A G E N D A

SPECIAL MEETING

Governing Board of the Alameda Corridor Transportation Authority

Meeting Date:	November 10, 2022
Time:	3:00 P.M.
Location:	This meeting is being conducted via teleconference in accordance with Assembly Bill No. 361 approved by Governor Newsom on September 16, 2021, and Government Code Section 54953(e)(1). A physical location will not be available for public observance of the meeting or public comment.
Conference Call for Meeting Attendance and Live Public Comment.	Dial: (562) 342-1138 Participant Pin: 2178101#
Written Public Comment about Agenda Items.	Email: PublicComment@acta.org Sender's name and contact information are appreciated.

This meeting is being held in accordance with the Brown Act as currently in effect under Assembly Bill No. 361 approved by Governor Newsom on September 16, 2021, and Government Code Section 54953(e)(1) that allows attendance by members of the Governing Board, ACTA staff, and the public to participate and conduct the meeting by teleconference, video conference, or both.

A. ROLL CALL

B. OPENING STATEMENT

Members of the public may join the meeting using the conference call number set forth on the agenda and may provide public comment on any agenda item. Live public comments will be heard no later than when each item is considered by the Governing Board. Each public speaker will be limited to three minutes to comment on each agenda item.

Any public comment received by email prior to the agenda item being called will be read into the record; any email received after an item has been considered by the Governing Board, but before the end of the meeting will be included in the minutes of the meeting.

The Governing Board may consider and act upon items as set forth on the agenda. Ordinarily, the Governing Board will not act on any matter which does not appear on the published agenda.

C. AGENDA ITEMS

Reports:

1. September 2022 Performance Report (INFORMATION)
2. Report of the Audit Committee Meeting held on November 3, 2022 (RECEIVE AND FILE)

Regular Agenda:

3. APPROVE Minutes of the September 15, 2022 Regular Board Meeting of the Alameda Corridor Transportation Authority
4. APPROVE Minutes of the October 13, 2022 Special Board Meeting of the Alameda Corridor Transportation Authority
5. APPROVE Resolution No. JPA 22-18 authorizing teleconference meetings for the ACTA Governing Board and its Audit Committee pursuant to AB 361
6. APPROVE ACET FY22 Closeout Change Orders

D. PUBLIC COMMENT ON NON-AGENDA ITEMS

E. CLOSED SESSION

NONE

ADJOURNMENT

As a covered entity under Title II of the Americans with Disabilities Act, the Alameda Corridor Transportation Authority (ACTA) does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services, and activities. Sign language interpreters, assistive listening devices, and translation services may be provided. To ensure availability, 72-hour advance notice is required. Contact the ACTA Office at (562) 247-7777.

Item 1

Performance Report
September 2022

Port Container Throughput (TEUs) – September 2022

	POLA		POLB		Combined	
	Sep-22	%Change*	Sep-22	%Change*	Sep-22	%Change*
Imports	343,462	-26.6%	342,671	-7.4%	686,133	-18.2%
Exports	77,680	2.6%	112,940	1.9%	190,620	2.2%
Total Loaded	**421,142**	**-22.6%**	**455,611**	**-5.3%**	**876,753**	**-14.4%**
Empty	288,731	-19.8%	286,212	7.0%	574,943	-8.4%
Total	709,873	-21.5%	741,823	-0.9%	1,451,696	-12.1%
	YTD	%Change*	YTD	%Change*	YTD	%Change*
Imports	3,980,302	-6.5%	3,563,781	2.5%	7,544,083	-2.4%
Exports	910,729	-2.3%	1,054,352	-3.4%	1,965,081	-2.9%
Total Loaded	**4,891,031**	**-5.8%**	**4,618,133**	**1.1%**	**9,509,164**	**-2.5%**
Empty	2,973,483	-0.5%	2,724,250	7.8%	5,697,733	3.3%
Total	7,864,514	-3.8%	7,342,383	3.5%	15,206,897	-0.4%

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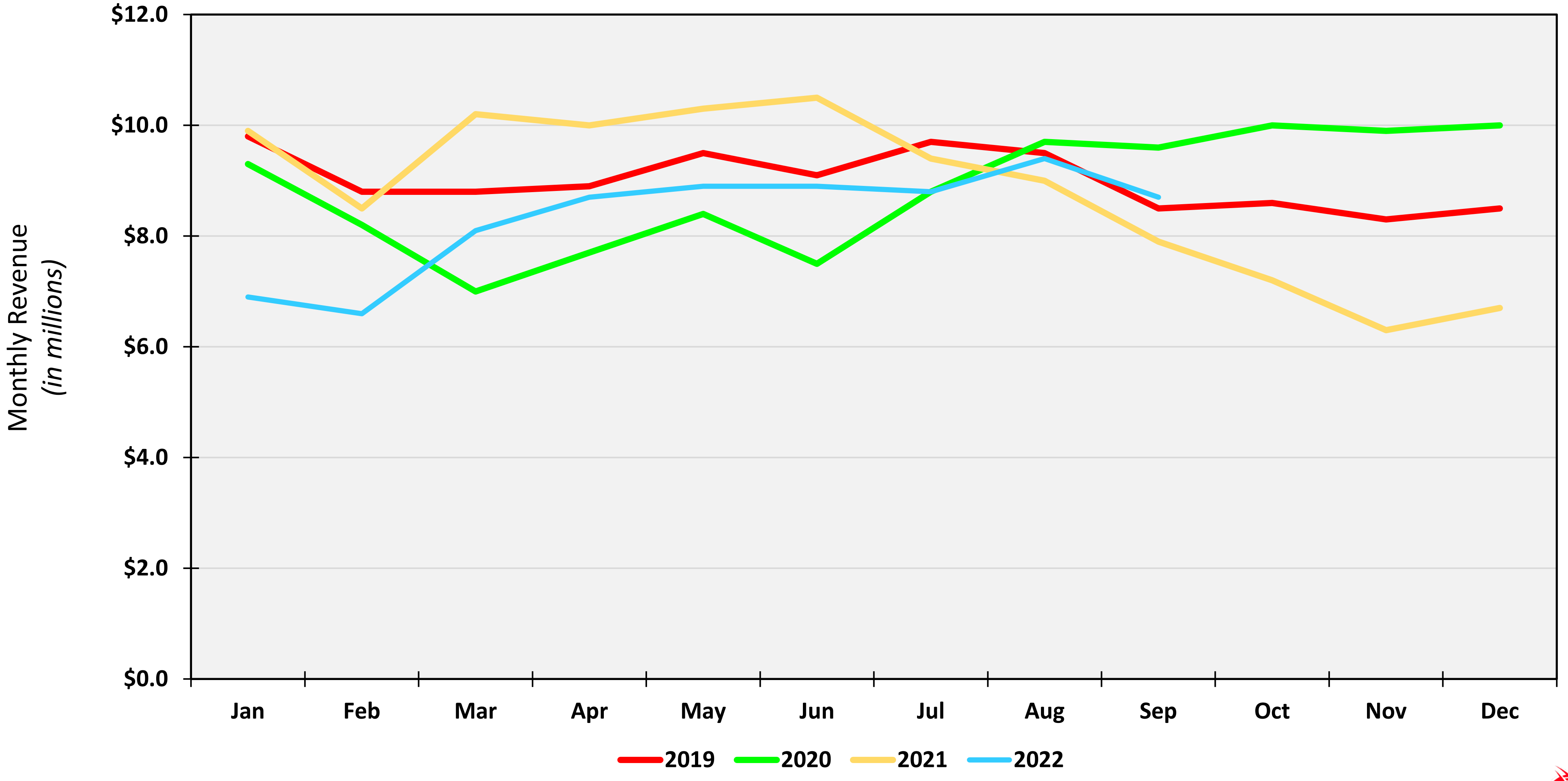
Alameda Corridor Performance
September 2022

	Sep 2022	CY22	FY23
Revenue	$8.7 M	$75.0 M	$26.9 M
Change from 2021	8.8 %	- 12.6 %	1.9 %
TEU's	427,586	3,568,535	1,325,796
Change from 2021	4.6 %	- 13.9 %	- 0.0 %

Corridor Revenue Performance
CY2019, CY2020, CY2021 & YTD 2022



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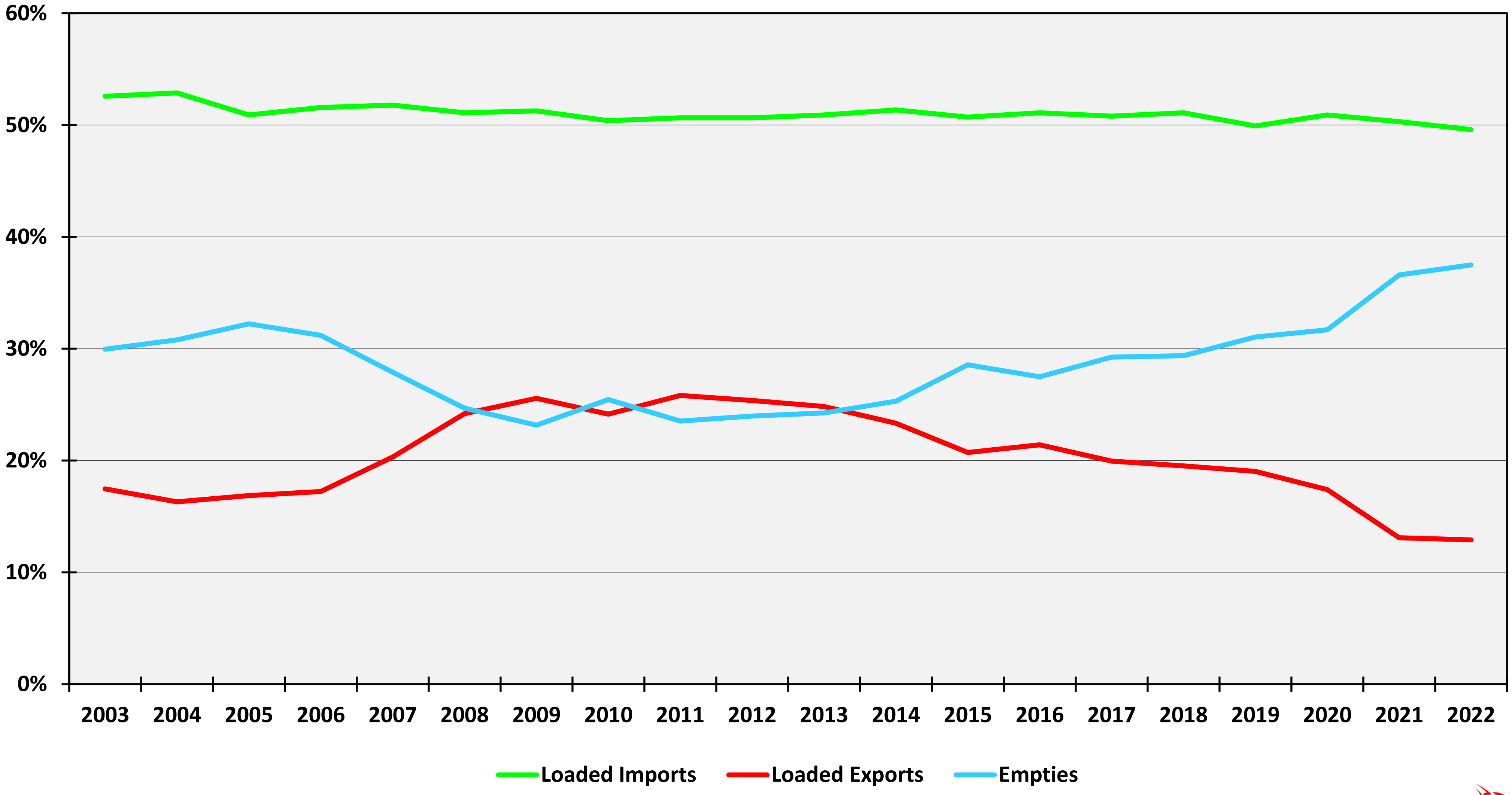
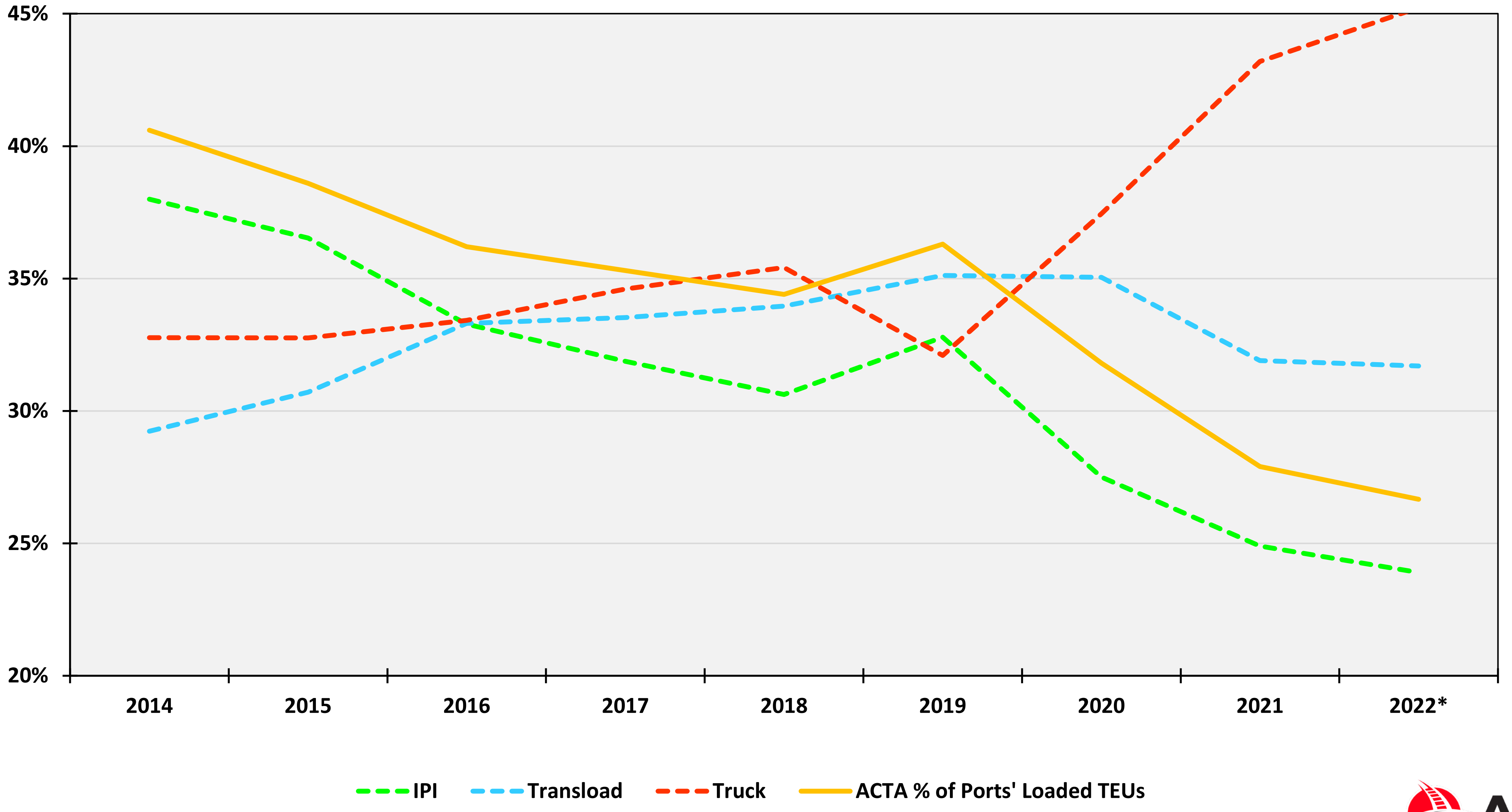
Port Cargo Components



Port Cargo Mode Split



** 2022 values are calculated using actual values through Sep 2022; Oct, Nov & Dec are forecast*

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ITEM #02

M E M O

Alameda Corridor Transportation Authority

To:	Governing Board
Meeting Date:	November 10, 2022
From:	Kevin L. Scott, Chief Financial Officer
Subject:	Report of the Audit Committee Meeting held on November 3, 2022 (RECEIVE AND FILE)

Recommendation:

Receive and file the FY22 Audited Financial Statements.

Discussion:

The Audit Committee met on November 3, 2022 to review and discuss the following items:

- FY22 Audited Financial Statements (see Transmittal 1)
- Completed CY22 internal audits
- FY23-24 Audit Plan

The Audit Committee Chair will report on the Audit Committee's November 3, 2022 meeting to the Governing Board, and recommend that the Board receive and file the FY22 Audited Financial Statements.

Co-General Counsel Review:

ACTA's Co-General Counsel has reviewed this Board Report and there are no legal issues at this time.

Transmittals:

Transmittal 1 – FY22 Audited Financial Statements

REPORT OF INDEPENDENT AUDITORS AND
FINANCIAL STATEMENTS WITH REQUIRED
SUPPLEMENTARY INFORMATION

ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

June 30, 2022 and 2021

Table of Contents

Report of Independent Auditors

The Governing Board
Alameda Corridor Transportation Authority

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alameda Corridor Transportation Authority, which comprise the statements of net position as of June 30, 2022 and 2021, and the related statements of revenues, expenses, and changes in net position and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Alameda Corridor Transportation Authority as of June 30, 2022 and 2021, and the changes in its net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). For the year ended June 30, 2022, we also conducted our audit in accordance with the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards),* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Alameda Corridor Transportation Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Alameda Corridor Transportation Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly after.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Alameda Corridor Transportation Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Alameda Corridor Transportation Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of proportionate share of the net pension liability, schedule of contributions – pension, schedule of changes in the net other post-employment benefits asset and related ratios, and schedule of contributions – other post-employment benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 2022, on our consideration of Alameda Corridor Transportation Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Alameda Corridor Transportation Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Alameda Corridor Transportation Authority's internal control over financial reporting and compliance.

Moss Adams LLP

Irvine, California
October 13, 2022

Description of Basic Financial Statements

The Alameda Corridor Transportation Authority (the "Authority" or "Corridor") presents its basic financial statements using the economic resources measurement focus and full accrual basis of accounting. The Authority's basic financial statements include statements of net position; statements of revenues, expenses, and changes in net position; and statements of cash flows. The basic financial statements also include notes that explain the information presented in the basic financial statements.

Financial Highlights

The net deficit of the Authority at June 30, 2022 and 2021, was $524,018,290 and $471,751,858, respectively. Of this amount, $65,177,915 and $56,048,908 is invested in the Authority's capital assets, net of related debt, at June 30, 2022 and 2021, respectively. The Authority's net position decreased by $52,266,432 and $18,739,378 in the years ended June 30, 2022 and 2021, respectively.

The 2022 and 2021 fiscal years marked the twentieth and nineteenth full years of operations for the Authority, respectively. The Authority earned $105,532,209 and $126,799,518 from use fees, container charges, and maintenance-of-way charges during fiscal years ended June 30, 2022 and 2021, respectively. The Authority's use fees and container charges for the year 2022 were less than the 2021 total by 18.1%. All of the use fee and container charges and all of the maintenance-of-way charges are received from the Union Pacific ("UP") and Burlington Northern Santa Fe ("BNSF") railroads that utilize the Authority's Alameda Corridor.

Condensed Financial Information

The following condensed financial information provides an overview of the Authority's financial position for the fiscal years ended June 30, 2022, 2021, and 2020:

	June 30,			Change Between 2022 and 2021	Change Between 2021 and 2020
	2022	2021	2020		
ASSETS					
Capital assets, net	$ 1,493,657,787	$ 1,514,779,960	$1,535,479,934	$ (21,122,173)	$ (20,699,974)
Other assets	183,145,993	222,189,293	221,122,570	(39,043,300)	1,066,723
Total assets	1,676,803,780	1,736,969,253	1,756,602,504	(60,165,473)	(19,633,251)
DEFERRED OUTFLOWS OF RESOURCES	13,181,352	14,518,837	16,040,998	(1,337,485)	(1,522,161)
LIABILITIES					
Long-term liabilities	2,123,453,024	2,141,463,792	2,176,719,331	(18,010,768)	(35,255,539)
Current liabilities	89,356,997	81,510,526	48,593,281	7,846,471	32,917,245
Total liabilities	2,212,810,021	2,222,974,318	2,225,312,612	(10,164,297)	(2,338,294)
DEFERRED INFLOWS OF RESOURCES	1,193,401	265,630	343,370	927,771	(77,740)
NET POSITION					
Net investment in capital assets	65,177,915	56,048,908	52,475,405	9,129,007	3,573,503
Restricted for debt service	110,068,346	107,302,635	107,375,351	2,765,711	(72,716)
Restricted by Master Trust Indenture	41,508,731	66,576,480	66,271,689	(25,067,749)	304,791
Unrestricted (deficit)	(740,773,282)	(701,679,881)	(679,134,925)	(39,093,401)	(22,544,956)
Total net position	$ (524,018,290)	$ (471,751,858)	$ (453,012,480)	$ (52,266,432)	$ (18,739,378)

Capital Assets

Capital assets, net, made up of infrastructure and equipment, decreased by $21.1 million or 1.4% and $20.7 million or 1.3% between 2022 and 2021 and 2021 and 2020, respectively. These decreases are primarily due to depreciation of capital assets of $21.1 and 21.0 million in fiscal years 2022 and 2021, respectively.

