

CALIFORNIA HIGH-SPEED RAIL AUTHORITY
BOARD MEETING

TRANSCRIPT OF PROCEEDINGS

MAIN MEETING LOCATION

DEPARTMENT OF HEALTHCARE SERVICES AUDITORIUM
1500 CAPITOL AVENUE
SACRAMENTO, CA 95814

SATELLITE LOCATIONS

JACKSON MEMORIAL LIBRARY
71 MAIN STREET
ST. GEORGE, MAINE 04860

PORT OF LONG BEACH
4801 AIRPORT PLAZA DRIVE
(8TH FLOOR CONFERENCE ROOM)
LONG BEACH, CA 90815

HYATT REGENCY LA JOLLA AT AVENTINE (HOTEL LOBBY)
3777 LA JOLLA VILLAGE DRIVE
SAN DIEGO, CA 92122

THE PENSTAR GROUP
855 M STREET, SUITE 1110
FRESNO, CA 93721

CALIFORNIA HIGH-SPEED RAIL AUTHORITY
700 N. ALAMEDA STREET
LOS ANGELES, CA 90012

WEDNESDAY, AUGUST 16, 2017

10:00 A.M.

Reported by:
Gigi Lastra

APPEARANCESBOARD MEMBERS

Dan Richard, Chairman (remote location)

Tom Richards, Vice Chair (remote location)

Lynn Schenk (remote location)

Lorraine Paskett (absent)

Mike Rossi, Acting Board Chair

Daniel Curtin

Bonnie Lowenthal (remote location)

Ernest Camacho (remote location)

EX OFFICIO BOARD MEMBERS

Assemblymember, Dr. Joaquin Arambula (remote location)

Senator, Jim Beall (absent)

STAFF

Tom Fellenz, Chief Counsel & Interim Chief Executive Officer

Krista Jensen, Board Secretary

Scott Jarvis, Chief Engineer

PRESENTERS:

Scott Jarvis, Chief Engineer

PUBLIC COMMENT

Henry R. Perea, (remote location)

BJ McCoy, McCoy's Industrial Tire

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P R O C E E D I N G S

10:00 a.m.

PROCEEDINGS BEGIN AT 10:00 A.M.

SACRAMENTO, CALIFORNIA, TUESDAY, AUGUST 16, 2017

BOARD MEMBER ROSSI: So then we're going to open this particular Board meeting for High-Speed Rail. And we need a roll call.

MS. JENSEN: Good morning.

Director Schenk?

BOARD MEMBER SCHENK: (Absent).

MS. JENSEN: Vice Chair Richards?

VICE CHAIR RICHARDS: Here.

MS. JENSEN: Director Rossi?

BOARD MEMBER ROSSI: Here.

MS. JENSEN: Director Curtin?

BOARD MEMBER CURTIN: Here.

MS. JENSEN: Director Paskett?

BOARD MEMBER PASKETT: (Absent).

MS. JENSEN: Director Lowenthal?

BOARD MEMBER LOWENTHAL: Here.

MS. JENSEN: Director Camacho?

BOARD MEMBER CAMACHO: Here.

MS. JENSEN: Senator Beall?

EX OFFICIO BOARD MEMBER BEALL: (Absent).

MS. JENSEN: Assemblymember Arambula?

1 EX OFFICIO BOARD MEMBER ARAMBULA: Here.

2 BOARD MEMBER ROSSI: Who just called in?

3 CHAIRMAN RICHARD: It's Dan Richard.

4 MS. JENSEN: Good morning, Dan.

5 BOARD MEMBER ROSSI: Just why don't you call his
6 name?

7 MS. JENSEN: And Chair Richard?

8 CHAIRMAN RICHARD: I'm here.

9 BOARD MEMBER ROSSI: Okay. As a result of having
10 opened the meeting, we're now going to go into closed
11 session. And we'll be back as soon as we've finished.
12 Thank you.

13 (The Board convened into Closed Session at 10:01 a.m.)

14 (The Board reconvened out of Closed Session at 10:42 a.m.)

