

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 NOVEMBER 8, 2012, AT 9:00 A.M.

Members present:

Joe Buscaino, City of Los Angeles  
Don R. Knabe, Los Angeles County  
Metropolitan Transportation Authority  
Robin Kramer, Port of Los Angeles  
Mike Christensen, Port of Los Angeles  
Susan E. Anderson Wise, Port of Long Beach  
J. Christopher Lytle, Port of Long Beach

Members absent:

Gary DeLong, City 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  
April See, ACTA Financial Systems Manager

CHAIRPERSON BUSCAINO PRESIDED.

1. CLOSED SESSION

At 9:10 a.m., Chairperson Buscaino recessed the Governing Board meeting to hold a conference with legal counsel regarding existing litigation pursuant to Government Code Section 54956.9, Subdivision (a), (two cases).

At 9:30 a.m., the meeting was again called to order by Chairperson Buscaino.

There were no reportable actions from the closed session.

CONSENT CALENDAR - ITEMS NOS. 2-4.

2. MINUTES - ACTA GOVERNING BOARD REGULAR MEETING OF SEPTEMBER 13, 2012 – APPROVED.

Minutes of the regular meeting of September 13, 2012, of the Governing Board of the Alameda Corridor Transportation Authority were presented to the Governing Board for approval.

3. QUARTERLY INVESTMENT REPORT FOR THE PERIOD ENDING SEPTEMBER 30, 2012 – RECEIVED AND FILED.

Communication from James P. Preusch, Chief Financial Officer, dated November 8, 2012, recommending that the Quarterly Investment Report for the period ending September 30, 2012, be received and filed, was presented to the Governing Board.

4. BALFOUR BEATTY RAIL, INC. – TASK ORDER TO AGREEMENT NO. 782 FOR MISCELLANEOUS ADDITIONAL MAINTENANCE SERVICES – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated November 8, 2012, recommending authorization for the Chief Executive Officer or Chief Financial Officer to issue an amendment to the contract task order for miscellaneous additional maintenance services with Balfour Beatty Rail, Inc. (Agreement No. 782), increasing the value by \$50,000, from \$100,000 to \$150,000, was presented to the Governing Board.

Board Member Wise motioned, seconded by Board Member Lytle, that the communications be received and filed and that Items Nos. 2-4 be approved as recommended. Carried by the following vote:

AYES: Members: Wise, Lytle, Kramer, Christensen, Knabe, Buscaino  
NOES: None  
ABSENT: DeLong

5. AUDIT COMMITTEE REPORT AND FY12 AUDITED FINANCIAL STATEMENTS – RECEIVED AND FILED.

Communication from James P. Preusch, Chief Financial Officer, dated November 8, 2012, recommending the Audit Committee Report and FY12 Audited Financial Statements be received and filed, was presented to the Governing Board.

Board Member Kramer, Chair of the Audit Committee, reported that the Audit Committee met just prior to the November 8, 2012, Governing Board meeting. She stated that the Audit Committee Report and FY12 Audited Financial Statements were sound and satisfactory.

Board Member Kramer motioned, seconded by Board Member Knabe, that the Audit Committee Report and FY 12 Audited Financial Statements be received and filed as recommended. Carried by the following vote:

AYES: Members: Wise, Lytle, Kramer, Christensen, Knabe, Buscaino  
NOES: None  
ABSENT: DeLong

6. RESOLUTION OF THE GOVERNING BOARD APPROVING AND AUTHORIZING THE ISSUANCE AND SALE OF ACTA TAX EXEMPT SENIOR LIEN REVENUE REFUNDING BONDS, SERIES 2013A - APPROVED.

Communication from James P. Preusch, Chief Financial Officer, dated November 8, 2012, recommending the Governing Board adopt a resolution of the Governing Board approving and authorizing the issuance and sale of Alameda Corridor Transportation Authority Tax Exempt Senior Lien Revenue Refunding Bonds, Series 2013A (the 2013A Bonds) as outlined in the memo to the Governing Board dated November 8, 2012, was presented to the Governing Board.

Mr. Preusch gave an overview of Item No. 6. He stated that the Ports financial teams and the attorneys for the Ports have reviewed all of the documents thus far. He stated they are all in agreement with the purpose and process to do this transaction and that the financial teams are supportive that this will save money in the future as it relates to debt service.

Board Member Christensen asked what ACTA's current bond rating is.

Mr. Preusch stated that ACTA is rated by all three entities. He stated that ACTA senior debt is at a single A minus, generally an A3. He stated ACTA will go back to the rating agencies in December to have the ratings affirmed, particularly in connection with this new issuance.

Mr. Cody Press, of Bank of America Merrill Lynch, addressed the Governing Board and requested Item No. 6, regarding ACTA refunding bonds, be changed back to ACTA staff's original recommendation that Bank of America Merrill Lynch be the senior manager of this transaction. He stated he thinks there was some misunderstanding at the last Board meeting regarding Bank of America's role in a bid-rigging scandal that happened between 1999 and 2004.

Mr. Jeff Bower, of Bank of America Merrill Lynch, addressed the Governing Board and stated that Bank of America Merrill Lynch's firm and team has a very long and productive history assisting both Ports and ACTA. He stated it was Bank of America Merrill Lynch that led the way for national settlement on their part regarding the bid-rigging scandal. He stated this issue has been put behind them and that it was BofA Merrill Lynch that helped bring this issue to a resolution and brought it to the public's attention. Mr. Bower requested the Governing Board reconsideration the approval of Item No. 6 and go back to ACTA staff's original recommendation that Bank of America Merrill Lynch be the senior manager of this transaction.

Chairperson Buscaino stated that the two speakers' comments would be received and filed.

At the request of the Governing Board, Mr. Jim Preusch gave an overview of the

history regarding the recommendation of Item No. 6 that was approved at the Governing Board meeting on September 13, 2012.

Board Member Knabe motioned, seconded by Board Member Kramer, that Item No. 6 be approved as recommended. Carried by the following vote:

AYES: Members: Wise, Lytle, Kramer, Christensen, Knabe, Buscaino  
NOES: None  
ABSENT: DeLong

7. ACTA SEPTEMBER PERFORMANCE REPORT – INFORMATION ITEM.

Mr. John Doherty gave a performance update for the month of September 2012.

There was discussion among the Governing Board Members regarding the current transloading trend and the impacts it has on both Ports and ACTA. Board Member Knabe recommended having more frequent updates regarding the transloading issue.

8. PUBLIC COMMENT.

There was no one present to address the Governing Board.

ADJOURNMENT

At 10:05 a.m., the meeting was adjourned sine die.