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Alameda Corridor Transportation Authority

June 11, 2020

To:	Governing Board
From:	Michael Leue, Chief Executive Officer 
Subject:	<i>Approval of Resolution No. JPA 20-6 Appointing James P. Preusch as a Retired Annuitant Employee to train and transition ACTA’s officers, waiving the 180-day waiting period due to a critical need pursuant to Government Code section 21224; Approval of a Retired Annuitant Agreement with Mr. Preusch and Authorization for the Chief Executive Officer to execute the Agreement (APPROVAL)</i>

Recommendation:

Approve 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 (“CFO”), 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 (“CEO”) to execute the Agreement.

Discussion:

ACTA is currently undergoing leadership transition with a new CEO who began employment on April 22, 2020 and a new CFO planned to begin employment on July 2, 2020. It is important, both to the efficient operation of ACTA as well as to the confidence of the bond market, that the CEO and CFO on-boarding be conducted with adequate transfer of knowledge and assistance during a transition period. Given that the current CFO, James Preusch, will be retiring on July 1, 2020, in preparation for hiring of the new CFO, timing necessitates hiring Mr. Preusch as a retired annuitant for training and transitioning of new officers.

CalPERS regulations require that retirees wait at least 180 days after retirement before they may work as a retired annuitant with any CalPERS member agency. However, under Government Code Section 21224, a CalPERS member agency may make findings that there is a critical need for the employment of the retiree prior to the end of the 180-day waiting period. The Board Resolution attached as Transmittal 1 makes the finding that there is a critical need to hire Mr. Preusch as a



Retired Annuitant for the training and transitioning of the recently appointed CEO, and the incoming CFO. Under CalPERS regulations, a Retired Annuitant may only work a cumulative total of 960 hours per fiscal year for any CalPERS member agency. The proposed Agreement with Mr. Preusch (attachment to Transmittal 1) anticipates an on-call arrangement, with services provided on an hourly basis as requested by the CEO. The term of the Agreement is from July 2, 2020 to September 30, 2020 and Mr. Preusch will be paid an hourly rate of \$122.9408. The CEO anticipates that the expected number of hours of services will be approximately 200 hours during the term of the Agreement.

The CEO recommends that the Board adopt the resolution, approve the proposed Agreement and authorize the CEO to execute the Agreement.

Budget Impact:

Funding for the Agreement has been included in the FY21, in the amount of \$24,588.

Co-General Counsel:

ACTA's Co-General Counsel has reviewed and approved the Resolution and Retired Annuitant Agreement as to form.

Transmittals:

Transmittal 1 – Resolution No. JPA 20-6 Resolution Appointing James P. Preusch as a Retired Annuitant Employee, with the Retired Annuitant Agreement included.