

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 APRIL 12, 2007, AT 9:00 A.M.

Members present:

Janice Hahn, City of Los Angeles
Bonnie Lowenthal, City of Long Beach
James C. Hankla, Port of Long Beach
Richard D. Steinke, Port of Long Beach
Michael R. Christensen, Port of Los Angeles

Members absent:

Don R. Knabe, Los Angeles County
Metropolitan Transportation Authority
Douglas Krause, Port of Los Angeles

Also present:

John T. Doherty, ACTA, Chief Executive Officer
James P. Preusch, ACTA, Chief Financial Officer
Art Goodwin, ACTA, Director of Planning
Carl Wolf, ACTA Internal Auditor
Charles Gale, ACTA, Co-General Counsel
Heather Burns, ACTA, Co-General Counsel

CHAIRPERSON HAHN PRESIDED AS CHAIR.

APPROVAL OF MINUTES

Ms. Lowenthal moved, seconded by Mr. Steinke and unanimously carried, the minutes of the regular meeting of February 8, 2007, were declared read and approved as read.

1. PRESENTATIONS – ACTA FIVE-YEAR ANNIVERSARY.

Chairperson Hahn presented the following statements. "It has been five years since the Alameda Corridor began operating. It's been five years since the Alameda Corridor Transportation Authority, the Ports of Los Angeles and Long Beach, BNSF Railway Company, and the Union Pacific Railroad Company entered into a historic partnership to construct, operate, and maintain the Alameda Corridor. Using an innovative mix of public and private funding, we built the 20-mile Corridor linking the Ports of Los Angeles and Long Beach to the rail system in Los Angeles, completing one of the nation's largest and most important public works projects. We did it on time and under budget."

“Over the past five years, this Corridor has moved 83,000 trains and nearly 18 million 20-foot equivalent units of cargo. More importantly, we’ve improved the quality of life for the people that live and work near our Ports and beyond. The Alameda Corridor has eliminated 6,000 tons of emissions by improving rail efficiency, removing thousands of trucks from our freeways, and significantly relieving overall traffic congestion in this region. We’ve also removed about 200 grade-crossings in our neighborhoods, reducing traffic congestion and waiting. I believe there will be a whole generation of children growing up that will never have to stop and watch the trains go by. This has not only eased congestion, but it’s improved safety in our neighborhoods.”

“This Corridor is truly impacting and improving goods movement in the region. In five years we’ve had 106 percent growth in on-Corridor volume, more than double the overall volume of growth at the Ports. The result of the latest economic study that ACTA and the Ports jointly released a couple of weeks ago, served to further demonstrate the huge role that the Corridor plays in the national economy as the centerpiece of Southern California’s goods movement network. More than 60 percent of all the containerized cargo that comes into the Ports of Los Angeles and Long Beach is ultimately destined for locations outside of Southern California and the vast majority of that cargo moves on the Alameda Corridor. To put the Corridor’s impact into perspective, on an average day, the Alameda Corridor carries twice the entire daily volume of cargo that is handled by the Port of Oakland.

“Today, as we celebrate our fifth-year anniversary, we’re really celebrating, I think, the significant air quality, safety, and cargo transportation benefits that the Alameda Corridor has provided to this region. We have a lot to celebrate. We have more work to do on a number of other projects. I’m happy that we have not gone out of business just because we built the Corridor, but in fact, we’re increasing our projects and our vision, in terms of the impact that this Authority could still have on goods movement. There are a number of projects that we look to build in the near future and we are certainly recognized as an entity that gets things done and that has the overall message of improving goods movement throughout this nation.”

“Congratulations to everyone that has been here from the beginning, and the newcomers that have come along since. I am proud to be the Chair of this organization this year. It is a wonderful organization that is a model of efficiency.”

Presentations to ACTA:

Chairperson Hahn presented a Resolution on behalf of the City of Los Angeles City Council to Mr. John Doherty, ACTA Chief Executive Officer.

