

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 14, 2010, AT 9:00 A.M.

Members present:

Gary DeLong, City of Long Beach
Don R. Knabe, Los Angeles County
Metropolitan Transportation Authority
Susan E. Anderson Wise, Port of Long Beach
Steve Rubin, Port of Long Beach
Douglas Krause, Port of Los Angeles
Geraldine Knatz, Port of Los Angeles

Members absent:

Janice Hahn, City of Los Angeles

Also present:

John T. Doherty, ACTA, Chief Executive Officer
James P. Preusch, ACTA, Chief Financial Officer
Charles Gale, ACTA, Co-General Counsel
Thomas A. Russell, ACTA, Co-General Counsel

CHAIRPERSON DeLONG PRESIDED.

1. CLOSED SESSION

At 9:05 a.m., Chairperson DeLong recessed the Governing Board meeting to hold a conference with legal counsel regarding existing litigation, Subdivision (a), of Government Code Section 54956.9 (two cases).

(a) NRDC et al vs. California Department of Transportation District 7 with ACTA as Real Party in Interest.

Los Angeles Superior Court Case BS 122539

(b) NRDC et al vs. USDOT; Ray Lahood, Secretary, USDOT; FHA; J. Paviati, Deputy Director, FHA; California Department of Transportation with ACTA as Real Party in Interest.

U.S. District Court for California Central District
Case No. 2:09-cv-8055-CAS-MAN

At 9:25 a.m., the meeting was again called to order by Chairperson DeLong.

Mr. Thomas Russell, Co-General Counsel to ACTA, announced that during closed session the Governing Board authorized ACTA to enter into a stipulation with the parties to the litigation mentioned in the closed session agenda items that will allow Segment One, the

Bridge portion of the project, to proceed. He stated the stipulation is subject to final drafting and court approval.

Chairperson Delong stated that Agenda Item No. 13 would be the first item discussed on the agenda before the Consent Calendar items.

13. ACTA GOVERNING BOARD RESOLUTION NO. JPA-10-2 ADOPTING CEQA FINDINGS FOR THE BRIDGE REPLACEMENT PORTION OF THE SR-47 PROJECT - RESOLUTION ADOPTED AS AMENDED.

Communication from John T. Doherty, Chief Executive Officer, dated January 14, 2010, recommending adoption of ACTA Governing Board Resolution No. JPA-10-2 as a responsible agency pursuant to the California Environmental Quality Act (CEQA) making the findings required by CEQA Guidelines Section 15096(h) by adopting the lead agency's Findings of Fact and Statement of Overriding Considerations regarding the SR-47 Project, only in so far as they apply to the replacement of the existing Heim Bridge with a fixed-span bridge and approaches (Segment 1), was presented to the Governing Board.

Mr. John Doherty stated that there are certain items on the Consent Calendar (2- 12) that are dependent upon the Governing Board's decision on Item No. 13 which is a recommendation and request to the ACTA Governing Board to adopt a resolution with regard to CEQA findings with regard to the Bridge replacement portion only of the SR- 47 Project. Therefore, this item is being considered before the consent items. As a CEQA-responsible agency, because it is implementing the design portion through a cooperative agreement with Caltrans, ACTA is obliged to comply with CEQA before taking any actions intended to carry out any portion of the project. He stated that ACTA will comply with CEQA obligations by adopting the resolution before you today, which approves the Findings of Fact and the Statement of Overriding Considerations only in so far as they apply to Segment One of the project, the bridge replacement only, with ramps that begin at Ocean Boulevard and end at the SR-1 03. ACTA will defer to a future date any action on other segments of the project. He stated that ACTA staff would return to the Governing Board at a subsequent time for approval of the current findings or any amended findings that might occur before implementation of Segment Two of the project, the Expressway. He stated that by adopting this resolution, the ACTA Governing Board is basically acknowledging four things:

- (1) The final Environmental Impact Statement and final EIR prepared by Caltrans, the lead agency, with regard to the Segment One portion, has been considered;
- (2) It agrees that it will adopt these findings consistent with CEQA requirements and will incorporate them;
- (3) It is required that ACTA implement those mitigation measures that are called forth in the CEQA document, called the Mitigation Monitoring and Reporting Program, as they relate to Segment One; and
- (4) The Governing Board is attesting to the fact that no new information has come before them that renders it necessary to prepare any supplemental or subsequent EIR in regard to Segment One of the project.

Mr. Doherty stated that, in essence, this is what the resolution is about in order to enable ACTA to proceed with other actions to complete the design and construction of the bridge.

Board Member Knatz motioned to adopt ACTA Governing Board Resolution No. JPA-10-2 with an amendment to drop the words "SR-47 Expressway Project" from the title of the resolution, seconded by Board Member Krause. Carried by the following vote:

AYES: Members: Krause,Knatz,Wise,Rubin,Knabe,DeLong
NOES: None
ABSENT: Hahn

CONSENT CALENDAR - ITEMS NOS. 2-12.

2. MINUTES - ACTA GOVERNING BOARD MEETING OF OCTOBER 8, 2009 - APPROVED.

The minutes of the October 8,2009, regular meeting of the Governing Board of the Alameda Corridor Transportation Authority were presented to the Governing Board.

