

MINUTES OF A REGULAR MEETING OF THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY GOVERNING BOARD HELD IN THE BOARD ROOM OF THE HARBOR DEPARTMENT ADMINISTRATION BUILDING AT 925 HARBOR PLAZA, LONG BEACH, CALIFORNIA, ON JANUARY 13, 2011, AT 9:00 A.M.

Members present:

Janice Hahn, City of Los Angeles  
James Johnson, City of Long Beach  
Don R. Knabe, Los Angeles County  
Metropolitan Transportation Authority  
Nick Sramek, Port of Long Beach  
Richard D. Steinke, Port of Long Beach  
Robin Kramer, Port of Los Angeles  
Mike Christensen, Port of Los Angeles

Members absent:

None

Also present:

John T. Doherty, ACTA, Chief Executive Officer  
James P. Preusch, ACTA, Chief Financial Officer  
Charles Gale, ACTA, Co-General Counsel  
Heather McCloskey, ACTA, Co-General Counsel

BOARD MEMBER KNABE PRESIDED AS CHAIR FOR ITEMS 1 and 3 THROUGH 13 which preceded closed session.

1. BOARD MEMBER CHANGE

Board Member Knabe introduced Robin Kramer, Port of Los Angeles Commissioner, who replaces ACTA Governing Board Member Douglas Krause.

Board Member Kramer stated she is happy to be here and honored to serve on the Governing Board.

Mr. Doherty introduced alternate Board Member James Johnson, City of Long Beach Councilmember, sitting in for Vice Chair Gary DeLong.

Mr. Doherty stated that ACTA had hoped to present a token of appreciation to Douglas Krause for his service on the Governing Board at the meeting, but he was unable to attend. Board Member Knabe recommended Douglas Krause be given a choice as to whether to receive it at a future meeting or separately.

CONSENT CALENDAR - ITEMS NOS. 3-12

3. MINUTES – SEPTEMBER 9, 2010 MEETING – APPROVED.

Minutes of the September 9, 2010, regular meeting of the Governing Board of the Alameda Corridor Transportation Authority were presented to the Governing Board for approval.

4. QUARTERLY INVESTMENT REPORT FOR THE PERIOD ENDING SEPTEMBER 30, 2010 – RECEIVED AND FILED.

Communication from James Preusch, Chief Financial Officer, dated January 13, 2011, recommending the Quarterly Investment Report for the period ending September 30, 2010, be received and filed, was presented to the Governing Board.

5. MONTHLY FINANCIAL REPORTS FOR THE PERIOD ENDED NOVEMBER 30, 2010 – RECEIVED AND FILED.

Communication from James Preusch, Chief Financial Officer, dated January 13, 2011, recommending the monthly financial reports for the period ended November 30, 2010, be received and filed, was presented to the Governing Board.

6. AUDITED FINANCIAL STATEMENTS – FY2010 – INFORMATION ITEM.

Communication from James P. Preusch, Chief Financial Officer, dated January 13, 2011, regarding the audited Financial Statements for FY2010, was presented to the Governing Board for information only.

7. BALFOUR BEATTY RAIL, INC. – TASK ORDER FOR AGREEMENT NO. 782 FOR FLAGGING SERVICES - APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated January 13, 2011, recommending authorization for the Chief Executive Officer to increase the contract task order value for miscellaneous flagging protective services along the Corridor by \$100,000 for Agreement No. 782 with Balfour Beatty Rail, Inc., was presented to the Governing Board.

8. MAINTENANCE AND OPERATIONS COST FOR ACTA VEHICLES – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated January 13, 2011, recommending:

1. Ratify previous \$19,800 increase to Purchase Order P0042 with Wright Express for ACTA vehicle operating costs;
2. Authorize an additional \$12,000 increase to P0042 with Wright Express for vehicle operating costs and an \$8,000 increase to P0043 with Enterprise Fleet

Services for vehicle maintenance costs through June 30, 2014; and

3. Authorize \$17,000 in additional budget appropriation to cover encumbrance of both purchase orders, was presented to the Governing Board.

9. URS CORP. – CHANGE ORDER TO AGREEMENT NO. 807 FOR SR-47 SEGMENT 1 DESIGN – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated January 13, 2011, recommending authorization for the Chief Executive Officer or Chief Financial Officer to issue a Change Order in the amount of \$1,000,000 to Agreement No. 807 with URS Corp. for the final engineering and preparation of construction documents for the Heim Bridge Replacement portion of the SR-47 Project (known as Segment 1), increasing the total aggregate not-to-exceed amount to \$7,700,000, was presented to the Governing Board.