Deferred Outflows of Resources

Deferred outflows of resources decreased by $1.3 million or 9.2% and $1.5 million or 9.5% between 2022 and 2021 and 2021 and 2020, respectively. These decreases are primarily due to amortization of gains/loss on bond refunding which is offset by the net difference between projected and actual earnings on pension plan investments and pension contributions. The deferred outflows on bond refundings are calculated as the difference between the reacquisition price (the amount paid on extinguishment including call premiums and miscellaneous costs of reacquisition) and the net carrying value (amount due at maturity, adjusted for unamortized premiums and/or discounts). The deferred outflows are being amortized over the shorter of the remaining life of the old debt or the new debt.

Other Assets

Other assets decreased by $39.0 million or 17.6% between 2022 and 2021, primarily due to decreases in restricted cash and investments and assets held for transfer.

Other assets decreased by $1.1 million or 0.5% between 2021 and 2020, primarily due to decreases in restricted cash and investments but offset by an increase in receivables.

Current Liabilities

Current liabilities consist of the current portion of accrued interest and revenue bonds payable, accounts payable, unearned revenue, and other liabilities. Current liabilities increased by $7.8 million or 9.6% and by $32.9 million or 67.7% during the fiscal years ended June 30, 2022 and 2021, respectively.

The $7.8 million increase in fiscal year 2022 is primarily due to an increase in accrued short-term debt and unearned revenue.

The $32.9 million increase in fiscal year 2021 is primarily due to an increase in accrued short-term debt, principal, accrued interest, and accounts payable.

Long-Term Liabilities

Long-term liabilities decreased by $18.0 million or 0.8% in fiscal year 2022 compared to fiscal year 2021. The 2022 decrease was primarily due to total principal and interest payments on revenue bonds.

Long-term liabilities decreased by $35.3 million or 1.6% in fiscal year 2021 compared to fiscal year 2020. The 2021 decrease was primarily due to principal payments on revenue bonds.

The Master Trust Indenture

In conjunction with the sale of project revenue and refunding bonds in 1999, 2004, 2012, 2013A, and 2016 ("Bonds"), the Authority entered into a Master Trust Indenture ("MTI") with U.S. Bank, the bond trustee ("Trustee"), pursuant to which the Authority assigned all of its rights, title, and interest in and to the Corridor, including the receipt of certain use fees and container charges and other revenues known as "Authority Revenues" to the Trustee as security for the repayment of the Bonds. Pursuant to the terms of the MTI, the Trustee is required to establish certain funds and accounts and to apply the Authority's revenues for the purposes specifically set forth therein. The MTI establishes debt service funds, debt service reserve funds, construction funds, maintenance and capital reserve funds, and certain other restricted funds. The MTI also establishes a priority of payments, which restricts the manner, timing, and sequence of transfers into and out of such funds and accounts, and among such funds and accounts. The MTI requires that the Authority comply with certain operational and financial covenants, restricts the types of investments the Trustee and Authority may make, and requires regular financial reporting and disclosure.

Net Position

Net position, the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources, decreased by $52.3 million or 11.1% and $18.7 million or 4.1% during the years ended June 30, 2022 and 2021, respectively. The change in net position was primarily the result of interest and operating expenses continuing to exceed operating income. In fiscal years 2022 and 2021, operating revenues were $105.5 million and $126.8 million, respectively. The operating revenues were not sufficient to cover the interest expense of $108.0 million in 2022 but sufficient to cover $107.5 million in 2021.

Summary of Changes in Net Position

The table below summarizes the changes in net position for the years ended June 30, 2022, 2021, and 2020:

	Years Ended June 30, 2022	2021	2020	Change Between 2022 and 2021	Change Between 2021 and 2020
Operating revenues					
Use fees and container charges	$ 97,311,981	$ 118,874,257	$ 102,115,182	$ (21,562,276)	$ 16,759,075
Maintenance-of-way charges	8,220,228	7,925,261	6,552,615	294,967	1,372,646
Total operating revenues	105,532,209	126,799,518	108,667,797	(21,267,309)	18,131,721
Operating expenses					
Salaries and benefits	1,701,986	2,408,569	2,491,825	(706,583)	(83,256)
Administrative expenses and professional services	2,733,215	3,083,600	3,383,040	(350,385)	(299,440)
Maintenance-of-way charges	12,934,581	14,050,241	10,317,020	(1,115,660)	3,733,221
Depreciation	21,122,173	21,019,477	21,016,917	102,696	2,560
Total operating expenses	38,491,955	40,561,887	37,208,802	(2,069,932)	3,353,085
Operating income	67,040,254	86,237,631	71,458,995	(19,197,377)	14,778,636
Nonoperating revenues (expenses)					
Interest and investment income, net	(1,223,813)	2,388,596	7,572,659	(3,612,409)	(5,184,063)
Interest expense	(108,001,227)	(107,533,022)	(107,137,899)	(468,205)	(395,123)
Grant revenues	1,942,312	577,595	896,530	1,364,717	(318,935)
Loss on transfers of assets held for transfer	(10,164,800)	-	-	(10,164,800)	-
Miscellaneous revenues	897,022	320,028	242,335	576,994	77,693
Expenses for public benefit	(2,756,180)	(730,206)	(978,686)	(2,025,974)	248,480
Total nonoperating expenses	(119,306,686)	(104,977,009)	(99,405,061)	(14,329,677)	(5,571,948)
Changes in net position	(52,266,432)	(18,739,378)	(27,946,066)	(33,527,054)	9,206,688
Net position, beginning of the year	(471,751,858)	(453,012,480)	(425,066,414)	(46,685,444)	(27,946,066)
Net position, end of year	$ (524,018,290)	$ (471,751,858)	$ (453,012,480)	$ (80,212,498)	$ (18,739,378)

Operating Revenues

Use fees and container charges revenues representing 92.2% and 93.7% of operating revenues in fiscal years 2022 and 2021, respectively, decreased by $21.6 million and increased by $16.8 million, or 18.1% and 16.4%, in 2022 and 2021, respectively. The current year decrease in revenues was due to a decrease in the volume of containers received by the ports of Los Angeles and Long Beach (collectively known as the "Ports").

Operating Expenses

Operating expenses consist of salaries and benefits, administrative expenses, professional services, maintenance-of-way charges, and depreciation. During the year ended June 30, 2022, operating expenses decreased by $2.1 million or 5.1%. The decrease in 2022 was the result of an increase of earnings from pension investments which lower pension liability and administrative expenses. During the year ended June 30, 2021, operating expenses increased by $3.4 million or 9.0%. The increase in 2021 was the result of an increase in maintenance-of-way charges.

Nonoperating Revenues and Expenses

Nonoperating revenues and expenses consist of interest and investment earnings, interest expense, grant revenues, miscellaneous revenues, loss on transfers of assets held for transfer, and expenses for public benefit.

The 2022 increase in nonoperating expenses of $14.3 million and 2021 increase of $5.6 million, respectively, were primarily due to a decrease in interest and investment income year over year and increase of expenses for public benefit.

Capital Assets and Debt Administration

At June 30, 2022 and 2021, the Authority had approximately $1.5 billion and $1.5 billion, respectively, of capital assets, net of accumulated depreciation, and approximately $2.1 billion and $2.1 billion, respectively, in outstanding long-term debt.

Long-Term Debt

As of June 30, 2022 and 2021, the Authority's total long-term debt in revenue bonds was $1.5 billion and $1.6 billion, respectively. In addition, accrued interest payable was $636.8 million and $607.6 million during fiscal years 2022 and 2021, respectively.

As of June 30, 2022, the Authority's credit ratings for the Senior Bonds (1999A, 1999C, 2012, and 2013A) are A3, A-, and A by Moody's Investor Service, Standard & Poor's, and Fitch Ratings, respectively. For the first subordinated debt (2004A, 2004B, and 2016A), the ratings are Baa2, BBB+, and BBB+ by Moody's Investor Service, Standard & Poor's, and Fitch Ratings, respectively, and for the second subordinated debt (2016B), the ratings are Baa2, BBB+, and BBB by Moody's Investor Service, Standard & Poor's, and Fitch Ratings, respectively.

Additional debt information can be found in Note 6 to the basic financial statements.

Other Developments

The Authority's Alameda Corridor Project opened on April 15, 2002. On that date, the Authority commenced operations and began collecting revenues for intermodal containers and rail cars using the Corridor, as authorized in the Use and Operating Agreement between the Authority and the participating railroads ("Use and Operating Agreement"). The Authority's bonds are payable solely from and secured by a pledge of, among other revenues, use fees, container charges to be paid by the railroads, and shortfall advances to be paid under certain circumstances by the Ports. To the extent that the revenues from use and container charges are not sufficient to meet the Authority's obligations, the Ports have agreed to advance the funds necessary to pay up to the maximum amount of 20% each for any debt service payment. From inception until the fiscal year ended June 30, 2022, approximately $1.87 billion has been received from the railroads. These revenues, combined with remaining interest income and other surplus cash balances, have been sufficient to meet debt services, fund reserve account required deposits, and pay the cost of revenue collections, monitoring, and administrative fees, except for in fiscal years 2012 and 2013, when shortfall advances totaling $11.8 million from the Ports were needed.

Other Developments (continued)

The Authority's program manager, Alameda Corridor Engineering Team ("ACET"), together with the Authority's staff, are actively working to close out the remaining completed projects from the original Corridor projects as well as to support Caltrans on the SR-47 Project as outlined in cooperative agreements. Remaining work involves property transfers, right-of-way closeouts, and support on the SR-47 project.

The Authority's Governing Board (the "Board") modified the Corridor to include the addition of several Corridor-related projects, consistent with the Authority's Joint Powers Agreement, Use and Operating Agreement, and its bond-related documents. Significant among those projects is the SR-47 project. The SR-47 project has progressed, and the Authority is currently working in conjunction with Caltrans to advance the Heim Bridge portion of the project. The National Environmental Policy Act (NEPA) Record of Decision was approved on August 12, 2009; the Notice of Determination was received on August 17, 2009. The final design for replacement of the bridge was completed in October 2010. Construction was completed in September 2021 and full closeout is scheduled to occur in the middle of 2023.

In May 2016, the Authority issued bonds in order to reduce debt service costs in the short term by refinancing a portion of its outstanding debt. The Authority has continued to engage in activities to prevent further decline in its net position and improve the overall financial condition of the Authority. Although the Authority does not expect to require shortfall advances from the Ports within the next fiscal year based upon current revenue projections and planned restructuring of various bonds, the ability to request advances remains an option to the Authority. The Authority has forecasted potential scenarios in which, absent intervention, result in modest shortfall advances in 2022 through 2025. In this case, the Authority would reduce the need for these shortfall advances by restructuring some bonds to reduce near-term debt service.

In April 2019, the Board approved the selection of a new maintenance contractor for the Corridor. RailWorks Track Services, Inc.'s ("RailWorks'") contract commenced on May 1, 2019, for a five-year term with a five-year renewal option. Expenditures related to the maintenance of the Corridor continue to be higher, as the Corridor ages and additional capital work is required.

Contacting the Authority's Financial Management

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Chief Financial Officer, Alameda Corridor Transportation Authority, 3760 Kilroy Airport Way, Suite 200, Long Beach, California, 90806.

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	June 30, 2022	June 30, 2021
CURRENT ASSETS		
Restricted cash and cash equivalents	$ 60,363,385	$ 52,335,235
Restricted investments	52,279,049	74,609,319
Receivables	14,097,414	13,431,637
Prepaid expenses	1,509,733	1,330,225
Total current assets	128,249,581	141,706,416
Restricted investments	51,156,921	66,621,819
Assets held for transfer	3,182,825	13,347,625
OPEB asset	556,666	513,433
Capital assets not being depreciated	438,148,732	438,148,732
Capital assets, net of accumulated depreciation	1,055,509,055	1,076,631,228
Total assets	1,676,803,780	1,736,969,253
DEFERRED OUTFLOWS OF RESOURCES		
Loss on refunding	12,344,243	13,838,654
Pension related items	837,109	680,183
Total assets and deferred outflows of resources	$ 1,689,985,132	$ 1,751,488,090

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

	June 30, 2022	June 30, 2021
CURRENT LIABILITIES		
Accounts payable	$ 8,018,917	$ 8,256,193
Unearned revenue	2,402,881	1,054,949
Accrued interest payable, current portion	40,588,101	39,993,990
Revenue bonds payable, current portion	37,813,264	31,745,591
Other liabilities	533,837	459,803
Total current liabilities	89,357,000	81,510,526
Shortfall advances payable to Ports	12,646,463	12,629,403
Net pension liability	809,128	2,202,035
Accrued interest payable, net of current portion	636,833,348	607,589,077
Revenue bonds payable, net of current portion and unamortized discount	1,473,164,082	1,519,043,277
Total liabilities	2,212,810,021	2,222,974,318
DEFERRED INFLOWS OF RESOURCES	1,193,401	265,630
NET POSITION		
Net investments in capital assets	65,177,915	56,048,908
Restricted, expendable for		
Debt service	110,068,346	107,302,635
Master Trust Indenture	41,508,731	66,576,480
Unrestricted (deficit)	(740,773,282)	(701,679,881)
Total net position	(524,018,290)	(471,751,858)
Total liabilities, deferred inflows of resources, and net position	$ 1,689,985,132	$ 1,751,488,090

Alameda Corridor Transportation Authority

Statements of Revenues, Expenses, and Changes in Net Position

	Years Ended June 30, 2022	2021
OPERATING REVENUES		
Use fees and container charges	$ 97,311,981	$ 118,874,257
Maintenance-of-way charges	8,220,228	7,925,261
Total operating revenues	105,532,209	126,799,518
OPERATING EXPENSES		
Salaries and benefits	1,701,986	2,408,569
Administrative expenses	1,823,253	2,001,240
Professional services	909,962	1,082,360
Maintenance-of-way	12,934,581	14,050,241
Depreciation	21,122,173	21,019,477
Total operating expenses	38,491,955	40,561,887
Operating income	67,040,254	86,237,631
NONOPERATING REVENUES (EXPENSES)		
Interest and investment (loss) revenue, net	(1,223,813)	2,388,596
Grant revenue	1,942,312	577,595
Miscellaneous revenue	897,022	320,028
Interest expense	(108,001,227)	(107,533,022)
Loss on transfers of assets held for transfer	(10,164,800)	-
Expenses for public benefit	(2,756,180)	(730,206)
Total nonoperating expenses, net	(119,306,686)	(104,977,009)
Changes in net position	(52,266,432)	(18,739,378)
NET POSITION, beginning of the year	(471,751,858)	(453,012,480)
NET POSITION, end of year	$ (524,018,290)	$ (471,751,858)

See accompanying notes.

	Years Ended June 30, 2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers for services	$ 104,778,558	$ 122,960,811
Payment to suppliers for goods and services	(16,084,580)	(14,295,215)
Payments to employees	(2,293,247)	(2,578,569)
Net cash provided by operating activities	86,400,731	106,087,027
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Grant receipts	3,358,310	819,176
Payments for expenses for public benefit	(2,756,180)	(730,206)
Receipts for miscellaneous income	897,022	320,028
Net cash provided by noncapital financing activities	1,499,152	408,998
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	-	(319,503)
Principal paid on notes and bonds payable	(31,745,591)	(24,245,725)
Interest payments on debt	(84,717,305)	(87,143,050)
Net cash used in capital and related financing activities	(116,462,896)	(111,708,278)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(520,215,005)	(400,829,830)
Sales of investments	553,669,676	424,475,354
Interest received	3,136,492	3,166,340
Net cash provided by investing activities	36,591,163	26,811,864
NET INCREASE IN RESTRICTED CASH AND CASH EQUIVALENTS	8,028,150	21,599,611
RESTRICTED CASH AND CASH EQUIVALENTS, beginning of year	52,335,235	30,735,624
RESTRICTED CASH AND CASH EQUIVALENTS, end of year	$ 60,363,385	$ 52,335,235

See accompanying notes.

Alameda Corridor Transportation Authority
Statements of Cash Flows (Continued)

	Years Ended June 30, 2022	2021
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	$ 67,040,254	$ 86,237,631
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation expense	21,122,173	21,019,477
Changes in operating assets, deferred outflows of resources, liabilities, and deferred inflows of resources		
Receivables	(753,651)	(3,838,707)
Prepaid expenses	(179,508)	(104,957)
OPEB asset	(43,233)	(23,090)
Deferred outflows/inflows of resources	770,845	(49,990)
Accounts payable	(237,276)	2,943,583
Net pension liability	(1,392,907)	86,001
Other liabilities	74,034	(182,921)
Net cash provided by operating activities	$ 86,400,731	$ 106,087,027
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES		
Losses on transfers of assets held for transfer	$ 10,164,800	$ -

See accompanying notes.

Note 1 – Organization and Summary of Significant Accounting Policies

Reporting entity – The Alameda Corridor Transportation Authority (the “Authority” or “Corridor”) was established in August 1989 through a Joint Exercise of Powers Agreement (“JPA”) between the cities of Los Angeles and Long Beach, California. The purpose of the Authority is to acquire, construct, finance, and operate a consolidated transportation corridor, including an improved railroad expressway between the ports of Los Angeles and Long Beach (the “Ports”) and downtown Los Angeles (the route between the two locations has become known as the “Alameda Corridor”).

The Authority’s independent Governing Board has seven members, comprising two members each from the Ports, one member each from the cities of Los Angeles and Long Beach, and one member representing the Los Angeles County Metropolitan Transportation Authority (LACMTA).

As of June 30, 2022, the members of the Authority’s Governing Board were the following:

Chairperson – Ms. Suzie Price, Council member, City of Long Beach
Vice Chairperson – Mr. Joe Buscaino, Council member, City of Los Angeles
Member – Mr. Frank Colonna, Commissioner, Port of Long Beach
Member – Mr. Edward Renwick, Vice President, Port of Los Angeles
Member – Mr. Eugene Seroka, Executive Director, Port of Los Angeles
Member – Mr. Mario Cordero, Executive Director, Port of Long Beach
Member – Mr. Michael Cano, Executive Officer, Los Angeles County Metro

The Authority is empowered to explore alternative methods of financing, to develop existing property, and to coordinate other governmental efforts necessary for a consolidated transportation corridor, including the completion of the Alameda Corridor Project (the “Project”). The Authority may issue revenue bonds to carry out its obligations under the JPA. Such bonds will be payable from revenues generated from the Alameda Corridor, from one or more pledges of revenues from the Authority, the Board of Harbor Commissioners of Long Beach and Los Angeles, from pledges of revenues from other responsible agencies, or from any other legally available funds.

Program management agreement – In January 1996, the Authority’s Governing Board entered into a Program Management Agreement (“Agreement”) with the Alameda Corridor Engineering Team (“ACET”), a joint venture comprising Daniel, Mann, Johnson, and Mendenhall (now “AECOM”); Moffatt and Nichol Engineers; Jenkins, Gales, and Martinez, Inc.; and TELACU Construction Management, Inc., to provide the broad program management services necessary to assist the Authority in implementing the Alameda Corridor. The Agreement calls for ACET to provide the Authority with professional services related to management, engineering, construction support, procurement, coordination, and administration of the Alameda Corridor Project Construction Program. This Agreement was amended by the Governing Board and is now extended through June 30, 2023.