3. MONTHLY FINANCIAL REPORTS FOR THE PERIOD ENDED NOVEMBER 30, 2009 - RECEIVED AND FILED.

Communication from James Preusch, Chief Financial Officer, dated January 14, 2010, recommending that the monthly financial reports for the period ended November 30, 2009, be received and filed, was presented to the Governing Board.

4. QUARTERLY INVESTMENT REPORT FOR THE PERIOD ENDING SEPTEMBER 30, 2009 - RECEIVED AND FILED.

Communication from James Preusch, Chief Financial Officer, dated January 14, 2009, recommending that the Quarterly Investment Report for the period ending September 30,2009, be received and filed, was presented to the Governing Board.

5. CHANGE ORDERS TO FY10 ALAMEDA CORRIDOR ENGINEERING TEAM ANNUAL CONTRACT WORK ORDERS - APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated January 14, 2010, recommending authorization for the Chief Executive Officer or Chief Financial Officer to issue Change Orders to FY10 annual Contract Work Orders with the Alameda Corridor Engineering Team (ACET) through Amended Agreement No. C0027 in the increased net aggregate amount of \$648,555 as follows:

- 1) Decrease ACTA Support CWO by \$1,127,488;
- 2) Decrease FY10 Pacific Coast Highway CWO by \$16,357;
- 3) Increase FY10 SR-47 Expressway CWO by \$1,792,400; and
- 4) As a result of 1-3, increase the total FY10 not-to-exceed amount by \$648,555 from \$5,678,138 to \$6,326,693, was presented to the Governing Board.

6. FIRST AMERICAN TITLE INSURANCE COMPANY - RATIFY PURCHASE ORDER NO. 378 - APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated January 14, 2010, recommending ratifying Purchase Order No. 378 issued to First American Title Insurance Company, in the amount not to exceed \$20,000, for title reports and related services to acquire property rights for the Segment 1 of the SR-47 Project, was presented to the Governing Board.

7. UNION PACIFIC RAILROAD - PURCHASE ORDER AND BALFOUR BEATTY - CHANGE ORDER - APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated January 14, 2010, recommending authorization for the Chief Executive Officer or Chief Financial Officer to:

1. Issue a purchase order(s) to the Union Pacific Railroad for upgraded signal and communications equipment in an amount not to exceed \$190,000; and
2. Issue a change order to ACTA's maintenance contract with Balfour Beatty in the not-to-exceed amount of \$40,000 to install signal equipment acquired through the purchase order(s), was presented to the Governing Board.

8. DYNAMIC BUILDERS INC. - PARTIAL QUITCLAIM DEED- APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated January 14, 2010, recommending authorization for the Chief Executive Officer or Chief Financial Officer to execute a Partial Quitclaim Deed in favor of the property owner, Dynamic Builders Inc., in exchange for a replacement Non-Exclusive Grant of Easement for access purposes over an alternate property at 3000 E. Washington Boulevard in Los Angeles, California, was presented to the Governing Board.

9. BL T ALAMEDA LA FREEZER LIMITED PARTNERSHIP – PARTIAL QUITCLAIM DEED - APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated January 14, 2010, recommending authorization for the Chief Executive Officer or Chief Financial Officer to execute a Partial Quitclaim Deed in favor of the property owner, BL T Alameda La Freezer Limited Partnership, in exchange for a replacement Non-Exclusive Grant of Easement for access over the same property at 3100 E. Washington Boulevard in Los Angeles, California, was presented to the Governing Board.

10. FY11 PROGRAM BUDGET PROCESS AND DEVELOPMENT SCHEDULE - INFORMATION ITEM

Communication from James Preusch, Chief Financial Officer, dated January 14, 2010, outlining key tasks and schedule milestones for the FY11 budget process, was presented to the Governing Board for information only.

11. RFP FOR SELECTION OF INVESTMENT MANAGER - INFORMATION ITEM. Communication from James Preusch, Chief Financial Officer, dated January 14, 2010, stating that the ACTA Finance Department intends to initiate a Request for Proposals (RFP) process to select an Investment Manager(s) to begin service in Fiscal Year 2011, was presented to the Governing Board for information only.

12. SR-47 SEGMENT 1 - RATIFICATION OF AUTHORITY TO TAKE ACTIONS TO ADVANCE RIGHT OF WAY AND UTILITY WORK - APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated January 14, 2010, recommending to ratify the authority of the Chief Executive Officer or Chief Financial Officer to take all actions necessary to advance ACTA's obligations under Caltrans District Agreement No. 07-4872 regarding necessary right-of-way and utility work including, but not limited to, executing agreements and issuing work orders on ACTA's behalf, in so far as they apply only to Segment 1 of the SR-47 Project, was presented to the Governing Board.

