

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 APRIL 13, 2006, AT 8:30 A.M.

Members present:

Janice Hahn, City of Los Angeles
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

Members absent:

Frank Colonna, City of Long Beach
Geraldine Knatz, Port of Los Angeles

Also present:

John T. Doherty, ACTA, Chief Executive Officer
James P. Preusch, ACTA, Chief Financial Officer
Tiffani L. Shin, ACTA, Co-General Counsel
Thomas A. Russell, ACTA, Co-General Counsel

VICE CHAIRPERSON HAHN PRESIDED AS CHAIR.

APPROVAL OF MINUTES

Mr. Knabe moved, seconded by Mr. Hankla and unanimously carried, the minutes of the regular meeting of February 9, 2006, were declared read and approved as read.

CONSENT CALENDAR - ITEMS NOS. 1-9.

Items Nos. 1 and 3 were removed from Consent Calendar for discussion.

2. ALAMEDA CORRIDOR ENGINEERING TEAM – CHANGE ORDERS TO AMENDED AGREEMENT NO. CO027 – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated April 7, 2006, recommending authorization for the Chief Executive Officer to issue Change Orders to Amended Agreement No. CO027 with the Alameda Corridor Engineering Team, in the aggregate amount of \$1,161,864, for audit findings and additional work for the Pacific Coast Highway Grade Separation Project, was presented to the Governing Board.

4. NOSSAMAN, GUTHNER, KNOX & ELLIOTT – SECOND AMENDMENT TO AGREEMENT NO. 742 – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated March 24, 2006, recommending authorization for the Chief Executive Officer to execute a Second Amendment to Agreement No. 742 with Nossaman, Guthner, Knox & Elliott, to provide an additional \$350,000 for legal and related services for FY 06, was presented to the Governing Board.

5. TETRA TECH INC. – CHANGE ORDER TO CONTRACT NO. CO036 - APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated, April 7, 2006, recommending authorization for the Chief Executive Officer to execute a Change Order to Contract No. CO036 with Tetra Tech Inc., in the amount of \$1,000,000, for additional soil and groundwater site investigations and remediation for the Long Beach Leads Extension and Maintenance Yard Project, was presented to the Governing Board.

6. NRC ENVIRONMENTAL SERVICES – CHANGE ORDER TO CONTRACT NO. CO623 - APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated, April 7, 2006, recommending authorization for the Chief Executive Officer to execute a Change Order to Contract No. CO623 with NRC Environmental Services, in the amount of \$500,000, for additional soil remediation for the Long Beach Leads Extension and Maintenance Yard Project, was presented to the Governing Board.

7. AFFHOLDER, INC. – PAYMENT OF INSURANCE PROCEEDS – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated April 7, 2006, recommending authorization for payment of insurance proceeds to Affholder, Inc., in the amount of \$471,105.46, for the Anaheim Street Storm Drain Project, was presented to the Governing Board.

8. IBI GROUP – FIFTH AMENDMENT TO AGREEMENT NO. 571 – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated April 7, 2006, recommending authorization for the Chief Executive Officer to execute a Fifth Amendment to Agreement No. 571 with IBI Group, for the upgrade of the Revenue Assessment and Verification System, in the not-to-exceed amount of \$300,000, and extending the term of the agreement through March 31, 2007, was presented to the Governing Board.

9. PACIFIC HARBOR LINE – INCREASE TO WORK ORDER NO. 373 – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated April 7, 2006, recommending authorization for the Chief Executive Officer to execute a revision to Work Order No. 373 with Pacific Harbor Line, in the not-to-exceed amount of \$172,000, for the Additional Control Points Project and the West Thenard Connection Project, was presented to the Governing Board.

Mr. Knabe moved, seconded by Mr. Krause, that the communications be received and filed and that Items Nos. 2, and 4-9 be approved as recommended. Carried by the following vote:

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

1. MONTHLY FINANCIAL REPORTS FOR THE PERIOD ENDED FEBRUARY 28, 2006 – RECEIVED AND FILED.

Communication from James Preusch, Chief Financial Officer, dated April 13, 2006, recommending the monthly financial reports for the period ended February 28, 2006, be received and filed, was presented to the Governing Board.

Vice Chairperson Hahn raised a question regarding the Operating Expenses, specifically salaries and the number of staff ACTA currently has, and why salaries have gone up and benefits have gone down.

Mr. Preusch stated there are about 16 staff members (the same number as last year). He further stated that most of this is a reflection of cost-of-living adjustments.

Mr. Preusch stated that benefits are down because, as some of ACTA's older employees are leaving, some of the higher costs for health and life insurance are down.

Mr. Preusch further stated that those positions (of older employees that have left ACTA) are being carried as vacant at this time.

Vice Chairperson Hahn asked why there was such a jump under what was budgeted under General and Administrative Expenses compared to the Actuals.