Note 1 – Organization and Summary of Significant Accounting Policies (continued)

Use and operating agreement – In October 1998, the cities of Long Beach and Los Angeles, the Authority, Union Pacific Railroad Company ("UP"), and Burlington Northern Santa Fe Railway Company ("BNSF") entered into a use and operating agreement (the "Use and Operating Agreement" or "UOA"), which outlines the provisions for the construction, operation, and use of the Rail Corridor (as defined in the UOA). Specifically, it grants UP and BNSF the right to use the Rail Corridor constructed by the Authority for all Through Train (as defined in the UOA) movements upon substantial completion in exchange for paying maintenance, operating charges, container charges, and use fees to the Authority. Proceeds of the container charges and use fees will be used to repay the revenue bonds. The Use and Operating Agreement was amended in 2006 to resolve a dispute involving application of the container charge and use fee provisions of the Agreement to transloaded cargo. On December 15, 2016, an Amended and Restated Alameda Corridor Use and Operating Agreement was executed by and among the Ports, the railroads, and the Authority, which, among other things, incorporates the amendments set forth in the First Amendment dated as of July 5, 2006; replaces the Operating Committee with direct decision-making authority by the Ports and railroads for the management of Alameda Corridor maintenance and operations; and removes construction-related provisions and updates certain other provisions to reflect current conditions and practices. Dissolving the Operating Committee and modifying the decision-making process did not have any impact on the day-to-day operation of the Alameda Corridor or the collection of the Authority's revenues. The UOA requirements are to be in effect until the earlier of April 15, 2062, or repayment of all obligations under the UOA.

Master trust indenture – In conjunction with the sale of project revenue and refunding bonds in 1999, 2004, 2012, 2013A, and 2016 ("Bonds"), the Authority entered into a Master Trust Indenture (MTI) with U.S. Bank, the bond trustee ("Trustee"), pursuant to which the Authority assigned all of its rights, title, and interest in and to the Project, including the receipt of certain use fees and container charges and other revenues known as the "Authority Revenues" to the Trustee as security for the repayment of the Bonds. Pursuant to the terms of the MTI, the Trustee is required to establish certain funds and accounts and to apply the Authority's revenues for the purposes specifically set forth therein, which include the payment of most operating expenses and debt service payments. The MTI establishes debt service funds, debt service reserve funds, construction funds, maintenance and capital reserve funds, and certain other restrictive funds. The MTI also establishes a priority of payments, which restricts the manner, timing, and sequence of transfers into and out of such funds and accounts, and among such funds and accounts. The MTI requires that the Authority comply with certain operational and financial covenants, restricts the types of investments the Trustee and Authority may make, and requires regular financial reporting and disclosure. The Authority's net position restricted by the MTI included in the accompanying statements of net position of $41,508,731 and $66,576,480 as of June 30, 2022 and 2021, respectively, represents the accumulation of the Authority's revenues in excess of operating expenses and debt payments that can only be used for the aforementioned purposes noted in the MTI.

Basis of presentation – The basic financial statements of the Authority have been prepared in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP) as applied to governmental units and the State Controller's Minimum Audit Requirements and Reporting Guidelines.

Note 1 – Organization and Summary of Significant Accounting Policies (continued)

The Governmental Accounting Standards Board (GASB) is the recognized standard-setting body for establishing governmental accounting and financial reporting principles for state and local governments within the United States of America. In accordance with U.S. GAAP, the Authority's operations are accounted for as a business-type activity. In this regard, the Authority follows the economic resources measurement focus and the accrual basis of accounting, whereby revenues are recognized when they are earned, and expenses are recorded when they are incurred, irrespective of when paid.

Restricted cash and cash equivalents – The Authority has defined, for purposes of the preparation of its statements of cash flows, that cash and cash equivalents include deposits, money market accounts, and investments with an original maturity date of three months or less, including investments in the State of California Local Agency Investment Fund ("LAIF"). The Authority participates in the State of California's LAIF, a non-Securities and Exchange Commission registered investment pool open to all government units in the State of California, and is able to withdraw amounts from LAIF on demand without penalty.

Receivables – Grant contracts receivable consist of unsecured reimbursements due from funding sources for services performed prior to year-end. Use fees and other receivables are carried at invoiced amounts. The Authority has not experienced losses from past uncollected receivables; therefore, it has not recognized an allowance for uncollectable amounts at June 30, 2022 and 2021.

Investments – Investments are stated at fair value. The value of each investment security has been determined based on the published closing price of the security as of June 30, 2022 and 2021, or quoted prices of securities with similar characteristics, discounted cash flows, and other observable inputs. The net changes in fair value of investments, consisting of realized gains or losses and the unrealized appreciation/depreciation on those investments, have been included in interest and investment revenue as shown in the accompanying statements of revenues, expenses, and changes in net position.

The Authority's investment practices are governed by the MTI investment policy. The investment policy was amended by the Authority's Governing Board in April 2018, segregating non-bond funds that are controlled by the Board from bond funds that are controlled by the MTI investment policy. The types of investment authorized by the policies are described further in Note 2.

Assets held for transfer – Remaining right-of-way parcels or easements that require a transfer are valued based upon the known costs paid at the time the parcel was originally acquired. These assets are not held for investment purposes. The carrying value of these assets is further described in Note 4.

Capital assets – Capital assets purchased or constructed, including capitalized interest accrued during construction, are carried at cost. Donated assets are valued at the estimated fair value on the date received. Depreciation is provided over the estimated useful life of each asset and computed on a straight-line basis beginning with the fiscal year after the asset is placed in service. Trench structures, tracks and signals, rail bridge structures, and highway bridge structures include both depreciable and nondepreciable components. Costs associated with construction and building of the structures, track, and signal systems of the Corridor are depreciable. Nondepreciable components include the demolition, excavation, backfill, embankment fill, removal of contaminated soil, construction delay costs, and utility relocations.

Note 1 – Organization and Summary of Significant Accounting Policies (continued)

Estimated useful lives of classes of capital assets are as follows:

Tenant improvements	3 years
Automotive vehicles	5 years
Office equipment	3–5 years
Buildings	30 years
Revenue assessment and verification system and other software	5 years
Tracks and signal systems	40 years
Highway bridge structures	100 years
Trench structures	100 years
Rail bridge structures	100 years

Infrastructure and equipment acquired with state and local grants are also included in capital assets. Depreciation on these assets is recorded as an operating expense.

Restricted assets and net position – Certain proceeds of the Authority's revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statements of net position because their use is limited by applicable bond covenants. The revenue bonds' accrued interest, debt service reserve, and revenue fund accounts have been classified as restricted assets, because these accounts are first restricted to the payment of interest and principal on the outstanding revenue bonds. These amounts, offset by any related outstanding debt, are reported as net position restricted for debt service. After payment of debt service, remaining revenues, if any, are restricted to the payment of the Authority's other costs and legal obligations (including repayment of Port Shortfall Advances) as defined by the Authority's Use and Operating Agreement. The Reserve Account has also been classified as restricted assets, because the amount in this account is restricted for specific purposes under the Use and Operating Agreement and the revenue bond covenants. These amounts, offset by any related outstanding liabilities, are reported as net position restricted by the MTI.

Remaining long-term debt proceeds that have been set aside for capital projects are also reported as restricted assets. The monies restricted for capital projects have been fully expended. When both restricted and unrestricted resources are available for use, it is the Authority's practice to use restricted resources first, and then unrestricted resources as they are needed.

The Authority's net position as of June 30, 2022, is a deficit of $524 million because total liabilities and deferred inflows of resources were greater than total assets and deferred outflows of resources due to accumulating accreted interest on revenue bonds payable. The Authority's interest cash payments are lower than recorded interest expense because the bonds are capital appreciation bonds (CABs), which compound interest until final maturity. As a result, the Authority is able to maintain a liquid financial position. Management believes that it will be able to sustain its liquidity based on the terms of the bonds payable and through shortfall advances from the Ports, if necessary, as discussed further in Note 6.

Note 1 – Organization and Summary of Significant Accounting Policies (continued)

Compensated absences – All Authority employees accumulate time off for vacation and sick leave each pay period. While sick leave hours are accrued at a uniform rate among all employees, vacation accrual is based on length of service. Vacation hours are payable to employees when used at the individual employee's current rate of pay. Any unused vacation remaining at the time of termination is also payable to the employee at his/her then rate of pay. All vacation hours that have been earned but not paid as of June 30, 2022 and 2021, have been accrued in the accompanying statements of net position in other liabilities. Sick hours are paid to employees when used. The Authority's sick leave policy also provides that employees will be paid 50% of the remaining value of their sick leave hours upon termination. Consequently, 50% of all unused sick hours for all employees totaling $230,774 and $188,283 as of June 30, 2022 and 2021, respectively, have also been accrued in other liabilities of the accompanying statements of net position.

Pensions – For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Agency of California Public Employees' Retirement System ("CalPERS") plans ("Plans") and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Pension information is further described in Note 8.

Post-Employment Benefits Other Than Pensions ("OPEB") – For purposes of measuring the total OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Authority's OPEB plan and additions to and deductions from the OPEB's plan fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. OPEB information is further described in Note 9.

Operating revenues and expenses – Operating revenues and expenses generally result from the operation of the Rail Corridor. The principal operating revenues of the Authority are fees assessed to the railroads for use and maintenance of the Rail Corridor. These fees are recognized in the period earned. Operating expenses include revenue collection and other administrative expenses, maintenance, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Use of estimates – The preparation of basic financial statements in conformity with U.S. GAAP requires that management make estimates and assumptions that may affect the reported amount of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 1 – Organization and Summary of Significant Accounting Policies (continued)

New accounting standards – In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Authority adopted the provisions of this Statement retroactively during the fiscal year ended June 30, 2022; however, the adoption of this Statement did not have a material impact on the Authority's financial statements.

Note 2 – Restricted Cash, Cash Equivalents, and Investments

Cash, cash equivalents, and investments as of June 30, 2022 and 2021, are classified in the accompanying basic financial statements as follows:

	June 30, 2022	June 30, 2021
Current restricted cash and cash equivalents	$ 60,363,385	$ 52,335,235
Current restricted investments	52,279,049	74,609,319
Noncurrent restricted investments	51,156,921	66,621,819
Total restricted cash, cash equivalents, and investments	$ 163,799,355	$ 193,566,373

Deposits – At June 30, 2022 and 2021, the net carrying amount of the Authority's deposit account with Bank of America was $492,809 and $598,267, respectively, while the corresponding bank balance was $616,867 and $907,130, respectively. Outstanding checks account for the respective differences between the carrying amounts and bank balances. Of the aforementioned bank balance, $250,000 is covered by the Federal Deposit Insurance Corporation, with the excess being secured with collateral of securities held by the pledging financial institution's trust or agent in the Authority's name.

The California Government Code Section 53601 requires California banks and savings and loan associations to secure a public agency's deposits not covered by federal depository insurance by pledging government securities as collateral. The carrying amount of pledged securities must equal at least 110% of the agency's deposits. California law also allows financial institutions to secure agency deposits by pledging first trust deed mortgage notes having a value of 150% of the Authority's total deposits. The collateral must be held at the pledging bank's trust department or other bank acting as the pledging bank's agent in the Authority's name.

Note 2 – Restricted Cash, Cash Equivalents, and Investments (continued)

Investments – The Authority's investments are invested pursuant to the investment policy guidelines included in the MTI for bond funds and adopted by the Governing Board of the Authority for non-bond funds. The objectives of the policies are, in order of priority, preservation of capital, liquidity, and yield. The policies address the types of investment instruments and the percentage of the portfolio in which the Authority may invest its funds as permitted by the California Government Code. Generally, investments shall be made in the context of the "prudent investor" rule.

Investment in State of California Local Agency Investment Pool – The Authority is a voluntary participant in the LAIF that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The carrying value of the Authority's investment in this pool is reported in the accompanying statements of net position as restricted cash equivalents at amounts based upon the Authority's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio. The balance available for withdrawal is based on the accounting records maintained by LAIF. Amounts up to $10 million can be withdrawn on demand. At June 30, 2022 and 2021, the balance of such deposits is $9,728,226 and $9,864,834, respectively.

Interest rate risk – Interest rate risk is the risk that changes in market interest rates that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity its fair value is to changes in market interest rates. One of the ways that the Authority manages its exposure to interest rate risk is by purchasing a combination of short-term and medium-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The Authority monitors the interest rate risk inherent in its portfolio by measuring the weighted-average maturity of its portfolio. The Authority has no specific limitations with respect to this metric.

Note 2 – Restricted Cash, Cash Equivalents, and Investments (continued)

Under provision of the Authority's MTI investment policy, and in accordance with Section 53601 of the California Government Code, the Authority may invest in the following types of investments:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury bills, notes, or bonds	5 years	None	None
State warrants or bonds	5 years	None	None
U.S. local agency bonds, notes, or warrants	5 years	None	None
Commercial paper	180 days	15%	10%
Negotiable certificates of deposit	2 years	30%	None
Medium-term maturity corporate notes	3 years	30%	8%
Money market funds	None	20%	10%
State of California LAIF	N/A	None	None
L.A. County Treasurer Investment Pool	N/A	None	None
Mortgage- or asset-backed securities	5 years	20%	None
Repurchase agreements	90 days	50%	None
Guaranteed Investment Contracts and Investment Agreements	5 years	50%	20%
Bankers' acceptances	270 days	40%	10%
Federal agency obligations	5 years	None	None

In April 2018, the Governing Board adopted a modified Investment Policy for investments not controlled by MTI. Such investments represent approximately 8.9% and 7.5% of the Authority's investments as of June 30, 2022 and 2021, respectively.

Note 2 – Restricted Cash, Cash Equivalents, and Investments (continued)

Under the provisions of the Authority's non-MTI related Investment Policy, and in accordance with Section 53601 of the California Government Code, the Authority's non-MTI related funds may be invested in the following types of investments:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury bills, notes, or bonds	5 years	None	None
Federal agency obligations	5 years	None	None
U.S. local agency bonds, notes, or warrants	5 years	None	None
State warrants or bonds	5 years	None	None
Authority bonds	N/A	None	N/A
Commercial paper	180 days	30%	10%
Negotiable certificates of deposit	2 years	30%	None
Medium-term maturity corporate notes	3 years	30%	8%
Money market funds	None	20%	10%
State of California LAIF	N/A	None	None
L.A. County Treasurer Investment Pool	N/A	None	None
Mortgage- or asset-backed securities	5 years	20%	None
Repurchase agreements	90 days	50%	None
Guaranteed investment contracts and investment agreements	5 years	50%	20%
Bankers' acceptances	270 days	40%	10%

Note 2 – Restricted Cash, Cash Equivalents, and Investments (continued)

The following schedules indicate the combined distribution of the Authority's investments as of June 30:

	2022		2021	
	Reported Amount	Weighted-Average Maturity (in Years)	Reported Amount	Weighted-Average Maturity (in Years)
Cash and investment type				
Cash	$ 493,310	-	$ 598,767	-
Money market fund	31,187,099	-	30,672,596	-
LAIF	9,728,226	-	9,864,835	-
U.S. Treasury notes	48,968,810	1.67	73,316,033	1.19
U.S. corporate notes	8,278,760	0.97	12,792,167	1.63
Federal agency obligations	65,143,150	1.04	66,321,975	1.61
	$ 163,799,355		$ 193,566,373	

Disclosure relating to credit risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the distribution of investment amounts by type of investment and rating category as of June 30, 2022 and 2021.

	Ratings as of June 30, 2022								
	AAA / AA+	AA	AA- / A+	A	A-	A-1+	A-1	NR	Total
Investment type									
Cash and money market	$ 31,187,099	$ -	$ -	$ -	$ -	$ -	$ -	$ 493,310	$ 31,680,409
LAIF	-	-	-	-	-	-	-	9,728,226	9,728,226
U.S. Treasury notes	35,241,540	-	-	-	-	13,727,270	-	-	48,968,810
U.S. corporate notes	529,881	1,742,052	2,457,926	2,747,728	801,173	-	-	-	8,278,760
Federal agency obligations	38,080,583	-	-	-	-	27,062,567	-	-	65,143,150
Total	$ 105,039,103	$ 1,742,052	$ 2,457,926	$ 2,747,728	$ 801,173	$ 40,789,837	$ -	$ 10,221,536	$ 163,799,355

	Ratings as of June 30, 2021								
	AAA / AA+	AA	AA- / A+	A	A-	A-1+	A-1	NR	Total
Investment type									
Cash and money market	$ 30,672,596	$ -	$ -	$ -	$ -	$ -	$ -	$ 598,767	$ 31,271,363
LAIF	-	-	-	-	-	-	-	9,864,835	9,864,835
U.S. Treasury notes	31,619,817	-	-	-	-	41,696,216	-	-	73,316,033
U.S. corporate notes	952,091	1,805,638	4,874,707	3,248,908	1,910,823	-	-	-	12,792,167
Federal agency obligations	41,495,104	-	-	-	-	24,826,871	-	-	66,321,975
Total	$ 104,739,608	$ 1,805,638	$ 4,874,707	$ 3,248,908	$ 1,910,823	$ 66,523,087	$ -	$ 10,463,602	$ 193,566,373

Market volatility risk – Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Note 2 – Restricted Cash, Cash Equivalents, and Investments (continued)

Concentration of credit risk – The Authority's investment policies contain no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of the total Authority's investments are as follows:

	June 30, 2022	June 30, 2021
Federal Home Loan Bank – federal agency obligations	$ 11,740,916	$ 13,426,062
Federal National Mortgage Association – federal agency obligations	30,095,879	33,123,123
Federal Home Loan Mortgage Corporation – federal agency obligations	16,691,891	12,838,939
Fidelity institutional	30,894,994	30,443,721

Investment valuation – Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an "exit price") in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Authority's fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

Following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying statements of net position, as well as the general classification of such instruments pursuant to the valuation hierarchy. There have been no changes in the methodologies used at June 30, 2022 and 2021.

U.S. government securities, mortgage-backed securities, and other debt and equity securities – Valued at the closing price reported on the major market on which the individual securities are traded or have reported broker trades which may be considered indicative of an active market. Where quoted prices are available in an active market, the investments are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available for the specific security, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics, discounted cash flows, and other observable inputs. Such securities are classified within Level 2 of the valuation hierarchy.

Note 2 – Restricted Cash, Cash Equivalents, and Investments (continued)

Fair values of investments have been determined by the Authority from observable market quotations, as reflected below. The following tables present the Authority's fair value hierarchy for those assets measured at fair value on a recurring basis as of June 30, 2022 and 2021.

	June 30, 2022			
	Total	Level 1	Level 2	Level 3
Investments				
Federal agencies and municipalities				
U.S. Treasury notes	$ 48,968,810	$ -	$ 48,968,810	$ -
U.S. corporate notes	8,278,760	-	8,278,760	-
Federal agency obligations	65,143,150	-	65,143,150	-
	122,390,720	$ -	$ 122,390,720	$ -
Cash and equivalents not measured at fair value				
Cash	493,310			
LAIF	9,728,226			
Money market accounts	31,187,099			
	$ 163,799,355			

	June 30, 2021			
	Total	Level 1	Level 2	Level 3
Investments				
Federal agencies and municipalities				
U.S. Treasury notes	$ 73,316,033	$ -	$ 73,316,033	$ -
U.S. corporate notes	12,792,167	-	12,792,167	-
Federal agency obligations	66,321,975	-	66,321,975	-
	152,430,175	$ -	$ 152,430,175	$ -
Cash and equivalents not measured at fair value				
Cash	598,767			
LAIF	9,864,835			
Money market accounts	30,672,596			
	$ 193,566,373			

Note 3 – Receivables

Receivables consist of grants, use fees, and other amounts due from private entities. The following provides a summary of the amounts of accounts and other receivables:

	June 30, 2022	June 30, 2021
Grants receivable	$ 103,167	$ 171,233
Accrued receivable	1,825,820	966,161
Interest receivable	1,081,496	1,101,304
Use fees and other receivables	11,086,931	11,192,939
Total	$ 14,097,414	$ 13,431,637

Note 4 – Assets Held for Transfer

Assets held for transfer represent right-of-way land and land improvements that were acquired by the Authority. Hundreds of parcels and easement rights were acquired in order to complete the construction of the Alameda Corridor. The Authority, under the terms of the Joint Powers Agreement, is not permitted to own any land or land easement rights. The Ports own the land that the trench was built on and the Authority has the right to use and occupy the property under the terms of a Use Permit that was executed between the Ports and the Authority on October 12, 1998. Title to all land and easement rights necessary to operate the Alameda Corridor is in the process of being deeded to the Ports, as tenants in common. There were $10.2 million transfers that took place during fiscal years 2022 and no transfers in 2021 that had an associated monetary value.