Board Member Knabe motioned, seconded by Board Member Krause, that the communications be received and filed and that Items Nos. 2-12 be approved as recommended. Carried by the following vote:

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| AYES: | Members: Krause, Knatz, Wise, Rubin, Knabe, DeLong |
| NOES: | None |
| ABSENT: | Hahn |

Board Member Knatz made two recommendations on Information Item No. 10 regarding the Budget process. (1) Have ACTA staff hold a Budget workshop for ACTA Governing Board Members to attend in order to allow more time to fully understand the Budget before it is submitted to the Governing Board for approval. (2) Have the CFOs from both the Ports of Los Angeles and Long Beach participate in the Budget formulation process.

Mr. Doherty stated the two recommendations would be implemented and that the Budget workshops would be scheduled sometime in mid to late April or early May.

14. URS CORP. - SR-47 PROJECT - SEGMENT 1 -100% DESIGN NOTICE-TO-PROCEED - APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated January 14, 2010, recommending authorization for the Chief Executive Officer to:

1. Issue a notice-to-proceed to URS Corp. for the 100% final engineering and preparation of construction documents for the Heim Bridge Replacement portion of the SR-47 Project (known as Segment 1) in a total aggregate amount not to exceed \$6,631,279; and
2. Issue a subsequent contract amendment(s), if necessary, to complete the Segment 1 design work in accordance with the approved environmental documents in an

aggregate additional amount not to exceed \$350,000, was presented to the Governing Board.

Board Member Knatz motioned, seconded by Board Member Knabe, that Item No. 14 be approved as recommended. Carried by the following vote:

AYES: Members: Krause, Knatz, \Vise, Rubin, Knabe, Delong
NOES: None
ABSENT: Hahn

At 9:45 a.m., Board Member Knabe left the meeting.

15. RESTRUCTURING OF ACTA DEBT & RRIF LOAN - RESOLUTION NO. JPA-10-1-ADOPTED.

Communication from James P. Preusch, Chief Financial Officer, dated January 14, 2010, recommending adopting Resolution No. JPA-10-1 authorizing the Chief Executive Officer or Chief Financial Officer to:

1. Explore restructuring alternatives, including the preparation and negotiation of financing documents, for ACTA's outstanding debt; such alternatives may include the issuance of refunding bonds and/or entering into a low interest federal loan; and
2. Apply for a refunding loan from the USDOT Federal Railroad Administration (FRA) under the Railroad Rehabilitation & Improvement Financing (RRIF) Program to determine if it is viable and to pay the required credit evaluation fee in an aggregate amount not to exceed \$150,000, was presented to the Governing Board.

Mr. Preusch stated that this item incurs no new debt, that it requests approval to explore restructuring alternatives and permission to make an application (only) to the federal government.

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

AYES: Members: Krause, Knatz, Wise, Rubin, DeLong
NOES: None
ABSENT: Knabe, Hahn

At 9:50 a.m., Board Member Knabe returned to the meeting.

16. AMENDMENTS TO LEGAL SERVICES AGREEMENTS - APPROVED.

Communication from James P. Preusch, Chief Financial Officer, dated January 14, 2010, recommending authorization for the Chief Executive Officer or Chief Financial Officer to:

1. Issue amendments to agreements with six legal firms in the following additional amounts for services through June 30, 2010: Nossaman (C0798) - \$150,000; Quateman

(C0800) - \$100,000; Alston & Bird (C0803) - \$200,000; Jones Day (C0795) - \$50,000; O'Melveny & Myers (C0799) - \$50,000; and Squires, Sanders, and Dempsey, LLP (C0802) - \$145,000; and

2. Issue an amendment to the agreement with Quateman (C0800) to provide for a not-to-exceed fee arrangement for certain activities involving ACTA debt restructuring, was presented to the Governing Board.

Mr. Doherty stated that there was some inconsistency between the posted amount and the memo amount and that the memo amount is what is being sought. For example, the amount originally posted on the published agenda for the firm Alston & Bird was \$150,000. He stated that the amount was increased to \$200,000 and is requested in the memo to the Governing Board.

Board Member Krause motioned, seconded by Board Member Rubin, that Item No. 16 be approved as amended. Carried by the following vote:

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| AYES: | Members: Krause, Knatz, Wise, Rubin, Knabe, DeLong |
| NOES: | None |
| ABSENT: | Hahn |

Board Member Wise recommended that existing agreements and future amendments be requested to have a five percent voluntary fee reduction by the contractor.

Mr. Doherty stated that ACTA staff would begin the process of seeking a five percent voluntary fee reduction.

17. SR-47 UPDATE -INFORMATION ITEM.

Mr. John Doherty gave an update on the SR-47 Project.

19. LEGISLATIVE UPDATE -INFORMATION ITEM.

A report on agenda Item No. 19, Legislative Update, was given by Mr. Norm Emerson before agenda Item No. 18.

At 10:00 a.m., Board Member Knatz left the meeting.

18. ACTA NOVEMBER PERFORMANCE UPDATE AND YEAR-END FORECAST INFORMATION ITEM.\

Mr. John Doherty gave an update on ACTA's November performance and yearend forecast.

At 10:10 a.m., Board Member Knabe left the meeting.

20. PUBLIC COMMENT.

There was no one present to address the Governing Board.

21. ADJOURNMENT

At 10:20 a.m., Board Member Wise motioned, seconded by Board Member Krause that the meeting be adjourned sine die.