

A G E N D A

REGULAR MEETING

Governing Board of the Alameda Corridor Transportation Authority

Meeting Date and Time:	May 15, 2025, 10:00 A.M.
Location:	Long Beach City College Liberal Arts Campus Board Room 4901 East Carson Street, Building T1100 Long Beach, CA 90808
The public may attend the meeting in person or view the meeting online via Zoom:	https://us02web.zoom.us/j/5622477111 Meeting ID: 562 247 7111 Passcode: boardmtg

OPPORTUNITIES FOR THE PUBLIC TO ATTEND THE MEETING AND PROVIDE PUBLIC COMMENTS

In-person comments may be provided at the meeting but will not be accepted via Zoom. Members of the public attending the meeting in person will be given an opportunity to address the Board on (1) any item on the agenda prior to the Board's consideration of that item, including the consent and closed session agendas; and (2) subjects within the subject matter jurisdiction of the Governing Board during Public Comment on Non-Agenda Items. Members of the public who wish to speak should complete a speaker card indicating the agenda item number on which they will comment or designate "general public comment" and return the card to the Board Secretary. Each speaker will be allowed to speak for up to 3 minutes per agenda item.

Written comments or materials may be submitted by emailing publiccomment@acta.org or brought to the meeting. If you request to distribute documents to the Governing Board, please present the Board Secretary with twelve (12) copies. All written comments or materials submitted for the meeting will be entered into the official meeting minutes. For comments by email, please submit written comments prior to 3:00 pm on the day before the scheduled meeting. Comments submitted by email will be distributed to the Governing Board prior to the meeting and entered into the official meeting minutes.

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.

ROLL CALL



CLOSED SESSION**CONFERENCE WITH LEGAL COUNSEL – SIGNIFICANT EXPOSURE TO LITIGATION**

Significant exposure to litigation pursuant to subdivision (d)(2) of Section 54956.9: (one case)

OPEN SESSION**A. COMMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS****B. REPORTS AND PRESENTATIONS**

- i. March 2025 Performance Report
- ii. ACTA Public Policy Activities

C. APPROVAL OF THE MINUTES

- Minutes of March 20, 2025 Regular Governing Board Meeting of the Alameda Corridor Transportation Authority

D. AGENDA ITEMS**Consent Agenda (1):**

1. RECEIVE AND FILE Monthly Financial Reports as of February 28, 2025

Regular Agenda (2-6):

2. APPROVE staff's recommendation to not undertake a restructuring transaction for ACTA's outstanding bonds in 2025
3. APPROVE First Amendment to Agreement No. C0915 with PFM Financial Advisors LLC to increase the contract value by \$300,000 for a total compensation amount of \$600,000 for financial advisory services
4. APPROVE Third Amendment to Office Lease with Kilroy Realty, L.P. for ACTA's Headquarters located at 3760 Kilroy Airport Way, Suite 200, in Long Beach, California
5. APPROVE and ADOPT the ACTA Officer and Employee Publicly Available Pay Schedule for Fiscal Year 2025/2026
6. APPROVE ACTA Annual Operating Budget for Fiscal Year 2025/2026

ADJOURNMENT

REPORT ITEM 1

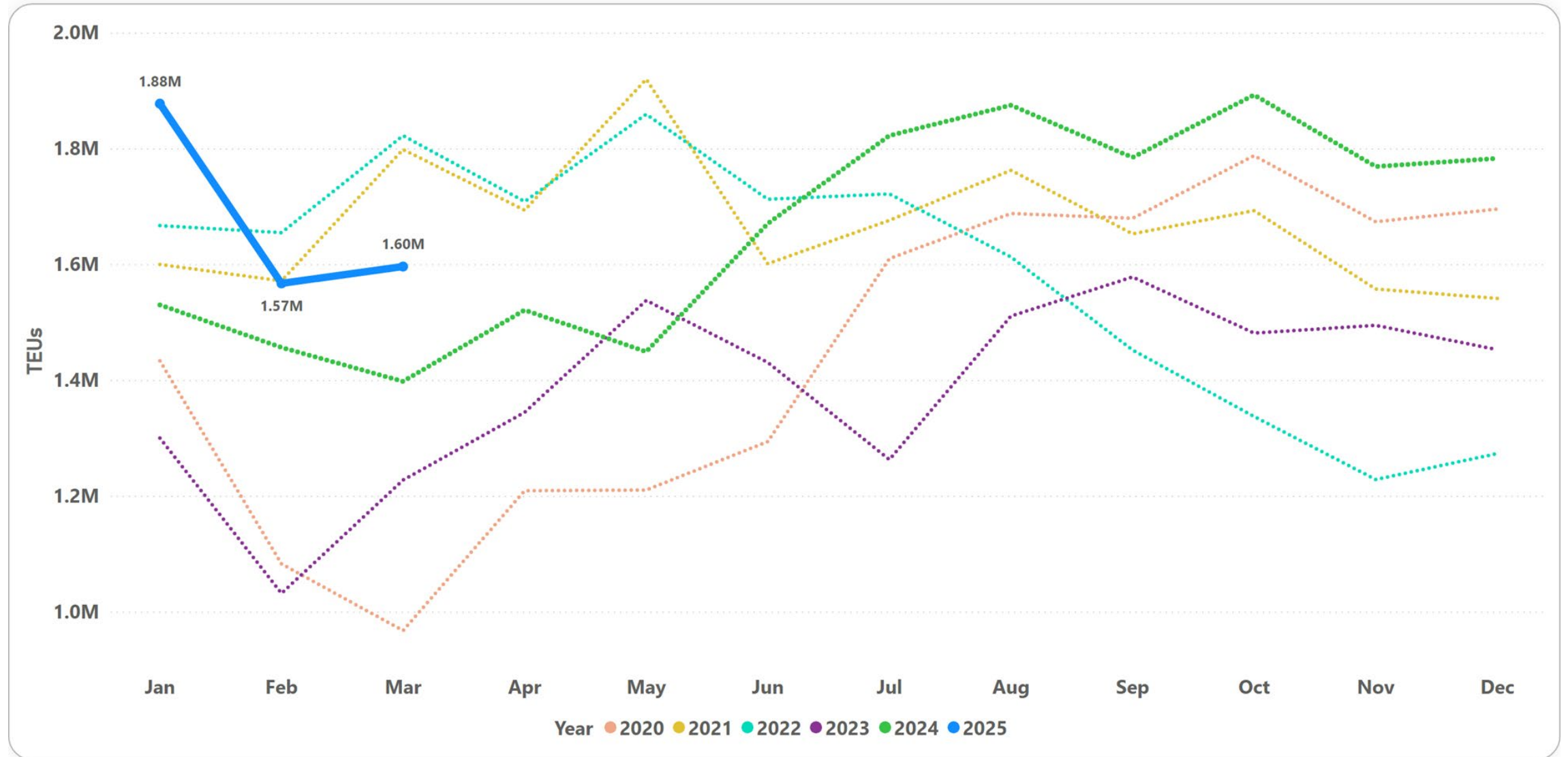
Performance Report Mar - 2025

PORT CONTAINER THROUGHPUT (TEUs) – Mar 2025

Port	POLA		POLB			POLA & POLB		
Category	Monthly TEUs	YoY% Change	Monthly TEUs	YoY% Change		Monthly TEUs	YoY% Change	
Imports	385,530	1.6%	380,562	25.8%		766,092	12.3%	
Exports	122,974	-15.0%	104,063	-1.0%		227,037	-9.1%	
Total Loaded	508,505	-3.0%	484,625	18.9%		993,130	6.6%	
Empties	269,900	23.2%	332,832	35.0%		602,732	29.4%	
Total TEUs	778,405	4.7%	817,457	25.0%		1,595,862	14.2%	

Port	POLA		POLB			POLA & POLB		
Category	YTD	YTD % Change	YTD	YTD % Change		YTD	YTD % Change	
Imports	1,282,598	4.3%	1,220,880	27.5%		2,503,478	14.4%	
Exports	345,402	-14.5%	292,744	4.9%		638,146	-6.6%	
Total Loaded	1,628,000	-0.4%	1,513,624	22.4%		3,141,624	9.4%	
Empties	876,049	17.4%	1,021,952	33.4%		1,898,001	25.5%	
Total TEUs	2,504,049	5.2%	2,535,576	26.6%		5,039,625	15.0%	

SP Bay Ports' TEUs Trends



ALAMEDA CORRIDOR PERFORMANCE

March

CY2025

FY2025

REVENUE

\$12.8M

+13.5% | \$11.3M
vs Last Year

\$36.2M

+17.8% | \$30.8M
vs Previous CYTD

\$107.6M

+28.8% | \$83.5M
vs Previous FYTD

TEUs

562.0K

+18.1% | 475.9K
vs Last Year

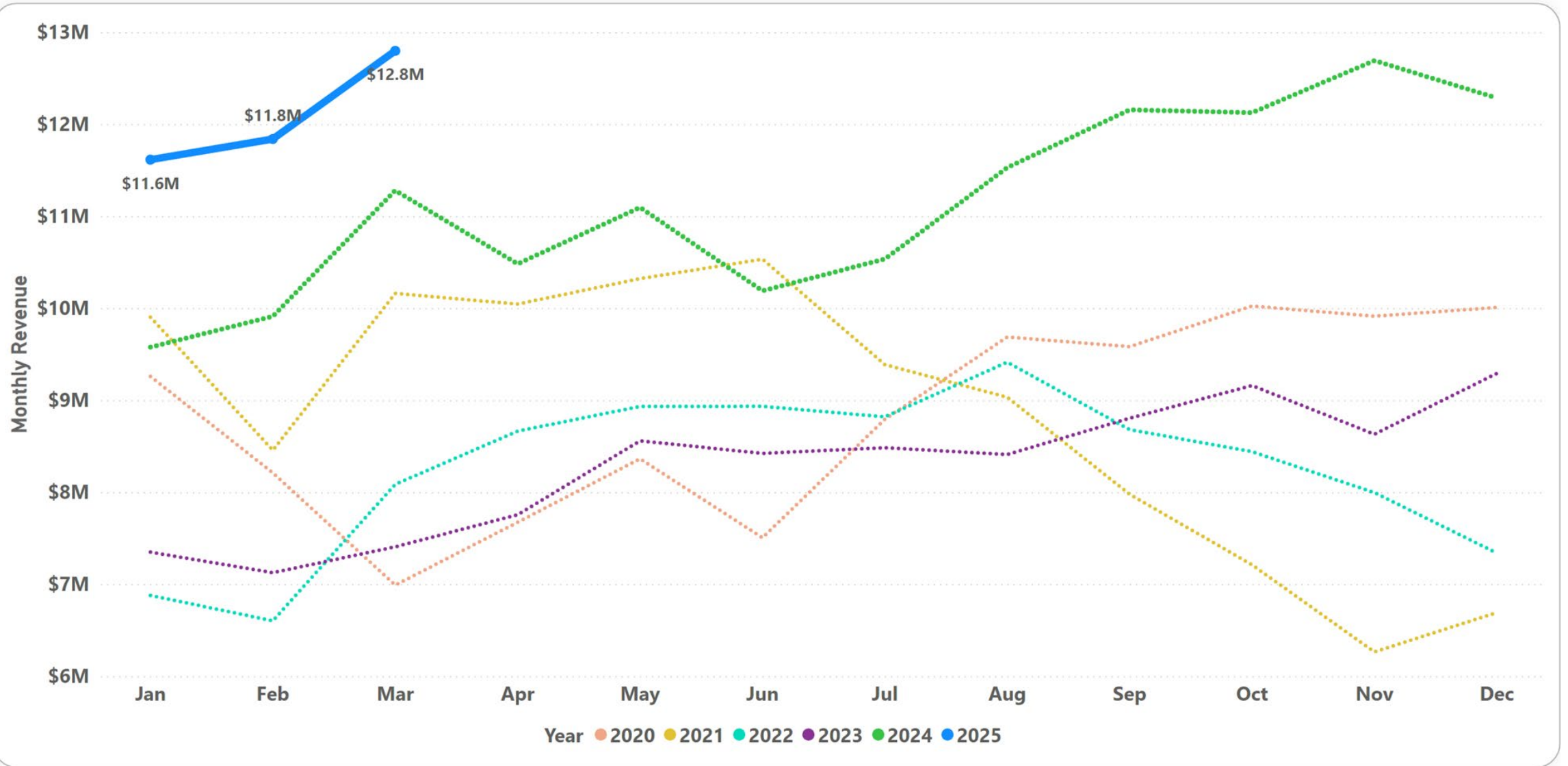
1.6M

+21.8% | 1.3M
vs Previous CYTD

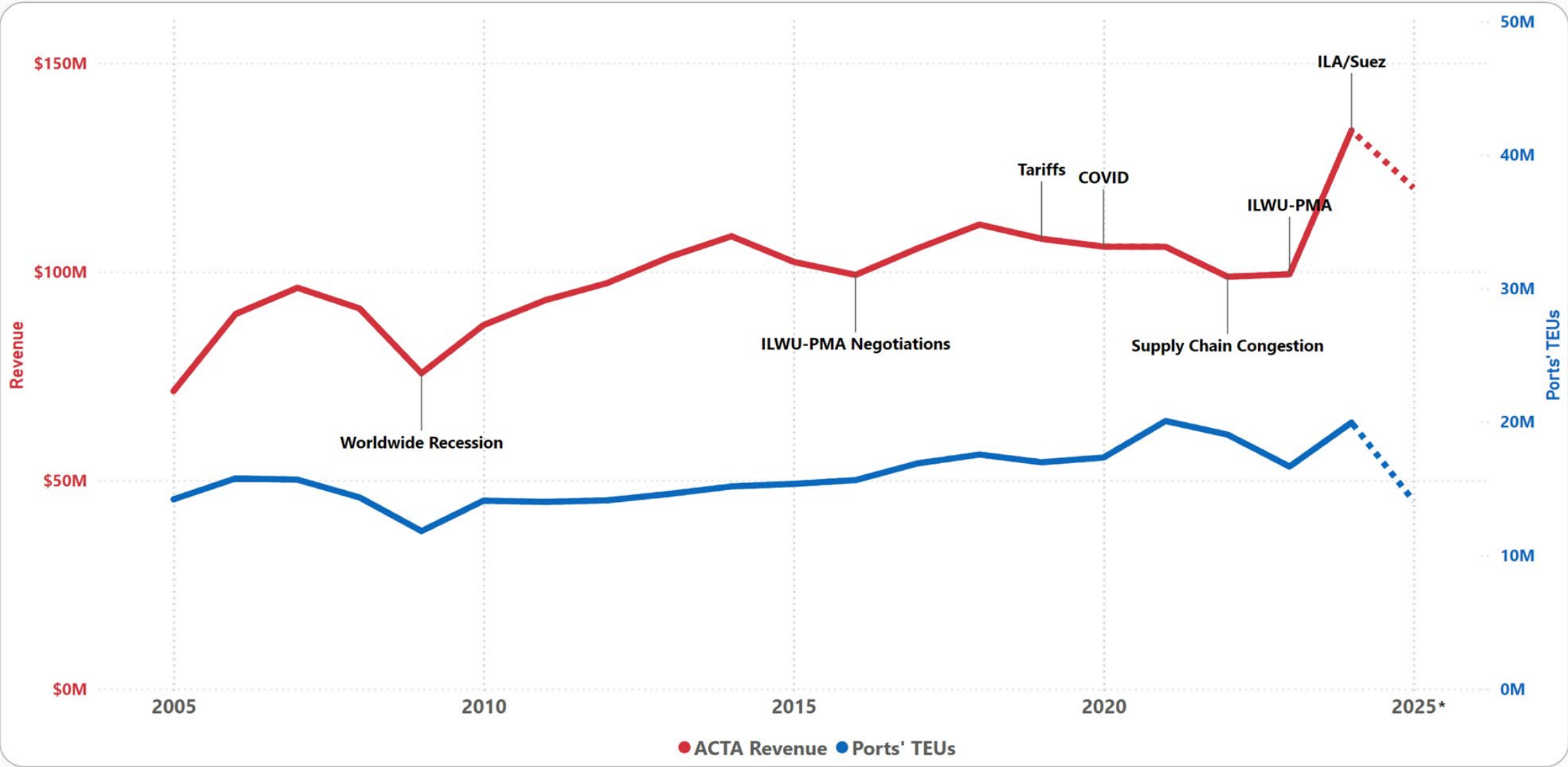
4.8M

+30.2% | 3.7M
vs Previous FYTD

Corridor Revenue Performance



Revenue and Ports' TEUs Trends



* Actuals through March 2025; remaining CY numbers from ACTA's forecast model

REPORT ITEM 2

ACTA Public Policy May 15, 2025

Discussion

The Public Policy focuses ACTA efforts and facilitates collaboration between ACTA and other agencies to advance investment and policy strategies.

