



Special Meeting of the Governing Board of the Intermodal Container Transfer Facility Joint Powers Authority Minutes

Minutes of the Special Meeting of the Governing Board of the Intermodal Container Transfer Facility Joint Powers Authority, held at Port of Long Beach Administration Building, Long Beach, California, on Tuesday, June 18, 2018 at 6:00 p.m. Transcript and video of this meeting are available at <http://ictf-jpa.org/>

Present: Board Members: Bynum, Gioiello (alternate), Cordero, Moreno-Linares
Vice Chairperson Bynum presided

Also present:

| | | |
|----|---------|------------------------------------|
| R. | Cameron | Executive Director of the ICTF JPA |
| J. | Crose | General Counsel of the ICTF JPA |
| E. | Flores | Secretary of the ICTF JPA |
| M. | Blevins | Treasurer of the ICFT JPA |

Public Speakers:
None

Agenda Items

Receive and File of Minutes – September 13, 2018 – Item B

Vice Chairperson Bynum recommended the board approve the minutes of the special meeting on September 13, 2018.

Cordero moved, seconded by Gioiello, carried by the following vote:

| | | | | | |
|-------|----------------|--------|-----------|----------|----------------|
| Ayes: | Board Members: | Bynum, | Gioiello, | Cordero, | Moreno-Linares |
| Noes: | Board Members: | None | | | |

Public Comment on Non-Agenda Items – Item C

Vice Chairperson Bynum asked if there was anyone that wished to discuss non-agenda items.

No public comments were made.

Board Reports of Executive Director – Item D

I. Appointment of New Member and Alternate to Board

Executive Director Richard Cameron discussed replacing the vacancy left by Chairperson David Arian and finding an alternate.

Vice Chairperson Bynum recommended the board approve the motion to receive and file the appointment of a new member and alternate to the board.

Cordero moved, seconded by Gioiello, carried by the following vote:

| | | |
|-------|----------------|--|
| Ayes: | Board Members: | Bynum, Gioiello, Cordero, Moreno-Linares |
| Noes: | Board Members: | None |

II. Election of Board Chair

Executive Director Richard Cameron explained that during the last ICTF JPA board meeting elections, board member David Arian was voted in as Chairperson and Lou Anne Bynum was voted in as Vice Chairperson. Due to the vacancy left by Chairperson Arian, a re-election of board chair is necessary. Vice Chairperson Bynum nominated Moreno-Linares as Chair.

Cordero moved, seconded by Moreno-Linares, carried by the following vote:

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|-------|----------------|--|
| Ayes: | Board Members: | Bynum, Gioiello, Cordero, Moreno-Linares |
| Noes: | Board Members: | None |

III. Audited Financial Statement for Fiscal Year ending June 30, 2018

Executive Director Richard Cameron stated that operating revenues decreased by 8% due to the number of containers that moved through that the facility. Executive Director Cameron explained that this could be attributed to a decrease in intermodal boxes, better utilization of on-dock facilities above Ports, and building more on-dock trains. Union Pacific operating decisions may also play a role in terms of where they are moving cargo.

Vice Chairperson Bynum recommended the board approve the motion to receive and file the audited financial statement for fiscal year ending June 30, 2018.

Cordero moved, seconded by Gioiello, carried by the following vote:

| | | |
|-------|----------------|--|
| Ayes: | Board Members: | Bynum, Gioiello, Cordero, Moreno-Linares |
| Noes: | Board Members: | None |

IV. Net Facility Revenue Report for year ending November 1, 2018

Executive Director Richard Cameron stated there was a 5% increase in revenue from 2017 in terms of overall revenues. The gate fees collected by ICTF, less allowable

deductions, resulted in a net facility revenue of \$8.5 million to be equally shared between the ICTF board and Union Pacific. Union Pacific transfers a 50% share of the facility's net revenues on an ongoing quarterly basis.