	Balance, June 30, 2021	Additions	Sales/Transfers	Balance, June 30, 2022
Assets held for transfer	$ 13,347,625	$ -	$ (10,164,800)	$ 3,182,825

	Balance, June 30, 2020	Additions	Sales/Transfers	Balance, June 30, 2021
Assets held for transfer	$ 13,347,625	$ -	$ -	$ 13,347,625

Note 5 – Capital Assets

The following schedule summarizes capital assets for the years ended June 30, 2022 and 2021:

	Balance, June 30, 2021	Additions	Deletions	Balance, June 30, 2022
Buildings and equipment				
Office equipment	$ 288,302	$ -	$ -	$ 288,302
Buildings	1,102,594	-	-	1,102,594
Revenue assessment and verification system and other software	7,538,810	-	-	7,538,810
Total buildings and equipment	8,929,706	-	-	8,929,706
Alameda Corridor Project Infrastructure				
Capital assets, being depreciated				
Trench structures	715,581,463	-	-	715,581,463
Track and signals	196,509,123	-	-	196,509,123
Rail bridge structures	408,972,328	-	-	408,972,328
Highway bridge structures	147,175,088	-	-	147,175,088
Capital assets, not being depreciated				
Trench structures	224,167,723	-	-	224,167,723
Track and signals	66,493,773	-	-	66,493,773
Rail bridge structures	101,783,053	-	-	101,783,053
Highway bridge structures	45,704,183	-	-	45,704,183
Alameda Corridor Project Infrastructure	1,906,386,734	-	-	1,906,386,734
Total capital assets	1,915,316,440	-	-	1,915,316,440
Less accumulated depreciation for				
Trench structures	(197,972,632)	(10,430,222)	-	(208,402,854)
Track and signals	(58,592,739)	(3,309,085)	-	(61,901,824)
Rail bridge structures	(100,004,285)	(5,292,827)	-	(105,297,112)
Highway bridge structures	(35,894,413)	(1,948,030)	-	(37,842,443)
Office equipment	(287,545)	(757)	-	(288,302)
Buildings	(695,246)	(39,817)	-	(735,063)
Revenue assessment and verification system and other software	(7,089,620)	(101,435)	-	(7,191,055)
Total accumulated depreciation	(400,536,480)	(21,122,173)	-	(421,658,653)
Capital assets, net	$ 1,514,779,960	$ (21,122,173)	$ -	$ 1,493,657,787

Note 5 – Capital Assets (continued)

The following schedule summarizes capital assets for the years ended June 30, 2021 and 2020:

	Balance, June 30, 2020	Additions	Deletions	Balance, June 30, 2021
Buildings and equipment				
Office equipment	$ 288,302	$ -	$ -	$ 288,302
Buildings	1,102,594	-	-	1,102,594
Revenue assessment and verification system and other software	7,219,307	319,503	-	7,538,810
Total buildings and equipment	8,610,203	319,503	-	8,929,706
Alameda Corridor Project Infrascructure				
Capital assets, being depreciated				
Trench structures	715,581,463	-	-	715,581,463
Track and signals	196,509,123	-	-	196,509,123
Rail bridge structures	408,972,328	-	-	408,972,328
Highway bridge structures	147,175,088	-	-	147,175,088
Capital assets, not being depreciated				
Trench structures	224,167,723	-	-	224,167,723
Track and signals	66,493,773	-	-	66,493,773
Rail bridge structures	101,783,053	-	-	101,783,053
Highway bridge structures	45,704,183	-	-	45,704,183
Alameda Corridor Project Infrastructure	1,906,386,734	-	-	1,906,386,734
Total capital assets	1,914,996,937	319,503	-	1,915,316,440
Less accumulated depreciation for				
Trench structures	(187,542,410)	(10,430,222)	-	(197,972,632)
Track and signals	(55,283,654)	(3,309,085)	-	(58,592,739)
Rail bridge structures	(94,711,458)	(5,292,827)	-	(100,004,285)
Highway bridge structures	(33,946,383)	(1,948,030)	-	(35,894,413)
Office equipment	(287,545)	-	-	(287,545)
Buildings	(658,493)	(36,753)	-	(695,246)
Revenue assessment and verification system and other software	(7,087,060)	(2,560)	-	(7,089,620)
Total accumulated depreciation	(379,517,003)	(21,019,477)	-	(400,536,480)
Capital assets, net	$ 1,535,479,934	$ (20,699,974)	$ -	$ 1,514,779,960

Note 6 – Bonds Payable

The 1999A Series Senior Lien Tax-Exempt Bonds (“1999A Bonds”), the 1999C Senior Lien Taxable Bonds (“1999C Bonds”), the 2004A Series Subordinate Lien Tax-Exempt Bonds (“2004A Bonds”), the 2004B Subordinate Lien Taxable Bonds (“2004B Bonds”), the 2012 Series Taxable Senior Lien Bonds (“2012 Bonds”), the 2013A Series Tax-Exempt Senior Lien Bonds (“2013A Bonds”), the 2016A Series Subordinate Lien Tax-Exempt Bonds (“2016A Bonds”), and 2016B Series Second subordinate Lien Tax-Exempt Bonds (“2016B Bonds”) are payable solely from and secured by a pledge of, among other revenues, use fees and container charges to be paid by the UP and BNSF for use of the Project and from shortfall advances to be paid under certain circumstances by the City of Long Beach, acting by and through its Board of Harbor Commissioners, and the City of Los Angeles, acting by and through its Board of Harbor Commissioners.

Note 6 – Bonds Payable (continued)

As of June 30, 2022 and 2021, the unamortized premium balance on the 1999A and 1999C, 2004A and 2004B, 2013A, and 2016A and 2016B Bonds was $70,153,233 and $78,219,161, respectively.

Long-term liability activity for the years ended June 30, 2022 and 2021, was as follows:

	Balance, June 30, 2021	Additions	Payments	Balance, June 30, 2022	Due Within One Year
Revenue bonds payable					
1999A Bonds	$ 50,453,617	$ -	$ -	$ 50,453,617	$ -
1999C Bonds	360,069,260	-	(7,350,591)	352,718,669	6,993,264
2004A Bonds	36,349,420	-	-	36,349,420	-
2004B Bonds	131,132,410	-	-	131,132,410	-
2012 Bonds	83,710,000	-	-	83,710,000	-
2013A Bonds	219,715,000	-	(18,710,000)	201,005,000	19,990,000
2016A Bonds	34,280,000	-	(5,685,000)	28,595,000	10,830,000
2016B Bonds	556,860,000	-	-	556,860,000	-
Total revenue bonds payable	1,472,569,707	-	(31,745,591)	1,440,824,116	37,813,264
Less unamortized bond premium	78,219,160	-	(8,065,930)	70,153,230	-
Accrued interest payable	647,583,068	114,555,684	(84,717,303)	677,421,449	40,588,101
Net revenue bonds payable	$ 2,198,371,935	$ 114,555,684	$ (124,528,824)	$ 2,188,398,795	$ 78,401,365

	Balance, June 30, 2020	Additions	Payments	Balance, June 30, 2021	Due Within One Year
Revenue bonds payable					
1999A Bonds	$ 50,453,617	$ -	$ -	$ 50,453,617	$ -
1999C Bonds	367,778,396	-	(7,709,136)	360,069,260	7,350,591
2004A Bonds	36,918,170	-	(568,750)	36,349,420	-
2004B Bonds	131,132,410	-	-	131,132,410	-
2012 Bonds	83,710,000	-	-	83,710,000	-
2013A Bonds	237,205,000	-	(17,490,000)	219,715,000	18,710,000
2016A Bonds	34,280,000	-	-	34,280,000	5,685,000
2016B Bonds	556,860,000	-	-	556,860,000	-
Total revenue bonds payable	1,498,337,593	-	(25,767,886)	1,472,569,707	31,745,591
Less unamortized bond premium	86,892,370	-	(8,673,210)	78,219,160	-
Accrued interest payable	618,508,543	114,695,414	(85,620,889)	647,583,068	39,993,990
Net revenue bonds payable	$ 2,203,738,506	$ 114,695,414	$ (120,061,985)	$ 2,198,371,935	$ 71,739,581

1999 Series A Capital Appreciation Bonds – The 1999A CABs were issued by the Authority in the aggregate amount of $50,453,617 on February 2, 1999. Proceeds from the sale of these insured 1999A CABs were used to finance a portion of the cost of design and construction of the Project.

Note 6 – Bonds Payable (continued)

The first maturity of the bonds will commence on October 1, 2030. The 1999A CABs, which mature between October 1, 2030 and October 1, 2037, have an accretion yield to maturity at rates ranging from 5.25% to 5.27%. The principal and accrued interest balance outstanding on the 1999A CABs at June 30, 2022 and 2021, are $50,453,617 and $120,512,441, and $50,453,617 and $111,833,486, respectively. The 1999A CABs are not subject to optional redemption. The remaining debt service of the 1999A CABs is as follows:

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal years ending June 30,			
2028–2032	$ 14,298,474	$ 61,326,526	$ 75,625,000
2033–2037	30,751,197	165,033,803	195,785,000
2038–2038	5,403,946	34,936,054	40,340,000
Total	$ 50,453,617	$ 261,296,383	$ 311,750,000

1999 C Bonds – The 1999C Bonds include both current interest bonds (CIBs) and CABs.

1999 Series C Current Interest Bonds – The 1999C CIBs were issued by the Authority in the aggregate amount of $430,155,000 on January 1, 1999. Proceeds from the sale of these insured 1999C CIBs were used to finance a portion of the cost of the design and construction of the Project.

Interest on the 1999C CIBs is payable semiannually on April 1 and October 1 of each year commencing April 1, 1999, with principal payments commencing October 1, 2014. The 1999C CIBs Series, which mature annually each October 1 from 2015 through 2029, bear interest at rates ranging from 6.50% to 6.60%. The principal balance outstanding on the 1999C CIBs is $300,480,000 and $300,480,000 at June 30, 2022 and 2021, respectively. The 1999C CIBs are not subject to optional redemption. The remaining debt service of the Authority's 1999C CIBs is as follows:

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal year(s) ending June 30,			
2023	$ -	$ 19,831,680	$ 19,831,680
2024	33,655,000	18,721,065	52,376,065
2025	36,410,000	16,408,920	52,818,920
2026	39,355,000	13,908,675	53,263,675
2027	42,500,000	11,207,460	53,707,460
2028–2032	148,560,000	15,196,500	163,756,500
Total	$ 300,480,000	$ 95,274,300	$ 395,754,300

1999C CABs – The 1999C CABs were issued by the Authority in the aggregate amount of $67,298,396 on February 9, 1999. Proceeds from the sale of these insured 1999C CABs were used to finance a portion of the cost of the design and construction of the Project.

Note 6 – Bonds Payable (continued)

The first maturity of the bonds will commence on October 1, 2020. The 1999C CABs, which mature between October 1, 2020 and October 1, 2037, have an accretion yield to maturity at rates ranging from 6.69% to 6.83%. The principal balance and accrued interest outstanding on the 1999C CABs at June 30, 2022 and 2021, are $52,238,669 and $199,886,631, and $59,589,260 and $208,739,076, respectively. The 1999C CABs are not subject to optional redemption. The Authority's remaining debt service on the 1999C CABs is as follows:

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal year(s) ending June 30,			
2023	$ 6,993,264	$ 26,151,736	$ 33,145,000
2028–2032	13,320,113	102,004,887	115,325,000
2033–2037	27,335,658	271,219,342	298,555,000
2038–2038	4,589,634	56,925,366	61,515,000
Total	$ 52,238,669	$ 456,301,331	$ 508,540,000

2004A Bonds – The 2004A Bonds include both Capital Appreciation Bond – Non Convertible (CABs) and Capital Appreciation Bonds – Convertible ("CCIBs").

2004 Series A Capital Appreciation Bonds – Non Convertible – The 2004A Bonds were initially all CABs. Of the total, $475,292,386 and $274,992,286 were convertible and converted to current interest bonds on October 1, 2012, and were callable on October 1, 2017 (CCIBs). $200,300,100 are not convertible or callable (CABs). The 2004 Bonds were issued by the Authority in the aggregate amount of $475,292,386 on April 22, 2004. Proceeds from the sale of these insured 2004A Bonds were used to refund a portion of the U.S. Department of Transportation Loan. The 2004A CABs mature between fiscal years 2012 and 2031 and have an accretion yield to maturity at rates ranging from 4.30% to 5.72%.

On May 24, 2016, all of the 2004A CABs maturing during fiscal year 2017 and a portion of the 2004A CABs maturing during fiscal years 2018 through 2021 were advance refunded, defeased, and escrowed to maturity. As a result, the Authority's remaining debt service on the 2004A CABs is as follows:

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal years ending June 30,			
2028–2032	$ 36,349,420	$ 121,330,580	$ 157,680,000
Total	$ 36,349,420	$ 121,330,580	$ 157,680,000

Note 6 – Bonds Payable (continued)

The principal and accrued interest balance outstanding on the 2004A CABs at June 30, 2022 and 2021, are $36,349,420 and $65,289,213, and $36,349,420 and $59,699,189, respectively.

2004B Bonds – The 2004B Bonds are capital appreciation bonds that were issued by the Authority in the aggregate amount of $210,731,703 on April 22, 2004. Proceeds from the sale of these insured 2004B Bonds were used to repay a portion of the U.S. Department of Transportation Loan.

The first maturity of the 2004B Bonds commenced October 1, 2006. The 2004B Bonds mature between October 1, 2006 and October 1, 2033, and have an accretion yield to maturity at rates ranging from 3.05% to 6.33%. The 2004B Bonds are not subject to optional redemption. The principal balance and accrued interest outstanding on the 2004B Bonds are $131,132,410 and $277,015,141, and $131,132,410 and $252,302,568, at June 30, 2022 and 2021, respectively.

The Authority's remaining debt service on the 2004B Bonds is as follows:

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal years ending June 30,			
2028–2032	$ 97,875,276	$ 348,474,724	$ 446,350,000
2033–2037	33,257,134	168,087,866	201,345,000
Total	$ 131,132,410	$ 516,562,590	$ 647,695,000

2012 Bonds – In June 2012, the Authority issued $83,710,000 in senior lien bonds through a Railroad Rehabilitation & Improvement Financing ("RRIF"). The 2012 Bonds are current interest bonds. Interest is payable semiannually on April 1 and October 1 of each year commencing October 1, 2012, with principal payments commencing October 1, 2023 through 2035, all at an interest rate of 2.46%. The principal balance on the 2012 Bonds is $83,710,000 on June 30, 2022 and June 30, 2021. The 2012 Bonds are redeemable at par at the option of the Authority at any time, in whole or in part, from any available moneys that may be provided for such purpose.

Note 6 – Bonds Payable (continued)

The terms of the 2012 Bond transaction required the Authority to establish a dedicated debt service reserve fund ("DSRF") in the amount of $7,200,000. The Authority entered into a surety agreement with the Ports to provide a surety for the DSRF until such time as the Authority was able, through scheduled periodic deposits of cash, to fund the DSRF. The Authority made the final cash deposit into the DSRF on October 1, 2019, and the Ports have been released by the trustee from the surety obligation. The Authority's remaining debt service on the 2012 Bonds is as follows:

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal year(s) ending June 30,			
2023	$ -	$ 2,059,266	$ 2,059,266
2024	10,550,000	1,932,322	12,482,322
2025	9,995,000	1,674,669	11,669,669
2026	9,410,000	1,438,433	10,848,433
2027	8,805,000	1,214,368	10,019,368
2028–2032	33,835,000	3,272,761	37,107,761
2033–2037	11,115,000	374,474	11,489,474
Total	$ 83,710,000	$ 11,966,293	$ 95,676,293

2013A Series Bonds – The 2013A Bonds were issued by the Authority in the aggregate amount of $248,325,000 on February 12, 2013. Proceeds from the sale of these 2013A Bonds were used on February 14, 2013, to call and refund all remaining 1999A CIBs.

The 2013A Bonds are current interest bonds. Interest is payable semiannually on April 1 and October 1 of each year commencing April 1, 2013, with principal payments commencing October 1, 2019 through 2029, at interest rates ranging from 3.00% to 5.00%. The principal balance on the 2013A Bonds is $201,005,000 and $219,715,000 on June 30, 2022 and June 30, 2021, respectively. The 2013A Bonds are redeemable at par at the option of the Authority at any time, in whole or in part, from any available moneys that may be provided for such purpose. The Authority's remaining debt service on the 2013A Bonds is as follows:

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal year(s) ending June 30,			
2023	$ 19,990,000	$ 8,921,200	$ 28,911,200
2024	21,335,000	7,888,075	29,223,075
2025	22,750,000	6,785,950	29,535,950
2026	24,245,000	5,611,075	29,856,075
2027	25,815,000	4,417,725	30,232,725
2028–2032	86,870,000	5,856,031	92,726,031
Total	$ 201,005,000	$ 39,480,056	$ 240,485,056

2016A and B Bonds – The 2016A and B Tax-Exempt CIBs were issued on May 24, 2016.

Note 6 – Bonds Payable (continued)

2016A Bonds – The 2016A Bonds were issued by the Authority in the aggregate amount of $34,280,000 on May 24, 2016. Proceeds from the sale of these first subordinate lien 2016A Bonds were used on May 24, 2016, to advance refund, defease, and escrow to maturity certain 2004A CABs.

The 2016A Bonds are CIBs. Interest is payable semiannually on April 1 and October 1 of each year commencing on October 1, 2016, with principal payments commencing October 1, 2021 through 2025, at interest rates ranging from 4.00% to 5.00%. The principal balances on the 2016A Bonds are $28,595,000 and $34,280,000 on June 30, 2022 and June 30, 2021, respectively. The 2016A Bonds are not subject to optional redemption prior to stated maturity dates. The Authority's remaining debt service on the 2016A Bonds is as follows:

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal year(s) ending June 30,			
2023	$ 10,830,000	$ 1,109,550	$ 11,939,550
2024	4,945,000	739,900	5,684,900
2025	6,260,000	484,500	6,744,500
2026	6,560,000	164,000	6,724,000
Total	$ 28,595,000	$ 2,497,950	$ 31,092,950

2016B Bonds – The 2016B Bonds were issued by the Authority in the aggregate amount of $556,860,000 on May 24, 2016. Proceeds from the sale of these second subordinate lien 2016B Bonds were used on May 24, 2016, to advance refund, defease, and escrow to October 1, 2017, all 2004A CCIBs. The difference between the reacquisition price (the amount paid on extinguishment including call premiums and miscellaneous costs of reacquisition) and the net carrying value (amount due at maturity, adjusted for unamortized premiums and/or discounts) resulted in deferred charges on these refundings in the amount of $21,466,292. These deferred outflows are being amortized over the remaining life of the old debt, as a component of interest expense. Amortization of these charges amounted to $1,494,411 and $1,494,411 for the years ended June 30, 2022 and 2021, respectively. The remaining portion is included in deferred outflows of resources on the accompanying statements of net position, in the amount of $12,344,244 and $13,838,654 at June 30, 2022 and 2021, respectively.

