

An aerial photograph of a city street grid, viewed from a high angle. The streets form a complex network of lines, with some major thoroughfares and many smaller local streets. The entire image is overlaid with a semi-transparent blue filter, giving it a monochromatic appearance. The text is positioned in the lower right quadrant of the image.

ASSOCIATION OF BAY AREA GOVERNMENTS

Meeting Transcript

November 19, 2020

1

ABAG ACFA GOVERNING BOARD

2

THURSDAY, NOVEMBER 19, 2020, 6:00 PM

3

4 **KAREN MITCHOFF:** I CALL TO ORDER THE ACFA ABAG GOVERNING BOARD
5 MEETING. ROLL THE ANNOUNCEMENT. DUE TO COVID-19, THIS MEETING
6 WILL BE CONDUCTED AS A ZOOM WEBINAR, PURSUANT TO THE
7 GOVERNOR'S EXECUTIVE ORDER N-29-20 WHICH SUSPENDS CERTAIN
8 REQUIREMENTS OF THE BROWN ACT. THIS MEETING IS BEING WEBCAST
9 ON THE ABAG WEB SITE. THE CHAIR WILL CALL UPON COMMISSIONERS,
10 PRESENTERS, STAFF, AND OTHER SPEAKERS BY NAME, AND ASK THAT
11 THEY SPEAK CLEARLY AND STATE THEIR NAMES BEFORE GIVING
12 COMMENTS OR REMARKS. PERSONS PARTICIPATING VIA WEBCAST AND
13 ZOOM, WITH THEIR CAMERAS ENABLED, ARE REMINDED THAT THEIR
14 ACTIVITIES ARE VISIBLE TO VIEWERS. COMMISSIONERS AND MEMBERS
15 OF THE PUBLIC PARTICIPATING VIA ZOOM WISHING TO SPEAK SHOULD
16 USE THE RAISED HAND FEATURE OR DIAL STAR NINE, AND THE CHAIR
17 WILL CALL UPON THEM AT THE APPROPRIATE TIME. TELECONFERENCE
18 ATTENDEES WILL BE CALLED UPON BY THE LAST FOUR DIGITS OF THEIR
19 PHONE NUMBER. IT IS REQUESTED THAT PUBLIC SPEAKERS STATE THEIR
20 NAMES AND ORGANIZATION, BUT PROVIDING SUCH INFORMATION IS
21 VOLUNTARY. WRITTEN PUBLIC COMMENTS RECEIVED AT
22 INFO@BAYAREAMETRO.GOV BY 5:00 P.M. YESTERDAY WILL BE POSTED TO
23 THE ONLINE AGENDA AND ENTERED INTO THE RECORD, BUT WILL NOT BE
24 READ OUT LOUD. IF AUTHORS OF THE WRITTEN CORRESPONDENCE WOULD
25 LIKE TO SPEAK, THEY ARE FREE TO DO SO, AND SHOULD RAISE THEIR

Meeting Transcript

November 19, 2020

1 HAND AND THE CHAIR WILL CALL UPON THEM ON THE APPROPRIATE
2 TIME. A ROLL CALL VOTE WILL BE TAKEN FOR ALL ACTION ITEMS.
3 PANELISTS SHOULD NOTE THAT THE CHAT FEATURE IS NOT ACTIVE TO
4 ATTENDEES. IN ORDER TO GET THE FULL ZOOM EXPERIENCE, PLEASE
5 MAKE SURE YOUR APPLICATION IS UP TO DATE.

6

7 **KAREN MITCHOFF:** AND WITH THAT, FRED, COULD WE HAVE ROLL CALL
8 PLEASE.

9

10 **CLERK OF THE BOARD:** YES, MA'AM. ACFA GOVERNING BOARD.
11 SUPERVISOR MITCHOFF?

12

13 **KAREN MITCHOFF:** HERE.

14

15 **CLERK OF THE BOARD:** CHAVEZ?

16

17 **CINDY CHAVEZ:** HERE.

18

19 **CLERK OF THE BOARD:** RAMOS?

20

21 **BELIA RAMOS:** HERE.

22

23 **CLERK OF THE BOARD:** QUORUM IS PRESENT.

24

November 19, 2020

1 **KAREN MITCHOFF:** IS THERE ANY MEMBER OF THE PUBLIC WHO WISHES
2 TO ADDRESS US ON ANY ITEM NOT ON THE AGENDA. FRED DID YOU GET
3 ANY WRITTEN COMMENTS OR ANYONE RAISED THEIR HAND?

4

5 **CLERK OF THE BOARD:** NO RAISED HANDS AND NO WRITTEN COMMENTS.

6

7 **KAREN MITCHOFF:** THERE IS NO CHAIR'S REPORT. THERESE DO YOU
8 HAVE A DIRECTOR'S REPORT?

9

10 **THERESE MCMILLAN:** NO MADAM CHAIR. I DON'T.