15 BOARD MEMBER ROSSI: I'd like to call the meeting
16 to order. I'll have to look at the script that the CEO
17 gave me.

18 BOARD MEMBER SCHENK: Hello?

19 BOARD MEMBER ROSSI: Hello.

20 Would you like to call the roll to make sure
21 everyone's on?

22 MS. JENSEN: Yes.

23 Director Schenk?

24 BOARD MEMBER SCHENK: Here.

25 BOARD MEMBER ROSSI: And ask their location.

1 MS. JENSEN: Pardon?

2 BOARD MEMBER ROSSI: Ask for a location.

3 BOARD MEMBER SCHENK: Can you hear me, because I
4 can't hear Dan or whoever's speaking.

5 BOARD MEMBER ROSSI: It's Mike. And we're going
6 to try again, so do you want us to start over?

7 MS. JENSEN: Yes.

8 BOARD MEMBER ROSSI: All right. Go ahead.

9 MS. JENSEN: Hi, Director Schenk?

10 BOARD MEMBER SCHENK: I'm here. Can you hear me?

11 MS. JENSEN: Yes. And can you state your
12 location please?

13 BOARD MEMBER SCHENK: San Diego, California.

14 MS. JENSEN: Thank you.

15 Vice Chair Richards?

16 VICE CHAIR RICHARDS: Here at Fresno.

17 MS. JENSEN: Thank you.

18 Director Rossi?

19 BOARD MEMBER ROSSI: Here.

20 MS. JENSEN: Director Curtin?

21 BOARD MEMBER CURTIN: Here. Sacramento.

22 MS. JENSEN: Director Lowenthal?

23 BOARD MEMBER LOWENTHAL: Here. Long Beach.

24 MS. JENSEN: Thank you.

25 Director Camacho?

1 BOARD MEMBER CAMACHO: Here. Los Angeles.

2 MS. JENSEN: Chair Richard?

3 CHAIRMAN RICHARD: I'm here in Maine where it's
4 beautiful and the blueberries are out.

5 MS. JENSEN: Thank you.

6 BOARD MEMBER ROSSI: Okay. So let us please now
7 proceed to the Pledge of Allegiance to be led by our CEO.

8 MR. FELLEENZ: Please stand and repeat after me.
9 (The Pledge of Allegiance is made.)

10 BOARD MEMBER ROSSI: Okay. So what I want to do
11 now is we'll do public comment, but what I'd like to do is
12 start with the satellite locations? So --

13 BOARD MEMBER SCHENK: I'm so sorry, but I can't
14 hear you.

15 BOARD MEMBER ROSSI: Can you hear me now?

16 UNIDENTIFIED SPEAKERS: Yes.

17 BOARD MEMBER ROSSI: Okay. I apologize. I
18 wasn't leaning close enough to the microphone.

19 So we're going to start with public comment. Is
20 there anyone in L.A. for public comment?

21 BOARD MEMBER CAMACHO: No.

22 BOARD MEMBER ROSSI: Anyone in San Diego?
23 Anyone in Maine?

24 CHAIRMAN RICHARD: No.

25 BOARD MEMBER ROSSI: Okay. We got them all. All

1 right, and then we have one -- oh, I'm sorry, Fresno. I
2 apologize, Tom, anyone in Fresno?

3 VICE CHAIR RICHARDS: Yeah, thanks for forgetting
4 that, Mike. (Laughter). So the answer is yes we do. We
5 have Supervisor Perea --

6 BOARD MEMBER ROSSI: Okay.

7 VICE CHAIR RICHARDS: -- to speak. Henry, just
8 (indiscernible) --

9 BOARD MEMBER SCHENK: I'm sorry, Mike. Did you
10 state San Diego? I didn't hear.

11 BOARD MEMBER ROSSI: Yes, I did say San Diego,
12 I'm sorry.

13 BOARD MEMBER SCHENK: I did not hear you, but I'm
14 so sorry. No. There is no one here.

15 BOARD MEMBER ROSSI: Thank you.

16 Okay Tom and Supervisor Perea, if you would
17 please?

18 SUPERVISOR PEREA: Yes. Thank you for allowing
19 me to speak. And as you know, I've been a long-time strong
20 supporter of High-Speed Rail. We're going to get this over
21 the finish line.