10. AMENDMENTS TO ACTA LEGAL SERVICES AGREEMENTS – APPROVED.

Communication from James P. Preusch, Chief Financial Officer, dated January 13, 2011, recommending authorization for the Chief Executive Officer or Chief Financial Officer to:

1. Issue an amendment to legal services agreement with Alston & Bird in the amount of \$250,000 for FY11 legal expenses regarding litigation-related matters;

2. Issue an amendment to legal services agreement with Nossaman in the amount of \$200,000 for FY11 legal expenses regarding property transfer-related matters; and

3. Issue other amendments, as may be required throughout the remaining fiscal year, to any of ACTA's eleven legal firms by adding \$100,000 to the original \$135,000 FY11 contingency fund, which is now depleted, was presented to the Governing Board.

11. DAVID DUTHIE – AMENDMENT TO CONSULTANT SERVICE AGREEMENT NO. 714 FOR UTILITY COORDINATION SERVICES – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated January 13, 2011, recommending authorization for the Chief Executive Officer or Chief Financial Officer to execute an amendment to Consultant Service Agreement No. 714 with David Duthie for utility coordination services in the additional amount not to exceed \$50,000 for services through June 30, 2011, was presented to the Governing Board.

12. ADDITIONAL GEOTECHNICAL ENGINEERING FOR SR-47 PROJECT – SEGMENT 1 - INFORMATION ITEM.

Communication from John T. Doherty, Chief Executive Officer, dated January 13, 2011, regarding additional geotechnical engineering for SR-47 Project – Segment 1, was presented to the Governing Board for information only.

Board Member Johnson motioned, seconded by Board Member Sramek that the communications be received and filed and that Items Nos. 3-12 be approved as recommended. Carried by the following vote:

AYES: Members: Kramer, Christensen, Sramek, Steinke, Knabe, Johnson  
NOES: None  
ABSENT: Hahn

Mr. Doherty requested Item No. 13 be considered before going into closed session since there was a member of the public in attendance who is involved in Item No. 13.

13. MASTER LAND USE PERMIT APPLICATION AND VARIANCE FOR FAST LANE TRANSPORTATION, INC. – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated January 13, 2011, recommending authorization for the Chief Executive Officer or Chief Financial Officer to provide written endorsement of a zoning variance request to the City of Los Angeles by Fast Lane Transportation regarding certain zoning requirements including parcel separation fencing, parking and paving on four acres of property in East Wilmington used for container storage-related activities, was presented to the Governing Board.

Board Member Knabe asked if Councilwoman Hahn or any of her staff have any issues with this recommendation.

Jenny Chavez from Councilwoman Hahn's office addressed the Governing Board and stated that the Councilwoman's staff has no issues or concerns with the application.

Board Member Christenson motioned, seconded by Board Member Johnson that Item No. 13 be approved as recommended. Carried by the following vote:

AYES: Members: Kramer, Christensen, Sramek, Steinke, Knabe, Johnson  
NOES: None  
ABSENT: Hahn

2. CLOSED SESSION

At 9:15 a.m., Chairperson Knabe recessed the Governing Board meeting to hold a conference with legal counsel regarding existing litigation pursuant to Government Code Section 54956.9, Subdivision (a), (two cases) and a conference with legal counsel

regarding anticipated litigation pursuant to Government Code Section 54946.9, Subdivision (b), (two potential cases).

At 9:16 a.m., Chairperson Hahn arrived at the beginning of the closed session.

At 10:00 a.m., Board Member Knabe left the meeting during the closed session.

At 10:28 a.m., the meeting was again called to order by Chairperson Hahn.

Councilperson Hahn presided as Chair for Closed Session, as well as for Items 14-22.

Charles Gale, ACTA Co-Counsel, reported that an EPA Clean-up Order had been issued pursuant to the Clean Water Act to ACTA and the Ports concerning an oil discharge of unknown origin into Dominguez Channel. The discharge has been contained by the regulatory agencies and a transition of responsibility to ACTA and the Ports is taking place under the Order to ensure no further discharge to the channel. Mr. Doherty then added that regulatory investigations are underway to establish the product owner/source and extent of the contamination in order to implement repairs and determine the amount of the required clean-up.

The Chair requested that the nature of the Board's approval actions in Closed Session in this regard be disclosed. Co-counsel had no objections. Mr. Doherty then reported that the Board in Closed Session had authorized the following actions: 1) a not-to-exceed expenditure of \$1.7 million, including estimates of \$950,000 for containment activities, \$500,000 for investigation of the extent of contamination of the ports' property, and \$250,000 to develop clean-up options; 2) since the property is joint-owned by the ports, that the Harbor Commissions be asked to approve funds on a 50/50 basis to cover the costs of the activities required by the Order; and 3) that all potential state and federal sources of funds for such events be pursued.

