



# A G E N D A

## REGULAR MEETING

### ***Governing Board of the Alameda Corridor Transportation Authority***

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Meeting Date and Time:	December 14, 2023, 10:00 A.M.
Location:	Long Beach City College Liberal Arts Campus Board Room 4901 East Carson Street, Building T1100 Long Beach, CA 90808
The public may attend the meeting in person or view the meeting online via Zoom:	<a href="https://us02web.zoom.us/j/5622477111">https://us02web.zoom.us/j/5622477111</a> Meeting ID: 562 247 7111 Passcode: boardmtg

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#### OPPORTUNITIES FOR THE PUBLIC TO ATTEND THE MEETING AND PROVIDE PUBLIC COMMENTS


In-person comments may be provided at the meeting but will not be accepted via Zoom. Members of the public attending the meeting in person will be given an opportunity to address the Board on (1) any item on the agenda prior to the Board’s consideration of that item, including the consent and closed session agendas; and (2) subjects within the subject matter jurisdiction of the Governing Board during Public Comment on Non-Agenda Items. Members of the public who wish to speak should complete a speaker card indicating the agenda item number on which they will comment or designate “general public comment” and return the card to the Board Secretary. Each speaker will be allowed to speak for up to 3 minutes per agenda item.

Written comments or materials may be submitted by emailing [publiccomment@acta.org](mailto:publiccomment@acta.org) or brought to the meeting. If you request to distribute documents to the Governing Board, please present the Board Secretary with twelve (12) copies. All written comments or materials submitted for the meeting will be entered into the official meeting minutes. For comments by email, please submit written comments prior to 3:00 pm on the day before the scheduled meeting. Comments submitted by email will be distributed to the Governing Board prior to the meeting and entered into the official meeting minutes.

As a covered entity under Title II of the Americans with Disabilities Act, the Alameda Corridor Transportation Authority (ACTA) does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services, and activities. Sign language interpreters, assistive listening devices, and translation services may be provided. To ensure availability, 72-hour advance notice is required. Contact the ACTA Office at (562) 247-7777.

#### ROLL CALL

#### CLOSED SESSION

- Closed session pursuant to Section 54957 of the Government Code to consider the appointment and employment of ACTA’s Chief Operating Officer.
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**OPEN SESSION**

**A. COMMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS**

**B. REPORTS AND PRESENTATIONS**

- October 2023 Performance Report
- Report of the Audit Committee Meeting held on December 14, 2023
- Recognize service of Carlo Luzzi to ACTA upon his retirement from POLB

**C. APPROVAL OF THE MINUTES**

- Minutes of the September 14, 2023 Regular Governing Board Meeting of the Alameda Corridor Transportation Authority

**D. AGENDA ITEMS**

**Consent Agenda (1):**

1. RECEIVE AND FILE Monthly Financial Reports as of September 30, 2023

**Regular Agenda (2-10):**

2. APPROVE Certain Documents for the Issuance of 2024 Revenue Refunding Bonds and a Tender of Certain Previously Issued bonds
3. APPROVE FY23 Closeout Change Orders 81 and 62 to Agreement No. 27 with Alameda Corridor Engineering Team, decreasing contract compensation amount by \$141,908 in aggregate
4. APPROVE First Amendment to Reimbursement Agreement C0905 with the City of Long Beach Harbor Department for ACTA to provide various support services in connection with the Pier B On-Dock Rail Support Facility Project, increasing the contract compensation amount by \$184,000 and extending the term to three years
5. APPROVE Second Amendment to Agreement M0899 with Union Pacific Railroad for Reimbursement of ACTA Costs for Construction Related Activities on Dolores Yard Crossover Project, increasing contract compensation amount by \$493,000 and extending the term to three years
6. APPROVE Second Amendment to Agreement C0889 with Pacific Railway Enterprises, Inc. to increase the total compensation amount by \$630,200 for an agreement total not to exceed amount of \$1,005,200 for the continuation of Signal Design Services
7. APPROVE Resolution No. JPA 23-5 Setting the Calendar Year 2024 Date & Time for the Regular Meetings of the ACTA Governing Board
8. APPROVE Resolution JPA 23-6 approving the list of ACTA Officer Positions
9. APPROVE Resolution No. JPA 23-7 for the appointment of a Chief Operating Officer (COO) of the Alameda Corridor Transportation Authority, JPA effective December 18, 2023, and approve the COO's compensation package