22 You know it's hard to believe that in January of
23 2013 we were awarded this first contract. And from a
24 Fresno perspective it's great to see construction
25 happening, people going back to work. And just as recently

1 as a week or so ago we saw the grand opening of an
2 overpass, I believe Tuolumne. So I mean we thank you for
3 your leadership, your vision, and for getting this work
4 done and putting people back to work.

5 When I heard about this item and why it's here is
6 I'm sure it was just somewhat a glitch in that our folks
7 received a letter indicating that their contracts were
8 ending, but I think today's meeting is going to take care
9 of that.

10 The only question or ask that I ask, and that I
11 respectfully ask it, is I see that it's for a six-month
12 period, pending further review on your part. But I think
13 from a business perspective that creates unpredictability
14 for business. And then I think I don't have to explain the
15 reasons why, but six months impacts their workforce and how
16 they work it. And of course from the people that are
17 working, now it puts them in a spot of wondering what's
18 going to happen this month.

19 So my request is that obviously you approve this
20 item, but you consider approving it for the duration of the
21 construction contract. And then of course if you need to
22 do internal controls, strengthen the accountability and
23 review and making sure that the proper budget is not off
24 line, that you do that. But I'm asking you to maintain the
25 predictability, so we'll continue our progress. Thank you.

1 BOARD MEMBER ROSSI: Thank you, sir.

2 Tom, do you have anyone else?

3 VICE CHAIR RICHARDS: No. That is all,
4 Mr. Chairman.

5 BOARD MEMBER ROSSI: Thank you. We will now ask
6 for --

7 BOARD MEMBER LOWENTHAL: Wait a minute, Mike.

8 BOARD MEMBER ROSSI: Oh, I'm sorry.

9 BOARD MEMBER LOWENTHAL: Long Beach.

10 BOARD MEMBER ROSSI: Yes, ma'am.

11 BOARD MEMBER LOWENTHAL: Long Beach.

12 BOARD MEMBER ROSSI: Okay.

13 BOARD MEMBER LOWENTHAL: There are no speakers
14 here.

15 BOARD MEMBER ROSSI: (Laughter). Fair enough,
16 thank you very much.

17 And in Sacramento we have one, a Mr. BJ McCoy?
18 Welcome.

19 MR. MCCOY: Thank you. Good morning Rail
20 Authority, members. My name is BJ McCoy. I'm from McCoy's
21 Industrial Tire. I've also been a spokesperson for the
22 Retread Tire Association, which is in California.

23 And the reason I'm here is because I want to make
24 sure that the Rail Authority and its construction projects
25 is using retreads. And I do want to say that I thank you

1 for the opportunity to speak and the opportunity to be
2 heard. I know it's important to the readers in
3 California.

4 And I want to say this; I think you've taken on
5 an incredibly awesome project. I think the High-Speed Rail
6 is going to improve the economy of California. It'll
7 improve the commerce. It'll improve business. It'll
8 increase manufacturing in the state. The benefits will so
9 outweigh the upfront costs, it's just immeasurable.

10 And to that end, as you know, other government
11 agencies in the state will be watching and seeing what you
12 do and the procedures you implement and the contracts you
13 write, as well as will the rest of the nation. This will
14 be -- the instigation is something that will be copied over
15 the nation and across the world, I'm sure. And to that
16 end, I noticed that the State of California frequently is
17 not meeting its legal obligation to use retreads whenever
18 feasible.

19 Now, I'm from McCoy's Industrial Tire and we
20 retread industrial tire retreads. We don't -- they're
21 solid tires, fork lift tires, tires that go on construction
22 equipment. What I have noticed in my years in business is
23 that most California construction projects aren't using
24 retreaded tires. Most procurements officers, when they do
25 request for bids, don't ask for retreaded tires and don't

1 ask for retread industrial tires. And that's often because
2 they don't know that the solid tires can be retreaded and
3 the industrial tires that go on like loaders and forklifts
4 can be retreaded. And they don't know they have an
5 obligation to buy retreads when feasible.