1. Finance

Provide analysis of alternatives considering updated Long-term Cargo Forecast

Approve strategy to establish upcoming actions



2. Rail Consultant – Selection/procurement from six proposing firms



3. Security

Continue enhancement of security for infrastructure/cargo

Collaboration task forces & joint camera deployment



4. State of Good Repair

ACTA pursuing Communications/Signal upgrade – design underway

ACTA MOW Contract RFP – Status/Schedule update



ACTA Maintenance of Way Services RFP

May 15, 2025

Background

- March 2024 - ACTA Board approved an 18-month contract extension of the Maintenance of Way (MOW) Services contract (Agreement C0885)
- November 2024 - Bids were received
- December 2024 - interviews were conducted
- January 2025 - additional information regarding rates were received
- February 2025 - ACTA staff decided to reject all bids, make corrections to the selection process and re-bid the MOW Services contract
- March 2025 - modified RFP issued

Procurement Schedule

Following is the tentative procurement schedule for a new MOW Services contract.

<u>RFP</u>	<u>Date</u>
Release RFP	March 27, 2025
Bid Period Ends	April 29, 2025
Evaluation Period Ends	May 2025
Complete ACTA Negotiations	June 2025
NMA Approval (Both Railroads and Ports with Harbor Commissions)	September 2025
Recommendation for ACTA Board Approval	November 2025
Execute Contract	December 2025
Mobilize MOW Service Provider	January 2026

MINUTES OF A REGULAR MEETING OF THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY GOVERNING BOARD HELD AT LONG BEACH CITY COLLEGE LIBERAL ARTS CAMPUS BOARD ROOM, 4901 E. CARSON STREET, BUILDING T1100, LONG BEACH, CALIFORNIA 90808 ON MARCH 20, 2025, AT 10:00 A.M.

ROLL CALL

Members present:

Michael Cano, Los Angeles County Metro
Frank Colonna, Port of Long Beach
Tim McOsker, City of Los Angeles
Edward Renwick, Port of Los Angeles
Suely Saro, City of Long Beach (via teleconference)

Alternate members present:

Sam Joumblat, Port of Long Beach

Members absent:

Gene Seroke, Port of Los Angeles

Also present:

Michael Leue, ACTA, Chief Executive Officer
Kevin Scott, ACTA, Chief Financial Officer
Heather McCloskey, ACTA, Co-General Counsel
Deepika Thompson, ACTA, Co-General Counsel
Maria Melendres, ACTA, Governing Board Secretary

The meeting was called to order at 10:10 a.m. by Chair McOsker.

CLOSED SESSION

Co-Counsel Heather McCloskey announced that the Board would not convene in Closed Session.

OPEN SESSION

Board Secretary Melendres announced that Item 3 was being pulled from the Agenda and stated that Public Comment on this item would be heard during Public Comment on Non-Agenda Items.

A. COMMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS

A written public comment submitted by Garry Herrera, President of ILWU Local 13, Danny Vilicich, President of ILWU Local 63, and Daniel G. Miranda, President of ILWU Local 94, in opposition to the staff recommendation on Item 3, was received. (attached)

A written public comment submitted by Brianna Egan, Chair of South Bay Forward, regarding the electrification of the Alameda Corridor, was received. (attached)

A written public comment submitted by Maria S. Salinas, President & CEO of the Los Angeles Area Chamber of Commerce, in opposition to the staff recommendation on Item 3, was received. (attached)

A written public comment submitted by Kat Janowicz, Chair of the Board of FuturePorts, in opposition to the staff recommendation on Item 3, was received. (attached)

Chair McOsker inquired whether any members of the public were present at the remote location. Vice Chair Saro confirmed that there were none in attendance.

(Board Member Cano arrived at 10:20 a.m., and Board Member Renwick arrived at 10:24 a.m.)

B. REPORTS AND PRESENTATIONS

i. DECEMBER 2024 CORRIDOR PERFORMANCE

Michael Leue presented the Corridor performance statistics through January 2025.

ii. ACTA PUBLIC POLICY ACTIVITIES

Michael Leue presented an update on ACTA's Public Policy activities.

C. MINUTES

ACTA GOVERNING BOARD REGULAR MEETING OF FEBRUARY 20, 2025 – APPROVED.

Minutes of the Regular Meeting of February 20, 2025, of the Governing Board of the Alameda Corridor Transportation Authority, were presented to the Governing Board.

Board Member Colonna motioned, seconded by Board Member Joublat, that the minutes of the February 20, 2025, Regular Meeting of the Alameda Corridor Transportation Authority be approved as submitted. Roll call was taken. Carried by the following vote:

AYES: Cano, Colonna, Joublat, McOsker, Renwick, Saro

NOES: None

ABSENT: Seroka

D. AGENDA ITEMS

Consent Agenda

1. MONTHLY FINANCIAL REPORTS AS OF DECEMBER 31, 2024 – RECEIVED AND FILED.

Communication from Kevin L. Scott, Chief Financial Officer, dated March 20, 2025, recommending that the monthly financial reports as of December 31, 2024, be received and filed, was presented to the Governing Board.

2. ACTA PROFESSIONAL SERVICES BUDGET UPDATE – INFORMATION ITEM.

Communication from Graham Christie, Chief Operating Officer, dated March 20, 2025, with an update on ACTA's Professional Services Budget, responding to the Governing Board's request, was presented to the Governing Board.

No public comment was received on Item Nos. 1 and 2.

Board Member Joublat motioned, seconded by Board Member Cano, that Item No. 1 be received and filed as recommended. Roll call was taken. Carried by the following vote:

AYES: Cano, Colonna, Joublat, McOsker, Renwick, Saro

NOES: None

ABSENT: Seroka

Regular Agenda

3. Item No. 3 was pulled from the agenda at the beginning of the meeting.
4. 2025-2026 INSURANCE COVERAGE RENEWAL – APPROVED.

Communication from Kevin L. Scott, Chief Financial Officer, dated March 20, 2025, recommending the authorization of the Chief Financial Officer or his designee to negotiate and accept the recommendations of Willis Towers Watson (“Willis”), ACTA’s Broker of Record, for placement of required insurance for the period of April 15, 2025 through April 14, 2026; and to bind insurance, on behalf of ACTA, per the recommendation of Willis, was presented to the Governing Board.

No public comment was received on Item No. 4.

Board Member Joublat motioned, seconded by Board Member Renwick, that Item No. 4 be approved as recommended. Roll call was taken. Carried by the following vote:

AYES: Cano, Colonna, Joublat, McOsker, Renwick, Saro

NOES: None

ABSENT: Seroka

ADJOURNMENT

At 10:46 a.m., the meeting was adjourned sine die.



630 S. Centre Street
San Pedro, CA 90731
(310) 830-1130 • Fax (310) 830-3489
www.ilwu13.com



350 W. 5th Street, Suite 200
San Pedro, CA 90731
(310) 521-6363 • Fax (310) 521-6343
www.ilwu63.net



180 E. Ocean Blvd, Suite 1020
Long Beach, CA 90802
(310) 832-1109 • Fax (310) 832-2142
www.ilwulocal94.org

Sent Via Email

March 19, 2025

Governing Board Members
Alameda Corridor Transportation Authority
3760 Kilroy Airport Way, Suite 200
Long Beach, CA 90806

Re: Oppose Staff Recommendation on Item 3: “*APPROVE staff’s recommendation to not undertake a Full Restructuring transaction for ACTA’s outstanding bonds starting in 2025*” at March 20, 2025 Governing Board Meeting

Dear Governing Board Members:

On behalf of International Longshore and Warehouse Union (ILWU), Local’s 13, 63 and 94, we are writing to express strong opposition to staff recommendation on Item 3, “*APPROVE staff’s recommendation to not undertake a Full Restructuring transaction for ACTA’s outstanding bonds starting in 2025*” for the Alameda Corridor Transportation Authority Governing Board meeting on March 20, 2025. I respectfully request you and the ACTA Governing Board direct staff to pursue a restructuring of debt as previously planned to ensure Port funding can be prioritized toward capital projects that will enhance revenue generation in the long-term.

Port funding should be prioritized to reinvest in port infrastructure to improve operational efficiency, fluidity and reliability. Making the ports cover the shortfall could impede and delay investments in critical port projects that enhance operational efficiencies and accelerate transition to zero-emissions operations. Given all the uncertainty in the industry, it is even more important for ports to preserve their funding for mission critical projects. The ports should not be burdened to cover ACTA’s debt if restructuring is an option. Therefore, we support restructuring ACTA’s debt, which has been a long-standing practice.

Over the next five years, there will be unprecedented improvements to the rail system that should result in additional traffic on the Alameda Corridor and hence additional revenue. The Port of Long Beach’s Pier B On-Dock Rail Support Facility is a \$1.8 billion project to increase rail capacity,

supporting 4.4 million TEUs by 2030. The project started in 2018 and is on-schedule to be completed by 2032. Additionally, the BNSF Barstow project, estimated at \$1.5 billion, will be a 4500-acre integrated rail facility that will bring smaller blocks to consolidate into long trains to service nearby markets currently serviced by truck. In addition, it will have warehouses where transloading will take place, instead of avoiding the ACTA fee by being done locally.

The ACTA Board should reject staff's recommendation and direct them to continue with debt restructuring, as originally planned in 2023 to minimize financial risk to the Authority and its members. We thank you for your consideration of this request and please contact Gary Herrera at gary.herrera@ilwu13.org with any questions.

Sincerely,



Gary Herrera
President
ILWU Local 13



ILWU Local 63



Daniel G. Miranda
President
ILWU Local 94

From: [Brianna Egan](#)
To: [PublicComment](#)
Cc: councilmember.mcosker@lacity.org; [Aksel Palacios](#); [South Bay Forward](#)
Subject: Public Comment for 3/20 Alameda Corridor Board Meeting
Date: Wednesday, March 19, 2025 5:10:14 PM

Some people who received this message don't often get email from briannajungegan@gmail.com. [Learn why this is important](#)

External Email: NEVER ENTER YOUR LOGIN CREDENTIALS IF PROMPTED. Do not click on any links or open attachments unless you recognize the sender and know the content is safe. ~ACTA~

Dear Chair McOsker and Alameda Corridor Transportation Authority Board Members,

I am providing a public comment on A. Non-Agenda Items.

A. Non-Agenda Items:

I'd like to thank the ACTA Board for its commitment to serving the communities near the Ports of Los Angeles and Long Beach and its mission to divert cargo from truck to rail and reduce truck trips along highways. The completion of the Alameda Corridor and its ongoing operations have provided a remarkable public investment in rail transportation and cleaner air. As someone who calls the South Bay home, I especially appreciate the environmental benefits that the Alameda Corridor has thus far provided in reducing truck and rail emissions.

I would like to encourage the ACTA Board to build on this mission and advance plans to electrify the Alameda Corridor. The electrification of the Alameda Corridor is an important environmental and transportation justice goal of many environmental groups in the South Bay, Gateway, and Ports Communities as well as transportation advocacy groups in the Los Angeles area and around the state. I am the Chair of South Bay Forward, which is an advocacy organization moving the South Bay LA region forward on housing, transit, and mobility. We have identified Alameda Corridor Electrification as a priority project.

The Alameda Corridor was originally built to specifications for electrification, so this would be an attainable infrastructure project that would advance the Authority's and the state's environmental and transportation goals. With overhead traction power and electric locomotives, Alameda Corridor electrification would provide enormous and immediate benefits to the region: Eliminating greenhouse gases entirely from all rail operations, further reducing pollution and emission burdens on local communities, and providing faster and more efficient service to freight customers to thus increase revenue. For further reading on the technical feasibility of electrification on the Corridor, see the SCAG 2012 Rail Electrification Analysis and the Californians for Electric Rail Concept Paper. Links below:

- SCAG 2012 Analysis: https://scag.ca.gov/sites/main/files/file-attachments/crgmsais_-_analysis_of_freight_rail_electrification_in_the_scag_region.pdf?1605991886
- CER 2023 Concept Paper: <https://calelectricrail.org/wp-content/uploads/2024/11/POLA-Alameda-Corridor-Electrification-concept-paper-BY-2023.08.29.pdf>

While this project is technically feasible, we understand funding support is needed. There are multiple sources that the Authority can explore, including Measure M Metro funding, Long

Beach-East Los Angeles Corridor Mobility Investment Plan (Former 710 Project), and AB 939 Transit Bond Measure in the legislature, which sets aside \$2.5B for sustainable freight infrastructure improvements.

Please reach out if you would like to discuss this further and explore opportunities to advance the goal of Alameda Corridor electrification. We have a strong coalition of transportation and environmental justice groups that would love to work with you to advance this vision, and are ready to provide support at the local and state level.

Thank you,
Brianna Egan
Chair, South Bay Forward
southbayforward.org
southbayforward@gmail.com



March 19, 2025

Governing Board Members
Alameda Corridor Transportation Authority
3760 Kilroy Airport Way, Suite 200
Long Beach, CA 90806

RE: Oppose Staff Recommendation on Item 3: *"APPROVE staff's recommendation to not undertake a Full Restructuring transaction for ACTA's outstanding bonds starting in 2025"* at March 20, 2025 Governing Board Meeting

Dear Governing Board Members:

On behalf of Los Angeles Area Chamber of Commerce, I am writing to express strong opposition to staff recommendation on Item 3, *"APPROVE staff's recommendation to not undertake a Full Restructuring transaction for ACTA's outstanding bonds starting in 2025"* for the Alameda Corridor Transportation Authority Governing Board meeting on March 20, 2025. I respectfully request you and the ACTA Governing Board direct staff to pursue a restructuring of debt as previously planned to ensure Port funding can be prioritized toward capital projects that will enhance revenue generation in the long-term.

Port funding should be prioritized to reinvest in port infrastructure to improve operational efficiency, fluidity and reliability. Making the ports cover the shortfall could impede and delay investments in critical port projects that enhance operational efficiencies and accelerate transition to zero-emissions operations. Given all of the uncertainty in the industry, it is even more important for ports to preserve their funding for mission critical projects. The ports should not be burdened to cover ACTA's debt if restructuring is an option. Therefore, we support restructuring ACTA's debt, which has been a long-standing practice.

Over the next five years, there will be unprecedented improvement to the rail system that should result in additional traffic on the Alameda Corridor and hence additional revenue. The Port of Long Beach's Pier B On-Dock Rail Support Facility is a \$1.8 billion project to increase rail capacity, supporting 4.4 million TEUs by 2030. The project started in 2018 and is on-schedule to be completed by 2032. Additionally, the BNSF Barstow project, estimated at \$1.5 billion, will be a 4500-acre integrated rail facility that will bring smaller blocks to consolidate into long trains to service nearby markets currently serviced by truck. In addition, it will have warehouses where transloading will take place, instead of avoiding the ACTA fee by being done locally.

The ACTA Board should reject staff's recommendation and direct them to continue with debt restructuring, as originally planned in 2023 to minimize financial risk to the Authority and its members. We thank you for your consideration of this request and please contact Carlos Singer at csinger@lachamber.com with any questions.

Sincerely,



Maria S. Salinas
President & CEO

2025 Board

Kat Janowicz
Chair

Letitia Austin
Chair-Elect

Mike Bush
Secretary

Julianne Avery
Treasurer

Mike Bush
Director

Brian Bustamante
Director

Matthew Means
Director

Claudette Moody
Director

Patty Senecal
Director

Douglas Thiessen
Director

Andrea Casillas
Executive Director

March 17, 2025

Governing Board Members
Alameda Corridor Transportation Authority
3760 Kilroy Airport Way, Suite 200
Long Beach, CA 90806

Via email

RE: Oppose Staff Recommendation on Item 3: “APPROVE staff’s recommendation to not undertake a Full Restructuring transaction for ACTA’s outstanding bonds starting in 2025” at March 20, 2025 Governing Board Meeting

Dear Governing Board Members:

On behalf of FuturePorts, I am writing to express strong opposition to staff recommendation on Item 3, “APPROVE staff’s recommendation to not undertake a Full Restructuring transaction for ACTA’s outstanding bonds starting in 2025” for the Alameda Corridor Transportation Authority Governing Board meeting on March 20, 2025. I respectfully request you and the ACTA Governing Board direct staff to pursue a restructuring of debt as previously planned to ensure Port funding can be prioritized toward capital projects that will enhance revenue generation in the long-term.

FuturePorts is a 501(c)(6) nonprofit advocacy coalition founded in 2005 to help coalesce the Southern California supply chain around the need to both grow the ports and to address the environmental, air quality, and quality of life issues that come with that growth. FuturePorts believes that a vibrant and healthy economic and environmental future for the ports is vital to us all. FuturePorts’ vision is to realize the modernization of the Southern California ports in order to maintain their competitiveness through the successful completion of their development programs allowing for the economically viable and environmentally sustainable growth of the ports.

Port funding should be prioritized to reinvest in port infrastructure to improve operational efficiency, fluidity and reliability. Making the ports cover the shortfall could impede and delay investments in critical port projects that enhance operational efficiencies and accelerate economic growth in California and beyond. Given all of the uncertainty in the industry, it is even more important for ports to preserve their funding for mission critical projects, including expansion, cyber security, and infrastructure. The ports should not be burdened to cover ACTA’s debt if restructuring is an option. Therefore, we support restructuring ACTA’s debt, which has been a long-standing practice.