10. APPROVE a Memorandum of Understanding for the proposed West Santa Ana Branch Transit Corridor Project amongst the City of Los Angeles Harbor Department, the Los Angeles County Metropolitan Transportation Authority, Union Pacific Railroad Company, the City of Long Beach Harbor Department, and the Alameda Corridor Transportation Authority

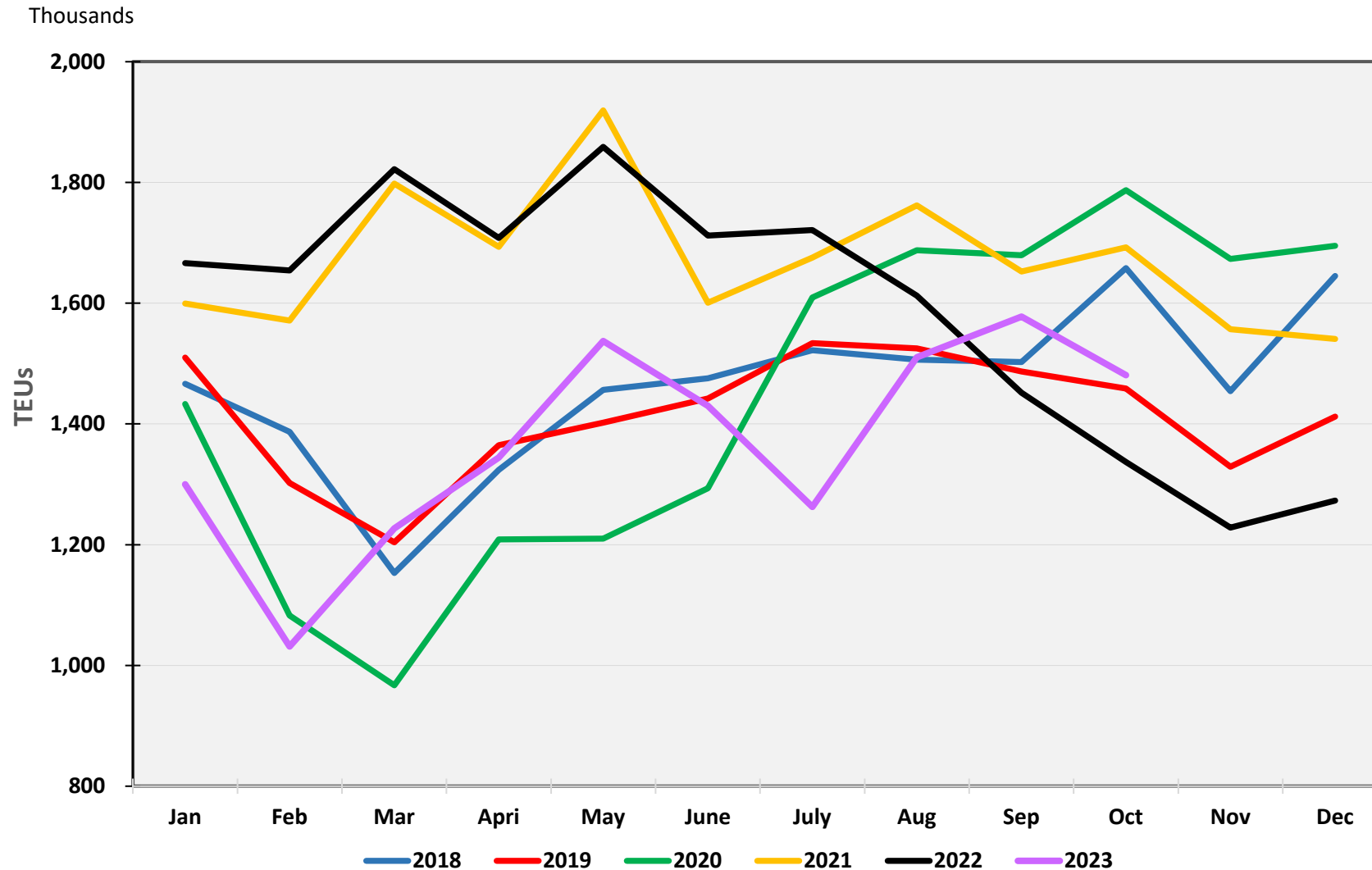
**ADJOURNMENT**

# Performance Report October 2023

## Port Container Throughput (TEUs) – October 2023

	POLA		POLB		Combined	
	Oct-23	% Change*	Oct-23	% Change*	Oct-23	% Change*
<b>Imports</b>	372,455	10.7%	363,300	23.6%	735,755	16.7%
<b>Exports</b>	121,276	35.2%	90,073	- 24.8%	211,349	0.9%