Note 6 – Bonds Payable (continued)

The 2016B Bonds are CIBs. Interest is payable semiannually on April 1 and October 1 of each year commencing on October 1, 2016, with principal payments commencing on October 1, 2034 through 2037, at interest rates ranging from 3.125% to 5.00%. The principal balance on the 2016B Bonds is $556,860,000 and $556,860,000 on June 30, 2022 and 2021, respectively. The 2016B Bonds are redeemable at the option of the Authority on or after October 1, 2026, in whole or in part at any time, from any moneys that may be provided for such purpose and at a redemption price equal to 100% of the principal amount of the 2016B Bonds to be redeemed plus interest accrued to the date fixed for redemption. The Authority's remaining debt service on the 2016B Bonds is as follows:

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal year(s) ending June 30,			
2023	$ -	$ 26,174,250	$ 26,174,250
2024	-	26,174,250	26,174,250
2025	-	26,174,250	26,174,250
2026	-	26,174,250	26,174,250
2027	-	26,174,250	26,174,250
2028–2032	-	130,871,250	130,871,250
2033–2037	407,920,000	103,008,125	510,928,125
2038–2038	148,940,000	3,548,500	152,488,500
Total	$ 556,860,000	$ 368,299,125	$ 925,159,125

Note 6 – Bonds Payable (continued)

Accrued interest payable – The Authority's accrued interest payable is as follows:

	June 30, 2022		
	CIB	Long-Term CABs	Total
1999A Bonds	$ -	$ 120,512,441	$ 120,512,441
1999C Bonds	30,827,998	174,016,553	204,844,551
2004A Bonds	-	65,289,213	65,289,213
2004B Bonds	-	277,015,141	277,015,141
2012 Bonds	516,227	-	516,227
2013A Bonds	2,355,238	-	2,355,238
2016A Bonds	345,075	-	345,075
2016B Bonds	6,543,563	-	6,543,563
Total	$ 40,588,101	$ 636,833,348	$ 677,421,449

	June 30, 2021		
	CIB	Long-Term CABs	Total
1999A Bonds	$ -	$ 111,833,486	$ 111,833,486
1999C Bonds	29,943,163	183,753,834	213,696,997
2004A Bonds	-	59,699,189	59,699,189
2004B Bonds	-	252,302,568	252,302,568
2012 Bonds	516,227	-	516,227
2013A Bonds	2,589,113	-	2,589,113
2016A Bonds	401,925	-	401,925
2016B Bonds	6,543,562	-	6,543,562
Total	$ 39,993,990	$ 607,589,077	$ 647,583,067

Combined outstanding bonds debt service – The Authority's debt service of the 1999A, 1999C, 2004A, 2004B, 2012, 2013A, 2016A, and 2016B Bonds in aggregate is as follows:

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal year(s) ending June 30,			
2023	$ 37,813,264	$ 84,247,682	$ 122,060,946
2024	70,485,000	55,455,612	125,940,612
2025	75,415,000	51,528,289	126,943,289
2026	79,570,000	47,296,433	126,866,433
2027	77,120,000	43,013,803	120,133,803
2028–2032	431,108,283	657,462,009	1,088,570,292
2033–2037	510,378,989	707,723,610	1,218,102,599
2038–2039	158,933,580	95,409,920	254,343,500
Total	$ 1,440,824,116	$ 1,742,137,358	$ 3,182,961,474

Note 7 – Pollution Remediation Obligations

On December 21, 2010, a crude oil release from a then-unknown origin was discovered in the Dominguez Channel and nearby storm water drainage system adjacent to the Alameda Corridor. On January 7, 2011, the Environmental Protection Agency (EPA) issued an order to the Port of Los Angeles, the Port of Long Beach, and the Authority to assume responsibility for these activities effective January 14, 2011. The Authority and the Ports completed the work required by the EPA. After identifying an oil pipeline owned and operated by Crimson Pipeline Management Company ("Crimson") as the source of the release, the EPA issued an order. The Authority was notified that Crimson had responsibility for the oil release containment facilities effective June 15, 2011, and had assumed financial and operational responsibilities from that date. Crimson filed a lawsuit against the Authority, the City of Los Angeles, the City of Long Beach, and Herzog Contracting Corporation on April 27, 2012. In September 2015, settlement agreements were executed by all parties resolving the matter. No liability was recorded for the years ended June 30, 2022 and 2021.

Note 8 – Pension Plan

Plan description – All qualified employees are eligible to participate in the Authority's Miscellaneous Employee Pension Plan, a Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the "Plan" or "PERF C") that is administered by CalPERS. The Plan consists of a miscellaneous risk pool and a safety risk pool, which are comprised of individual employer miscellaneous and safety rate plans, respectively. Individual employers may sponsor more than one miscellaneous and safety rate plan. Each individual employer rate plan generally has less than 100 active members.

The Plan was established to provide retirement, death, and disability benefits to public agency rate plans with generally less than 100 active members. The benefit provisions for PERF C employees are established by statute. A full description regarding the number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information for the respective rate plan is listed in the respective rate plan's June 30, 2019 Annual Valuation Report (funding valuation). Details of the benefits provided can be obtained in Appendix B of the funding valuation report. This report and CalPERS' audited financial statements are publicly available reports that can be found on CalPERS' website at https://www.calpers.ca.gov/page/forms-publications.

Benefits provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 (age 52 for members hired after 2012) with statutorily reduced benefits. All members are eligible for non-duty disability retirement benefits after five years of service. The death benefit is one of the following: the Post Retirement Basic Lump-Sum Death Benefit or the Pre-Retirement Optional Settlement 2W Death Benefit and, if applicable, the 1959 Survivor Benefit Level 3. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

Note 8 – Pension Plan (continued)

	Miscellaneous	
Hire date	Prior to January 1, 2013 (Classic Employees)	On or after January 1, 2013 (PEPRA Employees)
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 63+	52 - 67+
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7%	6.750%
Required employer contribution rates	10.880%	7.590%
Employer annual lump sum prepayment	$ 152,256	$ -
Additional discretionary payment	$ 200,000	$ -

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Authority is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The Authority reported net pension liability for its proportionate shares of the net pension liability of each Plan as follows:

	June 30,	
	2022	2021
Net pension liability as reported by CalPERS	$ 809,128	$ 2,202,035

Note 8 – Pension Plan (continued)

The Authority's net pension liability is measured as the proportionate share of the Plan's net pension liability. The net pension liability of the Plan is measured as of June 30, 2021, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021, using standard update procedures. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Authority's proportionate share of the net pension liability for each Plan as of June 30, 2022 and 2021, was as follows:

			Increase		
	Plan Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Plan Net Pension Liability/(Asset) (c) = (a) - (b)	Adjustment Report to Value	Adjusted Value
Balance at June 30, 2021	$ 10,550,036	$ 8,348,001	$ 2,202,035	$ -	$ 2,202,035
Balance at June 30, 2022	10,824,803	10,015,675	809,128	-	809,128
Net changes during 2021–22	$ 274,767	$ 1,667,674	$ (1,392,907)	$ -	$ (1,392,907)

For the years ended June 30, 2022 and 2021, the Agency recognized pension expense of $(166,819) and $478,662, respectively. At June 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 90,735	$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on Plan investments	-	(706,326)
Change in employer's proportion	-	(60,132)
Differences between the employer's contributions and the employer's proportionate share of contributions	75,923	(12,773)
Pension contributions subsequent to measurement date	465,099	-
Total	$ 631,757	$ (779,231)

Note 8 – Pension Plan (continued)

The $465,099 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

	Amount
Fiscal Years Ending June 30,	
2023	$ (135,162)
2024	(130,479)
2025	(151,739)
2026	(195,193)

Actuarial assumptions – Total pension liability for the June 30, 2021 measurement period was determined by an actuarial valuation as of June 30, 2020, with update procedures used to roll forward the total pension liability to June 30, 2021. The collective total pension liability was based on the following assumptions:

	Miscellaneous
Actuarial cost method	Entry Age Normal in accordance with the requirements of GASB 68
Actuarial assumptions	
Discount rate	7.15%
Inflation	2.50%
Projected salary increase	Varies by Entry Age and Service
Mortality	Derived using CalPERS' Membership Data for all Funds. The mortality rates include 15 years of projected ongoing mortality improvement using 90% of Scale MP 2016 published by the Society of Actuaries.
Post retirement benefit increase	Contract COLA up to 2.5% until Purchasing Power Protection Allowance Floor on Purchasing Power applies.
Investment rate of return	7.15%

Discount rate – The discount rate CalPERS used to measure the total pension liability for PERF C was 7.15%. The projection of cash flows CalPERS used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefits payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected return, net of pension plan investment expense, and inflation) are developed for each major asset class.

Note 8 – Pension Plan (continued)

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short term (first 10 years) and the long term (11+ years) using a building block approach. Using the expected nominal returns for both short term and long term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as follows:

Asset Class	Assumed Asset Allocation	Real Return Years 1 – 10(a)	Real Return Years 11+(b)
Global equity	50.00%	4.80%	5.98%
Fixed income	28.00%	1.00%	2.62%
Inflation assets	0.00%	0.77%	1.81%
Private equity	8.00%	6.30%	7.23%
Real assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	(0.92)%
Total	100.00%		

(a) An expected inflation of 2.0% used for this period.
(b) An expected inflation of 2.92% used for this period.

Sensitivity of the proportionate share of the net pension liability to changes in the discount rate – The following presents the Authority's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	Miscellaneous
1% decrease	6.15%
Net pension liability	$ 2,238,336
Current discount rate	7.15%
Net pension liability, as adjusted	$ 809,128
1% increase	8.15%
Net pension liability	$ (372,378)

Note 8 – Pension Plan (continued)

Pension plan fiduciary net position – Detailed information about the Plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Note 9 – Other Post-Employment Benefits

Plan description (OPEB) – The Authority has established a Retiree Healthcare Plan ("HC Plan") and participates in an agent multiple-employer defined-benefit healthcare plan. The plan provides healthcare benefits to eligible retirees and their dependents. Employees must retire directly from the Authority under a CalPERS disability retirement or service retirement (age 50 and five years of service for Classic employees, but age increases to 52 for Public Employees' Pension Reform Act (PEPRA) employees hired after January 1, 2013). Benefit provisions are established and may be amended through agreements and memorandums of understanding between the Authority, its management employees, and unions representing Authority employees.

The Authority provides retiree medical benefits through the California Public Employees' Retirement System Healthcare Program ("PEMHCA"). The Authority contributes, for eligible retirees and their dependents, using the Region 3 Kaiser rate structure at 5% of the active member contribution amount multiplied by years in PEMHCA (increase each year not greater than $100 per month, total amount not to exceed the active amount). The Authority joined PEMHCA in 2000 for all bargaining units and contributes up to the Kaiser premium based on coverage level for active employees.

The Authority participates in the California Employers' Retiree Benefit Trust (CERBT) Fund, which is administered by CalPERS. CERBT is a tax-qualified irrevocable trust organized under Internal Revenue Code Section 115 and established to prefund retiree healthcare benefits. CERBT, an agent multiple-employer trust, issues a publicly available financial report including GASB Statement No. 74, *Financial Reporting for Post-Employment Benefit Plans Other Than Pension Plans*; disclosure information in aggregate with the other CERBT participating employers. That report can be obtained from the CalPERS website at www.calpers.ca.gov.

U.S. GAAP requires that the reported results must pertain to liability and asset information within certain defined timeframes. For the information contained in this Note, the following timeframes were utilized:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

Note 9 – Other Post-Employment Benefits (continued)

Covered participants (OPEB) – As of the June 30, 2021 measurement date, the following current and former employees were covered by the benefit terms under the HC Plan:

	Number of Covered Participants
Inactives currently receiving benefits	7
Inactives entitled to but not yet receiving benefits	5
Active employees	9
Total	21

Contributions (OPEB) – The HC Plan and its contribution requirements are established by the Authority and may be amended at any time. The annual contribution is based on the actuarially determined contribution (ADC). The ADC is an amount actuarially determined in accordance with the parameters of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Post-Employment Benefit Other Than Pensions.* The ADC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (of funding excess) over a period not to exceed 30 years. The Authority contracts with CalPERS CERBT for purposes of prefunding its OPEB obligations in a trust.

For the year ended June 30, 2022, the Authority made no contributions to the trust and the trust reimbursed all benefit payments that the Authority made.

For the year ended June 30, 2021, the Authority made no contributions to the trust and the trust reimbursed all benefit payments that the Authority made.

Note 9 – Other Post-Employment Benefits (continued)

OPEB Liability/(Asset) – The Authority's total OPEB Liability/(Asset) was measured as of June 30, 2021. The total OPEB Liability used to calculate the total OPEB Liability/(Asset) is calculated in the June 30, 2021 actuarial valuation which utilized the following actuarial methods and assumptions:

Actuarial Valuation Date	June 30, 2021
Contribution Policy	Authority contributes full ADC
Discount Rate	4.75% at June 30, 2021 5.50% at June 30, 2020 Expected Authority contributions projected to keep sufficient plan assets to pay all benefits from trust.
General Inflation	2.50%
Mortality, Retirement, Disability, Termination Rates	CalPERS' 1997-2015 Experience Study
Mortality Improvement	Mortality projected fully generational with Society of Actuaries Scale MP-2021
Salary Increases	2.75%, in aggregate; CalPERS 1997-2015 Experience Study for merit increases
Medical Trend Rate	Non-Medicare – 6.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076 and later years Medicare (Non-Kaiser) – 5.85% for 2022, decreasing to an ultimate rate of 3.75% in 2076 Medicare (Kaiser) – 4.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076
Healthcare Participation	100%
Medical Plan at Retirement	Currently covered: same as current election Currently waived: weighted-average of retiree premiums
Healthcare Participation for Future Retirees	100%

The only assumption changed since the prior measurement date is the removal of the Patient Protection and Affordable Care Act (PPACA) excise tax.

Note 9 – Other Post-Employment Benefits (continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation CERBT – Strategy 3	Expected Real Rate of Return (Geometric Means)
Global equity	22.00%	4.56%
Fixed income	49.00%	0.78%
Treasury inflation-protected securities (TIPS)	16.00%	-0.08%
Commodities	5.00%	1.22%
Real estate investment trust (REITs)	8.00%	4.06%
Total	100%	

(a) An expected long-term rate of inflation of 2.50% used for this period.
(b) An expected long-term net rate of return of 4.75% used for this period.

Discount rate – The discount rate used to measure the total OPEB asset was 4.75%. The projection of cash flows used to determine the discount rate assumed that Authority contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB asset.

Note 9 – Other Post-Employment Benefits (continued)

Changes in the total OPEB Liability/(Asset) – The changes in the total OPEB Liability/(Asset) for the HC Plan are as follows:

	Total OPEB Liability (a)	Fiduciary Net Position (b)	Total OPEB Liability/(Asset) (a) – (b)
Balances reported at June 30, 2021 (June 30, 2020 measurement date)	$ 1,671,067	$ 2,184,500	$ (513,433)
Changes for the year			
Service cost	90,561	-	90,561
Interest	95,871	-	95,871
Changes of benefit terms	-	-	-
Actual vs. expected experience	225,124	-	225,124
Assumptions changes	(159,592)	-	(159,592)
Contributions – employer *	-	-	-
Contributions – member	-	-	-
Net investment income (loss)	-	296,057	(296,057)
Benefit payments – cash	(37,037)	(37,037)	-
Benefit payments – implied subsidy	-	-	-
Administrative expense	-	(860)	860
Net changes	214,927	258,160	(43,233)
Balances reported at June 30, 2022 (June 30, 2021 measurement date)	$ 1,885,994	$ 2,442,660	$ (556,666)

* Includes disbursements to trust of $37,127,
and $4,000 implied subsidy benefit payments $90 admin expenses paid by the Authority.

Note 9 – Other Post-Employment Benefits (continued)

	Total OPEB Liability (a)	Fiduciary Net Position (b)	Total OPEB Liability/(Asset) (a) – (b)
Balances reported at June 30, 2020 (June 30, 2019 measurement date)	$ 1,542,005	$ 2,032,348	$ (490,343)
Changes for the year			
Service cost	89,465	-	89,465
Interest	89,187	-	89,187
Changes of benefit terms	-	-	-
Actual vs. expected experience	-	-	-
Assumptions changes	(29,792)	-	(29,792)
Contributions – employer *	-	44,000	(44,000)
Contributions – member	-	-	-
Net investment income (loss)	-	129,017	(129,017)
Benefit payments – cash	(18,798)	-	(18,798)
Benefit payments – implied subsidy	(1,000)	(19,798)	18,798
Administrative expense	-	(1,067)	1,067
Other changes	-	-	-
Net changes	129,062	152,152	(23,090)
Balances reported at June 30, 2021 (June 30, 2020 measurement date)	$ 1,671,067	$ 2,184,500	$ (513,433)

* Includes contributions to trust of $24,148 plus $18,798 cash benefit payments, and $1,000 implied subsidy benefit payments and $54 admin expenses paid by the Authority.

Sensitivity of the total OPEB Liability/(Asset) to changes in the discount rate – The following presents the total OPEB Liability/(Asset) of the Authority if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for the measurement period ended June 30, 2021:

1% decrease	3.75%
Net OPEB Liability/(Asset)	$ (303,968)
Current discount rate	4.75%
Net OPEB Liability/(Asset)	$ (556,666)
1% increase	5.75%
Net OPEB Liability/(Asset)	$ (765,518)

Note 9 – Other Post-Employment Benefits (continued)

Sensitivity of the total OPEB Liability/(Asset) to changes in the healthcare cost trend rates – The following presents the total OPEB Liability/(Asset) of the Authority if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

1% decrease in healthcare trend		
Net OPEB Liability/(Asset)	$	(788,142)
Current healthcare trend		
Net OPEB Liability/(Asset)	$	(556,666)
1% increase in healthcare trend		
Net OPEB Liability/(Asset)	$	(274,102)

OPEB plan fiduciary net position – CalPERS issues a publicly available financial report that may be obtained from the CalPERS website at www.calpers.ca.gov.

Recognition of deferred outflows and deferred inflows of resources – Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss. The net difference between projected and actual earnings on OPEB plan investments is recognized over 5 years; all other amounts are recognized over the expected average remaining service lifetime.

For the fiscal year ended June 30, 2022, the Authority recognized OPEB expense of $7,205. As of the fiscal year ended June 30, 2022, the Authority reported deferred outflows of resources related to OPEB from the following sources:

	June 30, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 179,180	$ 87,415
Changes in assumptions	-	165,417
Net difference between projected and actual earnings on plan investments	-	161,338
Employer contributions made subsequent to the measurement date	26,172	-
Total	$ 205,352	$ 414,170

Note 9 – Other Post-Employment Benefits (continued)

The Authority made $26,172 in contributions subsequent to the June 30, 2021 measurement date; therefore, a reduction of the total OPEB Liability/(Asset) was recognized during the fiscal year ended June 30, 2022. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

	Deferred Outflows/ (Inflows) of Resources
Years Ending June 30,	
2023	$ (79,054)
2024	(82,070)
2025	(48,509)
2026	(25,357)

Note 10 – Commitments and Contingencies

The Authority is subject to claims and lawsuits arising in the normal course of business. Such claims are routinely evaluated by the Authority's legal counsel. Management may make provisions for probable losses if deemed appropriate on advice of legal counsel. To the extent that provisions for damages are considered necessary, appropriate amounts are reflected in the accompanying basic financial statements.

The Authority is also exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets, errors, and omissions, and natural disasters for which the Authority carries commercial insurance. In each of the past three fiscal years, the Authority has experienced no losses that have not been covered by existing insurance policy limits, beyond applicable deductible amounts.

As a recipient of federal and state grant funds, the Authority is subject to periodic audits and compliance reviews by, or on behalf of, the granting agencies to determine whether the expenditure of granted funds has been made in accordance with grant provisions. Such audits and compliance reviews could result in the potential disallowance of expenditures claimed by the Authority. The Authority's management believes that the Authority has complied with the terms of its grant agreements and that the possible adverse effects, if any, of disallowed grant expenditures that may be determined by the granting agencies upon the Authority would not be material to the Authority.

Note 10 – Commitments and Contingencies (continued)

The novel coronavirus (COVID-19) pandemic, subsequent e-commerce cargo surge, and resulting supply chain congestion have all affected Authority use fees and container charges. In fiscal year 2020, there was almost 20% higher than the previous year due to cargo surge, while in fiscal year 2021 it is down from that high by almost 20% due to supply chain congestion. As of the date of these financial statements, the Authority monthly use fees and container charges have rebounded to pre-pandemic levels. However, the duration of the cargo surge and supply chain congestion could impact the volume of containers received which could impact Authority use fees and container charges, collections of receivables, or investment performance which could affect operations, financial position, and cash flows of the Authority. The Authority will continue to monitor these events closely but given the uncertainty, cannot estimate the potential impact to the financial statements.

Note 11 – Subsequent Events

Pursuant to Section 7.3(h)(ii) of the Use and Operating Agreement, the Authority delivered a Notice of Estimated Shortfall Advances dated March 15, 2022 (the "March 2022 Notice"). In the March 2022 Notice, the Authority indicated that a Shortfall Advance in the amount of $5,000,000 would be required from the Ports for the fiscal year ending in 2023 and a voluntary Port Advance in the amount of $13,000,000 would also be requested from the Ports for the fiscal year ending in 2023. The March 2022 Notice stated that the Authority was evaluating options to restructure its debt, including through the issuance of new bonds, which may reduce or eliminate the need for any Port Advance.

On July 14, 2022, the Authority issued $169,046,509 aggregate principal amount of its Tax-Exempt Senior Lien Revenue Refunding Bonds, Series 2022A, $349,694,763 aggregate principal amount of Taxable Senior Lien Revenue Refunding Bonds, Series 2022B and $212,196,986 aggregate principal amount of Tax-Exempt Second Subordinate Lien Revenue Refunding Bonds, Series 2022C (collectively, the "Series 2022 Bonds"). The Series 2022 Bonds were issued to, among other things, defease certain outstanding bonds through a tender and refunding of those bonds. The restructuring of the Authority's debt through the issuance of the Series 2022 Bonds has removed the projected need for any Shortfall Advance or voluntary Port Advance in the fiscal year ending in 2023.

