

MINUTES OF A SPECIAL MEETING OF THE GOVERNING BOARD OF THE INTERMODAL CONTAINER TRANSFER FACILITY JOINT POWERS AUTHORITY HELD AT THE SILVERADO PARK COMMUNITY CENTER AT 1545 WEST 31ST STREET, LONG BEACH, CALIFORNIA 90810, ON WEDNESDAY, OCTOBER 21, 2009, AT 6:00 P.M.

Board Members present:

Cindy Miscikowski, Port of Los Angeles
Geraldine Knatz, Port of Los Angeles
Nick Sramek, Port of Long Beach
Richard D. Steinke, Port of Long Beach

Board Members absent:

None

Also present:

Mike Christensen, Port of Los Angeles
Doug Thiessen, Port of Long Beach
Sam Joublat, Port of Long Beach
Thomas A. Russell, General Counsel

VICE CHAIRPERSON SRAMEK PRESIDED AS CHAIR.

APPROVAL OF MINUTES

Board Member Steinke motioned, seconded by Board Member Knatz and unanimously carried, the minutes of the special meeting of March 4, 2009, were approved.

NEW BUSINESS

1. ELECTION OF CHAIR AND VICE-CHAIR FOR FY 2009-2010.

Communication from Douglas Thiessen, Executive Director, dated October 16, 2009, recommending the Governing Board elect a Chair and Vice Chair of the ICTF Governing Board for FY 2009-2010, was presented to the Governing Board.

Board Member Miscikowski motioned, seconded by Board Member Steinke, that Nick Sramek be elected as Chair of the Governing Board for FY 2009-2010. Carried by unanimous vote.

Board Member Sramek motioned, seconded by Board Member Knatz, that Cindy

Miscikowski be elected as Vice Chair of the Governing Board for FY 2009-2010.
Carried by unanimous vote.

Newly elected Chairperson Sramek presided as Chair for the remainder of the meeting.

2. FISCAL YEAR 2009-2010 ANNUAL BUDGET – ADOPTED.

Communication from Douglas Thiessen, Executive Director, dated October 19, 2009, recommending the Governing Board adopt the 2009-2010 budget in the amount of \$5,301,306, was presented to the Governing Board.

Board Member Knatz motioned, seconded by Board Member Steinke, that the item be approved as recommended. Carried by the following votes:

AYES: Members: Knatz, Steinke, Miscikowski, Sramek
NOES: None
ABSENT: None

3. DISTRIBUTION OF FUNDS – APPROVED.

Communication from Douglas Thiessen, Executive Director, dated October 19, 2009, recommending the Governing Board Authorize distribution of \$8,000,000 to be shared equally by the Port of Long Beach and the Port of Los Angeles, was presented to the Governing Board.

Board Member Miscikowski motioned, seconded by Board Member Knatz, that the item be approved as recommended. Carried by the following votes:

AYES: Members: Knatz, Steinke, Miscikowski, Sramek
NOES: None
ABSENT: None

4. FINANCIAL AUDIT REPORT – FISCAL YEAR ENDED JUNE 30, 2008 – RECEIVED AND FILED.

Communication from Douglas Thiessen, Executive Director, dated October 19, 2009, recommending the Governing Board receive and file the financial audit report for the fiscal year ended June 30, 2008.

Board Member Steinke motioned, seconded by Board Member Knatz, that the item be approved as recommended. Carried by the following votes:

AYES: Members: Knatz, Steinke, Miscikowski, Sramek
NOES: None
ABSENT: None

5. DRAFT NET FACILITY REVENUE REPORT FOR ANNUAL PERIOD ENDING NOVEMBER 1, 2008 – RECEIVED AND FILED.

Communication from Douglas Thiessen, Executive Director, dated October 19, 2009, recommending the Governing Board receive and file the draft net facility revenue report for the year ended November 1, 2008.

Board Member Miscikowski motioned, seconded by Board Member Steinke, that the item be approved as recommended. Carried by the following votes:

AYES: Members: Knatz, Steinke, Miscikowski, Sramek
NOES: None
ABSENT: None

OTHER BUSINESS

Rick Cameron, Director of Environmental Planning from the Port of Long Beach and Ralph Appy, Director of Environmental Management from the Port of Los Angeles, gave an update to the JPA board on the status of preparation of the Intermodal Container Transfer Facility (ICTF) Environmental Impact Report (EIR).