<b>Total Loaded</b>	493,731	15.9%	453,373	9.6%	947,104	12.8%
<b>Empty</b>	232,043	- 8.1%	301,777	23.3%	533,820	7.4%
<b>Total</b>	725,774	7.0%	755,150	14.7%	1,480,924	10.8%
	<b>YTD</b>	<b>% Change*</b>	<b>YTD</b>	<b>% Change*</b>	<b>YTD</b>	<b>% Change*</b>
<b>Imports</b>	3,692,050	- 14.5%	3,115,689	- 19.2%	6,807,739	- 16.7%
<b>Exports</b>	1,058,667	5.8%	1,069,952	- 8.9%	2,128,619	- 2.1%
<b>Total Loaded</b>	4,750,717	- 10.7%	4,185,641	- 16.8%	8,936,358	- 13.6%
<b>Empty</b>	2,373,183	- 26.4%	2,392,179	- 19.4%	4,765,362	- 23.1%
<b>Total</b>	7,123,900	- 16.6%	6,577,820	- 17.8%	13,701,720	- 17.2%

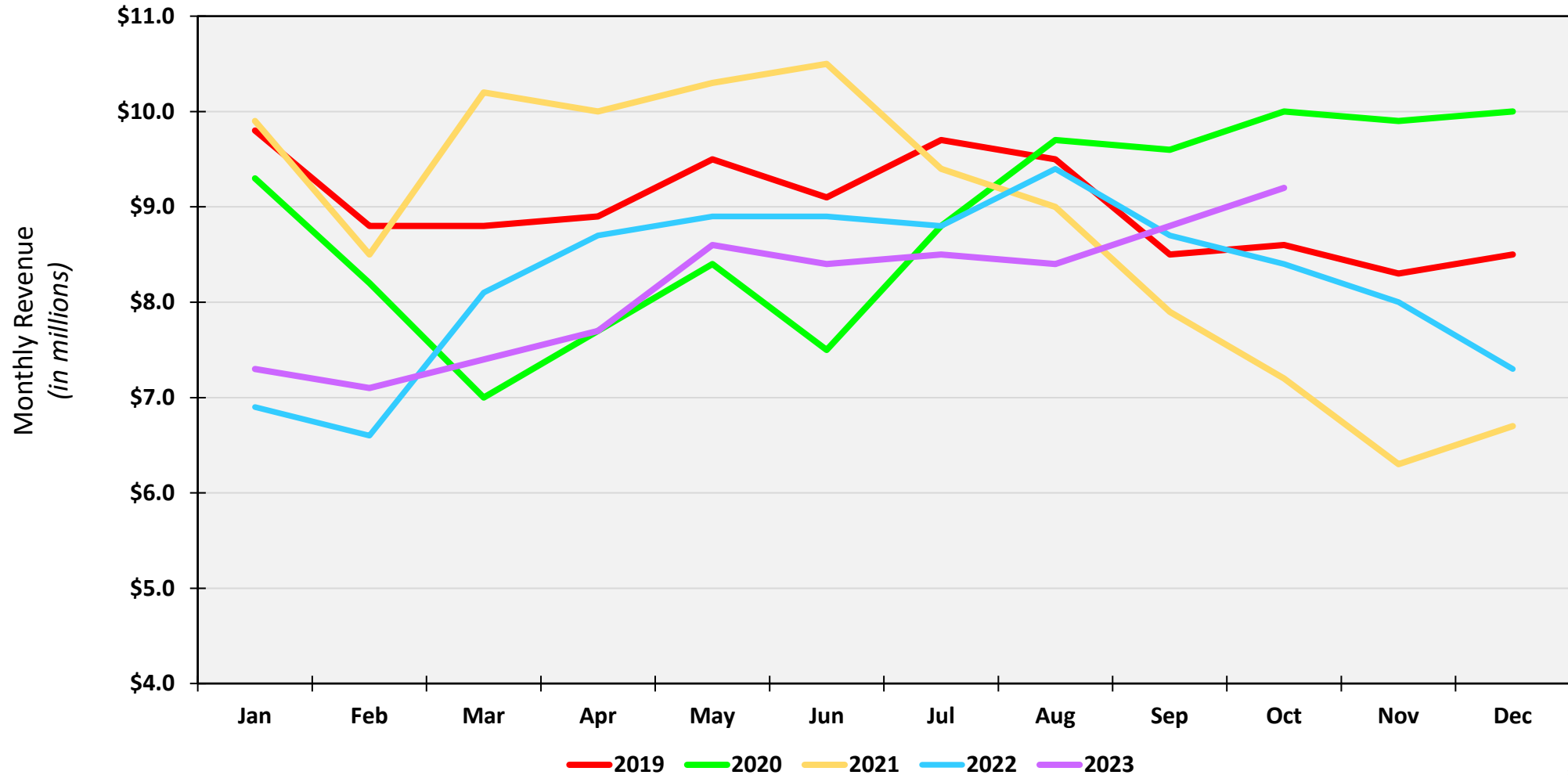
# SP Bay Port TEUs Trends through October 2023