Over the next five years, there will be unprecedented improvement to the rail system that should result in additional traffic on the Alameda Corridor and hence additional revenue. The Port of Long Beach's Pier B On-Dock Rail Support Facility is a \$1.8 billion project to increase rail capacity, supporting 4.4 million TEUs by 2030. The project started in 2018 and is on-schedule to be completed by 2032. Additionally, the BNSF Barstow project, estimated at \$1.5 billion, will be a 4500-acre integrated rail facility that will bring smaller blocks to consolidate into long trains to service nearby markets currently serviced by truck. In addition, it will have warehouses where transloading will take place, instead of avoiding the ACTA fee by being done locally.

The ACTA Board should reject staff's recommendation and direct them to continue with debt restructuring, as originally planned in 2023 to minimize financial risk to the Authority and its members. We thank you for your consideration of this request and please contact Andrea Casillas at info@futureports.org with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kat Janowicz', with a stylized flourish at the end.

Kat Janowicz
Chair of the Board, FuturePorts

M E M O

Alameda Corridor Transportation Authority

To: Governing Board
Meeting Date: May 15, 2025
From: Kevin L. Scott, Chief Financial Officer 
Subject: RECEIVE AND FILE Monthly Financial Reports as of February 28, 2025

Recommendation:

Receive and file the Monthly Financial Reports as of February 28, 2025.

Discussion:

The financial package includes the following:

- Monthly Financial Statements (See Transmittal 1).

Statements of Net Position - Unaudited statement of ACTA's assets and liabilities as of February 28, 2025. The audited June 30, 2024 financial information is also included for comparative purposes to the beginning of the fiscal year.

Statement of Revenues, Expenses and Changes in Net Position – Fiscal Year 2025 unaudited statement of revenues, expenses and changes in net position through February 28, 2025. Also included is the statement as of February 2024 which has been included for comparative purposes for eight months of information.

Comparison of Budget Functional Expenses – Operating Budget by Expense Type - The fiscal year-to-date budget is compared to actual revenue and expenditures incurred as of February 28, 2025.

Comparison of Budget Functional Expenses – Operating Budget by Funds - The fiscal year-to-date budget is compared to actual revenue and expenditures incurred as of February 28, 2025.

Cash and Investment Summary – Cash and investment balances and the corresponding investment schedule are being presented as of February 28, 2025. The cash and investment balances are segregated by institution, account number reference, and account description. Balances are presented in book and market value. Also included are the grant funds received for the SR-47 project during the current fiscal year. The investment schedule summarizes the composition of the agency's investment portfolio and how the portfolio complies with the Board approved Investment Policy.

Cash Flow – Cash flow for the month of February 2025 is presented. It is presented in both a summary format and a detailed format. A fiscal year-to-date cash flow showing all activity through February 28, 2025, is also presented in both a summary format and a detailed format. The dollar amounts represent the book values for each account.

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 - Monthly Financial Statements as of February 28, 2025



Statements of Net Position

February 28, 2025 and June 30, 2024

	February 2025	June 2024
<u>Assets & Deferred Outflows of Resources</u>		
Current Assets:		
Restricted Cash & Cash Equivalents, & Investments	\$ 22,046,834	\$ 143,137,200
Receivables	13,603,956	12,752,663
Prepaid Expenses	1,094,126	2,448,458
Total Current Assets	36,744,916	158,338,321
Prepaid Bond Insurance Premiums, net	28,932,475	29,697,138
Restricted Investments *	225,544,340	51,132,104
Assets Held for Transfer	311,990	311,990
Net OPEB Asset	370,904	370,904
Capital Assets Not Being Depreciated	438,148,732	438,148,732
Capital Assets, Net	999,247,680	1,013,329,849
Total Assets	1,729,301,037	1,691,329,038
Deferred Outflows of Resources:		
Loss on Refunding	34,662,190	38,795,381
Pension and OPEB Related Items	1,571,245	1,571,245
Total Assets & Deferred Outflows of Resources	\$ 1,765,534,472	\$ 1,731,695,664
<u>Liabilities, Deferred Inflows of Resources, & Net Position</u>		
Current Liabilities:		
Accounts Payable	\$ 2,070,866	\$ 6,005,375
Unearned Revenue	7,925,364	5,372,279
Accrued Interest Payable, Current Portion	20,466,987	12,419,912
Revenue Bonds Payable, Current Portion	15,970,000	16,255,000
Other Liabilities	523,498	736,000
Total Current Liabilities	46,956,715	40,788,566
Noncurrent Liabilities:		
Shortfall Advances Payable to Ports	14,296,479	13,839,081
Net Pension Liability	2,340,987	2,340,987
Accrued Interest Payable, Net of Current Portion	606,049,682	551,790,732
Revenue Bonds Payable, Net of Current Portion & Unamortized Discount	1,762,339,533	1,780,332,982
Total Noncurrent Liabilities	2,385,026,681	2,348,303,782
Total Liabilities	\$ 2,431,983,396	\$ 2,389,092,348
Deferred Outflows of Resources:		
Gain on refunding	43,540,351	44,555,018
Deferred Inflows of Resources	436,591	436,591
Total Deferred Outflows of Resources	43,976,942	44,991,609
<u>Net Position</u>		
Net Investment in Capital Assets	-	-
Restricted for Debt Service	171,466,785	124,137,739
Restricted for Capital Projects	-	-
Restricted by Master Trust Agreement	98,405,084	90,762,509
Unrestricted	(980,297,735)	(917,288,541)
Total Net Position	(710,425,866)	(702,388,293)
Total Liabilities, Deferred Inflows of Resources, & Net Position	\$ 1,765,534,472	\$ 1,731,695,664
<p>* All investments with a maturity within three months are considered cash for the year-end financial statements. Monthly, unaudited financial statements, carry all investments, regardless of maturity date(s), as Restricted Investments. Fully detailed classifications are only done at year-end in accordance with GASB 40, therefore classification differences exist.</p>		
	February 2025	June 2024
Current	\$ 22,046,834	\$ 143,137,200
Noncurrent	225,544,340	51,132,104
	\$ 247,591,174	\$ 194,269,304
		\$ 53,321,870



Statement of Revenues, Expenses, & Changes in Net Position

Eight Months ended February 28, 2025 and 2024

	<u>February 2025</u>	<u>February 2024</u>
Operating Revenues:		
Use Fees & Container Charges	\$ 95,505,284	\$ 73,195,763
Maintenance-of-Way Charges	6,528,609	5,738,873
Total Operating Revenues	<u>102,033,893</u>	<u>78,934,636</u>
Operating Expenses:		
Salaries & Benefits	3,007,914	1,774,508
Administrative Expenses	556,092	1,155,788
Professional Services	989,570	589,000
Maintenance-of-Way	9,269,554	9,515,030
Depreciation	14,082,168	14,074,357
Total Operating Expenses	<u>27,905,298</u>	<u>27,108,683</u>
Operating Income (Loss)	74,128,595	51,825,953
Nonoperating Revenues:		
Interest & Investment Revenue, Net	6,172,688	5,488,573
Public Benefit Income	-	301,660
Miscellaneous Revenue	2,204,867	773,012
Total Nonoperating Revenues	<u>8,377,555</u>	<u>6,563,245</u>
Nonoperating Expenses:		
Interest Expense	90,477,654	100,053,204
Expenses for Public Benefit & Pass Thru Expenses	1,080,735	1,334,546
Amortization of deferred gain on bond refunding	(1,014,667)	3,564,629
Costs of Issuance	-	-
Gain/Loss Sale or Transfer of Capital Assets	-	-
Total Nonoperating Expenses, Net	<u>90,543,722</u>	<u>104,952,379</u>
Changes in Net Position	(8,037,573)	(46,563,181)
Net Position:		
Net Position, Beginning of Year	(702,388,293)	(585,539,734)
Net Position - End of Year	<u>\$ (710,425,866)</u>	<u>\$ (632,102,915)</u>



Comparison of Budget By Expenses Type as of February 28, 2025

(\$ in thousands)	Fiscal Year-to-Date		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 61,147,963	\$ 95,505,284	\$ 34,357,321
Maintenance-of-Way Charges	11,411,877	6,528,609	(4,883,268)
Total Operating Revenues	<u>72,559,840</u>	<u>102,033,893</u>	<u>29,474,053</u>
Other Revenues			
Projects			
Pier Pass	40,000	40,000	-
EPA Order & Pass Thru Income	1,970,457	2,164,867	194,410
Subtotal Projects	<u>2,010,457</u>	<u>2,204,867</u>	<u>194,410</u>
Miscellaneous			
Public Benefit Income	50,000	-	(50,000)
Gain/Loss from Sale of Fixed Assets	-	-	-
Ports-Shortfall Advances	-	-	-
Investment Income	3,611,847	6,172,688	2,560,841
Subtotal Miscellaneous	<u>3,661,847</u>	<u>6,172,688</u>	<u>2,510,841</u>
Subtotal Other Revenues	<u>5,672,304</u>	<u>8,377,555</u>	<u>2,705,251</u>
Total Sources of Funds	<u>78,232,144</u>	<u>110,411,448</u>	<u>32,179,304</u>
Expenses			
Salaries	1,589,341	1,387,959	(201,382)
Benefits	1,768,118	1,619,955	(148,163)
Office Expenses	365,141	353,009	(12,132)
Other Management Expenses	70,600	35,799	(34,801)
Information Technologies	109,667	57,048	(52,619)
Bank & Investment	128,333	110,236	(18,097)
Audit	140,913	104,847	(36,067)
Legal	453,333	259,885	(193,448)
Governmental Affairs	60,000	49,657	(10,343)
Other Professional Services	1,320,466	575,181	(745,285)
Pass Thru Expenses & EPA Order	1,713,441	931,653	(781,788)
Expenses for Public Benefit	50,000	149,082	99,082
Total Administrative Expenses	<u>7,769,353</u>	<u>5,634,311</u>	<u>(2,135,042)</u>
Maintenance-of-Way Expenses-Rail - Contractors	8,346,990	3,752,238	(4,594,752)
Maintenance-of-Way Expenses-Rail - Capital	-	-	-
Maintenance-of-Way Expenses-Rail - Other	3,064,887	2,789,498	(275,389)
Maintenance-of-Way Expenses-Nonrail - Contractors	1,140,470	536,690	(603,780)
Maintenance-of-Way Expenses-Nonrail - Capital	8,308,341	1,779,167	(6,529,174)
Maintenance-of-Way Expenses-Nonrail - Other	195,559	328,177	132,618
Maintenance-of-Way Expenses - ACTA	133,948	83,785	(50,163)
Total Maintenance-of-Way Expenses	<u>21,190,195</u>	<u>9,269,554</u>	<u>(11,920,641)</u>
Subtotal Administrative and M&O Expenses	<u>28,959,548</u>	<u>14,903,865</u>	<u>(14,055,683)</u>
Financing Expenses			
Debt & Port Advance Interest/Bonds Premium Discount	34,838,541	36,218,704	1,380,163
Debt Service - Accrued CAB Interest	54,074,367	54,258,950	184,583
Subtotal Financing Expenses	<u>88,912,908</u>	<u>90,477,654</u>	<u>1,564,746</u>
Depreciation & Amortization Expenses			
Depreciation	13,990,109	14,082,168	92,059
Amortization of deferred gain on bond refunding	-	(1,014,667)	(1,014,667)
Cost of Issuance	-	-	-
Subtotal Depreciation & Amortization Expenses	<u>13,990,109</u>	<u>13,067,501</u>	<u>(922,608)</u>
Total Operating Expenses	<u>131,862,565</u>	<u>118,449,021</u>	<u>(13,413,544)</u>
Income (Loss)	<u>\$ (53,630,421)</u>	<u>\$ (8,037,573)</u>	<u>\$ 45,592,848</u>

* Y-T-D Budget calculated on a straight line basis.



Comparison of Budget By Funds as of February 28, 2025

(\$ in thousands)	Fiscal Year-to-Date		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 61,147,963	\$ 95,505,284	\$ 34,357,321
Maintenance-of-Way Charges	11,411,877	6,528,609	(4,883,268)
Total Operating Revenues	72,559,840	102,033,893	29,474,053
Other Revenues			
Projects			
Pier Pass	40,000	40,000	-
EPA Order & Pass Thru Income	1,970,457	2,164,867	194,410
Subtotal Projects	2,010,457	2,204,867	194,410
Miscellaneous			
Public Benefit Income	50,000	-	(50,000)
Gain/Loss from Sale of Fixed Assets	-	-	-
Ports-Shortfall Advances	-	-	-
Investment Income	3,611,847	6,172,688	2,560,841
Subtotal Miscellaneous	3,661,847	6,172,688	2,510,841
Subtotal Other Revenues	5,672,304	8,377,555	2,705,251
Total Sources of Funds	78,232,144	110,411,448	32,179,304
Expenses			
Financing Fees	1,107,069	913,769	(193,300)
Administrative Costs	4,898,844	3,639,808	(1,259,036)
Capital	-	-	-
Railroads-M&O	11,411,877	6,541,736	(4,870,141)
Reserve-M&O	9,644,370	2,644,033	(7,000,337)
Financing Fees-M&O	133,948	83,785	(50,163)
Revenue Fund-Interest & Bonds Premium/Discount	34,838,541	36,218,704	1,380,163
Expenses for Public Benefit	50,000	56,473	6,473
LAIF General Fund-Pass Thru & EPA	1,713,440	1,024,262	(689,178)
Total Expenses	63,798,089	51,122,570	(12,675,519)
Non Cash Expenses			
Accrued CAB Debt Service Interest	54,074,367	54,258,950	184,583
Depreciation	13,990,109	14,082,168	92,059
Amortization of deferred gain on bond refunding	-	(1,014,667)	(1,014,667)
Cost of Issuance	-	-	-
Subtotal Interest, Depreciation, & Amortization Expenses	68,064,476	67,326,451	(738,025)
Total Operating Expenses	131,862,565	118,449,021	(13,413,544)
Income (Loss)	\$ (53,630,421)	\$ (8,037,573)	\$ 45,592,848

* Y-T-D Budget calculated on a straight line basis.



Cash & Investment Summary as of February 28, 2025

Cash and Investment Balances (\$ in thousands)

Institution	Account Reference #	Account Description	Book Value	Market Value
Bank of America				
	0457 & 0796	Concentration & Disbursement Accounts	528	528
Pre Bond Sale Accounts-Union Bank- Now US Bank				
	5080	SR-47	4,774	4,828
Grant Reimbursement Received this month \$0.00				
Grant Reimbursement Received FY to Date \$50,854.75				
Local Agency Investment Fund (LAIF)				
	40-19-006	General Fund	10,979	10,979
1999, 2004, 2012, 2016, 2022 Bond Funds- US Bank				
Revenue Funds	1170	Revenue Fund	53,420	53,878
	1171	M & O Fund	8,836	8,894
	1172	Reserve Account	14,771	14,876
	1189	Administrative Costs	8,310	8,398
		Subtotal Revenue Funds	85,337	86,046
Debt Service Funds	61180	99A Interest	1	1
	61181	99A Principal	-	-
	61183	99A Redemption	-	-
	61192	99A Senior Lien	238	239
	61193	99A 17th Level	47,221	47,426
	61200	99C Interest Account	5,279	5,318
	61201	99C Principal Account	26,485	26,792
	38003	04B Debt Service Reserve	25,884	25,811
	39004	04A Debt Service Reserve	15,643	15,875
	39006	04A Financing fee	1,162	1,174
	39002	04A Debt Service Principal Account	-	-
	59001	12 Debt Service Interest Account	651	653
	59002	12 Debt Service Principal Account	3,961	3,991
	59004	12 Debt Service Reserve Account	8,027	7,906
	27000	16A Debt Service	15	15
	27004	16A Debt Service Reserve	3,801	3,759
	27001	16A Interest	1	1
	27002	16A Principal	5	5
	108006	16B Financing fee	661	667
	108000	16B Financing fee	27	27
	108001	16B Interest	16	16
	98000	2022A DS Fund	34	34
	98006	2022A Bond Proceeds Account	-	-
	53000	2022B DS Fund	68	68
	53002	2022B Interest Account	5,100	5,116
	86000	2022C DS Fund	42	42
	86002	2022C Interest Account	5	5
	86006	2022C Bond Proceeds Account	-	-
	40000	2024A DS Fund	22	22
	40002	2024A Interest Account	143	143
	740000	2024B DS Fund	-	-
	280000	2024C DS Fund	14	14
	90000	2024D DS Fund	89	89
		Subtotal Debt Service Funds	144,595	145,209
Total 1999, 2004, 2012, 2016, 2022, 2024 Bond Funds- U.S. Bank			229,932	231,255
Total Cash & Investment Balances			\$ 246,213	\$ 247,590



Cash & Investment Summary (Cont'd) as of February 28, 2025

Investment Schedule MTI and non-MTI (\$ in thousands)