6 And tire retreading, NAICS Code 326212, on the
7 index of Environmental Protection Agency is designated as a
8 recycled content product. And I do want to remind you of
9 Public Contracts Code Section 12201 which says, "The
10 Legislature finds and declares that it is a policy of the
11 state to conserve and protect its resources. The
12 Legislature further finds and declares that the use of
13 recycled products produced as the result of superior waste
14 management efforts by the state and local government
15 entities will help conserve resources. It is the intent of
16 the Legislature that the State pursue all feasible measures
17 to improve markets for recycled products, including but not
18 limited to, bid evaluation preferences for purchases made
19 by the state."

20 So what that says is that your request for bids
21 can require the use of retreads. That's how I interpret
22 that.

23 And I'm here to let you know that the Retread
24 Tire Association, and even I would be glad to provide a
25 free public service to the State of California and to those

1 in procurement, to let them know when retreads are feasible
2 and when they're not. And what kind of language can be put
3 in the contracts to require your vendors to use retreads.

4 BOARD MEMBER ROSSI: Thank you very much.

5 MR. MCCOY: Thank you.

6 BOARD MEMBER ROSSI: Actually, I'm pleased that
7 when I read this I thought you were going to talk about Dan
8 Richards and me. Thank you very much.

9 And in fact, Tom, do you want to have someone --

10 MR. FELLEENZ: Yes. We'll look at it. Thank you
11 very much, yeah.

12 BOARD MEMBER ROSSI: All right, moving on to the
13 agenda. Can I get a motion for the approval of the July
14 18th --

15 BOARD MEMBER LOWENTHAL: Move approval of the
16 minutes.

17 BOARD MEMBER ROSSI: (Laughter). Okay, can I get
18 a second?

19 BOARD MEMBER SCHENK: Second.

20 BOARD MEMBER ROSSI: Very good. It's been moved
21 and seconded, all in favor?

22 (Ayes).

23 MR. FELLEENZ: We have to take the roll.

24 BOARD MEMBER ROSSI: Oh, we have to do -- I'm
25 sorry, we have to take the roll. I apologize.

1 Please?

2 MS. JENSEN: You've got it.

3 Director Schenk?

4 BOARD MEMBER SCHENK: Yes.

5 MS. JENSEN: Vice Chair Richards?

6 VICE CHAIR RICHARDS: Yes.

7 MS. JENSEN: Director Rossi?

8 BOARD MEMBER ROSSI: Yes.

9 MS. JENSEN: Director Curtin?

10 BOARD MEMBER CURTIN: Yes.

11 MS. JENSEN: Director Lowenthal?

12 BOARD MEMBER LOWENTHAL: Yes.

13 MS. JENSEN: Director Camacho?

14 BOARD MEMBER CAMACHO: (Absent).

15 BOARD MEMBER ROSSI: Ernie, are you there?

16 MS. JENSEN: No.

17 BOARD MEMBER ROSSI: Okay.

18 MS. JENSEN: Chair Richard?

19 BOARD MEMBER CAMACHO: Yes. I am here.

20 CHAIRMAN RICHARD: Yes.

21 BOARD MEMBER CAMACHO: I'm sorry.

22 BOARD MEMBER ROSSI: Okay. Dan, you said yes.

23 Ernie, are you voting yes?

24 BOARD MEMBER CAMACHO: Yes. I voted yes.

25 BOARD MEMBER ROSSI: Thank you.

1 Okay. Then we're going now on to our favorite
2 presenter, Scott, item four.

3 MR. JARVIS: Good morning Director Rossi, Board
4 of Directors and Interim CEO Fellenz. I am Scott Jarvis,
5 the Authority's Chief Engineer. And I'm presenting an
6 action item in which staff recommends that the Board
7 authorize an amendment to Agreement HSR 11-20 with Wong
8 Harris, to increase the contract value of this Project and
9 Construction Management Services Agreement, PCM, by \$6
10 million.

