

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

Members present:

Janice Hahn, City of Los Angeles  
Bonnie Lowenthal, City of Long Beach  
Don R. Knabe, Los Angeles County  
Metropolitan Transportation Authority  
James C. Hankla, Port of Long Beach  
Richard D. Steinke, Port of Long Beach  
Douglas Krause, Port of Los Angeles  
Geraldine Knatz, Port of Los Angeles

Members absent:

None

Also present:

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

CHAIRPERSON HAHN PRESIDED AS CHAIR.

APPROVAL OF MINUTES

Mr. Steinke moved, seconded by Mr. Hankla and unanimously carried, the minutes of the Special Meeting of June 21, 2007, were approved with the condition that an addendum to the minutes be issued, noting a request made at the June 21 meeting by Members Lowenthal and Krause for a presentation at a future time on Corridor environmental opportunities.

AGENDA ITEMS

1. ELECTION OF CHAIR AND VICE-CHAIR FOR FY 2008.

Communication from John T. Doherty, Chief Executive Officer, dated July 12, 2007, recommending the Governing Board elect a Chair and Vice-chair of the ACTA Governing Board for FY 2008, was presented to the Governing Board.

Mr. Hankla moved, seconded by Mr. Krause, that Bonnie Lowenthal be elected as Chair of the Governing Board for FY 2008. Carried by unanimous vote.

Bonnie Lowenthal presented a clock to Janice Hahn on behalf of ACTA for her service as Chair for the past fiscal year. Ms. Lowenthal stated that Ms. Hahn has been a great role model for her in ACTA. She stated she appreciated the knowledge that Ms. Hahn has passed on to her.

Mr. Knabe moved, seconded by Mr. Krause, that Janice Hahn be elected as Vice-chair of the Governing Board for FY 2008. Carried by unanimous vote.

Newly elected Chairperson Lowenthal presided as Chair for the remainder of the meeting.

## 2. AUCTION OF THREE ACTA-OWNED SURPLUS PROPERTIES – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated July 12, 2007, recommending authorization for the Chief Executive Officer to:

- a) Use a live auction process in lieu of a sealed bid process for the disposition of three ACTA-acquired properties;
- b) Set a “reserve price” (minimum acceptable bid) of not less than 70% nor more than 100% of the appraised value for each parcel based on the recommendation of ACTA property management advisors just prior to advertisement; and
- c) Secure the services of an auctioneer through a qualifications-based selection.

Mr. Doherty stated that the Governing Board had previously approved the disposal of the three parcels and had similarly approved that some of the proceeds from the sale of these be used for the funding of a real estate management system for the ACTA properties.

Mr. Doherty stated that the approval being sought today is strictly to use an auction process in lieu of a sealed bid process.

Mr. Hankla moved, seconded by Ms. Hahn, with the stipulation that Mr. Knabe be designated as the auctioneer in lieu of an outside auctioneer, and that the auction preferably be conducted at a future ACTA Governing Board meeting. Carried by the following vote:

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

### 3. ACTA'S ABILITY TO MANAGE/FUND NEW PROJECTS – INFORMATION ITEM.

Mr. Doherty stated that ACTA is often questioned by third parties about whether ACTA has the ability to fund new projects from its revenue stream, and whether ACTA has the authority to manage other local or regional projects. A power point presentation was given on these topics.

Regarding funding projects from its revenue stream, Mr. Doherty stated that ACTA can only spend its remaining bond proceeds (only about \$30 million) on additional Corridor-related projects. To do so, however, would require the approval of the Ports, the railroads and ACTA to amend the Use and Operating Agreement, as well as notification to the insurers and rating agencies. This process was followed in May 2002, when ten new projects were added. It is not, however, recommended at this time due to the limited funds remaining.

Ms. Hahn asked if ACTA could issue new bonds.

Mr. Doherty stated that ACTA could issue new bonds if it gets to a point where the debt service ratio exceeds a certain amount. Ms. Smith, representing ACTA's Bond Counsel, responded that in order to do so ACTA's debt service coverage ratio minimum requirement would have to be exceeded for a period of time with assurance that it would continue to be exceeded for the term of the bonds. Such a possibility is at best far in the future and would depend on many favorable trade forecast factors.

Mr. Doherty discussed the possibility of entering into a new agreement with the railroads for new projects with a new fee structure. He stated, however, that the railroads have not been interested in such an approach for funding new projects.

With regard to ACTA managing new local or regional projects, Mr. Doherty stated that ACTA could do so, provided that the Joint Powers Agreement was amended by the Cities and the project sponsor invited ACTA to participate.

Ms. Lowenthal stated the ACTA Governing Board should be poised to take on new projects in the future. She suggested the formation of a new committee in that regard. Ms. Hahn agreed. Mr. Hankla, however, stated that he believed at this time it would be best for ACTA to focus all its efforts on the SR-47 Project, which itself will be a monumental effort with regional benefit. The formation of the new committee was tabled for the time being.

Ms. Hahn stated that ACTA's construction management successes should be noted in the Port of Long Beach and Port of Los Angeles publications. Mr. Steinke stated that the railroads should note that fact in their P.R. efforts.

Ms. Lowenthal stated that the Governing Board needed more information on the progress of SR 47 and other projects between the ACTA Governing Board meetings as

they now occur less frequently.

Mr. Hankla stated he would like to have an update on the progress of the SR 47 Project at all future ACTA Governing Board meetings.

Mr. Doherty agreed to do so.

4. **MAY PERFORMANCE UPDATE – INFORMATION ITEM.**

Mr. Doherty suggested that, in the interest of time, the presentation on monthly performance be deferred so that a presentation on Corridor environmental opportunities could be made, in response to the Board request at the June 21 meeting. The power point presentation covered Railroad Emissions Facts, the Ports' CAAP as it relates to rail, the BNSF SCIG facility clean air commitments, the CARB rail MOUs, and the USEPA proposed rulemaking for locomotives.

5. **LEGISLATIVE UPDATE – INFORMATION ITEM.**

Mr. Doherty gave a brief update on two trailer bills.

6. **PUBLIC COMMENT.**

There was no one present to address the Governing Board.

7. **CLOSED SESSION.**

(a) **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Subdivision (b) of Section 54956.9 of the California Government Code (three potential cases).

(b) **CONFERENCE WITH REAL PROPERTY NEGOTIATORS REGARDING THE SALE OF ACTA PARCELS NE-078-1, MC-613 AND PCH-1531**

Agency Negotiators: John Doherty and James Wiley  
Under Negotiation: Method of Sale and Price  
Pursuant to Government Code Section 54956.8

Due to time constraints and the loss of a quorum, the Board unanimously agreed to conduct the closed session at a future meeting.

8. **ADJOURNMENT**

At 10:25 a.m., the meeting was adjourned sine die.