Required Supplementary Information

Year ended June 30,	2022	2021	2020	2019	2018	2017	2016	2015
Authority's proportion of the net pension liability/(asset)	0.01496%	0.02024%	0.02065%	0.02078%	0.02123%	0.02129%	0.02106%	0.23270%
Authority's proportionate share of the net pension liability/(asset)	$ 809,128	$ 2,202,035	$ 2,116,034	$ 2,001,963	$ 2,105,587	$ 1,842,521	$ 1,445,588	$ 1,438,008
Authority's covered-employee payroll	$ 1,493,023	$ 1,458,129	$ 1,491,363	$ 1,437,994	$ 1,337,670	$ 1,318,017	$ 1,259,844	$ 1,207,037
Authority's proportionate share of the net pension liability/(asset) as a percentage of its covered-employee payroll	54.19%	151.02%	141.89%	139.22%	157.41%	139.79%	114.74%	119.14%
Authority's proportionate share of the fiduciary net position as a percentage of the Plan's total pension liability	88.29%	75.10%	75.26%	75.26%	73.31%	74.06%	78.40%	79.44%
Authority's proportionate share of aggregate employer contributions	$ 393,932	$ 372,986	$ 324,561	$ 272,467	$ 251,819	$ 222,835	$ 202,570	$ 151,265

Note: GASB 68 requires ten years of historical information. Fiscal year 2015 was the first year of implementation; therefore, only information for the year ended June 30, 2015, and later has been presented.

Alameda Corridor Transportation Authority
Schedule of Contributions – Pension
June 30, 2022

Year ended June 30,	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 265,099	$ 280,569	$ 263,799	$ 235,396	$ 270,374	$ 243,216	$ 222,836	$ 196,611
Contributions in relation to the actuarially determined contribution	(465,099)	(480,569)	(399,799)	(263,896)	(270,374)	(243,216)	(222,836)	(196,611)
Contribution deficiency/(excess)	$ (200,000)	$ (200,000)	$ 136,000	$ 28,500	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 1,529,435	$ 1,493,023	$ 1,458,129	$ 1,491,363	$ 1,437,994	$ 1,337,670	$ 1,318,017	$ 1,259,844
Contributions as a percentage of covered-employee payroll	30.41%	32.19%	27.42%	17.69%	18.80%	18.18%	16.91%	15.61%

Note: GASB 68 requires ten years of historical information. Fiscal year 2015 was the first year of implementation; therefore, only information for the year ended June 30, 2015, and later has been presented.

Alameda Corridor Transportation Authority
Schedule of Changes in the Net Other Post-Employment Benefits Asset and Related Ratios
June 30, 2022

Measurement Period Ended June 30,	2021	2020	2019	2018	2017
Changes in total OPEB Liability					
Service cost	$ 90,561	$ 89,465	$ 90,173	$ 89,088	$ 86,494
Interest on the total OPEB Liability	95,871	89,187	93,375	84,593	76,285
Actual vs. expected experience difference	225,124	-	(196,681)	-	-
Changes in assumptions	(159,592)	(29,792)	(44,186)	-	-
Changes in benefit terms	-	-	-	-	-
Other changes	-	-	-	-	-
Benefit payments	(37,037)	(19,798)	(16,457)	(13,722)	(14,915)
Net change in total OPEB Liability	214,927	129,062	(73,776)	159,959	147,864
Total OPEB liability – beginning	1,671,067	1,542,005	1,615,781	1,455,822	1,307,958
Total OPEB liability – ending (a)	$ 1,885,994	$ 1,671,067	$ 1,542,005	$ 1,615,781	$ 1,455,822
Changes in Plan Fiduciary Net Position					
Contribution – employer	$ -	$ 44,000	$ 67,990	$ 93,762	$ 94,915
Net investment income	296,057	129,017	136,637	80,572	65,171
Benefit payments	(37,037)	(19,798)	(16,457)	(13,722)	(14,915)
Administrative expense	(860)	(1,067)	(435)	(3,174)	(835)
Other changes	-	-	-	-	-
Net change in plan fiduciary net position	258,160	152,152	187,735	157,438	144,336
Plan fiduciary net position – beginning	2,184,500	2,032,348	1,844,613	1,687,175	1,542,839
Plan fiduciary net position – ending (b)	2,442,660	2,184,500	2,032,348	1,844,613	1,687,175
Total OPEB Liability/(Asset) – ending (a) – (b)	$ (556,666)	$ (513,433)	$ (490,343)	$ (228,832)	$ (231,353)
Plan fiduciary net position as a percentage of the total OPEB liability	129.5%	130.7%	131.8%	114.2%	115.9%
Covered-employee payroll (measurement period)	$ 1,773,193	$ 1,571,539	$ 1,494,061	$ 1,443,796	$ 1,348,523
Total OPEB Liability/(Asset) as a percentage of covered-employee payroll	-31.4%	-32.7%	-32.8%	-15.8%	-17.2%

Alameda Corridor Transportation Authority
Schedule of Contributions – Other Post-Employment Benefits
June 30, 2022

Fiscal Year Ended June 30,	2022	2021	2020	2019	2018
Actuarially Determined Contribution (ADC)	$ 26,000	$ 46,000	$ 44,000	$ 68,000	$ 66,000
Contributions in relation to the ADC	26,172	-	44,000	67,990	93,762
Contribution deficiency (excess)	$ (172)	$ 46,000	$ -	$ 10	$ (27,762)
Covered-employee payroll (fiscal year)	$ 1,534,987	$ 1,773,193	$ 1,571,539	$ 1,494,061	$ 1,443,796
Contributions as a percentage of covered-employee payroll	1.7%	0.0%	2.8%	4.6%	6.5%

Note: GASBS 75 requires ten years of historical information. Fiscal year ended June 30, 2018 (measurement period ended June 30, 2017), was the first year of implementation; therefore, only information for 5 years has been presented.

Methods and Assumptions Used to Determine the 2021/2022 ADC:

Valuation Date:	June 30, 2021
Actuarial Cost Method:	Entry Age Normal, Level % of pay
Amortization Method/Period:	Level percent of payroll; 9.5 years average remaining fixed period
Asset Valuation Method:	Investment gains and losses spread over a 5-year rolling period
Discount Rate:	4.75%
General Inflation:	2.50%
Medical Trend Rate:	Non-Medicare – 6.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076 and later years
	Medicare (Non-Kaiser) – 5.85% for 2022, decreasing to an ultimate rate of 3.75% in 2076 and later years
	Medicare (Kaiser) – 4.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076
Mortality, Retirement, Disability, Termination Rates:	CalPERS' 1997-2015 Experience Study
Mortality Improvement:	Mortality projected fully generational with Society of Actuaries Scale MP-2021

Historical information is required only for measurement periods for which GASBS 75 is applicable.
Future years' information will be displayed up to 10 years as information becomes available.

MINUTES OF A REGULAR MEETING OF THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY GOVERNING BOARD HELD ON SEPTEMBER 15, 2022 AT 3:00 P.M. VIA TELECONFERENCE IN ACCORDANCE WITH ASSEMBLY BILL NO. 361 SIGNED BY GOVERNOR NEWSOM ON SEPTEMBER 16, 2021 AS GOVERNMENT CODE SECTION 54953(e)(1)

A. ROLL CALL

Members participating via teleconference:

Suzie Price, City of Long Beach

Michael Cano, Los Angeles County Metro

Edward Renwick, Port of Los Angeles

Alternate Members participating via teleconference:

Tony Gioiello, Port of Los Angeles

Bonnie Lowenthal, Port of Long Beach

Members absent:

Joe Buscaino, City of Los Angeles

Mario Cordero, Port of Long Beach

Also participating via teleconference:

Michael Leue, ACTA, Chief Executive Officer

Kevin Scott, ACTA, Chief Financial Officer

Heather McCloskey, Co-General Counsel

Sudhir Lay, ACTA, Co-General Counsel

Maria Melendres, ACTA, Governing Board Secretary

B. OPENING STATEMENT

VICE-CHAIR PRICE PRESIDED AS CHAIR.

The meeting was called to order at 3:08 p.m. The opening statement was read into record.

C. AGENDA ITEMS

Reports

1. JULY 2022 CORRIDOR PERFORMANCE

   Michael Leue presented the Corridor performance statistics through July 2022.

Consent Agenda

2. MINUTES - ACTA GOVERNING BOARD REGULAR MEETING OF AUGUST 18, 2022 – APPROVED.

   Minutes of the Regular Meeting of August 18, 2022, of the Governing Board of the Alameda Corridor Transportation Authority, were presented to the Governing Board.

3. RESOLUTION NO. JPA 22-16 – TELECONFERENCE MEETINGS – GOVERNING BOARD AND AUDIT COMMITTEE – APPROVED.

Communication from Michael Leue, Chief Executive Officer, dated September 15, 2022, recommending that the Board approve Resolution No. JPA 22-16 authorizing the ACTA Governing Board and its Audit Committee to continue to hold teleconference meetings due to the COVID-19 pandemic, was presented to the Governing Board.

No public comment was received on the Consent Agenda.

Acting Chair Price motioned, seconded by Board Member Renwick that Item Nos. 2 & 3 be approved as recommended. Roll call was taken and carried by the following vote:

AYES: Cano, Gioiello, Lowenthal, Price, Renwick
NOES: None
ABSENT: Buscaino, Cordero

Regular Agenda

4. ALAMEDA CORRIDOR DISPATCHING AGREEMENT – ELEVENTH AMENDMENT – APPROVED.

Communication from Michael Leue, Chief Executive Officer, dated September 15, 2022, recommending the approval of the Eleventh Amendment to the Alameda Corridor Dispatching Agreement and authorization of the Chief Executive Officer to execute the proposed amendment, extending the term of the Alameda Corridor Dispatching Agreement between ACTA, the BNSF Railway Company, and Union Pacific Railroad Company, for up to two years through October 14, 2024, was presented to the Governing Board.

No public comment was received on Item No. 4.

Acting Chair Price motioned, seconded by Board Member Lowenthal that Item No. 4 be approved as recommended. Roll call was taken and carried by the following vote:

AYES: Cano, Gioiello, Lowenthal, Price, Renwick
NOES: None
ABSENT: Buscaino, Cordero

5. POLICE AND SECURITY SERVICES AGREEMENT – TENTH AMENDMENT – APPROVED.

Communication from Michael Leue, Chief Executive Officer, dated September 15, 2022, recommending the approval of the Tenth Amendment to the Corridor Police and Security Services Agreement and authorization of the Chief Executive Officer to execute the amendment, extending the term of the Alameda Corridor Police and Security Services Agreement, between ACTA, the BNSF Railway Company, and Union Pacific Railroad Company, for up to two years through October 14, 2024, was presented to the Governing Board.

No public comment was received on Item No. 5.

Board Member Lowenthal motioned, seconded by Board Member Renwick that Item No. 5 be approved as recommended. Roll call was taken and carried by the following vote:

AYES: Cano, Gioiello, Lowenthal, Price, Renwick
NOES: None
ABSENT: Buscaino, Cordero

6. AD HOC COMMITTEE – ORGANIZATIONAL PLANNING – APPROVED.

Communication from Michael Leue, Chief Executive Officer, and Kevin Scott, Chief Financial Officer, dated September 15, 2022, recommending the creation of an Ad Hoc Committee for Organizational Planning and the nomination and approval of three Governing Board members to serve on the committee, was presented to the Governing Board.

No public comment was received on Item No. 6.

Acting Chair Price made a motion to appoint Board Members Renwick, Seroka, and Cordero or their designee to the Ad Hoc Committee. The motion was seconded by Board Member Lowenthal. Roll call was taken and carried by the following vote:

AYES: Cano, Gioiello, Lowenthal, Price, Renwick
NOES: None
ABSENT: Buscaino, Cordero

D. PUBLIC COMMENT ON NON-AGENDA ITEMS

There were no requests by the public to address the Governing Board.

E. CLOSED SESSION

None

ADJOURNMENT

At 3:38 p.m., the meeting was adjourned sine die.

MINUTES OF A SPECIAL MEETING OF THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY GOVERNING BOARD HELD ON OCTOBER 13, 2022 AT 3:00 P.M. VIA TELECONFERENCE IN ACCORDANCE WITH ASSEMBLY BILL NO. 361 SIGNED BY GOVERNOR NEWSOM ON SEPTEMBER 16, 2021 AS GOVERNMENT CODE SECTION 54953(e)(1)

A. ROLL CALL

Members participating via teleconference:

Michael Cano, Los Angeles County Metro

Frank Colonna, Port of Long Beach

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:

Joe Buscaino, City of Los Angeles

Suzie Price, City of Long Beach

Also participating via teleconference:

Michael Leue, ACTA, Chief Executive Officer

Kevin Scott, ACTA, Chief Financial Officer

Heather McCloskey, Co-General Counsel

Sudhir Lay, ACTA, Co-General Counsel

Thomas Oh, ACTA, Co-General Counsel

Maria Melendres, ACTA, Governing Board Secretary

B. OPENING STATEMENT

BOARD MEMBER RENWICK PRESIDED AS CHAIR.

The meeting was called to order at 3:00 p.m. The opening statement was read into the record.
(Board Member Cano joined the meeting at 3:03 p.m.)

C. AGENDA ITEMS

Reports

1. AUGUST 2022 CORRIDOR PERFORMANCE

Michael Leue presented the Corridor performance statistics through August 2022.

Consent Agenda

2. MINUTES - ACTA GOVERNING BOARD REGULAR MEETING OF SEPTEMBER 15, 2022 – ITEM CONTINUED.

Minutes of the Regular Meeting of September 15, 2022, of the Governing Board of the Alameda Corridor

Transportation Authority, were presented to the Governing Board.

Board Member Colonna asked that Item No. 2 be continued for approval at the next meeting because he was not in attendance at the September 15, 2022, Governing Board meeting.

3. RESOLUTION NO. JPA 22-17 – TELECONFERENCE MEETINGS – GOVERNING BOARD AND AUDIT COMMITTEE – APPROVED.

   Communication from Michael Leue, Chief Executive Officer, dated October 13, 2022, recommending that the Board approve Resolution No. JPA 22-17 authorizing the ACTA Governing Board and its Audit Committee to continue to hold teleconference meetings due to the COVID-19 pandemic, was presented to the Governing Board.

   No public comment was received on the Consent Agenda.

   Board Member Colonna motioned, seconded by Board Member Gioiello that Item No. 3 be approved as recommended. Roll call was taken and carried by the following vote:

   AYES: Cano, Colonna, Gioiello, Kenagy, Renwick
   NOES: None
   ABSENT: Buscaino, Price

Regular Agenda

4. SPARKROCK U.S., INC. – AGREEMENT NO. C0900 – ACCOUNTING SYSTEM LICENSING & SERVICES – APPROVED AS AMENDED.

   Communication from Kevin L. Scott, Chief Financial Officer, dated October 13, 2022, recommending the approval of Agreement No. C0900 with Sparkrock U.S., Inc. doing business as Sparkrock ("Sparkrock") for accounting system licensing and services in an amount not-to-exceed $169,810 effective until October 30, 2025, unless terminated earlier or renewed for an additional 5-year period; and authorize the Chief Executive Officer or his designee to execute the Agreement, was presented to the Governing Board.

   Mr. Kevin Scott stated that an email was sent to the Governing Board prior to the meeting with redline changes to Transmittal 1 due to an editing error on Section 27, page 11. (attached)

   No public comment was received on Item No. 4.

   Board Member Colonna motioned, seconded by Board Member Gioiello that Item No. 4 be approved as amended. Roll call was taken and carried by the following vote:

   AYES: Cano, Colonna, Gioiello, Kenagy, Renwick
   NOES: None
   ABSENT: Buscaino, Price

D. PUBLIC COMMENT ON NON-AGENDA ITEMS

There were no requests by the public to address the Governing Board.

E. CLOSED SESSION

None

ADJOURNMENT

At 3:20 p.m., the meeting was adjourned sine die.

ACTA
Alameda Corridor Transportation Authority

ITEM #05

M E M O

Alameda Corridor Transportation Authority

Meeting Date:	November 10, 2022
From:	Michael C. Leue, Chief Executive Officer
Subject:	APPROVE Resolution No. JPA 22-18 authorizing teleconference meetings for the ACTA Governing Board and its Audit Committee pursuant to AB 361

Recommendation:

Approve the proposed Resolution to authorize the ACTA Governing Board and its Audit Committee to continue holding teleconference meetings due to the COVID-19 pandemic.

Given the Ports' decision to return to in-person meetings, evaluate ACTA returning to in-person meetings. If the Governing Board decides to return to in-person meetings, then discuss the preferred location and time for those meetings.

Discussion:

Due to the COVID-19 pandemic, from April 2020 onward the ACTA Governing Board and its Audit Committee have conducted public meetings via telephonic conference calls, while such remote meetings were authorized through various Executive Orders issued by the Governor of California. These Executive Orders expired on September 30, 2021.

On September 16, 2021, the Governor signed into law Assembly Bill 361 (AB 361), which amended certain requirements of the Ralph M. Brown Act ("Brown Act") by allowing a continuation of similar remote meeting practices during declared states of emergency where certain requirements are met. Pursuant to the Governor's Executive Order N-15-21, AB 361 went into effect on October 1, 2021.

To utilize the Brown Act remote meeting provisions set forth in AB 361, legislative bodies must make certain findings regarding the COVID-19 state of emergency and the need for remote meetings, and so long as the need for remote meetings continues, make those findings by a majority vote every 30 days. The attached Resolution (Transmittal 1) makes the necessary findings pursuant to the Brown Act to authorize the Governing Board and its Audit Committee to follow the teleconference meeting provisions of Government Code Section 54953(e)(2).

On September 30, 2021, the City of Long Beach Health Officer recommended that physical distancing measures continue to be practiced throughout Long Beach communities and that they be continued by the City's legislative bodies to minimize the spread of COVID-19 for the protection of the community, staff, presenters, and legislative body members.

The Long Beach Board of Harbor Commission began to conduct hybrid meetings on October 24, 2022, allowing both the commissioners and the public to attend in person or remotely. The Los Angeles Board of Harbor Commission returned to in-person meetings on November 3, 2022.

Budget Impact:

There will be no budget impact from the proposed action.

Co-General Counsel Review:

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

Transmittals:

Transmittal 1 – Resolution No. JPA 22-18 to approve teleconference meetings

Resolution No. JPA 22-18

RESOLUTION TO CONTINUE TELECONFERENCE MEETINGS PURSUANT TO AB 361

WHEREAS, on March 12, 2020, the Governor of California issued Executive Order N-25-20 which temporarily suspended certain requirements of the Ralph M. Brown Act ("Brown Act") in light of the COVID-19 pandemic, an ongoing public health state of emergency; and

WHEREAS, the Governor issued additional Executive Orders in 2020 and 2021 further suspending various requirements of the Brown Act for public meetings; and

WHEREAS, following expiration of the Executive Orders, on September 16, 2021, the Governor signed into law Assembly Bill 361 ("AB 361"), allowing for teleconference meetings under the Brown Act during declared states of emergency; and

WHEREAS, there is a continuing state of emergency concerning the COVID-19 pandemic at both the State and City of Long Beach levels, and, on September 30, 2021, the City of Long Beach Health Officer issued a recommendation for the continuation of virtual public meetings; and

NOW THEREFORE BE IT RESOLVED as follows:

Section 1. The ACTA Governing Board finds that the COVID-19 pandemic state of emergency continues to directly impact the ability of legislative bodies to meet safely in person and that the City of Long Beach Health Officer's recommendation to practice physical distancing measures remains in effect.

Section 2. The ACTA Governing Board hereby authorizes the ACTA Governing Board and its Audit Committee to hold teleconference meetings in accordance with Government Code Section 54953(e)(1)-(2).

Section 3. This resolution shall take effect immediately upon its adoption by the ACTA Governing Board, and the Board Secretary shall certify the vote adopting this resolution.

AYES:

NOES:

ABSENT:

I HEREBY CERTIFY THAT the foregoing resolution was adopted by the ACTA Governing Board at its meeting held on November 10, 2022.