11 The civil infrastructure of the Central Valley
12 segment is currently being designed and constructed through
13 three design-build contracts. PCM consultants support the
14 Authority and the management of the design-build contracts
15 and in overseeing the work performed by the contractors.

16 Construction Package 1 is the first significant
17 construction contract of the High-Speed Rail Program with
18 construction along a 32-mile stretch between Avenue 19 and
19 Madera County and to East American Avenue in Fresno County.

20 For CP1, the Authority entered into an agreement
21 for PCM services with Wong Harris in May of 2013 for a not
22 to exceed amount of \$34.2 million. The PCM service
23 agreement is a professional services agreement with
24 selection based on qualifications of the PCM and its
25 staffing resources, as opposed to low bid. Payment is made

1 based upon an actual cost basis.

2 This request to increase the PCM contract value
3 is necessary, because the expenditure rate for PCM services
4 has been higher than was originally anticipated and the
5 current budget is no longer adequate to complete all the
6 necessary PCM services.

7 The expenditure rate for PCM services has been
8 higher for three primary reasons: One, the acceleration of
9 the design-build contract work to complete the work within
10 the current contract completion date thereby necessitating
11 more concurrent work activities at numerous locations.
12 Two, the increase in value of the design-build contract
13 that the PCM is managing and the corresponding design-build
14 work the PCM is overseeing, especially related to utility
15 relocation work and the northern extension added to the
16 design-build contract. And three, the additional scope of
17 the services that the PCM has been directed to perform.

18 This request to increase the contract value of
19 the project in Construction Management Services Agreement
20 by \$6 million will enable the PCM to continue providing
21 services for approximately six months. This will allow
22 time for the Authority to complete re-baselining of its
23 master program schedule and fully consider the available
24 options to most effectively and efficiently provide PCM
25 services for the program, including for the remaining

1 duration of CP1.

2 If approved, CP2-3 PCM contract will be reduced
3 by \$6 million and the CP1 PCM contract will be increased by
4 \$6 million, resulting in a net zero overall program budget
5 change.

6 Therefore, staff recommends that the Board
7 approved Amendment Number 1 to Agreement HSR 11-20 with
8 Wong Harris, to increase the contract value by \$6 million
9 to approximately \$40.2 million. This will allow for
10 uninterrupted PCM services for the CP1 design-build
11 contract for approximately six months, and enable the
12 Authority to fully consider the future options to best
13 provide PCM services.

14 I would be happy to answer any questions you
15 might have.

16 BOARD MEMBER ROSSI: Thank you, Scott.

17 I'd like to do this, this way. I'm going to go
18 to each location if there any questions. Are there any
19 questions in Long Beach?

20 BOARD MEMBER LOWENTHAL: No.

21 BOARD MEMBER ROSSI: Any questions in Fresno?

22 VICE CHAIR RICHARDS: No.

23 BOARD MEMBER ROSSI: Any questions in Maine?

24 CHAIRMAN RICHARD: No.

25 BOARD MEMBER ROSSI: Any questions in Los

1 Angeles?

2 BOARD MEMBER CAMACHO: Yes.

3 BOARD MEMBER ROSSI: Please.

4 BOARD MEMBER CAMACHO: Mr. Jarvis, this is Ernie
5 Camacho. What has changed since the last recommendation
6 of July 18th in terms of the number of the funding dollars
7 that you're recommending?

8 MR. JARVIS: Primarily, the strategic decision to
9 complete re-baselining of the master program schedule and
10 consider all of the available options moving forward to
11 provide PCM services for the program. So instead of
12 deciding to completely fund the PCM 1 contract moving
13 forward, this is a bit of a time for the Authority to step
14 back, complete it's re-baselining and look at all options
15 moving forward for effective PCM services.

16 BOARD MEMBER CAMACHO: What future options are
17 you considering are on the table about completing those
18 services, if not through this contract?