## Alameda Corridor Performance October 2023

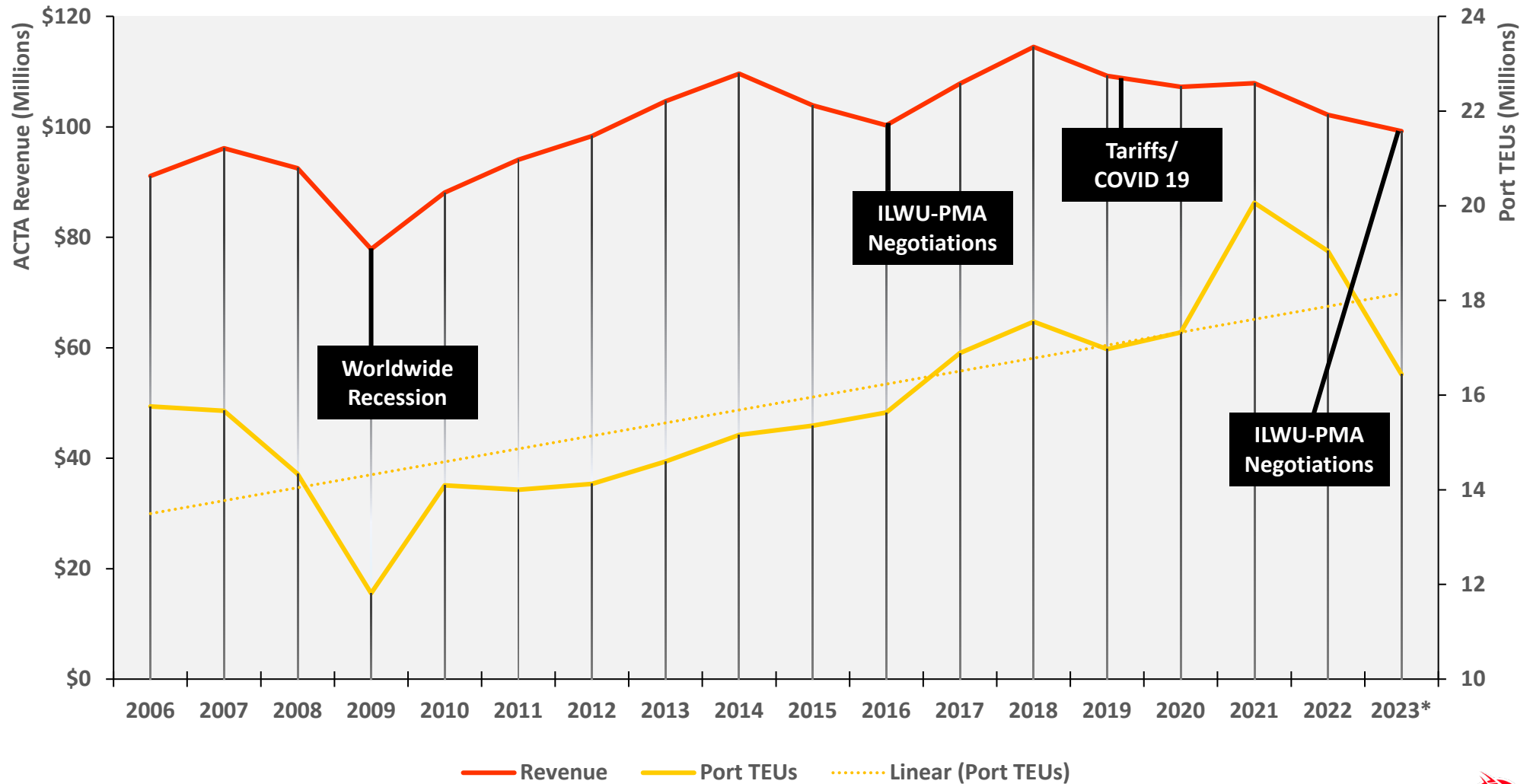
	Oct 2023	CY23	FY24
<b>Revenue</b>	\$9.2 M	\$81.5 M	\$34.8 M
Change from 2022	8.5 %	- 2.4 %	- 1.4 %
<b>TEU's</b>	414,413	3,615,460	1,561,708
Change from 2022	- 0.9 %	- 9.3 %	- 10.4 %

