

MINUTES OF A REGULAR MEETING OF THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY GOVERNING BOARD HELD IN THE CITY HALL COUNCIL CHAMBER OF THE CITY OF LONG BEACH AT 333 W. OCEAN BOULEVARD, LONG BEACH, CALIFORNIA, ON SEPTEMBER 8, 2016 AT 9:00 A.M.

Members present:

Joe Buscaino, City of Los Angeles
Suzie Price, City of Long Beach
Don R. Knabe, Los Angeles County
Metropolitan Transportation Authority
Rich Dines, Port of Long Beach
Edward Renwick, Port of Los Angeles

Alternate Members present:

Tony Gioiello, Port of Los Angeles

Members absent:

Jon Slangerup, Port of Long Beach

Also present:

John T. Doherty, ACTA, Chief Executive Officer
James P. Preusch, ACTA, Chief Financial Officer
Charles Gale, ACTA, Co-General Counsel
Heather McCloskey, ACTA, Co-General Counsel
Lauren Misajon, Deputy City Attorney, City of Long Beach

CHAIR BUSCAINO PRESIDED.

The meeting was called to order at 9:10 a.m. Roll call was taken. It was recommended and approved that some information items be taken first as a quorum was not yet present.

14. SR-47 UPDATE – INFORMATION ITEM.

Mr. Doherty gave an update on the SR-47 Project, including ACTA responsibilities per Caltrans Agreements, construction status and forecast of project completion. Phase 1 was completed June 2015 and Phase 2, which is at 65% completion is scheduled to be completed in August 2018.

(Board Member Renwick arrived at 9:12 a.m. & Board Member Knabe arrived at 9:14 a.m.)

CONSENT CALENDAR - ITEMS NOS. 1-7 & 10-12

Mr. Doherty asked that Items 8 & 9 be pulled for discussion. He also informed the Board that minor changes were made to Items 2 and 3.

In Item 2, the minutes of the regular meeting of June 9, 2016 were amended to include a statement made by Board Member Renwick stating that the beneficiaries of the restructuring are the Ports *and the people of the state of California*, which was originally omitted.

In Item 3, a line item was re-titled on page 1 of the Statements of Net Position, from Deferred Outflow Related to Pensions to *Deferred Outflow of Resources* because the amount includes funds that are not strictly from pensions.

1. MINUTES - ACTA GOVERNING BOARD SPECIAL MEETING OF JUNE 9, 2016 – APPROVED.

Minutes of the special meeting of June 9, 2016 of the Governing Board of the Alameda Corridor Transportation Authority were presented to the Governing Board.

2. MINUTES - ACTA GOVERNING BOARD REGULAR MEETING OF JUNE 9, 2016 – APPROVED.

Minutes of the regular meeting of June 9, 2016 of the Governing Board of the Alameda Corridor Transportation Authority were presented to the Governing Board.

3. MONTHLY FINANCIAL STATEMENTS FOR THE PERIOD ENDED MAY 31, 2016– RECEIVED AND FILED.

Communication from James P. Preusch, Chief Financial Officer, dated September 08, 2016, recommending that the monthly financial reports for the period ended May 31, 2016, be received and filed, was presented to the Governing Board.

4. APPOINTMENT OF CITY OF LONG BEACH REPRESENTATIVE TO ACTA GOVERNING BOARD – INFORMATION ITEM.

Communication from John T. Doherty, Chief Executive Officer, dated September 8, 2016, advising the Board that Mayor Garcia of the City of Long Beach appointed Councilperson Suzie Price as the City of Long Beach's representative on the ACTA Governing Board and Councilperson Lena Gonzalez as the alternate effective August 2, 2016, was presented to the Governing Board.

5. POSITIVE LAB SERVICE – AMENDMENT TO AGREEMENT NO. 791 – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated September 8, 2016, recommending the authorization of the Chief Executive Officer or Chief Financial Officer to issue an amendment to Agreement No. 791 with Positive Lab Service for on-call environmental lab services, increasing the contract value by \$15,000 and updating the Schedule of Rates, was presented to the Governing Board.

6. FY17 RFP TENTATIVE RELEASE SCHEDULE – INFORMATION ITEM.

Communication from James P. Preusch, Chief Financial Officer, dated September 8, 2016, providing tentative dates for several new Requests for Proposals to be issued during FY17, was presented to the Governing Board.