Mr. John Doherty, CEO of ACTA, thanked the Governing Board for its guidance. He stated it was guidance that has led to the success of the Corridor when it was initiated back in 2002. He stated this Board has decided not to go quietly into the night and had adopted an expanded mission, which has been extremely successful over the past five years to move forward into a new era for ACTA.

Mr. Doherty thanked ACTA's partners, the BNSF and UPRR, for investing their efforts to make the Corridor a success. He also thanked the staffs at both the Ports of Los Angeles and Long Beach who have worked with the railroads and the terminal operators to increase all of the on-dock performance which leads to more trains on the Corridor, which is what was promised to the communities, and that's what we're getting.

Ms. Lowenthal presented a Proclamation on behalf of the City of Long Beach to Ms. Hahn, ACTA Chairperson, and Mr. Doherty.

Mr. Hankla presented a Resolution on behalf of the Port of Long Beach to Ms. Hahn and Mr. Doherty.

Mr. Michael Christensen presented a Letter of Congratulations on behalf of the Port of Los Angeles to Ms. Hahn and Mr. Doherty.

Mr. Curt Pedersen, Chief of Staff for Supervisor Don Knabe, presented a Commendation on behalf of the County of Los Angeles Board of Supervisors to Ms. Hahn and Mr. Doherty.

Proclamations to Railroads:

Chairperson Hahn presented a Proclamation to Mr. Dick Ebel, General Manager, Los Angeles Division, BNSF Railway.

Mr. Ebel stated it gives him great pleasure to accept the proclamation on behalf of BNSF. He stated it gives him great pleasure to work with everyone at both the Ports of Los Angeles and Long Beach, and BNSF's competitor – the UPRR. He stated this project has brought a group of people together to accomplish wonderful things in transporting the goods in this country.

Chairperson Hahn presented a Proclamation to Mr. Herman Madden, General Director, Premium Operations, Union Pacific Railway.

Mr. Madden thanked the Governing Board. He stated he was in Los Angeles when the Alameda Corridor project was started. He stated from the Corridor's groundbreaking ceremony to the official opening, it has been an awesome project. He stated the Corridor project was a good example of teamwork and public/private partnership.

CONSENT CALENDAR - ITEMS NOS. 2-6.

2. MONTHLY FINANCIAL REPORTS FOR THE PERIOD ENDED FEBRUARY 28, 2007 – RECEIVED AND FILED.

Communication from James Preusch, Chief Financial Officer, dated April 12,

2007, recommending that the monthly financial reports for the period ended February 28, 2007, be received and filed, was presented to the Governing Board.

3. QUARTERLY INVESTMENT REPORT FOR THE PERIOD ENDING DECEMBER 30, 2006 – RECEIVED AND FILED.

Communication from John T. Doherty, Chief Executive Officer, dated April 12, 2007, recommending that the Quarterly Investment Report for the period ending December 30, 2006, be received and filed, was presented to the Governing Board.

4. UTILITY WORK ORDERS FOR THE WEST THENARD TRACK CONNECTION PROJECT – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated April 12, 2007, recommending authorization for the Chief Executive Officer to issue a maximum \$100,000 Work Order increase to Mobil Pipeline, Inc., for utility relocation/protection for the West Thenard Track Connection Project (Project) for a new total not-to-exceed Work Order amount of \$200,000; and authorize potential Work Order increases of up to \$100,000 for Shell Pipeline (new total \$600,000), and \$30,000 for LADWP (new total \$180,000) for utility relocations/protections for the Project, was presented to the Governing Board.

5. RENEWAL OF ACTA INSURANCE POLICIES – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated April 12, 2007, recommending authorization for the Chief Executive Officer to accept the recommendations of Hilb, Rogal & Hobbs (HRH), ACTA's Broker of Record, for solicitation of insurance proposals for the period April 15, 2007, through April 14, 2008; and to bind insurance, on behalf of ACTA, in accordance with the recommendations of HRH, was presented to the Governing Board.

6. FISCAL YEAR 2008 BUDGET PROCESS AND SCHEDULE – INFORMATION ITEM.

Communication from John T. Doherty, Chief Executive Officer, dated April 12, 2007, submitting the Fiscal Year 2008 Budget Process and Schedule, for information only, was presented to the Governing Board.