Mr. Preusch stated it is the nature of the budget, the way the budget was prepared in the past was that quite a bit was charged to capital and it was anticipated that ACTA would have more capital projects to be charging the day-to-day expenses because the capital projects did not come through and more of the actual expenses were being charged to Administration, and another area that is particularly heavy at the moment goes to some of the legal fees for reasons of negotiation and some of the other railroad matters that ACTA is dealing with.

Vice chairperson Hahn asked why and what ACTA pays into PierPass.

Mr. Preusch stated the PierPass Program has asked for support in terms of understanding what they should be charging for off-duty versus peak time fees. ACTA has information that is very helpful to PierPass. ACTA has put together an arrangement where IBI, ACTA's contractor, prepares the information for PierPass. ACTA bills PierPass, and IBI bills ACTA.

Mr. Krause moved, seconded by Mr. Knabe, that the Monthly Financial Reports for the period ended February 28, 2006, be received and filed. Carried by the following vote:

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

3. QUATEMAN & ZIDELL – FIRST AMENDMENT TO AGREEMENT NO. 747 – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated April 7, 2006, recommending authorization for the Chief Executive Officer to execute a first amendment to Agreement No. 747 with Quateman & Zidell, in the amount of \$60,000, for legal services, was presented to the Governing Board.

Vice Chairperson Hahn stated that she was looking at the fact that we're in the process of transferring properties that we acquired during the course of construction to both Ports, she asked if ACTA had a list of those properties.

John Doherty stated that a list of those properties would be provided. He further stated that he recently had received a joint letter from the Executive Directors of both Ports stating that they do want the properties.

Mr. Hankla moved, seconded by Mr. Krause, that the communication be received and filed and that the Chief Executive Officer be authorized to execute a first amendment to Agreement No. 747 with Quateman & Zidell, in the amount of \$60,000, for legal services. Carried by the following vote:

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

10. EARTH MECHANICS – ACTA'S GEOTECHNICAL ENGINEERING CONSULTANT – APPROVED.

Communication from John T. Doherty, Chief Executive Officer, dated April 7, 2006, requesting the Governing Board affirm the selection of Earth Mechanics as ACTA's geotechnical engineering firm to provide services for design development of the

SR-47 Port Access Expressway Project and authorize the Chief Executive Officer to enter into negotiations with Earth Mechanics and execute an agreement in an amount not to exceed \$750,000, was presented to the Governing Board.

Mr. Knabe moved, seconded by Mr. Steinke, that the communication be received and filed and that the Chief Executive Officer be authorized to enter into negotiations with Earth Mechanics and execute an agreement in an amount not to exceed \$750,000 to provide services for design development of the SR-47 Port Access Expressway Project. Carried by the following vote:

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

11. EXPLORER SOFTWARE INC. – PURCHASE AND INSTALLATION OF INTEGRATED ACCOUNTING SOFTWARE PACKAGE– APPROVED.

Communication from James Preusch, Chief Financial Officer, dated April 7, 2006, recommending authorization for the purchase and installation of integrated accounting software package from Explorer Software Inc. and authorize the Chief Executive Officer to execute an agreement for acquisition, installation, training, equipment and ongoing annual maintenance of the software in an amount not to exceed \$200,000, was presented to the Governing Board.

Mr. Knabe moved, seconded by Mr. Hankla, that the communication be received and filed, and authorize the purchase and installation of integrated accounting software package from Explorer Software Inc. and authorize the Chief Executive Officer to execute an agreement, in an amount not to exceed \$200,000, for acquisition, installation, training, equipment and ongoing annual maintenance of the software. Carried by the following vote:

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

12 ANNUAL EMERGENCY RESPONSE EXERCISE – INFORMATION ITEM.

Communication from John T. Doherty, Chief Executive Officer, dated April 7, 2006, regarding the annual emergency response exercise scheduled for Sunday, April 30, 2006, was presented to the Governing Board.

13. LEGISLATIVE UPDATE.

Mr. Norm Emerson gave a legislative update.

14. OPERATING AND FINANCIAL PERFORMANCE UPDATE – INFORMATION

ITEM.

Mr. John Doherty gave an Operating and Financial Performance Update – February 2006 vs. February 2005.

Mr. Hankla requested a report on 48-foot international containers being transported.

Mr. Doherty stated he would provide a report.

15. PUBLIC COMMENT.

Ms. Karen Mayfield addressed the Governing Board regarding relocation matters.

16. CLOSED SESSION.

At 9:35 a.m., Vice Chairperson Hahn recessed the Governing Board meeting to hold an attorney-client meeting pursuant to Government Code Section 54956.9, Subdivision (b), regarding anticipated litigation (three potential cases).

At 9:50 a.m., the meeting was again called to order by Vice Chairperson Hahn

There were no reportable actions from the Closed Session.

ADJOURNMENT

At 9:51 a.m., the meeting was adjourned sine die.