11

12 **KAREN MITCHOFF:** APPROVAL OF MINUTES OF SEPTEMBER.

13

14 **JULIE PIERCE:** SECOND.

15

16 **KAREN MITCHOFF:** PUBLIC COMMENT OR WRITTEN NOTES MR. CASTRO.

17

18 **CLERK OF THE BOARD:** NONE.

19

20 **KAREN MITCHOFF:** ROLL CALL PLEASE.

21

22 **CLERK OF THE BOARD:** [ROLL CALL VOTE] MOTION PASSES
23 UNANIMOUSLY.

24

November 19, 2020

1 **KAREN MITCHOFF:** WITH THAT ITEM SEVEN FIRST IS A REPORT ON THE
2 ABAG FINANCE AUTHORITY FOR NON-PROFIT CORPORATIONS, THE
3 FIREMAN STATEMENTS FROM JULY TO AUGUST 20TH. MR. MAYHEW, CAN
4 YOU KEEP THIS REAL SHORT? YOU'RE ON MUTE.

5

6 **BRIAN MAYHEW:** STARTING OFF, SLIGHT DEFICIT REVENUE OF \$92
7 THOUSAND EXPENSE OF ABOUT 153, NOT AT ALL ANYTHING TO WISH
8 ABOUT IN THIS FUND BECAUSE WE BARELY BUILD ANY OF THE FEES OUT
9 YET. THERE IS ABOUT A MILLION OF THOSE. YOU HAVE TO ADMINISTER
10 ALL OF THE DEBT AND LOW MOD HOUSING COMPLIANCE RULES HAVE TO
11 BE ADMINISTERED ALL THE TIME. SO WE START OUT A LITTLE BIT
12 BEHIND. THE GOOD NEWS IS WE HAVE A RESERVE OF ABOUT THREE AND
13 A HALF MILLION DOLLARS. SO WE'RE EASILY ABLE TO DEAL WITH THE
14 CASH FLOW STRUCTURES AT THE BEGINNING OF THE YEAR.

15

16 **KAREN MITCHOFF:** AND YOU SAID THEY GO -- THE BILLS GO OUT
17 QUARTERLY SO BY THE TIME WE HAVE OUR NEXT MEETING WE SHOULD BE
18 OUT OF THE RED?

19

20 **BRIAN MAYHEW:** WE HOPE. THEY GO OUT QUARTERLY.

21

22 **KAREN MITCHOFF:** THANK YOU FOR THAT. ARE THERE ANY QUESTIONS
23 FROM MEMBERS OF THE BOARD? SEEING NONE. FRED, ANY COMMENT?

24

25 **CLERK OF THE BOARD:** THERE ARE NONE.

November 19, 2020

1

2 **KAREN MITCHOFF:** ALL RIGHT. WITH THAT MAY I HAVE A MOTION TO
3 ACCEPT THIS REPORT?

4

5 **SPEAKER:** SO MOVED.

6

7 **CINDY CHAVEZ:** SO MOVED. SECOND.

8

9 **KAREN MITCHOFF:** WHO WAS OF THE MOVER?

10

11 **CINDY CHAVEZ:** ARREGUIN.

12

13 **KAREN MITCHOFF:** ARREGUIN MOVES, CHAVEZ SECONDS. ROLL CALL
14 PLEASE.

15

16 **CLERK OF THE BOARD:** [ROLL CALL VOTE] MOTION PASSES UNANIMOUS

17

18 **KAREN MITCHOFF:** OUR NEXT ITEM THANK YOU FRED IS A REPORT ON
19 OUR FINANCE AUTHORITY FOR NON-PROFIT CORPORATIONS, CONTRACTS,
20 AND PURCHASE REQUISITIONS BETWEEN 20,050,000, JULY 20TH TO
21 AUGUST 2020. IS THIS SAME BECAUSE ABAG MR. MAYHEW AND THERE
22 ARE NONE?

23

24 **BRIAN MAYHEW:** YES.

25

Meeting Transcript

November 19, 2020

1 **KAREN MITCHOFF:** MAY I HAVE A MOTION TO ACCEPT THIS REPORT
2 PLEASE?

3

4 **JULIE PIERCE:** MOVE APPROVAL.

5

6 **KAREN MITCHOFF:** PIERCE MOVES.

7

8 **CINDY CHAVEZ:** CHAVEZ SECOND.

9

10 **KAREN MITCHOFF:** CHAVEZ SECONDS. PUBLIC COMMENT FRED?

11

12 **CLERK OF THE BOARD:** NONE RECEIVED.

13

14 **KAREN MITCHOFF:** ROLL CALL VOTE PLEASE.

15

16 **CLERK OF THE BOARD:** [ROLL CALL VOTE] MOTION PASSES UNANIMOUS.

17

18 **KAREN MITCHOFF:** FINANCIAL AUDIT FOR FISCAL YEAR 2019, 2020, IS
19 KATHY LAI GOING TO GIVE A REPORT ON THIS?

