



DATE: September 13, 2023

TO: Governing Board, Intermodal Container Transfer Facility Joint Powers Authority

FROM: Marla Bleavins, Treasurer

SUBJECT: Net Facility Revenue Report for Annual Period Ending November 1, 2022

Moss Adams LLP (Moss Adams) has completed their review of Intermodal Container Transfer Facility Joint Powers Authority (ICTF JPA) net revenue for the year ended November 1, 2022. During the year, there were 231,148 gross container movements, generating \$6,934,440 in gross revenue. Gate fees collected at the Intermodal Container Transfer Facility (ICTF), less allowable deductions, resulted in net facility revenue of \$6,342,703 to be equally shared by the ICTF JPA and Union Pacific Railroad. Union Pacific transfers a 50% share of the facility's net revenues on an ongoing quarterly basis.

It is recommended that the Governing Board receive and file the net facility revenue report for the year ended November 1, 2022.

It is also recommended that the Board make the following finding:

"The Board finds the activity is an administrative activity that will not result in direct or indirect physical changes in the environment, and, as such, is not a "project" as defined by CEQA Guidelines section 15378."

*Marla Bleavins*

Marla Bleavins  
Treasurer



Report of Independent Accountants

**Intermodal Container Transfer Facility  
Joint Powers Authority**

November 1, 2022

## Report of Independent Accountants

To the Board of Directors  
Intermodal Container Transfer Facility Joint Powers Authority

Union Pacific Corporation

We have performed the procedures enumerated below on Intermodal Container Transfer Facility Joint Powers Authority's (the Authority) Calculation of Net Facility Revenues (the "Exhibit") of the Authority and the Monthly Statement of Operations of UPC for the year ended November 1, 2022. The Authority is responsible for the Calculation of Net Facility Revenues and Union Pacific Corporation (UPC) is responsible for the Monthly Statements of Operations.

The Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating the calculation of Net Facility Revenues. Additionally, UPC has agreed to and acknowledged that the procedures performed are appropriate to meet their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. **Procedure:** We obtained the Monthly Statements of Operations prepared by UPC accounting personnel listing net revenues from the operations of the Intermodal Container Transfer Facility (Facility), including amounts that had been billed and not yet collected, for the year ended November 1, 2022. We recalculated the mathematical accuracy of the schedules received and agreed the total net revenues for the year ended November 1, 2022, to the Net Facility Revenues on the accompanying Exhibit.

**Results:** No exceptions noted.

2. **Procedure:** In conjunction with the calculation of Net Facility Revenues in the Exhibit, we performed the following procedures:
  - a. We obtained Monthly Statement of Operations reports on gross container movements from UPC for the year ended November 1, 2022.
  - b. We summed the reported monthly amounts of gross container movements from Monthly Statement of Operations reports noting annual gross container movements at the Facility of 231,148 for the year ended November 1, 2022.

- c. We multiplied the total number of reported gross container movements by \$30 (the amount charged for each container transfer) recalculating Total Facility Revenue generated of \$6,934,440 for the year ended November 1, 2022, and agreed such amount to the Exhibit for the year ended November 1, 2022, without exceptions.
- d. We agreed the Total Facility Revenue generated of \$6,934,440 for the year ended November 1, 2022, as noted in Procedure C above, to the sum of Facility Revenues related to gate charges collected by UPC of \$6,503,040 and noted an adjustment in the amount of \$431,400 per the Monthly Statement of Operations prepared by UPC accounting personnel for the year ended November 1, 2022.
- e. We agreed a payment made by UPC on behalf of the Authority to the City of Carson, California for maintenance fees in the amount of \$160,337 as shown on the Exhibit for the year ended November 1, 2022, to check disbursements. We noted no payments to the Authority for reimbursement of operating expenses for the year ended November 1, 2022.
- f. We noted no payments to the bond rating agencies for the year ended November 1, 2022, therefore this procedure was not applicable.

**Results:** No exceptions noted.

We were engaged by the management of the Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the *American Institute of Certified Public Accountants*. An agreed-upon procedures engagement involves performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the calculation of Net Facility Revenues and the Monthly Statements of Operations, for the year ended November 1, 2022. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Authority and UPC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Authority and UPC, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Moss Adams LLP*

El Segundo, California  
June 30, 2023

**INTERMODAL CONTAINER TRANSFER FACILITY  
JOINT POWERS AUTHORITY**

Calculation of Net Facility Revenues Using Amounts Determined  
Based on the Agreed-Upon Procedures and  
Comparison to Net Facility Revenues Reported by UPC

Year Ended November 1, 2022

Facility revenue collected:

Total facility revenues generated, based on gross gate movements	\$ 6,934,440
Amounts not billed, adjustments to billing, and change in facility revenue receivable, net	<u>(431,400)</u>
Net Facility revenues collected by UPC	<u>6,503,040</u>

Less allowable deductions:

Payment to the City of Carson on behalf of the Authority for maintenance fees	<u>160,337</u>
Total allowable deductions	<u>160,337</u>
Net Facility Revenues using amounts determined based on the agreed-upon procedures	<u>\$ 6,342,703</u>