Board member Cordero stated that the movement of containers seemed to have accelerated between June and November, so it was good news to see the numbers and the revenues that resulted from that. Vice Chairperson Bynum agreed.

Vice Chairperson Bynum recommended the board approve the motion to receive and file the net facility revenue report for the annual period ending November 1, 2018.

Moreno-Linares moved, seconded by Cordero, carried by the following vote:

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|-------|----------------|--|
| Ayes: | Board Members: | Bynum, Gioiello, Cordero, Moreno-Linares |
| Noes: | Board Members: | None |

V. Annual Budget for Fiscal Year 2019 - 2020

Executive Director Cameron noted that staff is proposing \$40,990 for legal and consulting services in connection with the Union Pacific Railroad application for modernization of the ICTF. This amount in conjunction with funds spent in the previous fiscal year amounts to \$5 million, which is reimbursable by Union Pacific. Executive Director Cameron stated overall operating expenses are estimated at just over \$20,000 which is also reimbursable by Union Pacific. City of Carson maintenance costs for 2018 – 2019 fiscal year were \$113,213 and staff is estimating an increase by 4.4% to \$118,245 for the 2019 – 2020 budget. There is \$2.25 million capital improvement project annual line item in the budget for the widening of Sepulveda Boulevard under the Carson agreement. This project has been delayed pending environmental review but could be advertised for bidding in the current fiscal year.

Vice Chairperson Bynum asked for further information regarding the Carson agreement. Janna Sidley stated that the agreement has been in place for several years and Executive Director Cameron explained it was created as an agreement with the City in order to develop and use on one of their parcels and is not directly related to the Union Pacific modernization project that we have been recently focused on.

Executive Director Cameron recommended the ICTF JPA governing board adopt the 2019 – 2020 annual budget of \$2,429,335.

Cordero motioned, Moreno-Linares seconded, carried by the following vote:

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|-------|----------------|--|
| Ayes: | Board Members: | Bynum, Gioiello, Cordero, Moreno-Linares |
| Noes: | Board Members: | None |

VI. Distribution of Funds

Executive Director Cameron stated the recommendation for the governing board to distribute of \$4 M to the Port of Los Angeles and the Port of Long Beach, pursuant to

the agreement, to be shared equally. The ICTF JPA balance after distribution of funds will be \$5.7 M in terms of overall operating budget.

Bynum recommended the board approve the distribution of funds.

Moreno-Linares moved, Cordero seconded, carried by the following vote:

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|-------|----------------|--|
| Ayes: | Board Members: | Bynum, Gioiello, Cordero, Moreno-Linares |
| Noes: | Board Members: | None |

VII. Amendment to contract with Macia, Gini and O’Connell LLP

Executive Director Richard Cameron stated that Macia, Gini and O’Connell (MGO) are the external auditors and prepared the net facility revenue report mention in item IV. Cameron explained that staff has been pleased with the services and would therefore recommend an amendment to have them continue providing services for the JPA. The MGO contract amendment would provide two 1-year options to extend the term of the contract to a maximum of 5 years and adjust the compensation for services for the fiscal year June 30, 2019 – June 30, 2020 with no change to the maximum compensation of \$150,000.

Cameron recommend that the JPA board approve the contract amendment.

Lucia Moreno-Linares inquired if MGO has always been the external auditor. Marla Blevins and Director Cameron explained that since the roles of JPA staff members rotate between the Port of Los Angeles and the Port of Long Beach, the external auditor would be whoever is under contract at that time for the current members.

Bynum asked for a motion on the amendment to contract MGO for 2019 – 2020.

Cordero moved, Moreno-Linares seconded, carried by the following vote:

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|-------|----------------|--|
| Ayes: | Board Members: | Bynum, Gioiello, Cordero, Moreno-Linares |
| Noes: | Board Members: | None |

Bynum thanked MGO, Port of Los Angeles, Port of Long Beach, and EnSafe for their hard work and team effort.

Adjournment

Bynum adjourned the meeting at 6:23 p.m.