

MINUTES OF A SPECIAL 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 13, 2017 AT 9:30 A.M.

Members present:

Suzie Price, City of Long Beach
Tracy Egoscue, Port of Long Beach
Janice Hahn, Los Angeles County
Metropolitan Transportation Authority
Duane Kenagy, Port of Long Beach
Edward Renwick, Port of Los Angeles
Gene Seroka, Port of Los Angeles

Members absent:

Joe Buscaino, City of Los Angeles

Also present:

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

COUNCILMEMBER PRICE PRESIDED AS CHAIR.

The meeting was called to order at 9:35 a.m. Roll call was taken.

CONSENT CALENDAR - ITEM NOS. 1-6

Member Hahn requested that Item 4 be pulled from Consent for discussion.

1. MINUTES - ACTA GOVERNING BOARD SPECIAL MEETING OF FEBRUARY 9, 2017 – APPROVED.

Minutes of the special meeting of February 9, 2017 of the Governing Board of the Alameda Corridor Transportation Authority were presented to the Governing Board.

2. MINUTES – ACTA GOVERNING BOARD SPECIAL MEETING OF MARCH 23, 2017 – APPROVED

Minutes of the special meeting of March 23, 2017 of the Governing Board of the Alameda Corridor Transportation Authority were presented to the Governing Board.

3. MONTHLY FINANCIAL STATEMENTS FOR THE PERIOD ENDED JANUARY 31, 2017 – RECEIVED AND FILED.

Communication from James P. Preusch, Chief Financial Officer, dated April 13, 2017, recommending that the monthly financial reports for the period ended January 31, 2017, be received and filed, was presented to the Governing Board.

5. UPRR AND BNSF POSITIVE TRAIN CONTROL (PTC) PROJECTS – INFORMATION ITEM.

Communication from John T. Doherty, Chief Executive Officer, dated April 13, 2017, with information on the installation of Positive Train Control (PTC) related work necessary on the Alameda Corridor in an approximate amount of \$28,000 to be issued to Pacific Railway Enterprise under Agreement No. 711 to perform design and provide design support during installation of the PTC equipment on the Alameda Corridor as required for the BNSF Railway and Union Pacific Railroad mainline PTC systems, was presented to the Governing Board.

6. FY17 RFP STATUS OF ACTA CONTRACTS – INFORMATION ITEM.

Communication from John T. Doherty, Chief Executive Officer, dated April 13, 2017, with a status on the new Requests for Proposals issued during FY17 for a variety of consulting services agreements required by ACTA, was presented to the Governing Board.

Board Member Egoscue motioned, seconded by Chair Price that Items No. 1-2 be approved and Items 3 and 5-6 be received and filed. Carried by the following vote:

AYES: Price, Egoscue, Hahn, Kenagy, Renwick, Seroka

NOES: None

ABSENT: Buscaino

Item 4, as follows, was pulled from Consent for discussion at the request of Member Hahn

4. DAVE DUTHIE – UTILITY COORDINATION SERVICES – AMENDMENT TO AGREEMENT NO. 714 – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated April 13, 2017, recommending authorization of a \$15,000 increase for utility coordination services, was presented to the Governing Board.

Board Member Hahn asked for clarification on the work performed under the agreement. Mr. Doherty advised that ACTA has utility relocation coordination obligations under its Cooperative Agreement with Caltrans for the SR-47 Project. He added that Mr. Duthie, as a consultant to ACTA, performs these coordination activities, and that he is uniquely qualified to do so because of his familiarity with the local utility companies and their personnel gained during his service to ACTA through ACET during construction of the Corridor. His services are fully reimbursable by Caltrans, and the average annual cost of his services is about \$40,000 working on average one day a week. Member Hahn questioned why the annual value of his services could not be predicted more closely to avoid interim requested

increases such as the one now before the Board. Mr. Doherty explained that the level of effort required can be unpredictable as it is dependent on field conditions and the utility companies' cooperation in meeting the Caltrans construction schedule.

