

MINUTES OF A REGULAR MEETING OF THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY GOVERNING BOARD HELD AT THE LONG BEACH CITY COLLEGE BOARD ROOM, 4901 EAST CARSON STREET, LONG BEACH, CALIFORNIA, ON APRIL 12, 2018 AT 9:30 A.M.

Members present:

Joe Buscaino, City of Los Angeles
Frank Colonna, Port of Long Beach
Janice Hahn, Los Angeles County
Metropolitan Transportation Authority
Edward Renwick, Port of Los Angeles

Alternate Members present:

Tony Gioiello, Port of Los Angeles
Duane Kenagy, Port of Long Beach

Members absent:

Suzie Price, City of Long Beach

Also present:

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

VICE-CHAIR BUSCAINO PRESIDED

The meeting was called to order at 9:32 a.m. Roll call was taken.

1. CLOSED SESSION

At 9:33 a.m., Vice-Chair Buscaino recessed the Governing Board to hold a conference with legal counsel regarding significant exposure to litigation pursuant to paragraph (2) of subdivision (d) and paragraph (2) of subdivision (e) of Section 54956.9 of the Government Code (one case).

(Board Member Renwick arrived at 9:43 a.m. during closed session)

At 10:08 a.m., the meeting was again called to order.

Ms. Heather McCloskey, ACTA Co-General Counsel, announced there were no reportable actions from the closed session.

CONSENT CALENDAR - ITEM NOS. 2-4

2. MINUTES - ACTA GOVERNING BOARD REGULAR MEETING OF FEBRUARY 8, 2018 – APPROVED.

Minutes of the Regular Meeting of February 8, 2018 of the Governing Board of the Alameda Corridor Transportation Authority were presented to the Governing Board.

3. MONTHLY FINANCIAL STATEMENTS FOR THE PERIOD ENDED FEBRUARY 28, 2018 – RECEIVED AND FILED.

Communication from James P. Preusch, Chief Financial Officer, dated April 12, 2018, recommending that the monthly financial reports for the period ended February 28, 2018, be received and filed, was presented to the Governing Board.

4. ACTA INVESTMENT POLICY– APPROVED.

Communication from James P. Preusch, Chief Financial Officer, dated April 12, 2018, recommending that the Board approve the ACTA Investment Policy for non-bond funds, was presented to the Governing Board.

Board Member Colonna motioned, seconded by Board Member Kenagy that Items Nos. 2 & 4 be approved and that Item No. 3 be received and filed. Carried by the following vote:

AYES: Buscaino, Colonna, Gioiello, Hahn, Kenagy, Renwick
NOES: None
ABSENT: Price

5. MAINTENANCE SERVICES – REQUEST FOR PROPOSALS – RECOMMENDATION TO REJECT ALL PROPOSALS – APPROVED AS AMENDED.

Communication from James P. Preusch, Chief Financial Officer, dated April 12, 2018, recommending that the Board authorize the Chief Executive Officer or Chief Financial Officer to reject all proposals received by ACTA on October 11, 2017 in response to ACTA's Request for Proposals for Alameda Corridor Maintenance Services issued on August 9, 2017 and issue a new Request for Proposals (RFP) at a future date, was presented to the Governing Board.

As a public comment on the item, Mr. Dustin R. Jones, Partner with Finch, Thornton, Baird, LLP representing Balfour Beatty Infrastructure, Inc. (BBII) addressed the Governing Board concerning the BBII protest, highlighting certain of its points. Rather than reissuing the RFP, Mr. Jones urged the Governing Board to table Item 5 and have the previously-submitted proposals re-scored by a new panel, leading to the award to BBII as the lowest cost proposer.

Mr. Doherty then provided background information on the RFP process for the maintenance services contract, noting that a protest was received from the 2nd rank proposer on March 2, 2018 as supplemented on March 6, 2018. He stated that, in ACTA's best interest, staff

recommends that the Board reject all proposals and authorize staff to issue a new RFP.

Member Hahn asked staff to respond to the public comment that low cost alone should dictate the selection, and to comment on the suggestion of rescoring the proposals with a new panel. Mr. Doherty advised that this RFP was not a low-bid process, but a “best value” process whereby qualifications (35%), approach (30%) and relative cost (35%) are weighed together to determine the successful proposer. As regards to re-issuance, Mr. Doherty stated that the numerous points in the protest could be best addressed with clarifications in a new RFP. Member Hahn then asked what procedures govern ACTA and whether ACTA’s right to reject all proposals is consistent with those procedures. ACTA Co-Counsel McCloskey advised that ACTA is governed by City of Los Angeles procedures for such procurements, and that the procedures provide for such rejection of all proposals. Member Hahn then asked how potential conflicts of interest would be addressed in the subsequent RFP, and was assured that the panel would be clearly apprised of their obligations and restrictions as panelists.

Board Member Renwick also pointed out that the costs submitted with the proposal are relative and represent only a portion of the potential annual cost which is indeterminate at this time due to the nature of the contract. He also recommended that, due to ACTA’s small and specialized staff, staff work with Alternate Members Kenagy (POLB) and Gioiello (POLA) to engage either of the ports to administer the new RFP process.

Supervisor Hahn motioned, seconded by Board Member Colonna that Item No. 5 be approved as amended with Member Renwick’s recommendation. Carried by the following vote:

AYES: Buscaino, Colonna, Gioiello, Hahn, Kenagy, Renwick
NOES: None
ABSENT: Price

6. BALFOUR BEATTY INFRASTRUCTURE, INC – SEVENTH AMENDMENT – AGREEMENT NO. 782 – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated April 12, 2018, recommending the approval of the amendment and authorization of the Chief Executive Officer or Chief Financial Officer to execute the Seventh Amendment to ACTA’s Maintenance Agreement No. 782 with Balfour Beatty Infrastructure, Inc., extending the term for up to eight months through December 14, 2018, was presented to the Governing Board.