Type of Investment	Book Value	Market Value	Percentage of Total	Investment Policy Limit
Money Market Funds	10,540	10,540	4.26%	20.00%
U.S. Government & Agency Obligations	183,658	185,035	74.73%	100.00%
Commercial Paper	-	-	0.00%	15.00%
U.S. Treasury Note	31,324	31,182	12.59%	100.00%
Corporate Bonds	9,184	9,326	3.77%	30.00%
Bank of America	528	528	0.21%	20.00%
Local Agency Investment Fund	10,979	10,979	4.43%	\$40 Million
Total	\$ 246,213	\$ 247,590	100.00%	

Investment Schedule (MTI) (\$ in thousands)

Type of Investment	Book Value	Market Value	Percentage of Total	Investment Policy Limit
Money Market Funds	10,105	10,105	4.08%	20.00%
U.S. Government & Agency Obligations	175,229	176,535	71.30%	100.00%
Commercial Paper	-	-	0.00%	15.00%
U.S. Treasury Note	26,578	26,395	10.66%	100.00%
Corporate Bonds	9,184	9,326	3.77%	30.00%
Bank of America	-	-	0.00%	20.00%
Local Agency Investment Fund	-	-	0.00%	\$40 Million
Total	\$ 221,096	\$ 222,361	89.81%	

Investment Schedule (non-MTI) (\$ in thousands)

Type of Investment	Book Value	Market Value	Percentage of Total	Investment Policy Limit
Money Market Funds	435	435	0.18%	20.00%
U.S. Government & Agency Obligations	8,429	8,500	3.43%	100.00%
Commercial Paper	-	-	0.00%	15.00%
U.S. Treasury Note	4,746	4,787	1.93%	100.00%
Corporate Bonds	-	-	0.00%	30.00%
Bank of America	528	528	0.21%	20.00%
Local Agency Investment Fund	10,979	10,979	4.43%	\$40 Million
Total	\$ 25,117	\$ 25,229	10.19%	



Cash Flow as of February 28, 2025

Monthly Cash Flow

February 2025

Total Beginning Cash		<u><u>\$ 78,607,244</u></u>
Receipts		
Use Fees & Container Charges	\$ 11,599,928	
M&O & Misc. Revenues, & Funds Transfers	<u>1,274,552</u>	
Total Receipts	12,874,480	
Disbursements		
Debt Service - Transfer to Accounts	3,003,477	
M&O, Administrative, & Financing Expenses	<u>1,080,413</u>	
Total Disbursements	4,083,890	
Cash Flow for Month		<u><u>\$ 8,790,590</u></u>
Total Ending Cash		<u><u>\$ 87,397,834</u></u>



Cash Flow as of February 28, 2025

February 2025

Beginning Cash

Master Indenture Revenue Fund 1170	44,813,237
Master Indenture M&O Fund 1171	8,090,890
Master Indenture Reserve Fund 1172	15,058,985
Admin Fund 1189	8,546,291
Financing Fee-Senior	241,007
Financing Fee-1st Sub	1,196,347
Financing Fee-2nd Sub	660,487
Total Beginning Cash	<u>78,607,244</u>

Receipts

Use Fee & Container Charges	11,599,928
M&O	1,151,525
Funds Transferred from BOA to Admin Fund	-
Funds Transferred from BOA to Reserve Fund	-
Funds Transferred from BOA to Revenue Fund	-
Interest Income / Loss	123,027
Total Receipts	<u>12,874,480</u>

Total Cash \$ 91,481,724

Disbursements

Debt Service - transfer to 1999C Principal	-
Debt Service - transfer to 1999C Interest	1,050,830
Debt Service - transfer to 2012 Interest	128,955
Debt Service- transfer to 2012 Principal	784,167
Debt Service- transfer to 2022B Interest	1,011,233
Debt Service - transfer to 2024A Interest	28,292
Semi-Annual Accounting - Transfers & Debt Service	
Transfer to 2012 Reserve	-
Transfer to 2004A Financing Fee	-
Transfer to 2016B Financing fee	-
Transfer to 1999A Financing fee	-
Transfer to Admin Fund	-
Transfer to Master Reserve	-
Transfer to 2016A Reserve	-
Transfer to 2016B Financing Fee	-
Transfer to 2022C Reserve Fund	-
Transfer to 17th level	-
Debt service payment - 2016A Interest	-
Debt service payment - 2016B Interest	-
Debt service payment - 2022C Interest	-
M&O - Railroads expense payments	426,929
M&O - Reserve expense payments	327,774
Administrative expense payments	275,643
Financing expense payments	50,067
Total Disbursements	<u>4,083,890</u>

Net Ending Cash \$ 87,397,834

Ending Cash

Master Indenture Revenue Fund 1170	53,420,107
Master Indenture M&O Fund 1171	8,835,626
Master Indenture Reserve Fund 1172	14,771,332
Admin Fund 1189	8,309,501
Financing Fee-Senior	237,643
Financing Fee-1st Sub	1,162,343
Financing Fee-2nd Sub	661,282
Total Ending Cash	<u>\$ 87,397,834</u>



Cash Flow - YTD as of February 28, 2025

Cash Flow - Fiscal Year-to-Date

February 2025

Total Beginning Cash as of 7/1/24 \$ 85,331,920

Receipts

Use Fees & Container Charges \$ 93,980,868

M&O & Misc. Revenues, & Funds Transfers 24,241,474

Total Receipts 118,222,342

Disbursements

Debt Service - Transfer to Accounts 98,247,888

M&O, Administrative, & Financing Expenses 17,908,540

Total Disbursements 116,156,428

Cash Flow for Fiscal Year \$ 2,065,914

Total Ending Cash \$ 87,397,834



Cash Flow - YTD as of February 28, 2025

February 2025

Beginning Cash as of 7/1/24

Master Indenture Revenue Fund 1170	56,182,560
Master Indenture M&O Fund 1171	6,156,876
Master Indenture Reserve Fund 1172	11,142,356
Admin Fund 1189	8,794,789
Financing Fee-Senior	288,408
Financing Fee-1st Sub	2,030,262
Financing Fee-2nd Sub	736,669
Total Beginning Cash	<u>85,331,920</u>

Receipts

Use Fee & Container Charges	93,980,868
M&O	11,087,683
Funds Transferred from BOA to Admin Fund	3,676,707
Funds Transferred from BOA to Reserve Fund	6,820,616
Annual Accounting - Transfer from Revenue Fund	114,664
Interest Income / Loss	2,541,804
Total Receipts	<u>118,222,342</u>

Total Cash \$ 203,554,262

Disbursements

Debt Service - transfer to 1999C Principal	-
Debt Service - transfer to 1999C Interest	8,333,016
Debt Service - transfer to 2012 Interest	1,084,219
Debt Service- transfer to 2012 Principal	5,967,650
Debt Service - transfer to 2022B Interest	8,019,355
Debt Service- transfer to 2024A Interest	224,873
Semi-Annual Accounting - Transfers & Debt Service	
Transfer to 2012 Reserve	-
Transfer to 2004A Financing Fee	368
Transfer to 2016B Financing fee	8,424,703
Transfer to 1999A Financing fee	114,296
Transfer to Admin Fund	3,596,064
Transfer to Master Reserve	6,820,616
Transfer to 2016A Reserve	6,580,500
Transfer to 2016B Financing Fee	-
Transfer to 2022C Interest	2,652,625
Transfer to 17th level	46,429,603
Debt service payment - 2016A Interest	-
Debt service payment - 2016B Interest	-
Debt service payment - 2022C Interest	-
M&O - Railroads expense payments	8,627,967
M&O - Reserve expense payments	3,568,813
Administrative expense payments	4,488,570
Financing expense payments	1,223,190
Total Disbursements	<u>116,156,428</u>

Net Ending Cash \$ 87,397,834

Ending Cash

Master Indenture Revenue Fund 1170	53,420,107
Master Indenture M&O Fund 1171	8,835,626
Master Indenture Reserve Fund 1172	14,771,332
Admin Fund 1189	8,309,501
Financing Fee-Senior	237,643
Financing Fee-1st Sub	1,162,343
Financing Fee-2nd Sub	661,282
Total Ending Cash	<u>\$ 87,397,834</u>

M E M O

Alameda Corridor Transportation Authority

To: Governing Board
Meeting Date: May 15, 2025
From: Kevin L. Scott, Chief Financial Officer
Subject: APPROVE staff's recommendation not to pursue a 2025 restructuring transaction for ACTA's outstanding bonds

Recommendation:

ACTA staff proposes that the Governing Board approve the recommendation not to pursue a restructuring transaction for any of ACTA's outstanding bonds in 2025 so that ACTA's financing plan can incorporate the results of the San Pedro Bay Long-term Cargo Forecast (LTCF).

ACTA's Governing Board has several financing alternatives available to address projected revenue shortfalls. These alternatives range from (1) a Full Restructuring which aims to eliminate all projected shortfalls through long-term bond issuances, to (2) more limited restructuring approaches that target shortfalls in specific years, to (3) maintain a reduced steady shortfall level, (4) to forgoing restructuring entirely leaving ACTA's current debt obligations unchanged. The discussion of financing alternatives in this memo is to provide context for the decision on a 2025 bond transaction.

ACTA staff recommends that the Governing Board not pursue a 2025 bond transaction. Based on current ACTA projections, a 2025 bond transaction would not be required. A bond transaction timed after the LTCF would allow ACTA's financing plan to incorporate the results of this study. ACTA Staff would then expect to present recommendations for financing alternatives at a future Governing Board meeting.

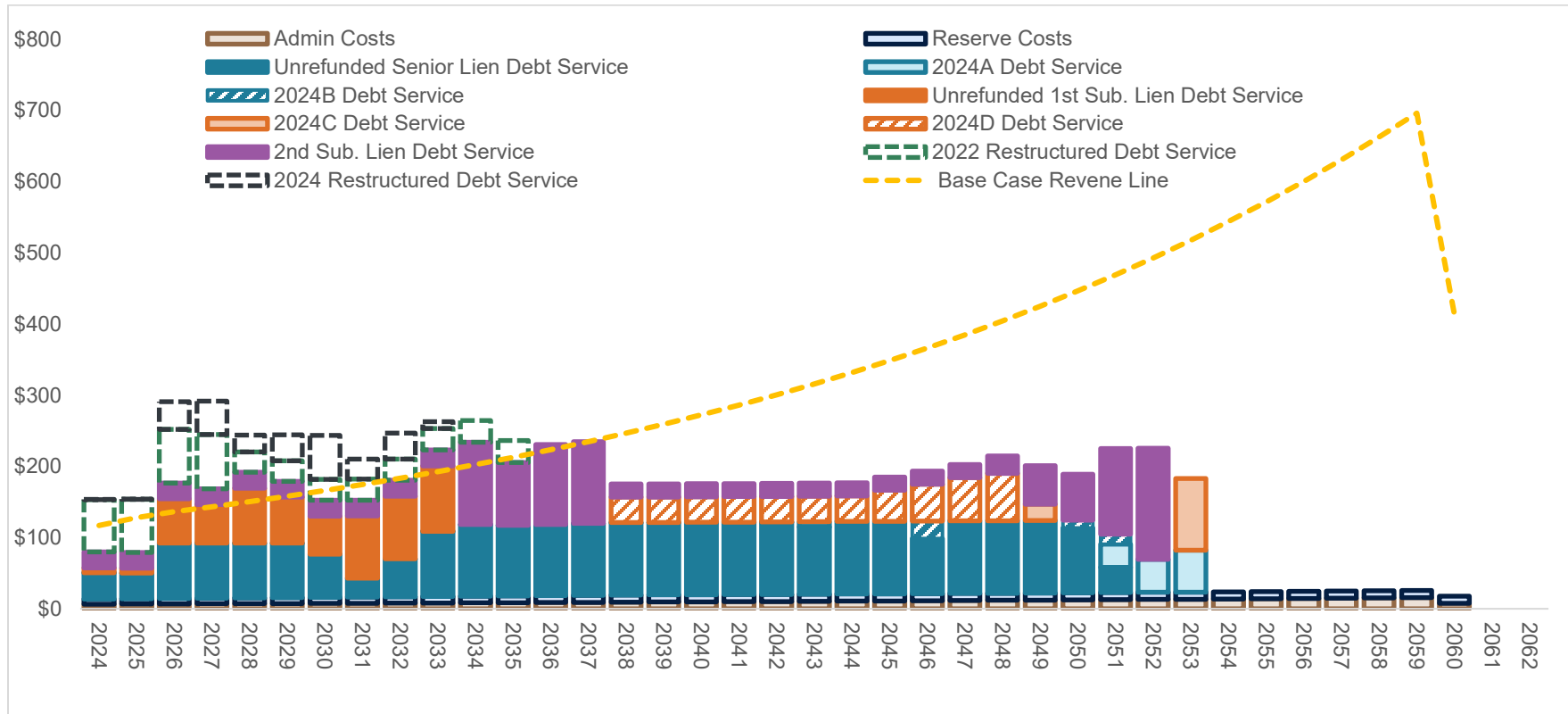
Key Points:

- ACTA staff and consultants have evaluated a range of funding and restructuring alternatives;
- Under current forecasts, a 2025 bond transaction is not required to accomplish restructuring alternatives;
- Strategies involving larger near-term restructurings, such as the Full Restructuring, might benefit from a 2025 bond transaction, but can still be accomplished without a 2025 transaction;
- Selection of a financing alternative should consider the results of the on-going LTCF to be completed in 2025.

Background:

ACTA collects Use Fees and Container Charges for waterborne containers that are transported to and from Southern California by rail, which are the primary sources of ACTA's revenue. Revenues are used to pay ACTA's debt service, administrative costs, and reimbursement of the costs of capital improvements, all in accordance with the Master Trust Indenture. If annual Use Fees and Container Charges fall short of covering ACTA's debt service in a Bond Year (October 1 through September 30), a "shortfall" occurs that year. In the event of a shortfall, the Ports of Los Angeles and Long Beach ("Ports") must pay a "Shortfall Advance" equal to a total maximum of 40% (20% maximum for each Port) of ACTA's debt service and certain other amounts. ACTA must refund the Shortfall Advances with interest when ACTA has available revenues after payment of all debt service in a Bond Year. Shortfall Advances accrue interest from the date advanced at the rate per annum equal to the six-month U.S. Treasury Bill. ACTA's Base Case revenue (Use Fees and Container Charges) projections and current debt service profile are shown in Figure 1.

Figure 1 – Current Debt Service Profile



Notes:

- Base Case Revenue assumes 2.5% annual growth of cargo volume and 2.5% annual increase in fee unit rates.
- Annual Administration and Reserve Replenishment costs are forecast at \$13 million and increase to \$25 million in the later years.
- Annual obligations are defined as Debt Service plus certain financing fees and any deposits into the debt service reserve funds.
- Debt service and revenues are shown annually, with the period ending on September 30 of each year.
- Debt service provided by J.P. Morgan and projected revenues provided by PFM based on ACTA's forecasting assumptions.
- Open-dashed boxes show debt that was previously restructured in 2022 and 2024.
- Amounts shown in millions of dollars.
- Forecast as of January 9, 2025

Current projections¹ predict (1) revenue shortfalls during 2026-2037 will require Shortfall Advance payments from the Ports in those years; and (2) no anticipated shortfalls from BY 2038 through the final maturity of ACTA's bonds in BY 2053.

The Ports have previously been required to pay Shortfall Advances on two prior occasions, once in 2011 and once in 2012. As a result of these Shortfall Advance payments, ACTA began imposing a \$1.00/TEU surcharge (the "Surcharge") on waterborne containers in December 2011 as permitted by the Use and Operating Agreement. These prior Shortfall Advances, together with interest, have not been repaid to the Ports; the obligation to repay is subordinate to the bond payments as described in the Use and Operating Agreement, which also states that the Surcharge remains in place until the Shortfall repayment is complete.

Discussion:

Restructuring the existing outstanding bond obligations of ACTA will incur transactional costs, which will increase ACTA's total debt service over the life of its bonds. Per guidance from the ACTA Ad Hoc Committee on Finance, ACTA staff has evaluated and continues to evaluate such costs in comparison to the Ports making Shortfall Advance payments. The evaluation considers total debt service as well as total cashflow to/from the Ports.

There are several alternative financing strategies with varying levels of bond restructuring that ACTA can pursue, each having different impacts on transactional costs and the need for the Ports to make Shortfall Advance payments to cover revenue shortfalls. The alternative financing strategies that are being evaluated are as follows:

1. **Full Restructuring** – designed to eliminate all currently projected shortfalls through the issuance of long-term bonds, likely through strategic tranche refinancing beginning no later than 2026;
2. **Near-Term Restructuring** – designed to eliminate all currently projected shortfalls in certain bond years (e.g. 2026 to 2030) through the issuance of long-term bonds, which is in essence the first tranche of the Full Restructuring;
3. **Moderate Restructuring** – designed to limit currently projected shortfalls to a consistent level through a smaller refinancing when compared with the Full Restructuring;
4. **No Bond Restructuring** – maintains the existing status of ACTA's outstanding bonds and currently projected shortfalls.