Chair Price motioned, seconded by Board Member Renwick that the amendment to consultant services Agreement No. 714 with Dave Duthie for Utility Coordination Services be approved. Carried by the following vote:

AYES: Price, Egoscue, Kenagy, Renwick, Seroka
NOES: Hahn
ABSENT: Buscaino

7. MOSS ADAMS' AUDIT REPORT OF THE RAILROADS' SYSTEM USED FOR ACTA FEE SELF-ASSESSMENT AND DAILY REPORTING – RECEIVED AND FILED.

Communication from James P. Preusch, Chief Financial Officer, dated April 13, 2017, with information on the completed work of Moss Adams in the audit of the Railroads' systems used for ACTA fee self-assessment and daily reporting, was presented to the Governing Board.

Board Member Renwick, Audit Committee Chair, reported that Moss Adams had presented its findings to the Audit Committee just prior to the full Governing Board meeting. He then provided background information on the reporting system established by the Railroads and the verification system established by ACTA. He stated that Moss Adams' audit concluded that both the systems are working as intended. Moss Adams made a recommendation to develop a more comprehensive process manual with step-by-step procedures as a reference and training document for future ACTA personnel who will be operating the system. Mr. Renwick added that it was also recommended that the audit be repeated every five years.

Board Member Renwick motioned, seconded by Board Member Kenagy that Item 7 be received and filed. Carried by the following vote:

AYES: Price, Egoscue, Hahn, Kenagy, Renwick, Seroka
NOES: None
ABSENT: Buscaino

8. INTERNAL AUDITOR SELECTION - BCA WATSON RICE – APPROVED.

Communication from James P. Preusch, Chief Financial Officer, dated, requesting that the Governing Board adopt the motion of the Audit Committee requesting authorization for the Chief Executive Officer or Chief Financial Officer to execute a three-year agreement with BCA Watson Rice - Western Region, LLP (BCA) for internal audit services for the next three fiscal years from July 1, 2017 through June, 30, 2020, was presented to the Governing Board.

Mr. Preusch provided background information on the RFP process for the selection of BCA Watson Rice – Western Region, LLP as internal auditor for ACTA.

Board Member Renwick motioned, seconded by Board Member Kenagy, that BCA be selected as ACTA's Internal Auditor for a three-year term through June 30, 2020. Carried by the following vote:

AYES: Price, Egoscue, Hahn, Kenagy, Renwick, Seroka

NOES: None

ABSENT: Buscaino

9. ACTA REGULAR MEETINGS – ALTERNATE LOCATION ADDED – ADOPTED.

Communication from John T. Doherty, Chief Executive Officer, dated April 13, 2017, recommending the adoption of a Resolution adding the Long Beach City College Board Room as an alternate location for the ACTA monthly Governing Board meetings, was presented to the Governing Board.

Board Member Hahn motioned, seconded by Board Member Egoscue to adopt the proposed Resolution to include the Long Beach City College Board Room as an alternate location for the ACTA monthly Governing Board meeting. Carried by the following vote:

AYES: Price, Egoscue, Hahn, Kenagy, Renwick, Seroka

NOES: None

ABSENT: Buscaino

10. PRELIMINARY FISCAL YEAR 2018 DRAFT BUDGET– INFORMATION ITEM.

Communication from James P. Preusch, Chief Financial Officer, dated April 13, 2017, providing the preliminary FY18 Draft Budget for Board Members to ask questions and provide comments, was presented to the Governing Board.

Mr. Preusch presented budget assumptions, operating budget summary, administrative expense comparison and administrative spending by expense type.

Board Member Egoscue asked for a presentation at a future meeting on the options for reducing ACET administrative support expenses.

11. EMERGENCY DRILL REPORT– INFORMATION ITEM.

Ms. Connie Rivera, Government and Community Relations Officer, presented the Governing Board with an update regarding the March 5, 2017 Emergency Drill, at which the following emergency responders participated: Los Angeles Fire Department (LAFD), Los Angeles County Fire Department, Vernon Fire Department, Compton Fire Department, and Long Beach Fire Department. Ms. Rivera presented a video prepared by the LAFD demonstrating its use drones, the latest feature used in the Emergency Drill.

12. FEBRUARY PERFORMANCE – INFORMATION ITEM.

Mr. Doherty gave an update of Corridor performance statistics including train counts, revenue and cargo volume through February 2017.

13. PUBLIC COMMENT

14. ADJOURNMENT

At 10:44 a.m., the meeting was adjourned sine die.