Board Member Kenagy motioned, seconded by Board Member Colonna that Item No. 6 be approved. Carried by the following vote:

AYES: Buscaino, Colonna, Gioiello, Hahn, Kenagy, Renwick
NOES: None
ABSENT: Price

Mr. Doherty asked that he be permitted to address Items 7 & 8 together, due to their similarities.

7. ALAMEDA CORRIDOR DISPATCHING AGREEMENT – THIRD AMENDMENT – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated April 12, 2018, recommending the approval of the amendment and authorization of the Chief Executive Officer or Chief Financial Officer to execute the Third Amendment to the Alameda Corridor Dispatching Agreement, between ACTA, the BNSF Railway Company, and Union Pacific Railroad Company, for an up to six-month extension through October 14, 2018, was presented to the Governing Board.

8. POLICE AND SECURITY SERVICES AGREEMENT – THIRD AGREEMENT – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated April 12, 2018, recommending the approval of the amendment and authorization of the Chief Executive Officer or Chief Financial Officer to execute the Third Amendment to the Alameda Corridor Police and Security Services Agreement, between ACTA, the BNSF Railway Company, and Union Pacific Railroad Company, for an up to six-month extension through October 14, 2018, was presented to the Governing Board.

Both of these items were submitted for pre-approval to the Ports and Railroads, as required by the Mutual Agreement process under the Amended and Restated Use and Operating Agreement, and require approval of at least three of the four entities. Approval was secured from the all four entities for Item 7, but only three entities for Item 8, because there was insufficient time for the item to make the POLA agenda. Accordingly, Board Member Renwick asked that ACTA staff work to ensure sufficient lead time in the future so that all entities have a chance to approve or disapprove.

Board Member Renwick motioned, seconded by Board Member Kenagy that Item Nos. 7 and 8 be approved. Carried by the following vote:

AYES: Buscaino, Colonna, Gioiello, Hahn, Kenagy, Renwick

NOES: None

ABSENT: Price

10. MANATT, PHELPS & PHILLIPS, LLP – FEDERAL ADVOCACY SERVICES – AGREEMENT NO. C0871 – TABLED.

Communication from John T. Doherty, Chief Executive Officer, dated April 12, 2018, recommending the approval of Agreement No. C0871 with Manatt, Phelps & Phillips, LLP for federal advocacy services in an amount not-to-exceed \$220,000 which shall commence on the date of execution through June 30, 2021, with an optional three-year-extension; and authorization of the Executive Officer or Chief Financial Officer to execute said Agreement, was presented to the Governing Board.

After some discussion, Supervisor Hahn requested the item be continued to the next meeting and that information on ACTA's legislative agenda for the next three years be

brought back to the Board.

Supervisor Hahn made a motion to table the item, seconded by Board Member Renwick. Carried by the following vote:

AYES: Buscaino, Colonna, Gioiello, Hahn, Kenagy, Renwick

NOES: None

ABSENT: Price

(Board Member Colonna left the meeting at 10:51 a.m.)

9. PRELIMINARY FY2019 DRAFT BUDGET– INFORMATION ITEM.

Communication from James P. Preusch, Chief Financial Officer, dated April 12, 2018, providing the preliminary FY19 Draft Budget for Board Members to ask questions and provide comments, was presented to the Governing Board.

Mr. James Preusch provided an overview of the FY2019 draft budget.

There was much discussion about ACTA revenue projections in light of ACTA market share losses over the past several years due to increased transloading and discretionary cargo losses to other ports and regions. Mr. Doherty reminded Board members that the 2016 refunding built in the current ACTA market share, and that staff will continue to monitor future trends.

11. STATUS UPDATE – REQUEST FOR PROPOSALS FOR ACTA CONTRACTS – INFORMATION ITEM.

Communication from John T. Doherty, Chief Executive Officer, dated April 12, 2018, providing a summary of Request for Proposals that have been or will be issued to re-compete various ACTA contracts for services, was presented to the Governing Board.

12. 2018 EMERGENCY FIELD EXERCISE REPORT– INFORMATION ITEM.

Ms. Connie Rivera, ACTA's Director of Government and Community Affairs, presented the Governing Board with an update regarding the April 12, 2018 Emergency Field Exercise. Ms. Rivera presented a video showing a part of the exercise wherein firemen cut into a smoke-filled steel container on a train simulating a firefighting condition.

13. HOMELESS ENCAMPMENTS ON OR ADJACENT TO THE ALAMEDA CORRIDOR – INFORMATION ITEM.

Communication from John T. Doherty, Chief Executive Officer, dated April 12, 2018, with an update on activities and the status regarding the homeless encampments on and adjacent to the Alameda Corridor, was presented to the Governing Board.

Ms. Rivera provided an update on the ongoing efforts and coordination with the Los Angeles Homeless Service Authority to provide social services to homeless encampments on and adjacent to the Alameda Corridor.

Mr. Doherty noted that approximately \$25,000 was spent on two clean-ups at the encampment next to the trench near Nadeau Street. Supervisor Hahn recommended that ACTA staff look into securing Measure H funds for the clean-ups. Until now, Measure H funds have been used to fund the weekly services offered the residents of the camps.

14. FEBRUARY 2018 CORRIDOR PERFORMANCE – INFORMATION ITEM.

Mr. Doherty gave an update of Corridor performance statistics including train counts, revenue and cargo volume through February 2018.

Supervisor Hahn requested that a representative from Ek, Torres and Molina provide an update and possible media relations opportunities at the next meeting.

15. PUBLIC COMMENT

16. ADJOURNMENT

At 11:25 a.m., the meeting was adjourned sine die.