The Governing Board needs to select a financing strategy before the next bond transaction; the next significant shortfall is expected later in 2026. The Governing Board is requested to approve staff's recommendation to not pursue a 2025 bond transaction based on the benefit of waiting for the completion of the San Pedro Bay Long-term Cargo Forecast report due later this year, which will provide more up-to-date economic and market information that will be beneficial for analyzing future refinancing strategies available to ACTA. Approval of this recommendation will not prevent any alternative refinancing strategy from being implemented in the coming months.

Budget Impact:

No budget appropriation is necessary at this time.

Co-General Counsel Review:

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


¹ Calculated using Base Case revenue projections, which assume 2.5% annual growth of cargo volume and 2.5% annual increase in unit rates (applied per TEU via Use Fees and Container Charges), against ACTA's existing debt service schedule.

M E M O

Alameda Corridor Transportation Authority

To: Governing Board

Meeting Date: May 15, 2025

From: Kevin L. Scott, Chief Financial Officer 

Subject: APPROVE First Amendment to Agreement No. C0915 with PFM Financial Advisors LLC to increase the contract value by \$300,000 for a total compensation amount of \$600,000 for financial advisory services

Recommendation:

Approve the proposed First Amendment to Agreement No. C0915 with PFM Financial Advisors LLC ("PFM") to increase the contract value by \$300,000 for a total agreement compensation amount of \$600,000 for financial advisory services and authorize the Chief Executive Officer to execute the Amendment.

Discussion:

PFM provides financial advisory services to ACTA. The firm has significant expertise in transportation and toll revenue financing and has assisted ACTA on several bond refinancing transactions and other vital fiscal matters over the past 23 years. ACTA's debt structure is complex, involving senior, first subordinate, second subordinate, taxable, tax-exempt, interest bearing and capital appreciation bonds. ACTA's revenue pledge and priority of payment structure is also complex. ACTA management utilizes the services of PFM on a regular basis to assist with the annual rating agencies' review process and when special needs arise such as analyzing ACTA's financing options and issuing refunding bonds. PFM has an in-depth understanding of ACTA's debt structure, and continued utilization of the firm will provide ACTA with continuity of services and continued access to PFM's bond market knowledge and sophistication.

While PFM has served as financial advisor to ACTA since 2002, the current contract was awarded by the Governing Board in June 2023 after a competitive selection process was conducted. The agreement currently has a not-to-exceed amount of \$300,000 and will expire on June 5, 2028. The requested increase in funding is necessary to continue receiving PFM's advisory services, including any essential analysis related ACTA's bond refinancing transactions.

Authorization to execute the First Amendment to Agreement No. C0915 is requested to increase the contract value by \$300,000, bringing the total not-to-exceed value to \$600,000.

Budget Impact:

If the amendment is approved, the proposed not to exceed amount for the Agreement will be \$600,000 for the five-year term. For current fiscal year 2025-26 the proposed annual budget amount for the Agreement is \$180,000. For subsequent fiscal years, the annual budget will be submitted for Governing Board approval and limited to not exceed the agreement amount over the term of the agreement.

Co-General Counsel Review:

ACTA's Co-General Counsel has reviewed and approved the proposed First Amendment to Agreement No. C0915 as to form.

Transmittals:

Transmittal 1 – First Amendment to Agreement No. C0915

FIRST AMENDMENT
TO AGREEMENT NO. C0915
BETWEEN
THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY
AND PFM FINANCIAL ADVISORS LLC

THIS FIRST AMENDMENT to Agreement No. C0915 is made and entered into by the Alameda Corridor Transportation Authority ("ACTA"), acting by and through its Governing Board, and PFM FINANCIAL ADVISORS LLC ("Consultant") as follows:

1. Article V. COMPENSATION AND PAYMENT Section B is hereby removed and replaced in its entirety as follows:

"B. The maximum amount payable under this Agreement, including reimbursable expenses (see Exhibit B), shall be Six Hundred Thousand Dollars (\$600,000)."

Except as amended herein, all remaining terms and conditions of Agreement No. C0915 shall remain in full force and effect.

The effective date of this amendment shall be the date of its execution by ACTA's Chief Executive Officer or his designee.

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IN WITNESS THEREOF, the parties hereto have executed this First Amendment to Agreement No. C0915 on the date to the left of their signatures.

ALAMEDA CORRIDOR
TRANSPORTATION AUTHORITY

Date: _____

By: _____

Michael C. Leue, P.E.
Chief Executive Officer

Attest: _____

Secretary

PFM FINANCIAL ADVISORS LLC

Date: _____

By: _____

Name: _____

Title: _____

Attest: _____

Name: _____

Title: _____


APPROVED AS TO FORM

_____, 2025
Hydee Feldstein Soto, Los Angeles City Attorney

By _____
Heather M. McCloskey, Deputy
ACTA Co-General Counsel

M E M O

Alameda Corridor Transportation Authority

Meeting Date:	May 15, 2025
From:	Kevin L. Scott, Chief Financial Officer 
Subject:	APPROVE Third Amendment to Office Lease with Kilroy Realty, L.P. for ACTA's Headquarters Located at 3760 Kilroy Airport Way, Suite 200, in Long Beach, California

Recommendation:

Approve the proposed Third Amendment to the office lease with Kilroy Realty, L.P. for ACTA's headquarters located at 3760 Kilroy Airport Way, Suite 200 in Long Beach, California for an additional 65 months at an approximate monthly average rent of \$23,262 and authorize the Chief Executive Officer and Chief Financial Officer to execute the Third Amendment in substantial final form and take all other actions necessary to complete the lease renewal.

Discussion:

In April 2014, the Governing Board authorized the relocation of the ACTA headquarters from office space in Carson, California to its current location at 3760 Kilroy Airport Way using the assistance of Cushman & Wakefield as broker. ACTA began occupying the space in Long Beach in August 2014. In September 2019, the Second Amendment renewed the lease for an additional five years and five months, through July 30, 2025.

In October of 2024, ACTA retained the services of DavCo Realty, as its real estate broker. With the assistance of DavCo, staff reviewed 16 available office spaces in the Long Beach area. Following this initial review, staff selected six locations to visit and evaluate further. The six locations are ranked below by preference:

Rank	Location	Rentable Square Feet	\$ per Square Foot	Total Monthly Cost ^{(1), (2)}	Evaluations
1	AERO/Kilroy 3760 Kilroy Airport Way, Suite 200	7074	\$3.35	\$23,698	Current office space lease has significant renewal discounts; does not require moving costs and disruptions; convenient parking; location preferred by ACTA staff
2	Landmark Suite 1990	6,750	\$2.75	\$20,068	Requires construction to reduce size of space; has desired number of offices; Owner is limiting maintenance and tenant improvements; longer commute for most staff
3	World Trade Center Suite 950	6491	\$3.00	\$21,178	Has desired number of offices and additional amenity rooms; parking is not currently in building; longer commute for most staff;
4	Landmark Suite 900	6800	\$3.00	\$21,955	Limited Offices, Owner limiting maintenance; longer commute for most staff
5	100 OCEANGATE Suite 700	6,750	\$3.10	\$22,165	Requires construction to reduce size of space; owner considering conversion to condominiums; longer commute for most staff;
6	AERO/Kilroy 3900 Kilroy Airport Way, Suite 220	6735	\$3.40	\$ 24,437	Most expensive option; good natural light; commute is same as with current space
7	5000 SPRING Suite 430	5118	\$3.00	\$17,059	Space is too small for ACTA's needs; Commute is same as current space; Least expensive option

- 1) Includes moving and parking costs
 2) Does not include rent and operating cost abatements

ACTA's current office, on a *Rentable Square Foot* basis, is the second most expensive office space. The *Total Monthly Cost* estimate, which incorporates moving and parking costs, shows a more equitable comparison. Favorable rent and operating expense abatements were offered by Kilroy during recent negotiations to make that property more favorable than reflected in the table above. In addition, the cost analysis does not consider the business disruption of moving and the staff turnover that might result from office relocation.

Furthermore, as shown in the table below, the recommended Kilroy lease amendment compares favorably to the current lease. The monthly rent per square foot under the recommended lease is lower than the current lease would be if it were renewed under existing terms. In addition, the recommended lease provides 7 months of rent abatement and 17 months of operating expense abatement. Please see Transmittal 1 for more details.

	Current Lease	Recommended Lease
Rent beginning in August 2026	\$3.40 per rentable square foot, escalating by 3% per year ¹	\$3.35 per rentable square foot, escalating by 3% per year
Rent Abatement	N/A	7 months free
Operating Expenses	Approximately \$4,115 per month	17 months not charged

1) \$3.30 per month under current lease, escalated by 3% for comparability of timing with the recommended lease.

The current office fits our staff and operations more productively than the other options and does not require construction. The Kilroy property where ACTA is currently located is extremely safe with no police report activity found on record. Remaining in the current office avoids the disruption of moving.

After considering all relevant factors for each location, staff recommend remaining in the current office space as the best option. Staff recommends that the Governing Board approve the proposed Third Amendment to the office lease with Kilroy Realty, L.P. for an additional 65 months.

Budget Impact:

Lease costs for the upcoming fiscal year 2025-26 are in the proposed Operating Budget and reflect a reduction of \$165,363 from the fiscal year 2024-2025 budget due to rent and operating expense abatements.

Co-General Counsel Review:

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

Transmittals:

Transmittal 1 – Third Amendment to Kilroy /ACTA Lease

THIRD AMENDMENT TO OFFICE LEASE

This THIRD AMENDMENT TO OFFICE LEASE (this "**Third Amendment**") is entered into as of May 20, 2025, by and between KILROY REALTY, L.P., a Delaware limited partnership ("**Landlord**"), and ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY, a joint powers authority pursuant to California Government Code 5602 ("**Tenant**").

R E C I T A L S :

A. Landlord and Tenant are parties to that certain Office Lease dated as of May 22, 2014 (the "**Original Lease**"), as amended by that certain First Amendment to Office Lease dated as of July 7, 2014 (the "**First Amendment**"), and that certain Second Amendment to Office Lease dated as of September 17, 2019 (the "**Second Amendment**"), pursuant to which Landlord leases to Tenant, and Tenant leases from Landlord, certain premises commonly known as Suite 200 (the "**Premises**") and located on the second (2nd) floor of that certain office building located at 3760 Kilroy Airport Way, Long Beach, California 90806 (the "**Building**"). The Building comprises of a portion of Phase II of the office project commonly known as Aero – Long Beach (the "**Project**"), which Project was formerly known as Kilroy Airport Center Long Beach. The Original Lease as amended by the First Amendment and the Second Amendment, shall be referred to herein as the "**Lease**".

B. Landlord and Tenant now desire to extend the term of the Lease and otherwise amend the Lease on the terms and conditions set forth in this Third Amendment.

A G R E E M E N T :

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. **Capitalized Terms.** All capitalized terms when used herein shall have the same meaning as given to such terms in the Lease unless expressly superseded by the terms of this Third Amendment.
2. **Lease Term.** Pursuant to the Lease, the Lease Term is currently scheduled to expire on July 31, 2025. Landlord and Tenant hereby agree to extend the Lease Term for a period of sixty-five (65) months (the "**Third Amendment Extended Term**") commencing on August 1, 2025 (the "**Third Amendment Extended Term Commencement Date**") and expiring on December 31, 2030 (the "**Third Amendment Extended Term Expiration Date**") on the terms and conditions set forth in this Third Amendment, unless sooner terminated as provided in the Lease.
3. **Remeasurement.** Tenant acknowledges that the Premises, Building and Project have been remeasured and, in accordance therewith, Landlord and Tenant hereby stipulate and agree that, effective as of the Third Amendment Extended Term Commencement Date: (i) the Premises shall be deemed to contain 7,228 rentable (6,268 usable) square feet; (ii) the Building shall be deemed to contain 166,741 rentable square feet; (iii) Phase II of the Project shall be deemed to contained 398,931 rentable square feet; and (iv) the Project shall be deemed to contain 957,706 rentable square feet. For purposes of the Lease, effective as of the Third Amendment Extended Term Commencement Date, the rentable square footage of the Premises, the Building, Phase II of the Project, and the entire Project, shall be as set forth in this Section 3, notwithstanding anything to the contrary contained in the Lease.
4. **Base Rent.** Prior to the Third Amendment Extended Term Commencement Date, Tenant shall continue to pay monthly installments of Base Rent for the Premises in accordance with the terms of the Lease. During the Third Amendment Extended Term, Tenant shall pay monthly installments of Base Rent for the Premises as set forth in the schedule below, which payments shall be made in accordance with the terms of the Lease and in addition to all other amounts due and owing thereunder, including, but not limited to, Tenant's Share of Direct Expenses.

Period	Annual Base Rent	Monthly Installment of Base Rent	Monthly Rental Rate per Rentable Square Foot*
08/01/25 – 07/31/26**	\$290,565.60	\$24,213.80	\$3.35
08/01/26 – 07/31/27	\$299,282.52	\$24,940.21	\$3.45
08/01/27 – 07/31/28**	\$308,261.04	\$25,688.42	\$3.55
08/01/28 – 07/31/29	\$317,508.84	\$26,459.07	\$3.66
08/01/29 – 07/31/30	\$327,034.20	\$27,252.85	\$3.77
08/01/30 – 12/31/30	N/A	\$28,070.43	\$3.88

- * The amounts identified in the column entitled "Monthly Rental Rate per Rentable Square Foot" are rounded amounts and are provided for informational purposes only.
- ** The months of August 2025 through December 2025, and August 2027 through September 2027 are subject to the Third Amendment Base Rent Abatement (as defined in Section 5 below).

5. **Third Amendment Base Rent Abatement.** Provided that Tenant is not then in monetary or material non-monetary default under the Lease, and Tenant is not in monetary or material non-monetary default under this Lease at any time following the date of this Third Amendment, then Tenant shall not be obligated to pay any Base Rent otherwise attributable to the Premises with respect to the months of August 2025 through December 2025, and August 2027 through September 2027 (collectively, the "**Third Amendment Base Rent Abatement**"), for a total Third Amendment Base Rent Abatement in the amount of \$172,445.84 in the aggregate (i.e., \$24,213.80 per month for each of the months of August 2025 through December 2025, and \$25,688.42 for each of the months of August 2027 and September 2027). Tenant shall remain obligated to pay all other amounts due and owing pursuant to the terms of the Lease, as amended hereby, during the months of the Third Amendment Base Rent Abatement (including, without limitation, Direct Expenses). Tenant acknowledges that the Third Amendment Base Rent Abatement has been granted to Tenant as additional consideration for entering into this Third Amendment and agreeing to comply with the terms and conditions otherwise required under the Lease, as amended. If at any time Tenant shall be in monetary or material non-monetary default under the Lease following the date of this Third Amendment, or if the Lease is terminated for any reason other than a Landlord default, then in addition to all other rights and remedies of Landlord, at Landlord's option, (i) the foregoing Third Amendment Base Rent Abatement shall immediately become null and void, and the unamortized portion of any Base Rent previously abated (based on an amortization period from the Third Amendment Extended Term Commencement Date through the Third Amendment Extended Term Expiration Date) shall immediately become due and payable, and Tenant shall no longer receive any future abatement on account of the Third Amendment Base Rent Abatement, and/or (ii) the dollar amount of the unapplied portion of the Third Amendment Base Rent Abatement as of the date of such default or termination, as the case may be, shall be converted to a credit to be applied to the Base Rent for the Premises applicable at the end of the Third Amendment Extended Term and Tenant shall immediately be obligated to begin paying Base Rent for the Premises in full.

6. **Direct Expenses.** Prior to the Third Amendment Extended Term Commencement Date, Tenant shall continue to pay to Landlord Tenant's Share of Direct Expenses which arise or accrue prior to the Third Amendment Extended Term Commencement Date in accordance with the terms of the Lease. During the Third Amendment Extended Term, Tenant shall continue to pay to Landlord Tenant's Share of Direct Expenses attributable to the Premises in accordance with the terms of the Lease; provided, however, effective as of the Third Amendment Extended Term Commencement Date, (i) the Base Year shall be the 2025 calendar year (but only with respect to Direct Expenses attributable to periods from and after the Third Amendment Extended Term Commencement Date), (ii) Tenant shall not be required to pay Tenant's Share of Direct Expenses with respect to the Premises during the period from the Third Amendment Extended Term Commencement Date through and including December 31, 2026, and (iii) Tenant's Share of the Building, Phase II and the Project shall be as follows:

Tenant's Share of the Building:	4.3343%
Tenant's Share of Phase II:	1.8118%
Tenant's Share of the Project:	0.7547%

The parties acknowledge that the foregoing percentages for Tenant's Share of the Building, Phase II of the Project, and the Project are based on the Premises containing 7,228 rentable square feet, the Building containing 166,741 rentable square feet, Phase II containing 398,931 rentable square feet and the Project containing 957,706 rentable square feet.