19 MR. JARVIS: Future options could include
20 consolidation of resources across the Central Valley for
21 construction management services to more effectively
22 perform the PCM services that are needed. There are a
23 certain level of redundant services among the three
24 projects. So that's one of the options, is to look at how
25 do we most effectively consolidate the services for the

1 PCM.

2 BOARD MEMBER CAMACHO: So what you're suggesting
3 is potentially rolling the three PCM contracts into one
4 contract?

5 MR. JARVIS: I don't think we're at the point
6 where we're suggesting that that'll happen or recommending.
7 But I think we are looking at the redundant services that
8 do occur between the three contracts whether it's related
9 to railroad oversight, change orders, claims analysis, and
10 looking at ways that we can more efficient manage the
11 entire program. And so I don't think we've leapt to the
12 conclusion that we won't continue to have CPM services for
13 individual projects, but we're looking at ways that we can
14 do it more efficiently.

15 BOARD MEMBER CAMACHO: Well, what you're saying
16 though is you say something about combining or -- how are
17 we ensuring that small businesses are still included, since
18 we do have small businesses included in this process
19 currently?

20 MR. JARVIS: Any contracting moving would
21 continue to have the Authority's 30 percent small business
22 goal.

23 BOARD MEMBER CAMACHO: Okay. Let me ask another
24 question. So what we're doing is in one sense we're taking
25 from one CPM to pay another. So we're taking from, I guess

1 it's ARCADIS there. So we're taking -- robbing from Peter
2 to pay Paul, in one sense. And how does that balance
3 things out?

4 Secondly the contractor, Wong Harris, has been
5 relatively a good contractor. He's been under budget in
6 terms of the amount of fees that he's been charging. I
7 understand that he's running at an average of 5.4 and if,
8 in fact, we funded him for the entire amount that was
9 recommended in July he would be running under 5 percent,
10 which is under the standard of California in this industry,
11 or national standards. So what are we gaining by doing
12 this and are we not kicking the can down the road?

13 So we will have heard this procurement three
14 times without a resolution. So it was on the agenda July
15 16th. It's on the agenda today. So it will be on the
16 agenda again six months from now, without any adjudication.

17 MR. JARVIS: What we would be gaining is the
18 opportunity to consider the available options to move
19 forward, to allow time for the re-baselining of the master
20 program schedule. And also further analysis of the options
21 moving forward. So that's really what we'd be gaining is
22 the time to do more thorough analysis before we decide
23 exactly how we're going to move forward with the PCM
24 services for the program.

25 BOARD MEMBER CAMACHO: So also, so we're going to

1 impact CP1. We will impact CP2 by taking \$6 from them. So
2 we've created an additional problem, which we'll have to
3 solve at some later time.

4 MR. JARVIS: Yeah. On CP2-3 what we're looking
5 at is efficiencies. One of the areas that we're looking at
6 efficiencies is in the independent checking engineer,
7 independent site engineer, ICE, ISE, and ways to more
8 effectively do those design and construction reviews by
9 focusing on the more critical elements of design and
10 construction.

11 We also have incorporated a program-level
12 construction services group within the Central Valley that
13 from the Authority and RDP standpoint provides some of the
14 efficiencies that I mentioned regarding eliminating
15 redundancies between the three CPs. So that is how we
16 would be able to more efficiently administer the CP2-3
17 contract and allow those funds to be transferred to CP1.

18 BOARD MEMBER CAMACHO: Can you assure us that we
19 are not putting CP1 at risk, by pushing it out further?

20 MR. JARVIS: Are you referring to the PCM
21 contract or are you referring to the CP contract?

22 BOARD MEMBER CAMACHO: Well, I think one impacts
23 the other.

24 MR. JARVIS: Yes. That's true. But if we're
25 able to move forward with this extension for six months and

1 if there's timely resolution of a strategy moving forward,
2 I can say that we can continue to move forward without
3 impacting CPl, depending on what that strategy is, is
4 moving forward. But the six months does give us time to do
5 that analysis and determine the strategy moving forward.