20

21 **BRIAN MAYHEW:** I'M GOING TO LET KATHY START OFF.

22

23 **KATHLEEN LAI:** THANK YOU. I'LL WAIT FOR THE SLIDES TO BE PULLED
24 UP.

25

November 19, 2020

1 **KAREN MITCHOFF:** KATHY, IF THERE IS NOTHING SUBSTANTIAL:

2

3 **KATHLEEN LAI:** SURE. SLIDE SEVEN FINANCIAL STATEMENT AUDIT
4 REPORTS. I AM ISSUING AN UNMODIFIED OPINION THAT'S GOOD NEWS
5 THAT THE FINANCIAL STATEMENTS ARE FAIRLY STATED IN ACCORDANCE
6 WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. I'LL MOVE TO
7 THE NEXT SLIDE HERE ON JUST NOTING ONE DEFICIENCY AND A
8 RECOMMENDATION THAT WE HAVE GIVEN TO MANAGEMENT IN A
9 MANAGEMENT LETTER. THIS ONE IS IN RELATION TO THE PROPER
10 CODING OF VENDOR INVOICES. DURING OUR TESTING OVER LEGAL
11 EXPENSES WE DID NOT ONE VENDOR INVOICES THAT WAS INADVERTENTLY
12 CODED TO THE BAY AREA INFRASTRUCTURE FINANCING AUTHORITY WHEN
13 IT SHOULD HAVE BEEN FOR THE -- IT'S LIKELY THIS PARTICULAR
14 VENDOR WHO PERFORMS WORK FOR BOTH ENTITIES REGULARLY SO OUR
15 RECOMMENDATION TO MANAGEMENT WAS TO SIMPLY STRENGTHEN THE
16 INTERNAL CONTROLS OVER THE REVIEW OF INVOICES AND IN
17 PARTICULAR PAYING ATTENTION TO VENDORS THAT DO PERFORM WORK
18 ACROSS MULTIPLE DEPARTMENTS OR ENTITY. AND SO, AS MTC IS
19 PERFORMING THE CENTRALIZED ACCOUNTING FUNCTION FOR SEVERAL
20 ENTITIES IT REALLY JUST BECOMES IMPORTANT TO EMPHASIZE THE
21 APPROPRIATE CODING OF INVOICES, BECAUSE THAT'S BECOMING
22 INCREASINGLY IMPORTANT WITH THE CENTRALIZED FUNCTION THERE. SO
23 WITH THAT, YOU KNOW, I'LL GO AHEAD AND ADVANCE TO THE REQUIRED
24 COMMUNICATIONS. AS I MENTIONED THERE IS PROBABLY NOTHING
25 REALLY NOTEWORTHY HERE OTHER THAN JUST TO NOTE FOR THAT ONE

November 19, 2020

1 ADJUSTMENT WE DID RECOMMEND RELATED TO LEGAL, MANAGEMENT
2 ELECTED TO PASS ON THAT ADJUSTMENT IT WASN'T PART OF THE
3 MATERIAL ADJUSTMENT SO WE INCLUDED THAT IN OUR REPRESENTATION
4 LETTER. WITH THAT I'LL CONCLUDE.

5

6 **KAREN MITCHOFF:** THANK YOU VERY MUCH. DOES ANYONE ON THE BOARD
7 HAVE QUESTIONS FOR KATHY? SEEING NO RAISED HANDS. ANY MEMBER
8 OF THE PUBLIC FRED?

9

10 **CLERK OF THE BOARD:** THERE ARE NONE.

11

12 **KAREN MITCHOFF:** THANK YOU. WITH THAT, MAY I HAVE A MOTION TO
13 ACCEPT THIS REPORT?

14

15 **CINDY CHAVEZ:** SO MOVED --

16

17 **BELIA RAMOS:** SO MOVED.

18

19 **KAREN MITCHOFF:** RAMOS MOVES. CHAVEZ SECONDS. ROLL CALL PLEASE
20 FRED.

21

22 **CLERK OF THE BOARD:** [ROLL CALL VOTE] MOTION PASSES
23 UNANIMOUSLY.

24

Meeting Transcript

November 19, 2020

1 **KAREN MITCHOFF:** THANK YOU. AND WITH THAT, WE ARE ADJOURNED.

2 AND WE ANNOUNCE THAT WE WOULD START THE ABAG EXECUTIVE

3 COMMITTEE AT 7:00 P.M. UNLESS JESSE, YOU WANT TO START IT

4 EARLIER?

5

6 **JESSE ARREGUIN:** WHY DON'T WE DO 6:45 SOUNDS GOOD?

7

8 **KAREN MITCHOFF:** THAT WILL BE FINE.

9

10 **JESSE ARREGUIN:** SO PEOPLE CAN TAKE A BREAK, STRETCH YOUR LEGS.

11 WE HAVE ANOTHER MEETING AHEAD. WE'LL BE BACK AT 6:45.

12 [ADJOURNED]

13



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