



ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

ONE CIVIC PLAZA, SUITE 350, CARSON, CALIFORNIA 90745 - TEL. (310) 233-7480 • FAX (310) 233-7483

August 6, 2009

Ms. Molly Campbell
Deputy Executive Director - Finance
& Administration
Port of Los Angeles
425 S. Palos Verdes Street
Los Angeles, CA 90732

Mr. Steven Rubin
Managing Director, Finance & Support
Services
Port of Long Beach
925 Harbor Plaza
Long Beach, CA 90802

Re: Notice of Estimated Shortfall Advances and Reserve Account Funding

Dear Ms. Campbell and Mr. Rubin:

Shortfall Advances

Pursuant to Section 7.3 (h) (iii) of the Use and Operating Agreement, ACTA is hereby providing notice of the estimated Shortfall Advance amount for the October 1, 2009 debt service payment. **No Shortfall Advance is required for ACTA debt service payments which are due on October 1, 2009** and no Shortfall Advance was required for the fiscal year ending June 30, 2009.

ACTA estimates that revenue for the fiscal year ending June 30, 2009 will be \$88,894,275:

Use Fees & Container Charges	\$85,049,060
Maintenance-of-Way Charges	<u>3,845,215</u>
Total Operating Revenue	<u>\$88,894,275</u>

On March 27, 2009, pursuant to Section 7.3 (h) (ii) of the Use and Operating Agreement, ACTA provided notice of the estimated Shortfall Advance amount for FY 2009/2010.

The total amount of the Shortfall Advance for the next fiscal year (i.e., July 1, 2009 to June 30, 2010) was estimated to be zero. As you know, each Port is responsible for one-half of the Shortfall Advance and is ordinarily required to include its share of the estimated amount in its annual budget and provide certification to ACTA indicating compliance. At this time, no cash payment is anticipated for FY 2009/2010.

Beginning October 1, 2010 it is likely that Shortfall Advances will be required for a period of time. The amount and duration of Shortfall Advances beyond October 1, 2010 is largely dependant on future San Pedro Bay cargo volumes.

If there are any questions please contact me at 310-847-4314.

Sincerely,

James P. Preusch
Chief Financial Officer

cc: John T. Doherty, ACTA CEO
Geraldine Knatz, POLA Executive Director
Richard Steinke, POLB Executive Director
Ron Bance, Union Pacific

George Sturm, Union Pacific
Jolene Miller, BNSF
Chuck Potempa, BNSF