The following individuals spoke regarding the Proposed ICTF Modernization Project:

John Cross, West Long Beach Association
Elena Rodriguez, West Long Beach Resident
Yolanda Lopez, West Long Beach Resident
Maria Reyes, Long Beach Resident
Roberto Reyes, Long Beach Resident
Ben Rockwell, Long Beach Resident
Evelyn Knight, Westside Association & Interfaith Community Organization
James Larson, West Long Beach Resident
Angelo Logan, West Long Beach Resident
Mary Hernandez, West Long Beach Resident
Jesse Marquez, Executive Director, Coalition for a Safe Environment

Public comments referenced on the attached California Deposition Reporters transcription report.

ADJOURNMENT

At 7:50 p.m., Board Member Knatz motioned, seconded by Board Member Steinke, that the meeting be adjourned sine die.

JOINT POWERS AUTHORITY
GOVERNING BOARD
of the
INTERMODAL CONTAINER TRANSFER FACILITY

SPECIAL MEETING

WEDNESDAY, OCTOBER 21, 2009
SILVERADO PARK COMMUNITY CENTER,
LONG BEACH, CALIFORNIA

1 MR. SRAMEK: I'd like to welcome everybody to
2 Silverado Park on the west side of Long Beach, my home
3 park -- had to say that -- and welcome you to the ICTF
4 JPA meeting.

5 What I'd like to do is first of all, I'd just
6 like to welcome my colleagues from Port of L.A.,
7 president of the Port of L.A., Cindy Miscikowski.
8 Welcome to the board.

9 Okay. Madam Secretary, could we have the roll
10 call, please.

11 SECRETARY: Board member Steinke.

12 MR. STEINKE: Here.

13 SECRETARY: Board member Sramek.

14 MR. SRAMEK: Here.

15 SECRETARY: Board member Miscikowski.

16 MS. MISCIKOWSKI: Here.

17 SECRETARY: Board member Knatz.

18 MS. KNATZ: Here.

19 SECRETARY: We have a quorum.

20 MR. SRAMEK: Okay. Thank you.

21 We have minutes from the previous meeting. Has
22 everybody seen the minutes? Okay. Let's get a motion
23 to approve.

24 MR. STEINKE: Move to approve.

25 MS. KNATZ: Second.

1 MR. SRAMEK: Okay. We have a motion and a
2 second. Any corrections, any comments on the minutes?
3 Seeing none, we'll have a vote. All in favor,
4 say aye.

5 BOARD MEMBERS: Aye (all).

6 MR. SRAMEK: Thank you.

7 Okay. We'd like to have -- the public is
8 invited to address the commission at this time. So what
9 we'd like to do is everybody who is going to speak
10 hopefully signed a speaker card or will go back and sign
11 up on the speaker card.

12 And what we'd like to do is since, I think,
13 most people are here to speak on Item 6, we'd like to
14 hold those people who are going to speak only on Item 6
15 after the presentation on Item 6.

16 What we'd like to do is we'd like to call Mr.
17 Thiessen and ask if there is anybody who wants to make
18 general comments or comments on any other business at
19 this time.

20 MR. THIESSEN: Mr. Chairman, can you hear me
21 all right? We have a number of speaker cards. Most of
22 the comments did not indicate --

23 MR. SRAMEK: Can you move the microphone a
24 little bit better? Yeah.

25 MR. THIESSEN: How is that? A little better?

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1 MR. SRAMEK: Yes, thank you.
 2 MR. THIESSEN: None of the comment cards except
 3 for one of them mentioned the item that they wanted to
 4 speak on, so I'm assuming that most of them are on Item
 5 Number 6.
 6 MR. SRAMEK: Okay. Is this on? Okay.
 7 Can I just ask, Is there anybody who wants to
 8 make comments as general public comments or comments on
 9 Items 1 through 5, and not Number 6? Anybody? Okay.
 10 Seeing none, okay, we'll go on with the meeting
 11 then. And what we'll do is we'll have public comments
 12 on Item Number 6 after we have made the presentation.
 13 Okay. Our first item of business is election
 14 of officers for the fiscal year 2009-2010. Any
 15 nominations?
 16 MS. MISCIKOWSKI: I would like to nominate
 17 Mr. Sramek as chair of the JPA.
 18 MR. SRAMEK: Thank you. Is there a second?
 19 MR. STEINKE: Second.
 20 MR. SRAMEK: Okay. Any comments? Okay.
 21 Hearing none, we have a motion and second. All
 22 in favor, say aye.
 23 BOARD MEMBERS: Aye (all).
 24 CHAIRMAN SRAMEK: Motion passes.
 25 Okay. I'd like to elect or nominate