6 BOARD MEMBER CAMACHO: Well, I'm just not real
7 comfortable with the variables that you have, the what-
8 if's. There's a lot of what-if's that'll happen in the six
9 month's analysis. And I'm not sure that we -- if this is
10 truly thought out, but I understand where you're going. I
11 may not agree with it, but I understand.

12 BOARD MEMBER ROSSI: Do you have anything else,
13 Ernie?

14 BOARD MEMBER CAMACHO: No, nothing else.

15 BOARD MEMBER ROSSI: Thank you. San Diego, I'm
16 sorry. Lynn, do you have any questions?

17 BOARD MEMBER SCHENK: No. We're good here.

18 BOARD MEMBER ROSSI: Thank you.
19 Danny?

20 MR. CURTIN: No.

21 BOARD MEMBER ROSSI: Do I have a motion?

22 MR. CURTIN: So moved.

23 VICE CHAIR RICHARDS: I'd like to make a motion
24 for approval, Mr. Chairman.

25 BOARD MEMBER ROSSI: You get the second.

1 VICE CHAIR RICHARDS: Sure.

2 BOARD MEMBER ROSSI: Danny moved and Tom has
3 seconded. All in favor and we'll take the roll.

4 MS. JENSEN: Okay.

5 CHAIRMAN RICHARD: Hold on a second, Mike. I
6 think Tom wants to make a substitute. Before you take --

7 BOARD MEMBER ROSSI: Oh, you want to add an
8 amendment today? Yeah, go right ahead. I'm sorry.

9 VICE CHAIR RICHARDS: I'd like to add an
10 amendment. I think that we all get a sense of the depth of
11 work that management and staff are going to be doing. I'd
12 like to make an amendment to give the CEO the authority to
13 extend the \$6 million to \$7 million, based upon his
14 assessment of whether the additional time is necessary in
15 order to prepare management's recommendation to the Board
16 for further - for further action.

17 BOARD MEMBER ROSSI: Is that okay with you,
18 Mr. Curtin?

19 BOARD MEMBER CURTIN: Yes.

20 BOARD MEMBER ROSSI: Okay. Then take the roll.

21 MS. JENSEN: Okay.

22 Director Schenk?

23 BOARD MEMBER SCHENK: Yes.

24 MS. JENSEN: Vice Chair Richards?

25 VICE CHAIR RICHARDS: Yes.

1 MS. JENSEN: Director Rossi?

2 BOARD MEMBER ROSSI: Yes.

3 MS. JENSEN: Director Curtin?

4 BOARD MEMBER CURTIN: Yes.

5 MS. JENSEN: Director Lowenthal?

6 BOARD MEMBER LOWENTHAL: Yes.

7 MS. JENSEN: Director Camacho?

8 BOARD MEMBER CAMACHO: Yes.

9 MS. JENSEN: Chair Richard?

10 CHAIRMAN RICHARD: Yes.

11 BOARD MEMBER ROSSI: Thank you and thank you

12 Scott.

13 MR. JARVIS: You're welcome.

14 BOARD MEMBER ROSSI: So that, unless anyone on
15 the Board has anything they'd like to raise, I'd like to
16 hear a motion to adjourn.

17 BOARD MEMBER SCHENK: So moved.

18 BOARD MEMBER ROSSI: Second?

19 BOARD MEMBER CURTIN: Second.

20 MR. FELLEENZ: Meeting adjourned.

21 BOARD MEMBER ROSSI: Meeting adjourned. Thank
22 you very much.

23 CHAIRMAN RICHARD: Thanks Mike.

24 (Having no further business, Director Rossi adjourned the
25 Board Meeting at 11:06 a.m.)

REPORTER'S CERTIFICATE

I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were reported by me, a certified electronic court reporter and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto set my hand this 29th day of August, 2017.



Eduwiges Lastra
CER-915

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And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto set my hand this 29th day of August, 2017.



Myra Severtson
Certified Transcriber
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