# Corridor Revenue Performance CY2019 to CY2023





# ACTA Revenue & Port TEUS




\*Numbers updated thru October 2023, then averaged for year.



# M E M O

## *Alameda Corridor Transportation Authority*

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To: Governing Board  
Meeting Date: December 14, 2023  
From: Kevin L. Scott, Chief Financial Officer   
Subject: Report of the Audit Committee Meeting held on December 14, 2023  
(RECEIVE AND FILE)

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### **Recommendation:**

Receive and file the FY23 Audited Financial Statements.

### **Discussion:**

The Audit Committee met on December 14, 2023 to review and discuss the following items:

- FY23 Audited Financial Statements (see Transmittal 1)
- Completed CY23 internal audits
- FY24-25 Audit Plan

The Audit Committee Chair will report to the Governing Board on the Audit Committee's December 14, 2023 meeting and recommend that the Board receive and file the FY23 Audited Financial Statements.

### **Co-General Counsel Review:**

ACTA's Co-General Counsel has reviewed this Board Report and there are no legal issues at this time.

### **Transmittals:**

Transmittal 1 – FY23 Audited Financial Statements





Report of Independent Auditors and Financial  
Statements with Required Supplementary Information

**Alameda Corridor Transportation Authority**

June 30, 2023 and 2022

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# Report of Independent Auditors

The Governing Board  
Alameda Corridor Transportation Authority

## Report on the Audit of the Financial Statements

### *Opinion*

We have audited the financial statements of Alameda Corridor Transportation Authority, which comprise the statements of net position as of June 30, 2023 and 2022, and the related statements of revenues, expenses, and changes in net position and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Alameda Corridor Transportation Authority as of June 30, 2023 and 2022, and the changes in its net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). For the year ended June 30, 2023, we also conducted our audit in accordance with the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Alameda Corridor Transportation Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Alameda Corridor Transportation Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly after.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Alameda Corridor Transportation Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Alameda Corridor Transportation Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of proportionate share of the net pension liability, schedule of contributions – pension, schedule of changes in the net other post-employment benefits asset and related ratios, and schedule of contributions – other post-employment benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2023, on our consideration of Alameda Corridor Transportation Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Alameda Corridor Transportation Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Alameda Corridor Transportation Authority's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Irvine, California  
October 24, 2023

## **Management's Discussion and Analysis**



# Alameda Corridor Transportation Authority

## Management's Discussion and Analysis

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### Description of Basic Financial Statements

The Alameda Corridor Transportation Authority (the "Authority" or "Corridor") presents its basic financial statements using the economic resources measurement focus and full accrual basis of accounting. The Authority's basic financial statements include statements of net position; statements of revenues, expenses, and changes in net position; and statements of cash flows. The basic financial statements also include notes that explain the information presented in the basic financial statements.

### Financial Highlights

The net deficit of the Authority at June 30, 2023 and 2022, was \$585,539,734, and \$524,018,290, respectively. Of this amount \$65,177,915 was invested in the Authority's capital assets, net of related debt, at June 30, 2022. Due to the refunding and issuance of new debt during the year ended June 30, 2023, total capital debt exceeded capital assets, and therefore, the net impact is reflected as part of the Authority's overall unrestricted net deficit. The Authority's net position decreased by \$61,521,444 and \$52,266,432 in the years ended June 30, 2023 and 2022, respectively.

The 2023 and 2022 fiscal years marked the twenty first and twentieth full years of operations for the Authority, respectively. The Authority earned \$109,526,255 and \$105,532,209 from use fees, container charges, and maintenance-of-way charges during fiscal years ended June 30, 2023 and 2022, respectively. The Authority's use fees and container charges for the year 2023 were more than the 2022 total by 2.4%. All of the use fee and container charges and all of the maintenance-of-way charges are received from the Union Pacific ("UP") and Burlington Northern Santa Fe ("BNSF") railroads that utilize the Authority's Alameda Corridor.