#### 14. DISPOSAL OF ACTA RECORDS – APPROVED.

Communication from James P. Preusch, Chief Financial Officer, dated January 13, 2011, recommending authorization for the Chief Executive Officer or his designee to:

1. Dispose of certain records and files itemized on the ACTA Records Authorized for Disposal list that reside at ACTA's secured storage provider; and
2. Dispose of duplicative records that reside at ACTA's offices in Carson and Wilmington and hard copy files that are otherwise contained in electronic databases,

was presented to the Governing Board.

Board Member Steinke motioned, seconded by Board Member Sramek that Item

No. 14 be approved as recommended. Carried by the following vote:

AYES: Members: Kramer, Christensen, Sramek, Steinke, Johnson, Hahn  
NOES: None  
ABSENT: Knabe

15. PURCHASE ORDERS FOR CORRIDOR COMMUNICATION SYSTEM  
UPGRADE AND AMENDMENT OF THE MAINTENANCE PORTION OF THE  
FY11 PROGRAM BUDGET – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated January  
13, 2011, recommending

1. Authorize the Chief Executive Officer or Chief Financial Officer to issue various equipment, programming, licensing and service purchase orders for the Corridor communications system upgrade in the not-to-exceed amount of \$600,000; and
2. Authorize amending the FY11 Program Budget to incorporate the CY11 Maintenance Budget as approved by the Operating Committee,

was presented to the Governing Board.

Board Member Christensen motioned, seconded by Board Member Johnson that Item No. 15 be approved as recommended. Carried by the following vote:

AYES: Members: Kramer, Christensen, Sramek, Steinke, Johnson, Hahn  
NOES: None  
ABSENT: Knabe

16. AMENDED ACET CONTRACT WORK ORDERS FOR FY11 – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated January  
13, 2011, recommending authorization for the Chief Executive Officer or Chief Financial  
Officer to issue amendments to the FY11 ACET Contract Work Orders as follows:

- 1) Base CWO: (\$124,700) decrease from \$2,188,284 to \$2,063,584
- 2) SR47 CWO: (\$850,917) increase from \$1,078,836 to \$1,929,753
- 3) PCH CWO: (\$26,984) decrease from \$145,712 to \$118,728
- 4) Total revised CWO value: (\$699,233) increase from \$3,412,832 to \$4,112,065

was presented to the Governing Board.

Board Member Steinke motioned, seconded by Board Member Sramek that Item No. 16 be approved as recommended. Carried by the following vote:

AYES: Members: Kramer, Christensen, Sramek, Steinke, Johnson, Hahn  
NOES: None  
ABSENT: Knabe

17. POTENTIAL AUCTION OF ACTA PROPERTY TO BE HELD AT A FUTURE BOARD MEETING – INFORMATION ITEM.

Communication from John T. Doherty, Chief Executive Officer, dated January 13, 2011, regarding ACTA property sale update and potential auction to be held at a future Board meeting for property at 25<sup>th</sup> Street and Alameda Street in the City of Vernon, was presented to the Governing Board for information only.

Mr. Charles Fornelli, ACET Deputy Program Manager, addressed the Governing Board regarding the re-circulation of the notification to public entities regarding their potential interest in the property. If they express no interest within the allotted time period, the public auction will be held in April or May of 2011. If they do, it will be brought to the Board for consideration.

18. RRIF LOAN UPDATE – INFORMATION ITEM.

Mr. John Doherty and Mr. Jim Preusch gave an update on the RRIF loan.

The Board was advised that the amount of the loan request had been reduced from \$553 million to \$83 million with the approval of the Ports in order to satisfy FRA's request for parity with outstanding senior debt.

At 11:10 a.m., Chairperson Hahn left the meeting.

Board Member Johnson presided as Chair for the remainder of the meeting.

19. LEGISLATIVE UPDATE – INFORMATION ITEM.

Mr. Norm Emerson, ACTA's legislative representative, gave a legislative update.

20. ACTA NOVEMBER PERFORMANCE UPDATE – INFORMATION ITEM.

Due to time constraints, Mr. John Doherty gave a partial update on the November performance.

21. SR-47 AND RAIL BRIDGE UPDATE – INFORMATION ITEM.

Due to time constraints, the presentation was postponed.

22. PUBLIC COMMENT

There was no one present to address the Governing Board.

23. ADJOURNMENT

At 11:50 a.m., Board Member Johnson adjourned the meeting sine die.