

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 OCTOBER 13, 2011, AT 9:00 A.M.

Members present:

Gary DeLong, City of Long Beach  
Don R. Knabe, Los Angeles County  
Metropolitan Transportation Authority  
Susan E. Anderson Wise, Port of Long Beach  
Richard D. Steinke, Port of Long Beach  
Robin Kramer, 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  
Charles Gale, ACTA, Co-General Counsel  
Ken Mattfeld, ACTA, Co-General Counsel  
April See, ACTA Financial Systems Manager

CHAIRPERSON DeLONG PRESIDED.

1. CLOSED SESSION

At 9:05 a.m., Chairperson DeLong recessed the Governing Board meeting to hold a conference with legal counsel pursuant to Government Code Section 54956.9, Subdivision (a), regarding existing litigation, and Government Code Section 54956.9, Subdivision (b), regarding anticipated litigation.

At 9:15 a.m., Board Member Knabe arrived during the closed session.

At 9:35 a.m., the meeting was again called to order by Chairperson DeLong.

There were no reportable actions from the closed session.

CONSENT ITEMS NOS. 2-8

Mr. John Doherty stated there was a correction on Item No. 6. The correspondence to the Governing Board states the legal services agreements are in their third year of their five-year-term. It should state the agreements are in their fourth year of their five-year term. He stated this has no affect on the requested action.

2. MINUTES – ACTA GOVERNING BOARD REGULAR MEETING OF JULY 27, 2011 – APPROVED.

Minutes of the July 27, 2011, regular meeting of the Governing Board of the Alameda Corridor Transportation Authority were presented to the Governing Board for approval.

3. DRAFT MONTHLY FINANCIAL REPORTS FOR THE PERIOD ENDED AUGUST 31, 2011 – RECEIVED AND FILED.

Communication from James Preusch, Chief Financial Officer, dated October 13, 2011, recommending that the draft Monthly Financial Reports for the period ended August 31, 2011, be received and filed, was presented to the Governing Board.

4. QUARTERLY INVESTMENT REPORT FOR THE PERIOD ENDING JUNE 30, 2011 – RECEIVED AND FILED.

Communication from James Preusch, Chief Financial Officer, dated October 13, 2011, recommending that the Quarterly Investment Report for the period ending June 30, 2011, be received and filed, was presented to the Governing Board.

5. ALAMEDA CORRIDOR ENGINEERING TEAM – FY11 CLOSEOUT CHANGE ORDERS TO AGREEMENT NO. 27 – APPROVED.

Communication from James P. Preusch, Chief Financial Officer, dated October 13, 2011, recommending authorization for the Chief Executive Officer or Chief Financial Officer to issue Change Orders to Contract Work Orders with the Alameda Corridor Engineering Team (ACET) for FY11 final adjustments in the net aggregate deductive amount of \$58,053 as follows:

- 1) Change Order for Base CWO in the increased amount of \$167,537;
- 2) Change Order for Pacific Coast Highway CWO in the decreased amount of <\$41,888>;
- 3) Change Order for SR-47 CWO in the decreased amount of <\$183,702>;
- 4) Adjust the total ACET contract value for FY11 in the decreased amount of <\$58,053> from \$4,112,065 to \$4,054,012,

was presented to the Governing Board.

6. O'MELVENY & MYERS – AMENDMENT TO LEGAL SERVICE AGREEMENT NO. 799 – APPROVED.

Communication from James P. Preusch, Chief Financial Officer, dated October 13, 2011, recommending authorization for the Chief Executive Officer or Chief Financial Officer to issue an amendment to Legal Service Agreement No. 799 with O'Melveny &

Myers, in the amount of \$85,000, for services required through June 30, 2012, was presented to the Governing Board.

7. SALE OF SURPLUS ACTA PROPERTY AT 25<sup>TH</sup> STREET AND ALAMEDA STREET IN THE CITY OF VERNON – INFORMATION ITEM.

Communication from John T. Doherty, Chief Executive Officer, dated October 13, 2011, regarding the sale of surplus ACTA property at 25<sup>th</sup> Street and Alameda Street in the City of Vernon, was presented to the Governing Board for information only.

8. ACTA GOVERNING BOARD VACANCY – INFORMATION ITEM.

Communication from John T. Doherty, Chief Executive Officer, dated October 13, 2011, regarding an ACTA Governing Board vacancy, was presented to the Governing Board for information only.

Board Member Knabe moved, seconded by Board Member Wise, that the communications be received and filed and that Items Nos. 2-8 be approved as amended. Carried by the following vote:

AYES: Members: Kramer, Knatz, Wise, Steinke, Knabe, DeLong  
NOES: None  
ABSENT: None

REGULAR AGENDA

9. FEDERAL RAILROAD ADMINISTRATION (FRA) RAILROAD REHABILITATION AND IMPROVEMENT FINANCING (RRIF) UPDATE – APPROVED.

Communication from James P. Preusch, Chief Financial Officer, dated October 13, 2011, recommending the Governing Board:

1. Reconfirm the Board's September 9, 2010, authorization of the Chief Executive Officer of Chief Financial Officer to take all actions necessary to complete negotiations and prepare all documentation necessary in order to present the US DOT FRA RRIF transaction to the Governing Board for final approval, and
2. Appropriate an additional \$950,000 to the Program Budget to pay for rating agency, legal, financial advisor, and other costs relating to the transaction, and
3. Authorize the Chief Executive Officer or Chief Financial Officer to issue or amend agreements as required to support these transaction services,

was presented to the Governing Board.

Mr. Preusch presented the status and next steps needed to close the RRIF loan with FRA. This \$83 million loan would be used to restructure a portion of ACTA's debt, reducing required port shortfall advances due to the recession from \$98 million to \$24 million over the next ten years.

Board Members Steinke and Knabe expressed concerns about the time and money being spent on the loan process with no guaranteed result. Mr. Preusch responded that, although staff too has been frustrated by the slow and changing process, the loan could close in the first quarter of 2012 and that staff will manage the requested budget carefully. He stated that a meeting with financial representatives of the two ports will be held later in the month to ensure that they are comfortable with the loan terms and to determine the port and city required approval process. Staff will update the Board frequently.

Board Member Steinke requested staff to prepare a legislative strategy to help close the loan quickly. Mr. Doherty will remobilize the team that had been convened to produce the first two Congressional letters of support. Board Members Knabe and Wise requested that the LACMTA and POLB legislative advocates be included.

Board Member Knatz requested that ACTA staff continue to apprise POLA staff on all matters related to the RRIF process before they are brought to the Board for approval.

Board Member Kramer requested an explanation of the B of A estimated costs, and Mr. Doherty proposed to bring that item back separately for Board action at a later date with the requested justification.

Board Member Steinke moved, seconded by Board Member Knatz, that the communication be received and filed and that Item No. 9 be approved as recommended with the exception of deferral on the B of A line item. Carried by the following vote:

AYES:	Members: Kramer, Knatz, Wise, Steinke, Knabe, DeLong
NOES:	None
ABSENT:	None

10. ACTA'S EXPANDED MISSION UPDATE – INFORMATION ITEM.

Mr. John Doherty gave a presentation on the history of some of ACTA's projects and ACTA's Expanded Mission and its future role.

At 10:10 a.m., Board Member Knabe left the meeting.

11. LEGISLATIVE UPDATE – INFORMATION ITEM.

There were no additional legislative updates to report.

12. PROJECT UPDATE – INFORMATION ITEM.

There were no additional project updates to report.

13. PUBLIC COMMENT.

There was no one present to address the Governing Board.

ADJOURNMENT

At 10:40 a.m., the meeting was adjourned sine die.