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1 Ms. Miscikowski for vice chair.
 2 MS. KNATZ: Second.
 3 CHAIRMAN SRAMEK: Okay. Thank you.
 4 We have a motion and second. All in favor, say
 5 aye.
 6 BOARD MEMBERS: Aye (all).
 7 CHAIRMAN SRAMEK: Motion passes. Thank you.
 8 Okay. Do we have any other officers? That's
 9 it? Okay.
 10 Okay. The next is recommendation to adopt an
 11 annual budget for fiscal year 2009-2010. Mr. Thiessen.
 12 MR. THIESSEN: Thank you, Mr. Chair. The
 13 proposed budget for 2009-2010 is in the amount of
 14 \$5.3 million. The majority of the budget costs are
 15 proposed in the amount of \$3.3 million primarily for
 16 legal and consultant services in connection with the
 17 proposal to modernize the ICTF in the application
 18 prepared by Union Pacific Railroad.
 19 The larger, other portion of the budget is
 20 \$1.9 million which is being held in reserve for the City
 21 of Carson for certain capital improvements on the street
 22 adjacent to the ICTF. There are additional
 23 miscellaneous expenses itemized in the proposed budget
 24 on the attachment.
 25 I'm available to answer any questions. Your

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1 former Executive Director of the Port of Long Beach's
 2 chief financial officer, Sam Joublat, is sitting behind
 3 me to answer any other questions on the agenda. The
 4 recommendation is for the board to approve the budget as
 5 proposed.
 6 CHAIRMAN SRAMEK: I just have a question in
 7 here. It looks like from our adopted budget last year
 8 to what the estimated actual is mostly due to the delay
 9 of the EIR and other things that go along with the EIR;
 10 is that correct?
 11 MR. THIESSEN: Yes, that's correct. The large
 12 portions of the funding that had been approved in the
 13 previous year's budget are shifted to the proposed
 14 budget to include the preparation of the EIR.
 15 CHAIRMAN SRAMEK: Okay. Are there any other
 16 questions?
 17 MS. MISCIKOWSKI: Yes, I just noticed in the
 18 '08-'09 budget, the \$1.9 million for capital
 19 improvements for the City of Carson. Was that just a
 20 carry-over, or was it a second amount?
 21 MR. THIESSEN: It's a carryover.
 22 MS. MISCIKOWSKI: And do we have any estimation
 23 as to whether or not or how that is to proceed just like
 24 the rebuild issue?
 25 MR. THIESSEN: The Carson folks have had some

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1 delays caused by the preparation of the environmental
 2 documents, so we've carried this over for a number of
 3 years, and I have not had any new information on the
 4 expectation in that expense. Thank you.
 5 CHAIRMAN SRAMEK: Does this answer the
 6 questions?
 7 MS. KNATZ: I move the approval of the budget.
 8 CHAIRMAN SRAMEK: Is there a second?
 9 MR. STEINKE: Second.
 10 CHAIRMAN SRAMEK: Okay. Thank you.
 11 Any comments on the budget? Okay.
 12 Seeing none, we'll have a vote. All in favor,
 13 say aye.
 14 BOARD MEMBERS: Aye (all).
 15 CHAIRMAN SRAMEK: Motion passes. Thank you.
 16 Okay. The next is recommendation to approve
 17 distribution of funds for year '08-'09. Mr. Thiessen.
 18 MR. THIESSEN: Thank you. The recommendation
 19 of distribution of funds accounts for revenues that have
 20 been placed into the account -- reserve account for the
 21 ICTF balance. As is customary, the governing board
 22 votes for distribution of these funds. There is a sum
 23 of \$8 million available for distribution which would be
 24 equally distributed to the Port of Los Angeles and Long
 25 Beach, and there is a recommendation for the governing

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1 board to authorize a distribution of funds in the amount
2 of \$8 million.

3 CHAIRMAN SRAMEK: Thank you. Any questions or
4 comments that you would like to generate?

5 MR. STEINKE: I would just like to ask, Does
6 this leave a balance sufficient to -- for operating
7 expenses and to carry over for business for the coming
8 year?

9 MR. THIESSEN: Yes, that's correct. Each year
10 there's an accrual, and we do leave an ending cash
11 balance of approximately \$3 million to carry on routine
12 business for the coming year.