Mr. Christensen moved, seconded by Ms. Lowenthal, that the communications be received and filed and that Items Nos. 2-6 be approved as recommended. Carried by the following vote:

AYES: Members: Christensen, Hankla, Steinke, Lowenthal, Hahn
NOES: None
ABSENT: Krause, Knabe

7. BALFOUR BEATTY RAIL, INC. – MAINTENANCE OF WAY AGREEMENT – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated April 12, 2007, recommending authorization for the Chief Executive Officer to execute the Maintenance of Way Agreement with Balfour Beatty Rail, Inc., to provide comprehensive maintenance of track, signal and communication systems and other features of the Corridor for a term of five years commencing April 15, 2007; and authorize the Chief Executive Officer to execute a settlement agreement in the amount of \$92,500, with Balfour Beatty regarding an audit of invoices under the original contract, was presented to the Governing Board.

Mr. Hankla moved, seconded by Ms. Lowenthal, that the communication be received and filed and that the Chief Executive Officer be authorized to execute the Maintenance of Way Agreement with Balfour Beatty Rail, Inc., to provide comprehensive maintenance of track, signal and communication systems and other features of the Corridor for a term of five years commencing April 15, 2007; and execute a settlement agreement in the amount of \$92,500, with Balfour Beatty regarding an audit of invoices under the original contract. Carried by the following vote:

AYES: Members:Christensen,Hankla,Steinke,Lowenthal,Hahn
NOES: None
ABSENT: Krause,Knabe

8. PRESENTATION BY THE BNSF ON PROPOSED NEAR-DOCK FACILITY – INFORMATION ITEM.

Mr. Dick Ebel, General Manager, Los Angeles Division, BNSF Railway, gave a presentation on the proposed near-dock facility/Southern California International Gateway (SCIG) Project. Mr. Ebel introduced Ms. LaDonna DiCamillo, BNSF Director of Government Affairs, and Mr. Trini Jimenez, BNSF Director of Government Affairs.

Mr. Trini Jimenez gave a presentation on the proposed near-dock facility/SCIG Project.

Mr. Ebel recognized the Port of Los Angeles for celebrating its 150-year anniversary.

Chairperson Hahn thanked the BNSF Railway staff for their presentation and working cooperation.

Mr. Tom Moxley, President of the Los Angeles/Orange County Building and Construction Trades Council, spoke in favor of the SCIG Project.

Mr. Patrick Wilson, President of Fast Lane Transportation, stated he was not opposed to the SCIG Project, but spoke regarding his concerns about Fast Lane Transportation relocation and negative impacts of the SCIG Project.

Mr. John Cross, Vice President of the West Long Beach Association, spoke against the SCIG Project.

9. RFP FOR ENVIRONMENTAL DOCUMENTS – CERRITOS CHANNEL RAIL BRIDGE – INFORMATION ITEM.

Communication from John T. Doherty, Chief Executive Officer, dated April 12, 2007, submitting an informational memorandum regarding the Cerritos Channel Rail Bridge Project, was presented to the Governing Board.

10. TRADE IMPACT STUDY – INFORMATION ITEM.

Mr. Doherty gave a presentation on ACTA's Trade Impact Study.

11. LEGISLATIVE UPDATE – INFORMATION ITEM.

Mr. Norm Emerson gave a presentation on SB 974 (Lowenthal), \$30 per TEU port container fee statewide.

12. PUBLIC COMMENTS.

There was no one present to address the Governing Board during the Public Comments period.

CLOSED SESSION

At 10:45 a.m., Chairperson Hahn recessed the Governing Board meeting to hold an attorney-client meeting pursuant to Government Code Section 54956.9, Subdivision (b), regarding anticipated litigation (four potential cases), and Government Code Section 54957, regarding Public Employee Performance Evaluation.

There were no reportable actions from the closed session.

ADJOURN IN MEMORY OF JANINE GARRISON.

For the lack of quorum, at 11:10 a.m., the meeting was adjourned sine die in memory of Janine Garrison, Paralegal for ACTA.