7. **Condition of the Premises.**

7.1 Landlord and Tenant acknowledge that Tenant has been occupying the Premises pursuant to the Lease and has had full opportunity to review the condition thereof. Accordingly, subject to Section 7.2 below, Tenant shall continue to accept the Premises in its presently existing, "as-is" condition and Landlord shall not be obligated to provide or pay for any improvement work or services related to the improvement of the Premises, provided that the foregoing shall not in any way alter or modify Landlord's repair and maintenance obligations as set forth in the Lease. Tenant also acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty regarding the condition of the Premises, the Building or the Project or with respect to the suitability of any of the foregoing for the conduct of Tenant's business.

7.2 Landlord shall, at its sole cost and expense (except as otherwise provided below), on a one-time basis only, using Building standard materials, specifications, guidelines, and procedures, perform the following work with respect to the Premises (collectively, the "**Third Amendment Work**"):

(i) shampoo the existing carpets within the Premises, and (ii) apply touch-up paint to interior painted walls of the Premises where necessary. Landlord will use commercially reasonable efforts to complete the Third Amendment Work within sixty (60) days following the date of mutual execution and delivery of this Third Amendment (subject to delays resulting from events of Force Majeure and/or any delays resulting from any acts or omissions of Tenant or its agents, employees, contractors, licensees, or invitees). Tenant hereby acknowledges and agrees that, notwithstanding Tenant's occupancy of the Premises during the performance of the Third Amendment Work, Landlord shall be permitted to perform the Third Amendment Work during normal business hours and Tenant shall promptly and diligently cooperate with Landlord and comply with Landlord's performance schedule for the Third Amendment Work (which shall include, without limitation, Tenant providing a clear working area and moving Tenant's fixtures, cabling, cubicle systems, furniture, and other personal property away from the areas in which work is to be performed). Subject to the forgoing, Landlord shall use commercially reasonable efforts to attempt to minimize disruption to Tenant's business operations in connection with the performance of the Third Amendment Work; provided, however, that in no event shall Landlord be required to incur overtime or afterhours charges, or to modify the date or time of scheduled performance of the Third Amendment Work. Landlord shall have no obligation to move (or caused to be moved) any fixtures, cabling, cubicle systems, furniture, or other personal property, and in the event that Tenant fails to move any such items, then the Third Amendment Work shall be performed around such items. Tenant hereby agrees that the performance of the Third Amendment Work shall in no way constitute a constructive eviction of Tenant or entitle Tenant to any abatement of rent. Landlord shall have no responsibility for, or for any reason be liable to Tenant for, any direct or indirect injury to or interference with Tenant's business arising from the Third Amendment Work, nor shall Tenant be entitled to any compensation or damages from Landlord for loss of the use of the whole or any part of the Premises or of Tenant's personal property or improvements resulting from the Third Amendment Work, or for any inconvenience or annoyance occasioned by the Third Amendment Work. Tenant shall be responsible for any increase in the cost of performing the Third Amendment Work resulting from any acts or omissions of Tenant or its agents, employees, contractors, licensees, or invitees (or any failure of Tenant to cooperate with Landlord or its contractors), and Tenant shall pay any such increased costs to Landlord upon demand. In addition, should Tenant request any change in the scope of the Third Amendment Work, then Tenant shall be responsible for all costs and expenses incurred by Landlord in connection therewith (payable upon demand); provided, however, Landlord shall have no obligation to change the scope of the Third Amendment Work (and any election to do so shall be in Landlord's sole and absolute discretion).

8. **Security Deposit.** The parties agree and acknowledge that Landlord currently holds a Security Deposit from Tenant in the amount of \$25,709.21 pursuant to the Lease. Landlord shall continue to hold such Security Deposit in accordance with the terms and conditions of Article 21 of the Original Lease.

9. **Parking.** Effective as of the Third Amendment Extended Term Commencement Date, (i) Section 9 of the Summary of the Original Lease shall be amended to read as follows: "Four (4) unreserved parking passes for every 1,000 rentable square feet of the Premises (i.e., twenty-nine (29) unreserved parking passes), subject to the terms of Article 28 of this Lease.", (ii) Tenant shall have the right to convert up to three (3) of its unreserved parking passes, in the aggregate, to reserved parking passes, for reserved parking in locations selected by Tenant from available options presented by Landlord from time to time (which shall be in lieu of any reserved parking rights previously granted to Tenant), (iii) Tenant no longer have any right to designate any Car Pool Passes (or any other rights associated with Car Pool Passes, such as overnight parking), (iv) Tenant shall pay to Landlord (or its designee) the prevailing rate(s) charged from time to time for each parking pass rented by Tenant, and (v) Section 10 of the Second Amendment shall be deleted in its entirety and shall be of no further force or effect. Notwithstanding the foregoing, provided that Tenant is not then in monetary or material non-monetary default under the Lease, Tenant's foregoing allocation of unreserved parking passes (i.e., a maximum of twenty-nine (29) unreserved parking passes) shall be without charge during the months of August 2025 through July 2026 (excepting only any parking taxes or other charges imposed by governmental authorities in connection with the use of such parking which Tenant shall be obligated to pay). For avoidance of doubt, parking charges shall not be reduced or abated for any reserved parking passes rented by Tenant. Except as expressly set forth above, Tenant's use of all parking passes rented by Tenant and the Project's parking facility shall otherwise be subject to the terms and conditions of the Lease, including but not limited to, Article 28 of the Original Lease (including, without limitation, that Tenant is not required to rent any parking passes).

10. **Extension Option.** Tenant shall have one (1) option to extend the Lease Term for the entire Premises for a period of five (5) years, subject to all of the terms and conditions of Section 2.2 of the Original Lease; provided, however, notwithstanding anything to the contrary contained in such Section 2.2, (i) the Option Term shall be a period of five (5) years immediately following the Third Amendment Extended Term Expiration Date, and (ii) the reference to "prior to the expiration of the initial Lease Term" set forth in Section 2.2.3 of the Original Lease is hereby deleted and replaced with a reference to "prior to the expiration of the Third Amendment Extended Term". Tenant shall have no right to renew or extend the Lease Term except for the single option to extend described above in this Section 10.

11. **Landlord's Notice Address.** Notwithstanding anything to the contrary in the Lease,

effective immediately, Landlord's address as set forth in Section 11 of the Summary of the Original Lease, shall be deemed deleted and replaced with the following:

KILROY REALTY, L.P.,
c/o Kilroy Realty Corporation
12200 West Olympic Boulevard, Suite 200
Los Angeles, CA 90064
Attn: Legal Department

With copies to:

KILROY REALTY, L.P.
c/o Kilroy Realty Corporation
100 First Street, Suite 250
San Francisco, California 94105
Attn: Head of Asset Management

and

KILROY REALTY, L.P.,
c/o Kilroy Realty Corporation
6255 West Sunset Boulevard, Suite 2210
Los Angeles, California 90028
Attn: Lea Sandoval, SVP – Asset Management

12. **Force Majeure.** Section 29.14 of the Original Lease is hereby deleted in its entirety and replaced with the following:

"29.14. **Force Majeure.** Notwithstanding anything to the contrary contained in this Lease (but subject to the remaining TCCs of this Section 29.14), any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, acts of war, terrorist acts, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, governmental laws, regulations or restrictions, civil commotions, Casualty, actual or threatened public health emergency (including, without limitation, epidemic, pandemic, famine, disease, plague, quarantine, and other significant public health risk), governmental edicts, actions, declarations or quarantines by a governmental entity or health organization (including, without limitation, any shelter-in-place orders, stay at home orders or any restrictions on travel related thereto that preclude Tenant, its agents, contractors or its employees from accessing the Premises, national or regional emergency), breaches in cybersecurity, and other causes beyond the reasonable control of the party obligated to perform, regardless of whether such other causes are (i) foreseeable or unforeseeable or (ii) related to the specifically enumerated events in this paragraph (collectively, a "**Force Majeure**"), shall excuse the performance of such party for a period of time equal to any such prevention, delay or stoppage. If this Lease specifies a time period for performance of an obligation of either party, that time period shall be extended by the period of any delay in such party's performance caused by a Force Majeure. Notwithstanding the foregoing or anything to the contrary contained in this Lease, in no event shall Force Majeure: (a) excuse Tenant's obligations to pay Rent and other charges due pursuant to this Lease, or (b) entitle either party to terminate this Lease, except as allowed pursuant to Articles 11 and 13 of this Lease, or (c) excuse Tenant's obligations under Articles 5 and 24 of this Lease or Section 10.3 of this Lease, or (d) extend the time period for Tenant to vacate the Premises following expiration of the Lease Term, or (e) excuse Tenant from paying for utilities whether to Landlord or a utility provider, or (f) permit Tenant to interfere with other tenants and occupants at the Project or create or cause a nuisance or disturbance at the Project. Without limiting the generality of the foregoing, Tenant agrees and acknowledges that (1) events of Force Majeure may limit, interfere with, or prevent Tenant for using the Premises, and from entering the Premises, (2) such potential interference, limitation, and prevention is foreseeable, and (3) no such limitations, interference or prevention shall constitute frustration of purpose, impossibility of performance, or impracticality of performance with respect to this Lease. Tenant hereby waives any and all rights it might otherwise have pursuant to Section 1511 of the California Civil Code, and hereby agrees that this Section 29.14 is an express provision to the contrary."

Tenant's agreement to the terms and conditions of this Section 12 is material consideration for Landlord's agreement to enter into this Third Amendment.

13. **California Accessibility Disclosure.** For purposes of Section 1938 of the California Civil Code, Landlord hereby discloses to Tenant, and Tenant hereby acknowledges, that the Premises have not undergone inspection by a Certified Access Specialist (CASp). As required by Section 1938(e) of the California Civil Code, Landlord hereby states as follows: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or

tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." In furtherance of the foregoing, Landlord and Tenant hereby agree as follows: (a) any CASp inspection requested by Tenant shall be conducted, at Tenant's sole cost and expense, by a CASp designated by Landlord, subject to Landlord's reasonable rules and requirements; (b) Tenant, at its sole cost and expense, shall be responsible for making any improvements or repairs within the Premises to correct violations of construction-related accessibility standards; and (c) if anything done by or for Tenant in its use, other than general office use, or occupancy of the Premises shall require any improvements or repairs to the Building or Project (outside the Premises) to correct violations of construction-related accessibility standards, then Tenant shall reimburse Landlord upon demand, as Additional Rent, for the cost to Landlord of performing such improvements or repairs.

14. **Brokers.** Landlord and Tenant hereby warrant to each other that they have had no dealings with any real estate broker or agent in connection with this Third Amendment other than Jones Lang LaSalle Brokerage, Inc., who represents Landlord, and Davco Realty Advisors who represents Tenant (collectively, the "**Brokers**"), and that they know of no other real estate broker or agent who is entitled to a commission in connection with this Third Amendment. Each party agrees to indemnify and defend the other party against and hold the other party harmless from any and all claims, demands, losses, liabilities, lawsuits, judgments, and costs and expenses (including, without limitation, reasonable attorneys' fees) with respect to any leasing commission or equivalent compensation alleged to be owing on account of the indemnifying party's dealings with any real estate broker or agent, other than the Brokers.

15. **Authority.** Tenant hereby represents and warrants to Landlord that Tenant has full right and authority to execute and deliver this Third Amendment and that each person signing this Third Amendment on behalf of Tenant is authorized to do so.

16. **Counterparts; Electronic Signatures.** This Third Amendment may be executed in counterparts with the same effect as if both parties hereto had executed the same document. The parties agree that this Third Amendment may be signed and/or transmitted by facsimile, e-mail of a .pdf document or using electronic signature technology (e.g., via DocuSign or similar electronic signature technology), and that such signed electronic record shall be valid and as effective to bind the party so signing as a paper copy bearing such party's handwritten signature. The parties further agree that (1) to the extent a party signs this Third Amendment using electronic signature technology, by clicking "SIGN", such party is signing this Third Amendment electronically, and (2) the electronic signatures appearing on this Third Amendment shall be treated, for purposes of validity, enforceability and admissibility, the same as handwritten signatures.

17. **No Further Modification; Conflict.** Except as specifically set forth in this Third Amendment, all terms, conditions and provisions of the Lease shall remain unmodified and in full force and effect. In the event of any conflict between the terms and conditions of the Lease and the terms and conditions of this Third Amendment, the terms and conditions of this Third Amendment shall prevail.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Third Amendment is executed as of the date first set forth above.

"LANDLORD":

KILROY REALTY, L.P.,
a Delaware limited partnership

By: Kilroy Realty Corporation,
a Maryland Corporation,
its General Partner

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

"TENANT":

ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY,
a joint powers authority pursuant to California Government Code 5602

By: _____

Name: _____

Title: _____


By: _____

Name: _____

Title: _____

M E M O

Alameda Corridor Transportation Authority

To:	Governing Board
Meeting Date:	May 15, 2025
From:	Kevin L. Scott, Chief Financial Officer Michael C. Leue, Chief Executive Officer 
Subject:	APPROVE and ADOPT the ACTA Officer and Employee Publicly Available Pay Schedule for Fiscal Year 2025/2026

Recommendation:

Staff requests that the Governing Board approve and adopt the Publicly Available Pay Schedule for ACTA's Officers and Employees effective July 1, 2025. The proposed Publicly Available Pay Schedule, presented in ***Transmittal 1***, sets the range of salaries allowed for each ACTA position including a 3.0 percent increase to the Minimum and the Maximum limit for each position compared to the Fiscal Year 2024/2025 Pay Schedule, plus a recalibration of officer's salary ranges to better align with other agencies, as well as the definition for a new position "Business Systems Analyst."

Background:

The California Public Employee Retirement System (CalPERS) requires its member agencies to have each agency's governing body approve its then-current employee Pay Schedule and thereafter make it publicly available. This item is brought before the ACTA Governing Board for approval to update the past Governing Board-approved Pay Schedule and to comply with CalPERS requirements.

Note that separately from approving the Pay Schedule, the ACTA Governing Board considers and approves the salary budget during each annual Operating Budget approval, which provides direction on Cost-of-Living and Merit Increase allowances to use in assessing actual salaries of each ACTA employee.


Discussion:

ACTA ORGANIZATION

ACTA's Organization Chart is shown in ***Transmittal 2***. In January 2025, management reorganized in response to retirement of the position of Systems & Contracts Manager and hiring of a new position Business Systems Analyst. The Systems & Contracts Manager will be retained on the Pay Schedule for possible future use, but for now all the responsibilities of that position have been reassigned to other positions, including the Business Systems Analyst.

PAY SCHEDULE

ACTA management proposes a Pay Schedule with salary ranges for 12 positions including three officers and nine staff employees. The salary ranges for each position have historically been established by comparing the salaries for ACTA's position descriptions with relatively equivalent City of Los Angeles employee positions.



The comparable City of Los Angeles employee positions and their pay scales are provided in **Transmittal 3**. The proposed ACTA salary ranges are not tied directly to the City of Los Angeles ranges because the City salaries take into consideration certain contractually negotiated terms and conditions that do not carry over to employment at ACTA. Therefore, the proposed salary ranges for each ACTA position also consider changes from the previous ACTA Pay Schedule based on the consumer price index and changes in roles and responsibilities.

The ACTA Governing Board also asked staff to research other public agencies for a wider sampling of pay schedules. **Transmittal 4** presents a comparison of the salary ranges for relatively equivalent positions from several other agencies. Equivalent positions are not always available and comparisons between agencies must consider the specific requirements and level of responsibilities that agencies place on each position.

Transmittal 5 indicates variances in each position comparing ACTA to City of Los Angeles in the first table and comparing ACTA to other agencies in the second table. Only the maximum end of each salary range is compared. ACTA's maximums are within 10 percent of each comparable City of Los Angeles position, and ACTA is 1.7 percent lower considering all positions. For the comparison with other agencies (excluding City of Los Angeles), ACTA is within 10 percent of each comparable position, and ACTA is 0.9 percent higher considering the total of all positions.

Budget Impact:

The approval of ACTA's Pay Schedule will not directly impact ACTA's budget. ACTA's total salary line-item is approved by the Governing Board separately through the annual Operating Budget.