13 CHAIRMAN SRAMEK: And that includes everything
14 for the EIR and everything that will come up?

15 MR. THIESSEN: Yes.

16 CHAIRMAN SRAMEK: Thank you.
17 Do you have any other questions? Okay.
18 Could I have a motion to approve the
19 distribution of funds?

20 MS. MISCIKOWSKI: I move.

21 CHAIRMAN SRAMEK: Is there a second?

22 MS. KNATZ: Second.

23 CHAIRMAN SRAMEK: Thank you. Okay.
24 Any comments on this item, Item Number 3?
25 Seeing none, we have a motion and second. All

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1 in favor of the motion, say aye.
2 BOARD MEMBERS: Aye (all).
3 CHAIRMAN SRAMEK: Thank you. The motion
4 passes.
5 The next item is the financial audit.
6 Mr. Thiessen.

7 MR. THIESSEN: Thank you. Macias Gini and
8 O'Connell, the outside auditor, has completed its
9 financial audit for the fiscal year ending June 30th,
10 2008. There should be an attachment to your board item
11 with a copy of the audit.

12 Some of the summary of the audit concludes that
13 the operating revenues for fiscal year decreased
14 approximately 6.2 percent in the amount of \$8,339,856.
15 Net assets increased to \$24,151,671 net, primarily due
16 to the large delay in the distribution of cash in the
17 previous year.

18 Container volumes for the San Pedro Bay Ports,
19 as many of us are keenly aware, have decreased
20 approximately 5 percent to a total of 15.1 million TEUs
21 for the 12-month reporting period ending in June of
22 2008. There was a consequent decrease in volume through
23 the ICTF -- 4.9 percent in container volumes are down to
24 679,993 containers.
25 We're recommending the JPA board receive and

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1 file the financial audit period prepared by Macias Gini
2 and O'Connell for the fiscal year ending June 30th,
3 2008.

4 CHAIRMAN SRAMEK: Thank you. Any questions?
5 MR. STEINKE: I have a question just on
6 container volumes. Are the container volumes at ICTF
7 basically following what the predictions are at the two
8 ports, or does the volume look like they're staying up
9 better than -- the decreases are less than the volume
10 predictions?

11 MR. THIESSEN: Yes. What I wanted to -- I
12 would caution you that this is the reporting period
13 ended June of 2008, so next year when we come back for a
14 similar reporting period, it's likely these numbers will
15 show even further decline.

16 Yes. This 5 percent or 4.9 percent decrease
17 largely mirrors the reduction in container volumes seen
18 in both ports during this reporting period.

19 CHAIRMAN SRAMEK: Thank you. Any questions?
20 Okay. Seeing none, could I have a motion to
21 approve the audit?

22 MR. STEINKE: Move to approve.
23 MS. KNATZ: Second.
24 CHAIRMAN SRAMEK: Thank you. Okay. Any
25 comments on the audit?

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1 Seeing none, we have a motion and second. All
2 in favor of the motion, say aye.
3 BOARD MEMBERS: Aye (all).
4 CHAIRMAN SRAMEK: Motion passes. Thank you.
5 Okay. Recommendation to receive and file
6 Agreed-Upon Procedures for year ending November 1, 2008.
7 Mr. Thiessen.

8 MR. THIESSEN: Thank you. And this is the last
9 of the Board administrative items of the file. Again,
10 Macias Gini and O'Connell have completed their review of
11 ICTF net revenues, and this is for the year ending
12 November 1st, 2008, so it's a little different reporting
13 period -- revenues versus the container volumes.

14 In this report there were 633,953 gross
15 container moves generating \$19,018,590 in gross revenue.
16 This was a year-over-year decrease of 10.5 percent from
17 2007. The ICTF collects gate fees, less allowable
18 deductions resulting in a net facility revenue of
19 \$15,141,358 to be equally shared by the Authority and
20 the Union Pacific Railroad. On November 5th Union
21 Pacific transferred 50 percent of that or \$7,570,679 to
22 the ICTF investment account, accounting for 50 percent
23 of these revenues.
24 Final draft of the net facility revenues report
25 is attached. The auditors and the JPA staff have

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1 reviewed this and are in agreement that the results were
 2 recommended that the governing board receive and file
 3 the draft net facility revenue report for the year
 4 ending November 1, 2008.

5 CHAIRMAN SRAMEK: Thank you. Can we have a
 6 motion to receive it, please?

7 MS. MISCIKOWSKI: I have a question. How is it
 8 that this report is based on the different year model
 9 than the audit, and is this something that is done every
 10 year, or is this a one-time necessary basis?