7. CITY OF COMPTON LANDSCAPING ADJACENT TO TRENCH – INFORMATION ITEM.

Communication from John T. Doherty, Chief Executive Officer, dated September 8, 2016, informing the Board that Compton has advised ACTA that it has and will continue to apply for grants for landscaping improvements along Alameda Street, which would provide ACTA an opportunity to review the final plans to ensure there is no impact to safety or structural integrity, was presented to the Governing Board.

10. AUDIT OF RAILROAD'S SYSTEM USED FOR ACTA FEE SELF-ASSESSMENT & DAILY REPORTING UPDATE – INFORMATION

Communication from James P. Preusch, Chief Financial Officer, dated September 8, 2016, providing an update on the work completed to date by Moss Adams, ACTA's Independent Auditor, which is performing an audit of the Railroad's electronic systems used to self-assess ACTA's fees that are paid monthly and to report daily train movements in Southern California, was presented to the Governing Board.

11. BALFOUR BEATTY INFRASTRUCTURE, INC. – INCREASE TO AGREEMENT NO. 782 FOR FLAGGING SERVICES – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated September 08, 2016, recommending the authorization for the Chief Executive Officer or Chief Financial Officer to increase the contract task order value by \$150,000 under Agreement No. 782 with Balfour Beatty Infrastructure, Inc. for miscellaneous flagging services along the Alameda Corridor, was presented to the Governing Board.

12. INVESTMENT POLICY – APPROVED.

Communication from James P. Preusch, Chief Financial Officer, dated September 8, 2016, re-confirming the Board-adopted ACTA Investment Policy, was presented to the Governing Board.

Board Member Knabe motioned, seconded by Board Member Dines that Items No. 1, 2 (as amended), 5 and 11-12 be approved and Items No. 3 (as amended), 4, 6-7 and 10 be received and filed. Carried by the following vote:

AYES: Buscaino, Dines, Gioiello, Knabe, Price, Renwick

NOES: None

ABSENT: Slangerup

Mr. Doherty gave an overview of Items 8 and 9 as they are linked. URS Corporation was acquired by AECOM Technical Services, Inc. (ATS) in October 2014. Item 8 is the execution of an Assignment, Assumption and Consent Agreement to recognize ATS as the company now fully responsible and liable for the work under ACTA's contract with URS. Item 9 is a Change Order to ATS (formerly URS Corporation) for additional required design support services during construction of the Heim Bridge Replacement portion of the SR-47.

Because ATS's overhead rate is higher than that of URS, Mr. Doherty advised that staff (after issuing the Board memo) negotiated a reduction to that rate. ATS will apply a 10-point reduction to their annual audited rate through completion of the contract. Member Renwick commended staff for the negotiation and noted that the principal beneficiary of the savings is the State of CA because ACTA's costs are by Caltrans.

Commissioner Dines asked whether the \$260,000 amount requested for FY17 in the Change Order was enough considering the project will run through FY18. Mr. Doherty stated that it may be enough and that if any additional funds are necessary an item would be brought to the Board before the next fiscal year.

8. URS CORPORATION TO AECOM TECHNICAL SERVICES, INC. – ASSIGNMENT OF AGREEMENT NO. 807 – APPROVED.

Communication from James P. Preusch, Chief Financial Officer, dated September 8, 2016 recommending the authorization of the Chief Executive Officer or Chief Financial Officer to execute an Assignment, Assumption, and Consent by which a) URS Corporation assigns its right, title and interest to Agreement No. 807 with ACTA to AECOM Technical Services, Inc.; b) ATS assumes the contract obligations of URS; and c) ACTA consents to the assignment and assumption, was presented to the Governing Board.

9. URS CORPORATION – CHANGE ORDER TO AGREEMENT NO. 19 FOR SR-47 SEGMENT 1 – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated September 08,

2016, recommending the authorization for the Chief Executive Officer or Chief Financial Officer to issue a Change Order in the amount of \$260,000 to Agreement No. 807 with AECOM Technical Services, Inc. formerly URS Corporation, to pay for additional design support services through June 30, 2017 during construction of the Heim Bridge Replacement portion of the SR-47 Project, was presented to the Governing Board.

