT EMPLOYEE – APPROVED.

Communication from Michael Leue, Chief Executive Officer, dated June 11, 2020, recommending the approval of Resolution No. JPA 20-6 appointing James P. Preusch as a Retired Annuitant employee to train and transition ACTA’s recently hired Chief Executive Officer and newly hired Chief Financial Officer waiving the required 180-day waiting period due to critical need as authorized under Government Code Section 21224; and approve the Agreement between ACTA and Mr. Preusch and authorize the Chief Executive Officer to execute said agreement, was presented to the Governing Board.

Board Member Colonna motioned, seconded by Board Member Kenagy that Item No. 12 be approved as recommended. Roll call taken and carried by the following vote:

AYES: Colonna, Gioiello, Hahn, Kenagy, Renwick

NOES: None

ABSENT: Buscaino, Price

13. RECOGNITION OF JIM PREUSCH SERVICE TO ACTA

Chair Renwick thanked Mr. Preusch for a great job and for helping avert emergencies throughout his tenure at ACTA. Mr. Preusch received accolades from all members of the Board and each presented him with a certificate of appreciation from their respective agencies. Mr. Leue read a list of additional agencies that sent certificates of recognition to Mr. Preusch for his retirement, including: City of Long Beach, City of Los Angeles, U.S. Secretary of Transportation Elaine Chao, U.S. Congress Representatives Nanette Diaz Barragan, Alan Lowenthal and Roybal Allard; State Assembly Members Patrick O'Donnell, Miguel Santiago; and State Senators Steven Bradford and Lena Gonzalez. Others included PMSA, International City Theater and EXP. Mr. Leue introduced Amy Grat to present the proclamation being presented to Mr. Preusch on behalf of EXP. Ms. Grat read the proclamation announcing the creation of the Jim Preusch Board Leadership Award to be received annually in perpetuity. Mr. Leue concluded the recognition for Mr. Preusch by stating that he was grateful for everything Mr. Preusch had done in the last three months and for his continued support of ACTA in the next several months.

Mr. Preusch thanked Mr. Leue and Ms. Grat for the honor; he thanked the ACTA Governing Board for the opportunity to serve; and concluded his remarks by thanking ACTA staff.

14. PUBLIC COMMENT ON NON-AGENDA ITEMS

15. ADJOURNMENT

At 11:10 a.m., the meeting was adjourned sine die.