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 – ACTA Publicly Available Pay Schedule Effective July 1, 2025, for FY25-26

Transmittal 2 – ACTA Organization Chart

Transmittal 3 – City of Los Angeles Equivalent Job Positions Pay Schedule

Transmittal 4 – Other Agencies Equivalent Job Positions Pay Schedules

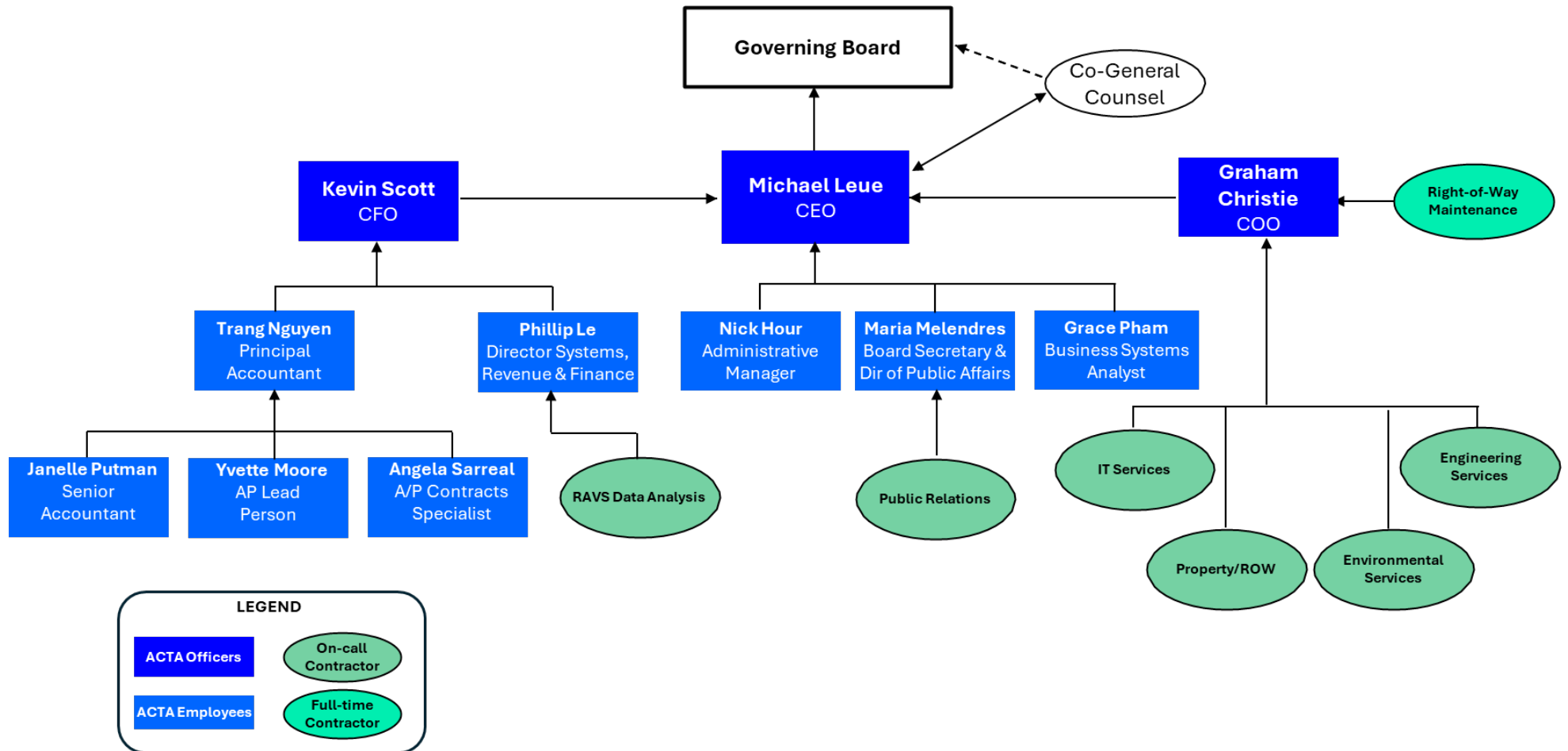
Transmittal 5 – Statistical Comparison of ACTA with City of Los Angeles and Other Agencies

ACTA Officer and Employee Publicly Available Pay Schedule

Effective 07/01/2025

FLSA Exempt	Rate Type For PERS Reporting	Position	Pay Schedule			
			Minimum Annual	Maximum Annual	Minimum Hourly	Maximum Hourly
Yes	Monthly	Chief Executive Officer	\$325,000	\$450,000	\$156.25	\$216.35
Yes	Monthly	Chief Financial Officer	\$243,460	\$325,000	\$117.05	\$156.25
Yes	Monthly	Chief Operating Officer	\$243,460	\$325,000	\$117.05	\$156.25
Yes	Monthly	Dir. of Systems, Revenue, Finance	\$176,622	\$265,239	\$84.91	\$127.52
Yes	Monthly	Principal Accountant	\$149,079	\$223,854	\$71.67	\$107.62
Yes	Monthly	Senior Accountant	\$95,647	\$140,966	\$45.98	\$67.77
Yes	Monthly	Dir. of Public Affairs	\$128,340	\$192,713	\$61.70	\$92.65
Yes	Monthly	Systems & Contracts Manager	\$131,289	\$201,128	\$63.12	\$96.70
Yes	Monthly	Administrative Manager	\$90,588	\$141,590	\$43.55	\$68.07
No	Monthly	Business Systems Analyst	\$90,588	\$141,590	\$43.55	\$68.07
No	Monthly	Accounts Payable Lead Person	\$89,058	\$130,925	\$42.82	\$62.94
No	Monthly	Accounts Payable Contract Specialist	\$83,785	\$122,949	\$40.28	\$59.11

ACTA Organization Chart



City of Los Angeles Equivalent Job Positions Pay Schedule

<https://cao.lacity.org/MOUs/index.htm>

MOU	CITY OF LA EFFECTIVE DATE	CLASS CODE	TITLE	MIN	MAX
	June 29,2025	9289	Gen Manager Harbor	\$452,427	\$781,058
36	June 29,2025	0807-0	1st Deputy Gen Manager Harbor	\$243,460	\$355,920
36	June 29,2025	1608-0	Dir Financial Analysis & Reporting	\$176,227	\$257,659
36	June 29,2025	1557-2	Financial Manager II	\$148,770	\$217,486
20	June 29,2025	1525-1	Principal Accountant I	\$101,936	\$149,020
36	June 29,2025	1800-2	Public Information Dir II	\$127,472	\$186,395
01	June 29,2025	1739-1	Payroll Analyst I	\$91,015	\$133,089
61	June 29,2025	1590-0	Administrative Analyst	\$100,015	\$146,222
36	June 29,2025	9168-0	Contract Administrator	\$134,634	\$196,835
20	June 29,2025	1523-1	Sr. Accountant I	\$87,320	\$127,681

Other Agencies Equivalent Job Positions Pay Schedules

City of Long Beach-Harbor Dept		Maximum Annual	Contra Costa Trans Authority		Maximum Annual
Executive Director-Harbor		\$471,544	Executive Director		\$451,140
Director of Financial Management		\$267,651	Chief Financial Officer		\$308,600
Deputy General Manager		\$268,223	Chief Financial Officer		\$308,600
Asst Director-Finance		\$241,977	Director, Programming		\$260,112
Manager of Accounting		\$199,982	Finance Manager		\$198,382
Business Systems Spec V		\$131,313	Senior Accountant		\$155,070
Mgr-Government Affairs		\$186,849	Director, External Affairs		\$242,596
Personnel Analyst IV		\$127,685	Human Resources/Admin Manager		\$184,545
Business Development Analyst		\$125,220	Data Analyst		\$149,702
Administrative Analyst IV		\$127,685	Accounting Specialist		\$116,989
Administrative Analyst III		\$118,346	Accounting Specialist		\$116,989

SoCal Water Replenishment Dist		Maximum Annual	SCAG		Maximum Annual
General Manager		\$422,624	Executive Director		\$393,460
Assistant General Manager		\$354,321	Chief Financial Officer		\$335,856
Assistant General Manager		\$354,321	Chief Operating Officer		\$376,159
Chief Financial Officer		\$251,810	Chief Information Officer		\$335,856
Chief Financial Officer		\$251,810	Department Manager		\$215,169
Accounting Supervisor		\$161,771	Principal Accountant		\$147,420
Manager of External Affairs		\$207,164	Senior Public Affairs Specialist		\$135,000
Human Resources Specialist		\$139,990	Payroll Administrator		\$135,000
Analyst		\$121,130	Lead Systems Analyst		\$147,420
Accountant		\$115,361	Accountant		\$113,211
Accountant		\$115,361	Accountant		\$113,211


Statistical Comparison of ACTA with City of Los Angeles and Other Agencies

ACTA Position	Maximum		LA City Position		Other Agencies
		(ACTA Percent Difference)		(ACTA Percent Difference)	
Chief Executive Officer	\$450,000	-1%	\$452,427 *	3%	\$434,692
Chief Financial Officer	\$325,000	-10%	\$355,920	3%	\$316,607
Chief Operating Officer	\$325,000	-10%	\$355,920	-1%	\$326,826
Dir. of Systems, Revenue, Finance	\$265,239	3%	\$257,659	-3%	\$272,439
Principal Accountant	\$223,854	3%	\$217,486	3%	\$216,336
Senior Accountant	\$140,966	-6%	\$149,020	-6%	\$148,893
Dir. of Public Affairs	\$192,713	3%	\$186,395	0%	\$192,902
Administrative Manager	\$141,590	6%	\$133,089	-4%	\$146,805
Business Systems Analyst	\$141,590	-3%	\$146,222	4%	\$135,868
Systems & Contracts Manager	\$201,128	2%	\$196,835	-5%	\$211,191
Accounts Payable Lead Person	\$130,925	2%	\$127,681	10%	\$118,311
Accounts Payable Contract Specialist	\$122,949	-4%	\$127,681	6%	\$115,977
Total	\$2,660,953	-1.7%	\$2,706,335	0.9%	\$2,636,847

*- used minimum of range for this position

M E M O

Alameda Corridor Transportation Authority

To: Governing Board
Meeting Date: May 15, 2025
From: Kevin L. Scott, Chief Financial Officer 
Subject: APPROVE ACTA Annual Operating Budget for Fiscal Year 2025/2026

Recommendation:

Adopt the final Fiscal Year 2025/2026 (FY26) ACTA Operating Budget and appropriate cash spending of \$102,608,218.

Discussion:

The FY26 cash budget of \$102.6 million includes debt service of \$64.8 million (consisting of \$16.0 million in principal payments and \$48.8 million in interest payments) and other expenditures as outlined below.

Cash Spending

	<u>FY26</u>	<u>Budget</u>
		<u>FY25</u>
Debt Service	\$64,811,027	\$65,655,208
Administrative Expenses	8,485,381	9,008,868*
Pass Through	941,303	2,570,162
Public Benefit Spending	90,000	75,000
Maintenance of Way Expenses	28,280,507	31,785,293
	<u>\$102,608,218</u>	<u>\$109,094,531</u>

The Budget also details non-cash expenditure, for which no Board appropriation occurs. These items include:

Non-Cash Spending

	<u>FY26</u>	<u>FY25</u>
Debt Service – Accrued CAB Interest	\$89,509,047	\$83,969,153
Depreciation	20,985,164	20,985,164
	<u>\$110,494,211</u>	<u>\$104,954,317</u>

*FY2025 Budget Amended February 20, 2025

Revenue Summary

Operating Revenue during FY26 is forecast to be \$125.2 million. The largest component of Revenue, \$110.3 million, is from Use Fees and Container Charges as established in the 1998 Use and Operating Agreement (UOA), as amended. There is an additional \$14.8 million in Maintenance of Way Charges which is paid by the railroads. Rates are forecast to escalate by 3.0% (the actual CPI adjustment will be taken from October 2025). ACTA TEU volumes are based on our ACTA Forecast Model - Low Scenario results, which show a decline by 9.2% for the fiscal year 2026.

Other Revenue is comprised of \$6.7 million in investment income and interest earnings from the investment portfolio, and \$1.1 million in reimbursements to ACTA from various projects including POLB Pier B On-Dock Rail Support Facility Project, SR-91 Seismic Retrofit and Guard Rail Improvements, LA Metro I-105 Express Lanes, and Gage Avenue Overhead Bridge Project, as well as income from PierPASS. Income for Public Benefit includes \$90,000 for closeout of the SR-47 project.

Spending Summary

Administrative Expenses have varied over ACTA's history. Costs have remained stable in recent years, with some increasing trend for cost-of-living adjustments to salaries and benefits, and maintenance of the Revenue Assessment/Verification System. ACTA strives to reduce costs and efficiently provides necessary services.

Some notable information regarding increases/decreases to the FY26 budget is as follows:

Salaries and Benefits: The FY26 budget includes salary adjustments/increases of 3.0% CPI and a 3.0% merit bonus pool for ACTA employees, and a decrease for an FY25 mid-year retiree whose responsibilities were absorbed by staff. The FY26 budget includes \$730,429 to proactively pay down the unfunded accrued liability (UAL) for CalPERS pension, a lesser amount than the \$1.5M paid in FY25.

Office Expenses: The FY26 budget includes office lease renewal savings of approximately \$165,363 consisting of five months' rent abatement and covered CAM direct expenses.

Other Management Expenses: The proposed FY26 budget is consistent to the FY25 budget, and the FY25 estimated actual spending is lower than expected.

Information Technologies: The FY26 budget includes accounting software licensing and enhanced support, computer equipment, and transitioning to cloud servers. FY25's estimated actual is lower than expected.

Bank and Investment: The proposed FY26 budget is consistent with the FY25 budget, and the FY25 estimated actuals slightly lower than expected.

Audit: The FY26 budget is lower than the FY25 budget due to completion of prior ACET audits (four Joint Venture Partners), offset by increases for Financial Audit and Internal Audit services.

Legal: The proposed FY26 budget is increased from FY25 to provide outside legal counsel services to assist with updates to the Use and Operating Agreement, Use Permit and related bond documents.

Government Affairs: The proposed FY26 budget is consistent to the FY25 budget, and estimated actual spending for FY25 is within budget.

Professional Services: The proposed FY26 budget is increased for continuing professional services agreements for Civil/Rail Engineering, Environmental, Property Management, IT, RAVS, Financial Advisory services, and others.

The following table details Administrative Expenses by Expense Type, comparing the FY26 Budget to both FY25 Estimated Actual and FY25 Budget. The FY26 Budget proposes a 5.8% decrease from the FY25 Budget.

Administrative Expenses by Type

	FY 2026		FY 2025		% Change FY 2026 Budget to	
	Budget	Est. Actual	Budget *Amended	FY 2025 Est. Actual	FY 2025 Budget	
Salaries	2,238,410	2,138,844	2,384,011	4.7%	-6.1%	
Benefits	1,870,277	2,253,328	2,652,177	-17.0%	-29.5%	
Office Expenses	432,783	498,115	547,711	-13.1%	-21.0%	
Other Management Exp	107,700	69,169	105,900	55.7%	1.7%	
Information Technologies	230,500	91,008	164,500	153.3%	40.1%	
Bank and Investment	196,100	165,117	192,500	18.8%	1.9%	
Audit	233,911	212,847	261,370	9.9%	-10.5%	
Legal	830,000	521,002	530,000	59.3%	56.6%	
Governmental Affairs	90,000	77,787	90,000	15.7%	0.0%	
Professional Services	2,255,700	2,046,777	2,080,699	10.2%	8.4%	
Total Admin Expense	\$8,485,381	\$8,073,994	\$9,008,868	5.1%	-5.8%	

Pass Through Expenses include two items for FY26 Budget: 1) Projects related to the POLB Pier B On-Dock Rail Support Facility Project, SR-91 Seismic Retrofit and Guard Rail Improvements, LA Metro I-105 Express Lanes, and Gage Avenue Overhead Bridge Project are budgeted at \$0.9 million, and 2) ACTA's Public Benefit Project closeout expenses are budgeted at \$90,000. The expenditures incurred by ACTA are fully reimbursed by Port of Long Beach, Caltrans, LA Metro, and City of Huntington Park, or other entities for item 1, and Caltrans for item 2, through Cooperative Agreements between the agencies.

Port Advances are payment obligations for the Ports as set forth in the UOA, to be paid when bond payments exceed revenue (up to 20% of total bond payments from each Port). Use Fees & Container Charges during FY26 have been projected at \$110.3 million. Port Advances are not expected to be required in FY26. Revenues are forecast to be sufficient to pay the full cost of funding the M&O Reserve Account, Administrative Costs and Financing Fees.

Budget Accuracy is important to the decision making of ACTA's Governing Board. For the three years spanning FY22-FY24, actual spending was 30.1% lower than the budget. In response to statements from Board members at previous Board meetings, ACTA finance staff has worked diligently to accurately forecast budget expenditures, which will result in FY25 actual spending being only approximately 10.4% lower than the budget.

Revenue Uncertainty is a key element of the FY26 budget forecast. The current revenue projection of \$110.3 million, while conservative, cannot fully reflect the impacts federal trade tariffs and policies might have on market conditions, which remain uncertain at this time.

Staff recommend that the Board approve the FY26 Budget. Any Board motions for amendments to the Budget that are approved by the Board will be adopted in the FY26 Operating Budget. Following adoption of the FY26 Budget, staff will prepare the final budget for distribution to Board members and posting to ACTA's website.