11 MR. THIESSEN: I'm going to ask Mr. Joumbat to
 12 answer that question. I have a similar confusion on the
 13 different reporting periods.

14 MR. JOUMLAT: Exactly. That's the way it has
 15 always been done. Contractually, that is what's
 16 required. As of November 3rd and then immediately after
 17 that, we make specific transfer of funds to the JPA so
 18 that is consistent with November 1, and that is
 19 contractually the way it's been done in the past.

20 MS. MISCIKOWSKI: But our audit report is done
 21 from fiscal year ending June 30th; that's July to June.

22 MR. JOUMLAT: That's correct, and the auditors
 23 continue their efforts beyond the -- typically the audit
 24 starts late anyway. That has been the tradition, but
 25 the auditors look at the year ending June 30th, and they

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1 look at differently and agree upon procedures, and they
 2 look at as of November 1st for verification of the
 3 revenue, the gate fees, and make adjustments as of that
 4 date.

5 MS. MISCIKOWSKI: Okay.

6 CHAIRMAN SRAMEK: Okay. Do you have any other
 7 questions? No? Okay.

8 Let's see, we have a motion and second already;
 9 correct? Can we have a motion and a second?

10 MS. MISCIKOWSKI: I'll move.

11 MR. STEINKE: I'll second.

12 CHAIRMAN SRAMEK: Okay. Thank you. We have a
 13 motion and second. Any comments on this item?

14 Seeing none, we have a motion and second. All
 15 in favor of the motion, say aye.

16 BOARD MEMBERS: Aye (all).

17 CHAIRMAN SRAMEK: Motion passes.

18 Okay. Item Number 6. This is what we're here
 19 for. The staff report and the preparation of the EIR
 20 for the proposed ICTF modernization project. Are you
 21 going to speak to that, Mr. Thiessen?

22 MR. THIESSEN: Yes, thank you. Tonight we have
 23 here our members of the staff of both the Ports of
 24 Los Angeles and Long Beach environmental planning
 25 divisions. They are going to be giving an oral update

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1 to the JPA board on the status of preparation of the
 2 EIR. As you're aware, AQMD has been retained by the JPA
 3 to prepare the environmental document, and members of
 4 their staff are also in the audience.

5 I'm going to turn the microphone over to
 6 Ralph Appy, Dr. Ralph Appy from the Port of Los Angeles,
 7 and Rick Cameron from the Port of Long Beach to give an
 8 update on the status of the EIR.

9 Following that, we have numerous speakers who
 10 would like to make comments on this item, and at that
 11 time I would read their names from the comment cards,
 12 match them as they come up to the microphone.

13 CHAIRMAN SRAMEK: Thank you. Just remind
 14 anybody who hasn't signed up, if you want to speak,
 15 please fill out a speaker card, and have someone bring
 16 it up here. Okay. Thank you.

17 DR. APPY: Thank you, Commissioners. I'm
 18 Ralph Appy. I'm the environmental director for the Port
 19 of Los Angeles, and with me is Rick Cameron, my
 20 counterpart. We -- the connection here is that we serve
 21 as staff, technical staff to the JPA. And so all the
 22 EIR preparation, therefore, goes through our staff for
 23 technical review. It comes to us, and we review it, and
 24 we coordinate that work as kind of project manager.

25 And so I'd like to add to that. Recently we

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1 did have a staff change here, and then we have present
 2 here tonight -- magnetic interference -- we have Lisa
 3 Ochsner here in the audience, if she would stand up.
 4 She is the technical project manager for JPA, and she
 5 actually is staff in my office, Port of Los Angeles. So
 6 she is the one that has actually been doing the
 7 day-to-day coordination between the port and staff and
 8 between the consultant at the AQMD. And she has a lot
 9 of experience, not only in CEQA, but also she is working
 10 on the SCIG project for the Port of Los Angeles which
 11 has a lot of synergies.

12 So that is one of our big issues, making sure
 13 that those two documents are done using the very same
 14 assumptions, and also that we have a similar analysis,
 15 and we have very similar documents. We, also by the
 16 way, are planning on having those documents come out
 17 approximately the same time, so we think that's totally
 18 necessary.

19 CHAIRMAN SRAMEK: Do you have an idea when that
 20 is?

21 DR. APPY: Yes, I was going to get to that.

22 CHAIRMAN SRAMEK: That's okay.

23 DR. APPY: Kind of a status approach on this is
 24 that the EIR is being worked on. We have a lot of the
 25 main sections already written in draft form.