____
Maria M. Melendres
Board Secretary

APPROVED AS TO FORM

____________________________, 2022
MICHAEL N. FEUER, City Attorney

By __________________________
Heather M. McCloskey, Deputy City Attorney
ACTA Co-General Counsel

ACTA
Alameda Corridor Transportation Authority

ITEM #06

M E M O

Alameda Corridor Transportation Authority

Meeting Date:	November 10, 2022
From:	Michael C. Leue, Chief Executive Officer
Subject:	APPROVE FY22 Closeout Change Orders 77 and 59 to Agreement No. 27 with Alameda Corridor Engineering Team

Recommendation:

Authorize the Chief Executive Officer or Chief Financial Officer to issue Change Orders to Contract Work Orders (CWO) with the Alameda Corridor Engineering Team (ACET) for FY22 as follows:

1. Change Order No. 77 for ACTA Support Work Order (ASA) CWO in the decreased amount of <$183,408>

2. Change Order No. 59 for SR47 Project (SR47) CWO in the decreased amount of <$44,647>

Final adjustments in the aggregate decreased amount of total contract value for FY22 in the amount of <$228,055> from $2,443,773 to $2,215,718.

Discussion:

The annual ACET CWO process is comprised of three steps. First at the end of each fiscal year, the Governing Board approves CWOs for ACET for the next fiscal year beginning July 1 based on scope of work assumptions and corresponding cost estimates. The second step occurs during the fiscal year when amounts are shifted from one CWO to another as necessary to account for overruns and underruns, provided the aggregate annual Board-approved amount for both CWOs is not exceeded. If the aggregate amount will be exceeded, a separate item is brought to the Board for approval. The third and final step occurs after the end of the fiscal year when all actual costs have been compiled, including prior period audit adjustments, and the Board is asked to approve adjustment of the contract value accordingly.

The table below summarizes the proposed adjustments:

	FY22					Prior Period	Net FY22	
	FY22 Approved CWO	**Transfer CWOs**	**FY22 New Approved Total**	**Actual FY22 Total Cost**	**CWO Remaining Balance**	**Audit Adjustments**	**Net FY22 Closeout Amount**	**Net FY22**
ASA	$2,008,089	$200,000	$2,208,089	$2,045,496	$ 162,593	$20,815	<$183,408>	$2,024,681
SR47	435,684	<200,000>	235,864	190,188	45,496	<849>	<44,647>	$191,037
Total	$2,443,773	$ -0-	$2,443,773	$2,235,684	$208,089	$19,966	<$228,055>	$2,215,718

This memorandum and adjustment request involves the final step described above and is broken down as follows:

ASA (Base) CWO – Proposed Change Order No. 77 (Transmittal 1)

FY22 efforts included involvement in the transfer of Corridor property to the ports and other jurisdictions, certain project closeout activity, maintenance and operations support, and certain ACTA administrative support.

In June 2021, the Board approved a FY22 CWO amount of $2,008,089 for the ASA CWO. At that time, approval was also given to allow ACTA to move monies between CWOs as needed during the fiscal year, as long as the aggregate total amount is not exceeded. In July 2022, $200,000 was transferred from the SR47 CWO to the ASA CWO bringing the total FY22 CWO amount to $2,208,089. The ASA CWO closeout for FY22 is a net decrease of $183,408 (net includes the JV firms' overhead audit adjustments for the prior period). The final FY22 total requested to be approved is $2,024,681. Note that the amount shown in Transmittal 1 is cumulative of this and all previous adjustments.

SR47 CWO – Proposed Change Order No. 59 (Transmittal 2)

FY22 efforts included oversight of environmental mitigation measures, various right-of-way acquisition and utility relocation activities, and support of the construction efforts as required by the cooperative agreements with Caltrans.

In June 2021, the Board approved a FY22 amount of $435,684 for the SR47 CWO. In July 2022, $200,000 was transferred to the ASA CWO reducing the total FY22 SR47 CWO amount to $235,684. The SR47 CWO closeout for FY22 is a net decrease of $44,647 (net includes the JV firms' overhead audit adjustments for the prior period). The final total for FY22 requested to be approved is $191,037. Note that the amount shown in Transmittal 2 is cumulative of this and all previous adjustments.

Budget Impact:

There is a net decrease of $228,055 to the total FY22 CWO value. There is no impact to FY23 Governing Board approved Budget. The final FY22 ACET CWO amount, if approved, is $2,215,718. This final FY22 CWO amount does not include ACET work on the EPA oil release matter (Project R10).

Co-General Counsel Review:

ACTA's Co-General Counsel has reviewed and approved the proposed change orders as to form.

Transmittals:

Transmittal 1 - Proposed Change Order No. 77 to ASA CWO

Transmittal 2 - Proposed Change Order No. 59 to SR-47 CWO

Transmittal 3 - CWO FY22 ACET Cumulative Contract Values

Transmittal 4 - June 2021 ACTA Board Memo

ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

First Amended Agreement No. C0027
Program Management Services

CHANGE ORDER NO. 77

Modifies the First Amended Agreement No. C0027 (hereinafter “the Agreement”) to decrease the maximum compensation as approved by the ACTA Governing Board on November 10, 2022 for the ACTA Support Work Order (ASA CWO).

CONSULTANT: **Alameda Corridor Engineering Team (ACET)**

SUMMARY OF CHANGE

The Agreement value is decreased by <$183,408> to a total Agreement value of $219,580,292 for the ASA CWO.

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1. This is the closeout change order to reconcile final cost amounts for FY ’22 as set forth in this Change Order No. 77 and the statements set forth in ACTA Board Authorization of November 10, 2022.

   The ACET contract total value of all CWO’s is $253,896,109 *excluding compensation for the R10 Oil Release*. See attached documents titled “CWO FY23 ACET Cumulative Contract Values” and “Summary of Contract Values” as of October 25, 2022.

2. In **ARTICLE 5, COMPENSATION, Paragraph 5.1, is revised to provide “Cost-Plus-Fixed-Fee through June 30, 2023”,** is as follows:

	(No R10) ASA CWO through CO 76	**(No R10) FY ’22 CO 77**	**(No R10) Total ASA CWO (Base)**
Reimbursable Costs not-to-exceed	$200,533,361	<$183,408>	$200,349,953
Plus Fixed Fee (calculated in accordance with Paragraph 5.2.3, Fixed Fee) of	$19,230,339	$-0-	19,230,339
For a Total Estimated Cost of	$219,763,700	<$183,408>	$219,580,292

3. Except as provided herein, all terms and conditions of the Agreement remain unchanged. The terms and conditions of this ASA CWO Change Order to the Agreement constitute full accord and satisfaction for all costs and period of performance related to the Change described or referenced herein.

IN WITNESS WHEREOF, the Parties hereto have executed this Change Order No. 77 to the Agreement on the date next to their signatures.

AUTHORITY:

ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

By: ______________________________

Signature: ______________________________

Date: ______________________________

ATTEST

Signature: ______________________________

By: ______________________________

Date: ______________________________

APPROVED AS TO FORM:
Michael N. Feuer, City of Los Angeles City Attorney

By: ______________________________
Deputy City Attorney

Date: ______________________________

CONSULTANT:

ALAMEDA CORRIDOR ENGINEERING TEAM, a Joint Venture

AECOM TECHNICAL SERVICES, INC.

By: ______________________________

Signature: ______________________________

Date: ______________________________

ATTEST

Signature: ______________________________

By: ______________________________

Date: ______________________________

MOFFATT & NICHOL, INC.

By: ______________________________

Signature: ______________________________

Date: ______________________________

ATTEST

Signature: ______________________________

By: ______________________________

Date: ______________________________

Signatures of Change Order No. 77 (continued)

IN WITNESS WHEREOF, the Parties hereto have executed this Change Order No. 77 to the Agreement on the date next to their signatures.

CONSULTANT:

JENKINS/GALES & MARTINEZ, INC.

By: ______________________________

Signature: ______________________________

Date: ______________________________

ATTEST

Signature: ______________________________

By: ______________________________

Date: ______________________________

TELACU CONSTRUCTION MANAGEMENT, INC.

By: ______________________________

Signature: ______________________________

Date: ______________________________

ATTEST

Signature ______________________________

By: ______________________________

Date: ______________________________

ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

First Amended Agreement No. C0027
Program Management Services

CWO SR-47 PROJECT CHANGE ORDER NO. 59

Modifies the First Amended Agreement No. C0027 (hereinafter “the Agreement”) to decrease the maximum compensation as approved by ACTA Governing Board on November 10, 2022 for the SR-47 Project CWO.

CONSULTANT: **Alameda Corridor Engineering Team (ACET)**

SUMMARY OF CHANGE	The total SR-47 Project CWO is decreased by <$44,647>for a total not-to-exceed amount of $23,667,098.

---

1. This is the closeout change order to reconcile final cost amounts for FY ’22 as set forth in this Change Order No. 59 and the statements set forth in the ACTA Board Authorization of November 10, 2022.

   The ACET contract total value of all CWO’s is $253,896,109 *excluding compensation for the R10 Oil Release*. See attached documents titled “CWO FY23 ACET Cumulative Contract Values” and “Summary of Contract Values” as of October 25, 2022.

2. In **ARTICLE 5, COMPENSATION, Paragraph 5.1, is revised to provide “Cost-Plus-Fixed-Fee through June 30, 2023”,** as follows:

	SR-47 Project CWO Through CO 58	**FY ’22 CO 59**	**Total SR-47 Project CWO Only**
Reimbursable Costs not-to-exceed	$21,892,490	<$44,647>	$21,847,843
Plus Fixed Fee (calculated in accordance with Paragraph 5.2.3, Fixed Fee) of	$1,819,255	$-0-	$1,819,255
For a Total Estimated Cost of	$23,711,745	<$44,647>	$23,667,098

3. Except as provided herein, all terms and conditions of the Agreement remain unchanged. The terms and conditions of this SR-47 Project CWO Change Order to the Agreement constitute full accord and satisfaction for all costs and period of performance related to the Change described or referenced herein.

IN WITNESS WHEREOF, the Parties hereto have executed this SR-47 CWO Change Order No. 59 to the Agreement on the date next to their signatures.

AUTHORITY:

ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

By: ______________________________

Signature: ______________________________

Date: ______________________________

ATTEST

Signature: ______________________________

By: ______________________________

Date: ______________________________

APPROVED AS TO FORM:
Michael N. Feuer, City of Los Angeles City Attorney

By: ______________________________
Deputy City Attorney

Date ______________________________

CONSULTANT:

ALAMEDA CORRIDOR ENGINEERING TEAM, a Joint Venture

AECOM TECHNICAL SERVICES, INC.

By: ______________________________

Signature: ______________________________

Date: ______________________________

ATTEST

Signature: ______________________________

By: ______________________________

Date: ______________________________

MOFFATT & NICHOL, INC.

By: ______________________________

Signature: ______________________________

Date: ______________________________

ATTEST

Signature: ______________________________

By: ______________________________

Date: ______________________________

Signatures of Change Order No. 59 (continued)

IN WITNESS WHEREOF, the Parties hereto have executed this Change Order No. 59 to the Agreement on the date next to their signatures.

CONSULTANT:

JENKINS/GALES & MARTINEZ, INC.

By: ______________________________

Signature: ______________________________

Date: ______________________________

ATTEST

Signature: ______________________________

By: ______________________________

Date: ______________________________

TELACU CONSTRUCTION MANAGEMENT, INC.

By: ______________________________

Signature: ______________________________

Date: ______________________________

ATTEST

Signature ______________________________

By: ______________________________

Date: ______________________________

ATTACHMENT CWO FY23 ACET CUMULATIVE CONTRACT VALUES

	ASA (BASE)					PCH	SR47					TOTALS		
	ITD ASA (Base + R10) TO DATE THRU CO 76	ASA (Base) CO 77 FY 22 CLOSEOUT	TOTAL ASA (Base + R10) FY 22 TO DATE	ASA (Base) FY 23 TO DATE	TOTAL ASA (Base + R10) TO DATE CO 77	TOTAL PCH TO DATE (PROJECT CLOSED in FY15)	ITD SR47 THRU CO 58	SR47 CO 59 FY 22 CLOSEOUT	Total SR47 FY 22 TO DATE	Total SR47 FY 23 TO DATE	TOTAL SR47 TO DATE THRU CO 59	TOTAL FY 22 TO DATE	TOTAL FY 23 TO DATE	GRAND TOTAL
Direct Labor	$ 67,917,459	$ (83,531)	$ 630,076	$ 708,405	$ 67,833,928	$ 3,431,270	$ 4,509,999	$ (928)	$ 29,297	$ 49,993	$ 4,509,071	$ 659,373	$ 758,398	$ 75,774,269
Indirect Costs	$ 94,683,322	$ (95,514)	$ 922,888	$ 998,045	$ 94,587,808	$ 4,805,744	$ 7,641,401	$ (28,884)	$ 53,112	$ 81,614	$ 7,612,517	$ 976,000	$ 1,079,659	$ 107,006,069
Offsite/On Call/OT	$ 2,327,586	$ -	$ 36,313	$ 43,014	$ 2,327,586	$ 27,331	$ 1,577,326	$ -	$ -	$ -	$ 1,577,326	$ 36,313	$ 43,014	$ 3,932,243
S/t - Labor	$ 164,928,366	$ (179,045)	$ 1,589,277	$ 1,749,464	$ 164,749,322	$ 8,264,345	$ 13,728,726	$ (29,812)	$ 82,409	$ 131,606	$ 13,698,914	$ 1,671,686	$ 1,881,070	$ 186,712,581
Subconsultants	$ 30,643,458	$ 474	$ 263,032	$ 294,588	$ 30,643,932	$ 1,219,633	$ 7,847,633	$ (14,835)	$ 74,918	$ 129,752	$ 7,832,798	$ 337,950	$ 424,340	$ 39,696,363
MIS	$ 994,701	$ -	$ -	$ -	$ 994,701	$ 33,827	$ 60,664	$ -	$ -	$ -	$ 60,664	$ -	$ -	$ 1,089,192
ODC's	$ 6,464,985	$ (4,837)	$ 163	$ 5,000	$ 6,460,148	$ 207,883	$ 255,466	$ -	$ -	$ -	$ 255,466	$ 163	$ 5,000	$ 6,923,497
S/t - Subs & ODC's	$ 38,103,144	$ (4,363)	$ 263,195	$ 299,588	$ 38,098,781	$ 1,461,344	$ 8,163,763	$ (14,835)	$ 74,918	$ 129,752	$ 8,148,928	$ 338,113	$ 429,340	$ 47,709,053
FY 01 Underrun (rolled over)	$ 978,500	$ -	$ -	$ -	$ 978,500	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 978,500
Correction of '99 discrepancy	$ (2,021,501)	$ -	$ -	$ -	$ (2,021,501)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (2,021,501)
To Balance	$ 32,229	$ -	$ (1)	$ -	$ 32,229	$ (22)	$ 1	$ -	$ 1	$ -	$ 1	$ (1)	$ -	$ 32,207
Total Direct Costs	**$ 202,020,739**	**$ (183,408)**	**$ 1,852,471**	**$ 2,049,052**	**$ 201,837,331**	**$ 9,725,666**	**$ 21,892,490**	**$ (44,647)**	**$ 157,327**	**$ 261,358**	**$ 21,847,843**	**$ 2,009,798**	**$ 2,310,410**	**$ 233,410,840**
Labor Fee	$ 17,592,340	$ -	$ 160,831	$ 174,946	$ 17,592,340	$ 844,081	$ 1,343,406	$ -	$ 27,223	$ 13,161	$ 1,343,406	$ 188,054	$ 188,108	$ 19,779,827
Administrative Fees	$ 1,792,216	$ -	$ 11,379	$ 14,979	$ 1,792,216	$ 78,972	$ 475,849	$ -	$ 6,487	$ 6,488	$ 475,849	$ 17,866	$ 21,467	$ 2,347,037
Total Fixed Fee	**$ 19,384,556**	**$ -**	**$ 172,210**	**$ 189,925**	**$ 19,384,556**	**$ 923,053**	**$ 1,819,255**	**$ -**	**$ 33,710**	**$ 19,649**	**$ 1,819,255**	**$ 205,920**	**$ 209,575**	**$ 22,126,864**
Total Costs w/ Fees	**$ 221,405,295**	**$ (183,408)**	**$ 2,024,681**	**$ 2,238,977**	**$ 221,221,887**	**$ 10,648,719**	**$ 23,711,745**	**$ (44,647)**	**$ 191,037**	**$ 281,008**	**$ 23,667,098**	**$ 2,215,718**	**$ 2,519,985**	**$ 255,537,704**
							$ -							
Less figures for R10	**(1,641,595)**				**(1,641,595)**									**(1,641,595)**
TOTAL figures excluding R10	**219,763,700**				**219,580,292**									**253,896,109**

SUMMARY OF CONTRACT VALUES

ASA (Base) CWO:

DESCRIPTION			DIRECT COST	RUNNING TOTAL DIRECT COST	FIXED FEE	RUNNING TOTAL FIXED FEE	CWO TOTAL	RUNNING TOTAL CWO
FY 02 Total			**$ 5,200,032**		**$ 479,720**		**$ 5,679,752**	
FY 03 Total			**$ 9,455,175**		**$ 840,981**		**$ 10,296,155**	
FY 04 Total			**$ 4,102,568**		**$ 438,842**		**$ 4,541,410**	
FY 05 Total			**$ 4,882,523**		**$ 424,411**		**$ 5,306,935**	
FY 06 Total			**$ 4,942,537**		**$ 400,425**		**$ 5,342,962**	
FY 07 Total			**$ 3,749,203**		**$ 333,937**		**$ 4,083,140**	
FY 08 Total			**$ 4,115,386**		**$ 459,590**		**$ 4,574,975**	
FY 09 Total			**$ 4,071,344**		**$ 365,944**		**$ 4,437,288**	
FY 10 Total			**$ 3,480,697**		**$ 288,596**		**$ 3,769,294**	
FY 11 Total			**$ 2,546,627**		**$ 210,824**		**$ 2,757,450**	
FY 12 Total			**$ 2,451,050**		**$ 223,354**		**$ 2,674,404**	
FY 13 Total			**$ 2,095,394**		**$ 205,833**		**$ 2,301,226**	
FY 14 Total			**$ 1,880,110**		**$ 174,775**		**$ 2,054,885**	
FY 15 Total			**$ 1,632,890**		**$ 176,181**		**$ 1,809,071**	
FY 16 Total			**$ 1,563,189**		**$ 147,075**		**$ 1,710,264**	
FY 17 Total			**$ 1,562,390**		**$ 150,882**		**$ 1,713,272**	
FY 18 Total			**$ 1,634,182**		**$ 157,532**		**$ 1,791,714**	
FY 19	ASA	**CO 65**	$ 1,759,400	$ 194,223,223	$ 164,626	$ 18,695,569	$ 1,924,026	$ 212,918,791
FY 19	**(R10 - 9)**	**CO 54 / SPLIT**	$ 15,438	$ 194,238,660	$ 0	$ 18,695,569	$ 15,438	$ 212,934,229
FY 19	ASA	**CO 68**	$ (57,675)	$ 194,180,985	$ -	$ 18,695,569	$ (57,675)	$ 212,876,554
FY 19 Total			**$ 1,717,163**		**$ 164,626**		**$ 1,881,789**	
FY 20	ASA	**CO 67**	$ 1,775,372	$ 195,956,357	$ 166,223	$ 18,861,792	$ 1,941,595	$ 214,818,149
FY 20	**(R10 - 9)**	**CO 54 / SPLIT**	$ 5,660	$ 195,962,018	$ (0)	$ 18,861,792	$ 5,660	$ 214,823,809
FY 20	ASA	**CO 70**	$ 175,000	$ 196,137,018	$ -	$ 18,861,792	$ 175,000	$ 214,998,809
FY 20	ASA	**CO 71**	$ (73,634)	$ 196,063,384	$ -	$ 18,861,792	$ (73,634)	$ 214,925,176
FY 20 Total			**$ 1,882,399**		**$ 166,223**		**$ 2,048,622**	
FY 21	ASA	**CO 69**	$ 1,719,419	$ 197,782,804	$ 160,629	$ 19,022,421	$ 1,880,048	$ 216,805,224
FY 21	**(R10 - 9)**	**CO 54 / SPLIT**	$ 13,976	$ 197,796,780	$ -	$ 19,022,421	$ 13,976	$ 216,819,200
FY 21	ASA	**CO 72**	$ 170,000	$ 197,966,780	$ -	$ 19,022,421	$ 170,000	$ 216,989,200
FY 21	**CLOSEOUT**	**CO 74**	$ (100,111)	$ 197,866,668	$ -	$ 19,022,421	$ (100,111)	$ 216,889,089
FY 21 Total			**$ 1,803,284**		**$ 160,629**		**$ 1,963,913**	
FY 22	ASA	**CO 73**	$ 1,835,879	$ 199,702,547	$ 172,210	$ 19,194,631	$ 2,008,089	$ 218,897,177
FY 22	**(R10 - 9)**	**CO 54 / SPLIT**	$ 9,244	$ 199,711,791	$ -	$ 19,194,631	$ 9,244	$ 218,906,421
FY 22	ASA	**CO 76**	$ 200,000	$ 199,911,791	$ -	$ 19,194,631	$ 200,000	$ 219,106,421
FY 22	CLOSEOUT	**CO 77**	$ (183,408)	$ 199,728,383	$ -	$ 19,194,631	$ (183,408)	$ 218,923,013
FY 22Total			**$ 1,861,715**		**$ 172,210**		**$ 2,033,925**	
FY 23	ASA	**CO 75**	$ 2,049,052	$ 201,777,435	$ 189,925	$ 19,384,555	$ 2,238,977	$ 221,161,990
FY 23	**(R10 - 9)**	**CO 54 / SPLIT**	$ 59,895	$ 201,837,330	$ -	$ 19,384,555	$ 59,895	$ 221,221,885
FY 23				$ 201,837,330		$ 19,384,555		$ 221,221,885
				$ 201,837,330		$ 19,384,555		$ 221,221,885
FY 23Total			**$ 2,108,947**		**$ 189,925**		**$ 2,298,872**	
Grand Total			**$ 201,837,331**		**$ 19,384,556**		**$ 221,221,887**	
Total of all Base exclusive of R10			**$ 200,349,953**		**$ 19,230,339**		**$ 219,580,292**	
R10 Totals			**$ 1,487,379**		**$ 154,216**		**$ 1,641,595**	