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 - Proposed FY2026 Operating Budget

Transmittal 2 - Proposed FY2026 Budget Presentation

Proposed FY2026 Budget

Presented to ACTA Governing Board

May 15, 2025



ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

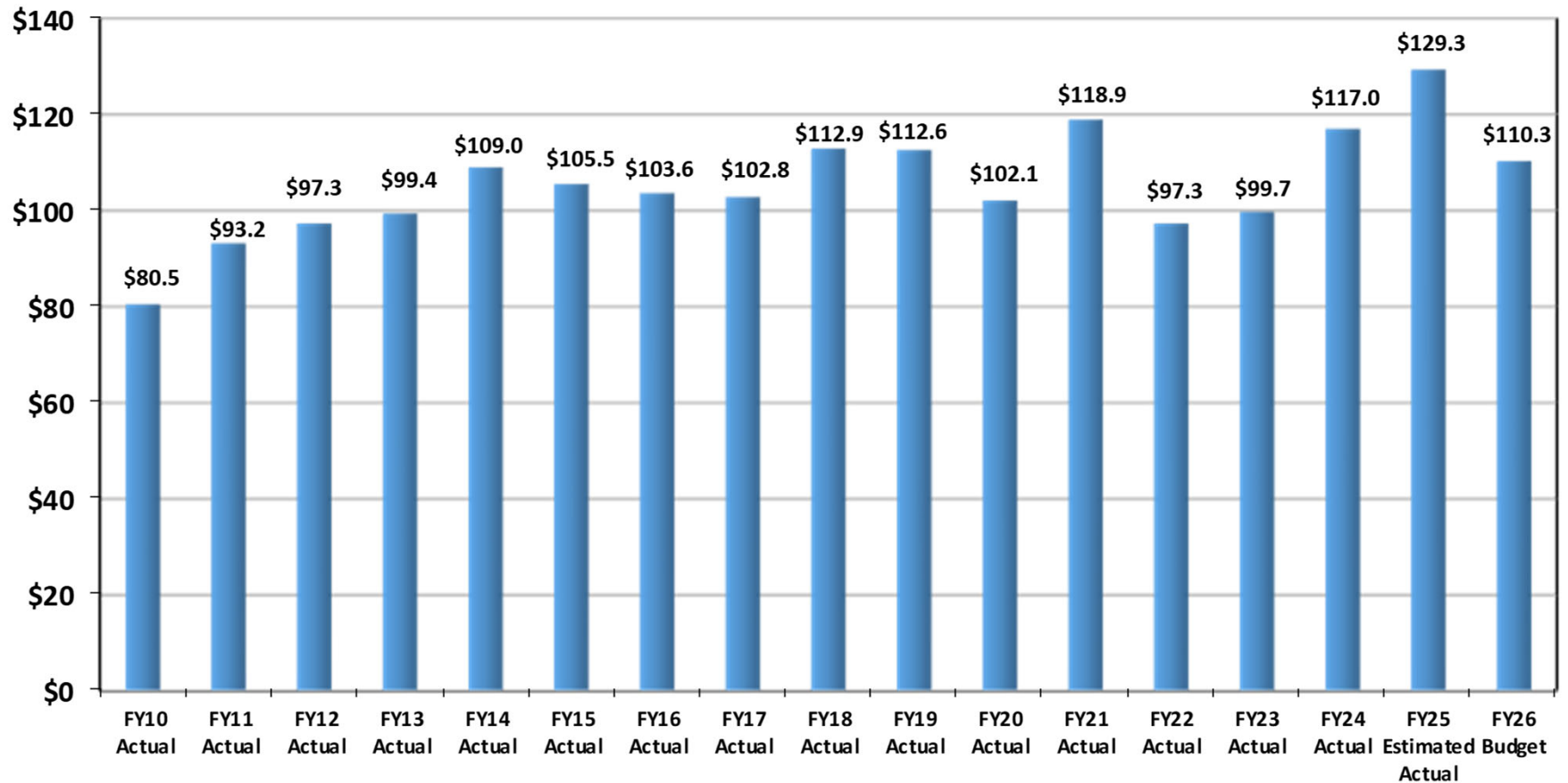
OPERATING BUDGET SUMMARY

	FY 2026	FY 2025	
	Budget	Estimated Actual	Budget *Amended
San Pedro Bay TEUs (000)	11,809	12,866	11,281
ACTA TEUs (000)	3,543	4,206	3,054
<hr/>			
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 110,306,806	\$ 129,265,850	\$ 91,721,944
Maintenance-of-Way Charges	14,845,068	11,855,619	17,117,816
Total Operating Revenues	<hr/> 125,151,874	<hr/> 141,121,469	<hr/> 108,839,760
Other Revenues	7,925,064	10,932,363	8,508,457
Total Sources of Funds	<hr/> 133,076,938	<hr/> 152,053,832	<hr/> 117,348,217
<hr/>			
Expenses			
Salaries	2,238,410	2,138,844	2,384,011
Benefits	1,870,277	2,253,328	2,652,177
Office Expenses	432,783	498,115	547,711
Other Management Expenses	107,700	69,169	105,900
Information Technologies	230,500	91,008	164,500
Bank and Investment	196,100	165,117	192,500
Audit	233,911	212,847	261,370
Legal	830,000	521,002	530,000
Government Affairs	90,000	77,787	90,000
Professional Services	2,255,700	2,046,777	2,080,699
Total Administrative Expenses	<hr/> 8,485,381	<hr/> 8,073,994	<hr/> 9,008,868
Pass Thru Expenses	941,303	1,412,232	2,570,162
Expenses for Public Benefit	90,000	75,000	75,000
Total Admin, Passthru, and Public Benefit Expenses	<hr/> 9,516,684	<hr/> 9,561,226	<hr/> 11,654,030
Total Maintenance-of-Way Expenses	<hr/> 28,280,507	<hr/> 17,187,737	<hr/> 31,785,293
Subtotal Admin, Passthru, Public Benefit, and MOW Expenses	<hr/> 37,797,191	<hr/> 26,748,963	<hr/> 43,439,323
Financing Interest	138,689,574	133,369,361	133,369,362
Depreciation and Amortization Expenses	20,985,164	20,985,164	20,985,164
Total Operating Expenses	<hr/> 197,471,929	<hr/> 181,103,488	<hr/> 197,793,849
Income (loss)	<hr/> <hr/> \$ (64,394,991)	<hr/> <hr/> \$ (29,049,656)	<hr/> <hr/> \$ (80,445,632)

Total Use & Container Charges Comparison

15.8% 4.4% 2.2% 9.7% -3.2% -1.8% -0.8% 9.8% -0.3% -9.3% 16.5% -18.2% 2.5% 17.4% 10.5% -14.7%

Millions



ACTA Revenues *
Projected using ACTA Imputed TEUs
Revenue FY26 Hybrid

	San Pedro Bay Loaded TEUs		Imputed TEUs			Fee	Actual and Projected Revenues
Month	San Pedro Bay Loaded Waterborne Total	San Pedro Bay Loaded Waterborne Growth Rate	Imputed TEUs Divided By Loaded TEUs	ACTA Imputed TEUs	ACTA Imputed TEUs Growth Rate	Actual Loaded Rate / TEU	Actual Reconciled / Forecasted Unreconciled
Aug-24	1,192,620	22.1%	32.3%	385,779	33.9%	29.88	\$10,424,209
Sep-24	1,117,793	9.2%	36.4%	406,830	34.8%	29.88	\$11,656,035
Oct-24	1,185,864	25.2%	34.2%	405,785	29.3%	29.88	\$12,144,981
Nov-24	1,134,188	18.1%	37.4%	424,729	43.6%	29.88	\$12,383,118
Dec-24	1,085,067	17.5%	37.9%	411,115	29.1%	29.88	\$12,860,071
Jan-25	1,167,406	19.1%	32.3%	377,368	17.7%	30.78	\$12,277,510
Feb-25	981,088	2.3%	30.0%	294,326	-11.3%	30.78	\$11,743,355
Mar-25	931,879	0.0%	30.0%	279,564	-25.9%	30.78	\$9,058,399
Apr-25	1,012,906	0.0%	30.0%	303,872	-13.4%	30.78	\$8,604,060
May-25	962,781	0.0%	30.0%	288,834	-22.2%	30.78	\$9,352,181
Jun-25	1,069,266	0.0%	30.0%	320,780	-5.9%	30.78	\$8,889,379
Jul-25	1,025,001	-11.3%	30.0%	307,500	-12.8%	30.78	\$9,872,551
FY2025	12,865,859			4,206,482			\$129,265,849
Aug-25	1,054,624	-11.6%	30.0%	316,387	-18.0%	30.78	\$9,463,850
Sep-25	1,011,310	-9.5%	30.0%	303,393	-25.4%	30.78	\$9,737,363
Oct-25	1,005,801	-15.2%	30.0%	301,740	-25.6%	30.78	\$9,337,440
Nov-25	944,624	-16.7%	30.0%	283,387	-33.3%	30.78	\$9,286,576
Dec-25	945,982	-12.8%	30.0%	283,795	-31.0%	30.78	\$8,721,729
Jan-26	983,715	-15.7%	30.0%	295,115	-21.8%	31.55	\$8,734,272
Feb-26	882,083	-10.1%	30.0%	264,625	-10.1%	31.55	\$9,309,727
Mar-26	939,247	0.8%	30.0%	281,774	0.8%	31.55	\$8,347,893
Apr-26	971,492	-4.1%	30.0%	291,447	-4.1%	31.55	\$8,888,886
May-26	1,054,214	9.5%	30.0%	316,264	9.5%	31.55	\$9,194,045
Jun-26	983,544	-8.0%	30.0%	295,063	-8.0%	31.55	\$9,976,921
Jul-26	1,032,688	0.8%	30.0%	309,806	0.7%	31.55	\$9,308,104
FY2026	11,809,324			3,542,796			\$110,306,806

* Actual Reconciled and Projected Unreconciled

Alameda Corridor Transportation Authority
Estimated Cash Flow-Budget
FY2026

Beginning Cash 7/1/2025 - Budget \$ 92,102,121

Receipts:

Use Fee & Containers Charges	\$ 110,306,806
M&O and Other Revenue	<u>21,597,634</u>
Total Receipts	131,904,440

Disbursements:

Debt Service Payments	64,811,027
Operating and M&O Expenses	<u>36,765,889</u>
Total Disbursements	101,576,916

Cash Flow for the Year 30,327,524

Estimated Ending Cash 6/30/2026 \$ 122,429,645

ITEM 6

FY 2026 Proposed Budget

Budget Assumptions

- Projected revenues based on:
 - 3.0% CPI fee increase
 - Assumption of -9.2% year over year change in TEU volume starting in July 2025 through June 2026 (Low Case)
 - Estimate of 30% capture rate by ACTA of Port TEUs
- ACTA staffing level 11 full-time
- ACTA staff compensation increase of 3.0% for CPI and merit bonus of up to 3.0%
- Office lease renewal savings of approximately \$165,363

Budget Assumptions

- Core ACTA functions include corridor maintenance, revenue collection, payment of obligations, and servicing of debt
- \$730,429 to voluntarily paydown the unfunded accrued liability (UAL) for CalPERS pension
- M&O budget figures based upon calendar year 2025 budget approved through the Notice of Mutual Agreement process
- Additional funding for outside legal counsel services to assist with updates to the Use and Operating Agreement, Use Permit and related bond documents

Forecasting Uncertainties

- **Budget Accuracy** is important to the decision making of the Governing Board. For the three years spanning FY22-FY24, actual spending was 30.1% lower than the budget.
- ACTA Finance staff has worked diligently to forecast budget expenditures, which will result in FY25 actual spending being only approximately 10.4% lower than the budget.
- **Revenue Uncertainty** is a key element of the FY26 budget forecast. The current revenue projection of \$110.3 million, while conservative, cannot fully reflect the impacts federal trade tariffs and policies might have on market conditions, which remain uncertain at this time.

Operating Budget Summary Revenue

(x1000)

	FY 2026 <i>Budget</i>	FY 2025 <i>Estimated Actual</i>	FY 2025 <i>Budget</i>
San Pedro Bay TEUs	11,809	12,866	11,281
ACTA TEUs	3,543	4,206	3,054
Operating Revenue			
Use Fees and Container Charges	\$ 110,307	\$ 129,266	\$ 91,722
Maintenance-of-Way Charges	<u>14,845</u>	<u>11,856</u>	<u>17,118</u>
Total Operating Revenue	\$ 125,152	\$ 141,122	\$ 108,840
Other Revenue	<u>7,925</u>	<u>10,932</u>	<u>8,508</u>
Total Revenue	<u>\$ 133,077</u>	<u>\$ 152,054</u>	<u>\$ 117,348</u>

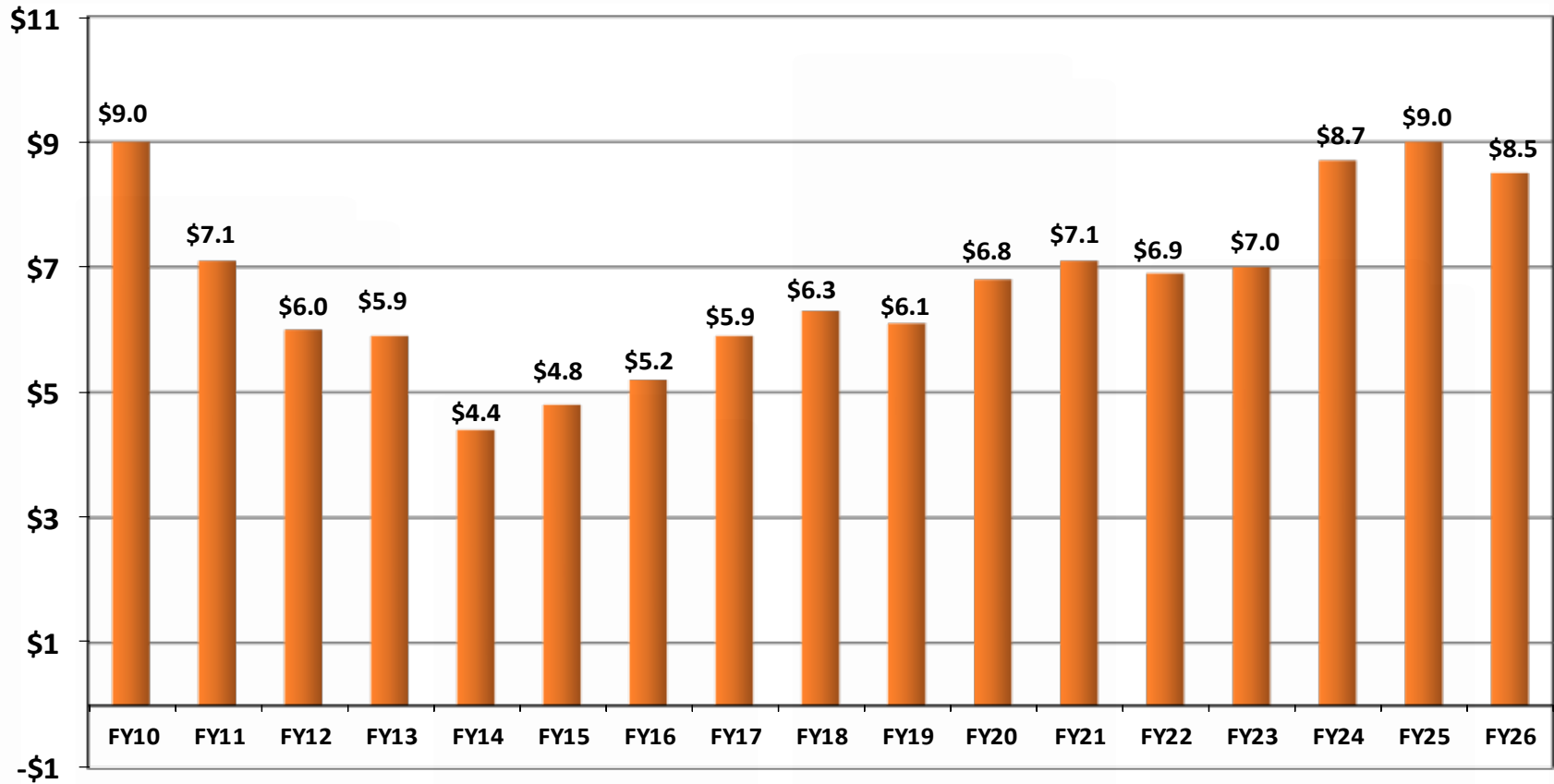
Administrative Spending by Expense Type

	FY 2026 Budget	FY 2025 Estimated Actual	FY 2025 Budget *Amended
Salaries	\$ 2,238,410	\$ 2,138,844	\$ 2,384,011
Benefits	1,870,277	2,253,328	2,652,177
Office Expenses	432,783	498,115	547,711
Other Management Expenses	107,700	69,169	105,900
Information Technologies	230,500	91,008	164,500
Bank and Investment	196,100	165,117	192,500
Audit	233,911	212,847	261,370
Legal	830,000	521,002	530,000
Governmental Affairs	90,000	77,787	90,000
Professional Services	<u>2,255,700</u>	<u>2,046,777</u>	<u>2,080,699</u>
Total Administrative Expenses	\$ 8,485,381	\$ 8,073,994	\$ 9,008,868

*FY 2025 Budget Amended February 20, 2025

Administrative Expense Comparison Budget FY10 to FY26

Millions



Administrative Expense Comparison Budget vs. Actual FY10 to FY25

Millions

