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**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

RESOLUTION AUTHORIZING THE PREPAYMENT OF THE PORT'S PROPORTIONATE SHARE OF THE FY 2019 UNFUNDED ACCRUED LIABILITY FOR THE CITY OF OAKLAND MISCELLANEOUS PLAN (CALPERS PENSION PLAN) AND APPROVING A LETTER AGREEMENT WITH THE CITY OF OAKLAND REGARDING PROCEDURES FOR FY 2019 AS A RESULT OF THE CITY PARTICIPATING IN THE CALPERS PRE-PAY PROGRAM.

WHEREAS, the Port of Oakland ("Port") participates in the California Public Employees' Retirement System ("CalPERS") through the City of Oakland ("City") Miscellaneous Plan; and

WHEREAS, the City is the contracting agency with CalPERS; and

WHEREAS, the City staff desires to participate in the CalPERS Pre-Pay Program, which in FY 2019 provides a 3.5% discount on the Unfunded Accrued Liability ("UAL") portion of the annual pension contribution amount if pre-paid in full by July 31, 2018, in lieu of making 12 monthly payments over the course of the fiscal year; and

WHEREAS, in order for the City to participate in the Pre-Pay Program, the City requires the Port to pre-pay its proportionate share of the FY 2019 UAL; and

WHEREAS, the Board has reviewed and evaluated the Agenda Report Item No. 4.2 dated May 10, 2018 ("Agenda Report") and related agenda materials, has received the expert testimony of Port staff, and has provided opportunities for and taken public comment; and

WHEREAS, that in acting upon this matter, the Board has exercised its independent judgment based on substantial evidence in the record and adopts and relies upon the facts, data, analysis, and findings set forth in the Agenda Report and in related agenda materials and in testimony received;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. The Board hereby:

A. Approves a Letter Agreement with the City outlining certain procedures for FY 2019 as a result of the City participating in the CalPERS Pre-Pay Program.

B. Authorizes the Chief Financial Officer to (i) execute such Letter Agreement, subject to approval as to form and legality by the Port Attorney, and (ii) make such additions, modifications, or corrections as necessary to implement the Letter Agreement or to correct errors, provided that any such addition, modification or correction does not materially differ from the terms and conditions set forth herein and in the Agenda Report.

C. Authorizes the transfer of \$15,393,487 to the City, via a book transfer of funds, by July 27, 2018 (or such earlier date as reasonably requested by the City) for the purpose of pre-paying the Port's proportionate share of the FY 2019 UAL of the City Miscellaneous Plan, for which the Port is a participant.

SECTION 2. This resolution is not evidence of and does not create or constitute (a) a contract, or the grant of any right, entitlement or property interest, or (b) any obligation or liability on the part of the Board or any officer or employee of the Board. Unless and until a separate written agreement is duly executed on behalf of the Board as authorized by this resolution, is signed as approved as to form and legality by the Port Attorney, and is delivered to the other contracting party, there shall be no valid or effective agreement.