SUMMARY OF CONTRACT VALUES

PCH CWO:

DESCRIPTION		DIRECT COST	RUNNING TOTAL DIRECT COST	FIXED FEE	RUNNING TOTAL FIXED FEE	CWO TOTAL	RUNNING TOTAL CWO
FY 02 Total		$ 1,758,838		$ 140,099		$ 1,898,937	
FY 03 Total		$ 3,183,381		$ 307,669		$ 3,491,050	
FY 04 Total		$ 3,189,176		$ 339,883		$ 3,529,059	
FY 05 Total		$ 490,130		$ 34,093		$ 524,223	
FY 06 Total		$ 528,227		$ 27,709		$ 555,936	
FY 07 Total		$ 111,812		$ 10,787		$ 122,599	
FY 08 Total		$ 110,794		$ 11,838		$ 122,632	
FY 09 Total		$ 27,734		$ 11,838		$ 39,572	
FY 10 Total		$ 55,064		$ 8,914		$ 63,978	
FY 11 Total		$ 68,375		$ 9,473		$ 77,848	
FY 12 Total		$ 43,133		$ 2,066		$ 45,199	
FY 13 Total		$ 76,836		$ 7,997		$ 84,833	
FY 14 Total		$ 65,738		$ 7,554		$ 73,292	
FY 15 Total		$ 16,429		$ 3,133		$ 19,562	
FY 16 Total		$ -		$ -		$ -	
Grand Total		**$ 9,725,666**		**$ 923,053**		**$ 10,648,719**	

SUMMARY OF CONTRACT VALUES

SR 47 CWO:

DESCRIPTION			DIRECT COST	RUNNING TOTAL DIRECT COST	FIXED FEE	RUNNING TOTAL FIXED FEE	CWO TOTAL	RUNNING TOTAL CWO
FY 02 Total			**$ 715,367**		**$ 62,321**		**$ 777,688**	
FY 03 Total			**$ 1,479,222**	$ 2,194,589	**$ 138,600**	$ 200,921	**$ 1,617,822**	
FY 04 Total			**$ 401,173**		**$ 33,083**		**$ 434,256**	
FY 05 Total			**$ 2,370,581**		**$ 189,925**		**$ 2,560,505**	
FY 06 Total			**$ 1,901,388**		**$ 85,153**		**$ 1,986,541**	
FY 07 Total			**$ 2,187,304**		**$ 143,149**		**$ 2,330,453**	
FY 08 Total			**$ 2,399,265**		**$ 138,680**		**$ 2,537,945**	
FY 09 Total			**$ 2,056,700**		**$ 148,500**		**$ 2,205,200**	
FY 10 Total			**$ 2,053,959**		**$ 201,332**		**$ 2,255,292**	
FY 11 Total			**$ 1,531,589**		**$ 148,592**		**$ 1,680,181**	
FY 12 Total			**$ 944,613**		**$ 86,600**		**$ 1,031,213**	
FY 13 Total			**$ 496,611**		**$ 55,734**		**$ 552,345**	
FY 14 Total			**$ 619,218**		**$ 71,587**		**$ 690,805**	
FY 15 Total			**$ 407,749**		**$ 32,965**		**$ 440,714**	
FY 16 Total			**$ 371,599**		**$ 36,251**		**$ 407,849**	
FY 17 Total			**$ 347,879**		**$ 37,517**		**$ 385,397**	
FY 18 Total			**$ 393,101**		**$ 37,863**		**$ 430,965**	
FY 19 Total			**$ 350,770**		**$ 39,303**		**$ 390,073**	
FY 20 Total			**$ 202,911**		**$ 39,219**		**$ 242,130**	
FY 21		**CO 51**	$ 470,339	$ 21,701,337	$ 39,522	$ 1,765,897	$ 509,861	$ 23,467,234
FY 21		**CO 54**	$ (170,000)	$ 21,531,337	$ -	$ 1,765,897	$ (170,000)	$ 23,297,234
FY 21	CLOSEOUT	**CO 56**	$ (102,181)	$ 21,429,156	$ -	$ 1,765,897	$ (102,181)	$ 23,195,053
FY 21 Total			**$ 198,158**		**$ 39,522**		**$ 237,680**	
FY 22		**CO 55**	$ 401,974	$ 21,831,130	$ 33,710	$ 1,799,607	$ 435,684	$ 23,630,737
FY 22		**CO 58**	$ (200,000)	$ 21,631,130	$ -	$ 1,799,607	$ (200,000)	$ 23,430,737
FY 22	CLOSEOUT	**CO 59**	$ (44,647)	$ 21,586,483	$ -	$ 1,799,607	$ (44,647)	$ 23,386,090
FY 22 Total			**$ 157,327**		**$ 33,710**		**$ 191,037**	
FY 23		**CO 57**	$ 261,359	$ 21,847,842	$ 19,649	$ 1,819,256	$ 281,008	$ 23,667,098
FY 23				$ 21,847,842		$ 1,819,256		$ 23,667,098
FY 23				$ 21,847,842		$ 1,819,256		$ 23,667,098
FY 23 Total			**$ 261,359**		**$ 19,649**		**$ 281,008**	
Grand Total			**$ 21,847,843**		**$ 1,819,255**		**$ 23,667,098**	

SUMMARY OF CONTRACT VALUES

ALL ACET CWO's:

DESCRIPTION			DIRECT COST	RUNNING TOTAL DIRECT COST	FIXED FEE	RUNNING TOTAL FIXED FEE	CWO TOTAL	RUNNING TOTAL CWO
FY 02 Total			**$ 7,674,237**		**$ 682,140**		**$ 8,356,377**	
FY 03 Total			**$ 14,117,777**		**$ 1,287,250**		**$ 15,405,027**	
FY 04 Total			**$ 7,692,917**		**$ 811,808**		**$ 8,504,725**	
FY 05 Total			**$ 7,743,234**		**$ 648,429**		**$ 8,391,663**	
FY 06 Total			**$ 7,372,152**		**$ 513,287**		**$ 7,885,439**	
FY 07 Total			**$ 6,048,319**		**$ 487,873**		**$ 6,536,191**	
FY 08 Total			**$ 6,625,445**		**$ 610,108**		**$ 7,235,552**	
FY 09 Total			**$ 6,155,778**		**$ 526,282**		**$ 6,682,060**	
FY 10 Total			**$ 5,589,721**		**$ 498,842**		**$ 6,088,563**	
FY 11 Total			**$ 4,146,591**		**$ 368,888**		**$ 4,515,479**	
FY 12 Total			**$ 3,438,796**		**$ 312,020**		**$ 3,750,816**	
FY 13 Total			**$ 2,668,841**		**$ 269,564**		**$ 2,938,404**	
FY 14 Total			**$ 2,565,066**		**$ 253,916**		**$ 2,818,982**	
FY 15Total			**$ 2,057,068**		**$ 212,279**		**$ 2,269,347**	
FY 16Total			**$ 1,934,787**		**$ 183,326**		**$ 2,118,113**	
FY 17 Total			**$ 1,910,269**		**$ 188,400**		**$ 2,098,669**	
FY 18 Total			**$ 2,027,283**		**$ 195,396**		**$ 2,222,679**	
FY 19	ASA	CO 65	$ 1,759,400	$ 224,626,206	$ 164,626	$ 21,266,474	$ 1,924,026	$ 245,892,680
FY 19	SR47	CO 47	$ 468,149	$ 225,094,355	$ 39,303	$ 21,305,777	$ 507,452	$ 246,400,132
FY 19	ASA (R10) 9	CO 54/SPLIT-9	$ 15,438	$ 225,109,793	$ 0	$ 21,305,777	$ 15,438	$ 246,415,570
FY 19	ASA	CO 68	$ (57,675)	$ 225,052,118	$ -	$ 21,305,777	$ (57,675)	$ 246,357,895
FY 19	SR47	CO 50	$ (117,379)	$ 224,934,739	$ -	$ 21,305,777	$ (117,379)	$ 246,240,516
FY 19 Total			**$ 2,067,933**		**$ 203,929**		**$ 2,271,863**	
FY 20	ASA	CO 67	$ 1,775,372	$ 226,710,111	$ 166,223	$ 21,472,000	$ 1,941,595	$ 248,182,111
FY 20	SR47	CO 49	$ 467,308	$ 227,177,419	$ 39,219	$ 21,511,220	$ 506,527	$ 248,688,638
FY 20	ASA (R10) 9	CO 54/SPLIT-9	$ 5,660	$ 227,183,079	$ (0)	$ 21,511,219	$ 5,660	$ 248,694,298
FY 20	ASA	CO 70	$ 175,000	$ 227,358,079	$ -	$ 21,511,219	$ 175,000	$ 248,869,298
FY 20	SR47	CO 52	$ (175,000)	$ 227,183,079	$ -	$ 21,511,219	$ (175,000)	$ 248,694,298
FY 20	ASA	CO 71	$ (73,634)	$ 227,109,446	$ -	$ 21,511,219	$ (73,634)	$ 248,620,665
FY 20	SR47	CO 53	$ (89,397)	$ 227,020,048	$ -	$ 21,511,219	$ (89,397)	$ 248,531,268
FY 20 Total			**$ 2,085,309**		**$ 205,442**		**$ 2,290,751**	
FY 21	ASA	CO 69	$ 1,719,419	$ 228,739,468	$ 160,629	$ 21,671,848	$ 1,880,048	$ 250,411,316
FY 21	SR47	CO 51	$ 470,339	$ 229,209,807	$ 39,522	$ 21,711,370	$ 509,861	$ 250,921,177
FY 21	ASA (R10) 9	CO 54/SPLIT-9	$ 13,976	$ 229,223,783	$ -	$ 21,711,370	$ 13,976	$ 250,935,153
FY 21	ASA	CO 72	$ 170,000	$ 229,393,783	$ -	$ 21,711,370	$ 170,000	$ 251,105,153
FY 21	SR47	CO 54	$ (170,000)	$ 229,223,783	$ -	$ 21,711,370	$ (170,000)	$ 250,935,153
FY 21	ASA	CO 74	$ (100,111)	$ 229,123,671	$ -	$ 21,711,370	$ (100,111)	$ 250,835,041
FY 21	SR47	CO56	$ (102,181)	$ 229,021,490	$ -	$ 21,711,370	$ (102,181)	$ 250,732,860
FY 21 Total			**$ 2,103,623**		**$ 200,151**		**$ 2,303,773**	
FY 22	ASA	CO73	$ 1,835,879	$ 230,857,369	$ 172,210	$ 21,883,580	$ 2,008,089	$ 252,740,949
FY 22	SR47	CO 55	$ 401,974	$ 231,259,343	$ 33,710	$ 21,917,290	$ 435,684	$ 253,176,633
FY 22	ASA (R10) 9	CO 54/SPLIT-9	$ 9,244	$ 231,268,587	$ -	$ 21,917,290	$ 9,244	$ 253,185,877
FY 22	ASA	CO 76	$ 200,000	$ 231,468,587	$ -	$ 21,917,290	$ 200,000	$ 253,385,877
FY 22	SR47	CO 58	$ (200,000)	$ 231,268,587	$ -	$ 21,917,290	$ (200,000)	$ 253,185,877
FY 22	ASA	CO 77	$ (183,408)	$ 231,085,179		$ 21,917,290	$ (183,408)	$ 253,002,469
FY 22	SR47	CO 59	$ (44,647)	$ 231,040,532		$ 21,917,290	$ (44,647)	$ 252,957,822
FY 22 Total			**$ 2,063,689**		**$ 205,920**		**$ 2,269,609**	
FY 23	ASA	CO75	$ 2,049,052	$ 233,089,584	$ 189,925	$ 22,107,215	$ 2,238,977	$ 255,196,799
FY 23	SR47	CO 57	$ 261,359	$ 233,350,943	$ 19,649	$ 22,126,864	$ 281,008	$ 255,477,807
FY 23	ASA (R10) 9	CO 54/SPLIT-9	$ 59,895	$ 233,410,838	$ -	$ 22,126,864	$ 59,895	$ 255,537,702
FY 23 Total			**$ 2,370,306**		**$ 209,574**		**$ 2,579,880**	
Grand Total			**$ 233,410,840**		**$ 22,126,864**		**$ 255,537,704**	
Total of all CWO's exclusive of R10			**$ 231,923,462**		**$ 21,972,647**		**$ 253,896,109**	

Item #04

M · E · M · O

Alameda Corridor Transportation Authority

June 10, 2021

To:	Governing Board
From:	Michael C. Leue, Chief Executive Officer
Subject:	***Approve Annual Contract Change Orders 55 and 73 and the Extension of Agreement No. C0027 with Alameda Corridor Engineering Team (APPROVAL)***

Recommendation:

Approve the following Change Orders (COs) and Agreement extension, and authorize the Chief Executive Officer or Chief Financial Officer to execute said items and reallocate funding amounts as discussed herein:

1. Approve two Change Orders (COs) to First Amended Agreement No. C0027 with the Alameda Corridor Engineering Team (ACET) for FY22 in the aggregate amount of \$2,443,773 allocated as follows: \$2,008,089 for ACTA Support (Change Order No. 73 as presented in Transmittal 1) and \$435,684 for the SR-47 Project (Change Order No. 55 as presented in Transmittal 2);
2. Extend the term of the First Amended Agreement No. C0027 for one additional year through June 30, 2022 (via Change Orders Nos. 73 and 55); and
3. Authorize the Chief Executive Officer or Chief Financial Officer to reallocate the FY22 funding between the ACTA Support and SR-47 Project budgets during the fiscal year provided the approved aggregate total amount is not exceeded.

Discussion:

In February 2014, the Board expressed its preference to extend the ACET contract on a year-by-year basis until ACTA's unfinished capital support obligations are complete. For each subsequent fiscal year, the Board has reaffirmed its preference for one-year extensions. In March 2021, the Board approved the inclusion of ACET in the FY22 Budget.

ACET staff was as high as approximately 170 full time equivalent (FTE) positions in FY00 at the height of corridor construction. ACET staff size was significantly reduced to 16 by FY07 and remained relatively constant through FY10. ACET staffing was gradually reduced to 5 FTEs by FY16. The number of FY22 FTE positions remains at 5, excluding subconsultants.

The ACET budget also includes specialized technical services provided by subconsultants through the ACET contract. The proposed number of ACET positions may increase if additional ACTA project development tasks are identified during the fiscal year, in which case Governing Board approval for such Change Orders would be sought at the appropriate time.

The Amended Agreement with ACET, effective January 1, 1996, requires that an annual Contract Work Order (CWO), in the form of a Change Order (CO), be submitted to the Governing Board for approval prior to the beginning of each fiscal year on July 1. For budget purposes, separate COs are required for the ACTA Support CWO and the SR-47 Project CWO. In prior years, there were also CWO Change Orders presented and approved for the PCH Project, but this is no longer required due to project completion.

In FY22, the ACTA Support CWO will be funded by the Administrative Operating Budget that is paid from ACTA revenue, and the M&O Budget that is paid directly by the railroads or through the Reserve Account. The SR-47 Project CWO is funded entirely from Caltrans sources.

The original FY21 CWO aggregate amount approved by the Board in June 2020 was $2,389,909. It included $1,880,048 for ACTA Support and $509,861 for the SR-47 Project. A final FY21 closeout CO for both CWOs will be brought to the Board for approval in September or November 2021.

The proposed FY22 aggregate budget for both CWOs is $2,443,773, as presented in Transmittal 3, which is 2.3% more than the FY21 budget of $2,389,909. Note that the CWO amount does not include the budget for the Dominguez Channel Oil Release EPA Matter. The ACTA Support CWO and SR-47 Project CWO are described in more detail below.

1. ACTA SUPPORT CWO (Operating)

The ACTA Support CWO covers the following three areas:

A. Base Program Closeout (Operating, previously Capital)

This effort includes:
- Transferring ACTA-acquired property to the ports, municipalities and others;
- Concluding utility replacement rights agreements, licenses, franchises, and easements.

The proposed FY22 budget for this item is $387,616 which is 6.3% more than the FY21 budget of **$364,821**. This item is charged to the Administrative Operating Budget and paid from ACTA Use Fees and Container Charges.

B. Maintenance and Operations (Direct Railroad Cost)

This item supports rail maintenance and is directly reimbursed by the Railroads. The FY22 budgeted amount is $568,052, which is 12.9% more than the FY21 budget of $503,078.

C. ACTA General Administrative Support (Operating)

This effort includes general ACTA technical and administrative support and staff augmentation for other ongoing ACTA activities including:

- Computer and network systems support;
- Grant reimbursement, contract administration, planning, environmental coordination, document control, graphics, accounts payable, and other general support.

The proposed FY22 allocation for this item is $1,052,423, which is 4.0% more than the FY21 budget of **$1,012,149**. This item is charged to the Administrative Operating Budget and paid from ACTA Use Fees and Container Charges.

The aggregate total for the three parts of the ACTA Support CWO is $2,008,089.

2. SR-47 PROJECT CWO (Public Benefit Project only)

The proposed FY22 budget for the SR-47 Project CWO is $435,684 (Segment 1 only, as Segment 2 is on indefinite hold), which is 14.5% less than the FY21 budget of $509,861. It includes final design support, design support during construction, and ROW/utility support during construction for the SR-47 Project as detailed below.

SR-47 Project Background:

Through four separate agreements with Caltrans, the SR-47 Project progressed in four phases: The Feasibility Phase, the Environmental Document Phase, the Final Design and ROW Phase, and the Construction Phase.

All Project phases are now complete except the Construction Phase. Caltrans' current estimate for substantial completion of construction is May 2022; final construction items, including some utilities, will extend to end of 2023; and administrative close-out will occur in 2024. ACTA will continue to provide the required services through two separate Cooperative Agreements between the parties through that date to complete project close-out tasks.

If the FY22 ACET CWOs are approved, the not-to-exceed total contract value will be increased by $2,443,773 from $249,362,698 to $251,806,471 exclusive of the budget for the Dominguez Channel Oil Release EPA Matter.

Budget Impact:

The $2,443,773 aggregate CWO amount is included in the FY22 Program Budget. Sources include $435,684 in Caltrans funds for SR-47 shown in the Operating Budget as an Expense for Public Benefit; $568,052 in Railroad M&O funds paid directly by the Railroads or from the Reserve Account; and $1,440,037 from ACTA revenue sources in the Operating Budget.

Co-General Counsel:

ACTA's Co-General Counsel has reviewed and approved the proposed Change Orders as to form.

Transmittals:

Transmittal 1 - Change Order No. 73 to ACET Agreement No. C0027
Transmittal 2 - Change Order No. 55 to ACET Agreement No. C0027
Transmittal 3 - CWO FY22 ACET Cumulative Contract Values