Board Member Dines motioned, seconded by Board Member Knabe that Items No. 8 and 9 be approved. Carried by the following vote:

AYES: Buscaino, Dines, Gioiello, Knabe, Price, Renwick

NOES: None

ABSENT: Slangerup

13. INVESTMENT MANGER EXTENSION AND RFP UPDATE – APPROVED.

Communication from James P. Preusch, Chief Financial Officer, dated September 8, 2016 recommending the authorization of the Chief Executive Officer or Chief Financial Officer to executive Amendment No. 2 with Chandler Asset Management, extending the term of Agreement No. 824 through February 28, 2017 and increasing the compensation by \$40,000 for a not-to exceed compensation amount of \$680,000, was presented to the Governing Board.

Commissioner Renwick referred to Item 6 in the Consent Calendar and commended staff for preparing a list of contracts that will be re-competed during FY17. He stated that a lot of work will be necessary, but these contracts have been in place for a long time and it is good policy to re-compete them.

Board Member Knabe motioned, seconded by Board Member Dines that Item No. 13 be approved. Carried by the following vote:

AYES: Buscaino, Dines, Gioiello, Knabe, Price, Renwick

NOES: None

ABSENT: Slangerup

15. ACTA MAINTENANCE PROJECT UPDATE – INFORMATION ITEM.

Mr. Doherty gave an update on a series of maintenance project including: Fast Lane water service repairs, Nadeau communications towers removals, 92nd St. encampments, Hon Bridge security fencing, Santa Fe Ave. security fencing, Leota St. security fencing, trench access ladder repairs, and I St. securing fencing.

16. ALAMEDA CORRIDOR TRAIN COUNT ANALYSIS – INFORMATION ITEM.

Mr. Doherty gave an overview of a Corridor Train Count Analysis performed by ACTA staff for the month of May 2016. He stated that in that month there were at total of 1,150 trains traveling the Alameda Corridor, including 810 (70%) container trains, 196

(17%) manifest trains, 111 (9.6%) empty well car trains and 27 (2.3%) locomotives. He provided additional details on the result of the analysis including average containers per train, train lengths and time of day distribution.

Board Member Renwick asked about the maximum capacity of the Corridor. Mr. Doherty stated that the practical capacity of the Corridor is about 150 trains per day, with a maximum capacity as high as 188 trains per day.

Board Member Knabe asked whether the 150 trains per day is driven by safety or demand. Mr. Doherty stated that the Corridor was built to accommodate 150 trains per day, which was suitable to handle the then-forecasted 36 million TEU's through the Ports in 2020, and assumed that half the port volume (18 million TEUs) would move by rail to and from the ports. A subsequent more detailed computerized analysis was later completed showing a capacity of 188 trains per day.

17. JULY PERFORMANCE – INFORMATION ITEM.

Mr. Doherty gave an update of Corridor performance for July 2016.

18. PUBLIC COMMENT

There were no requests by the public to address the Governing Board.

19. CLOSED SESSION

At 10:01 a.m., Chair Buscaino recessed the Governing Board meeting to hold (a) conference with legal counsel pursuant to Government Code Section 54956.9, Subdivision [a], (one case) regarding existing litigation – City of Huntington Park v. County of Los Angeles; Los Angeles County Flood Control District, Los Angeles Superior Court Case No. BC547969; (b) conference with legal counsel, pursuant to Government Code Section 54956.9 subdivision (d), regarding exposure to litigation (one potential case); and (c) conference with legal counsel, pursuant to Government Code Section 54956.9 subdivision (d) regarding anticipated litigation (one case).

At 10:29 a.m., the meeting was again called to order.

Ms. McCloskey reported that the Board conferred regarding the matters listed under "Closed Session" under Item 19 Page 2 and 3 of the Published Agenda and took the following reportable action under the Government Code:

Under Item No. 19(c), the Board approved a settlement for insurance payment to ACTA in the amount of \$700,000 for settlement regarding damage caused by Price Transfer Inc. to ACTA property on the Alameda Street Bridge.

The Board approved a property damage release agreement which shall be made available to the public after execution by ACTA management.

20. ADJOURNMENT

At 10:30 a.m., the meeting was adjourned sine die.