# Alameda Corridor Transportation Authority

## Management's Discussion and Analysis

### Condensed Financial Information

The following condensed financial information provides an overview of the Authority's financial position for the fiscal years ended June 30, 2023, 2022, and 2021:

	2023	2022	2021	Change Between 2023 and 2022	Change Between 2022 and 2021
<b>ASSETS</b>					
Capital assets, net	\$ 1,472,546,251	\$ 1,493,657,787	\$1,514,779,960	\$ (21,111,536)	\$ (21,122,173)
Other assets	221,884,978	183,145,993	222,189,293	38,738,985	(39,043,300)
Total assets	<u>1,694,431,229</u>	<u>1,676,803,780</u>	<u>\$1,736,969,253</u>	<u>17,627,449</u>	<u>(60,165,473)</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>46,623,705</u>	<u>13,181,352</u>	<u>14,518,837</u>	<u>33,442,353</u>	<u>(1,337,485)</u>
<b>LIABILITIES</b>					
Long-term liabilities	2,286,364,613	2,123,453,024	2,141,463,792	162,911,589	(18,010,768)
Current liabilities	39,883,948	89,356,997	81,510,526	(49,473,049)	7,846,471
Total liabilities	<u>2,326,248,561</u>	<u>2,212,810,021</u>	<u>2,222,974,318</u>	<u>113,438,540</u>	<u>(10,164,297)</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>346,107</u>	<u>1,193,401</u>	<u>265,630</u>	<u>(847,294)</u>	<u>927,771</u>
<b>NET POSITION</b>					
Net investment in capital assets	-	65,177,915	56,048,908	(65,177,915)	9,129,007
Restricted for debt service	119,498,555	110,068,346	107,302,635	9,430,209	2,765,711
Restricted by Master Trust					
Indenture	79,612,842	41,508,731	66,576,480	38,104,111	(25,067,749)
Unrestricted (deficit)	<u>(784,651,131)</u>	<u>(740,773,282)</u>	<u>(701,679,881)</u>	<u>(43,877,849)</u>	<u>(39,093,401)</u>
Total net position	<u>\$ (585,539,734)</u>	<u>\$ (524,018,290)</u>	<u>\$ (471,751,858)</u>	<u>\$ (61,521,444)</u>	<u>\$ (52,266,432)</u>

### Capital Assets

Capital assets, net, made up of infrastructure and equipment, decreased by \$21.1 million or 1.4% between 2023 and 2022. These decreases are primarily due to depreciation of capital assets of \$21.1.

### Deferred Outflows of Resources

Deferred outflows of resources increased by \$33.4 million or 253.7% between 2022 and 2023 and decreased by \$1.3 million or 9.2% between 2021 and 2022, respectively. The increase from 2022 to 2023 were primarily due to deferred losses on 2022 bonds refunding. The decrease from 2021 to 2022 was due to amortization on past deferred losses on the 2016 bonds refunding. The deferred outflows on bond refunding are calculated as the difference between the reacquisition price (the amount paid on extinguishment including call premiums and miscellaneous costs of reacquisition) and the net carrying value (amount due at maturity, adjusted for unamortized premiums and/or discounts). The deferred outflows are being amortized over the shorter of the remaining life of the old debt or the new debt.

### Other Assets

Other assets increased by \$38.7 million or 21.2% between 2023 and 2022, primarily due to increases in restricted cash and investments, receivables, and prepaid insurance premiums associated with the Authority's 2022 bond refunding.

# Alameda Corridor Transportation Authority

## Management's Discussion and Analysis

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Other assets decreased by \$39.0 million or 17.6% between 2022 and 2021, primarily due to decreases in restricted cash and investments and assets held for transfer.

### **Current Liabilities**

Current liabilities consist of the current portion of accrued interest and revenue bonds payable, accounts payable, unearned revenue, and other liabilities. Current liabilities decreased by \$49.5 million or -55.4% and increased by \$7.8 million or 9.6% during the fiscal years ended June 30, 2023 and 2022, respectively.

The \$49.5 million decrease in fiscal year 2023 is primarily due to a decrease in accrued short-term debt.

The \$7.8 million increase in fiscal year 2022 is primarily due to an increase in accrued short-term debt and unearned revenue.

### **Long-Term Liabilities**

Long-term liabilities increased by \$163.0 million or 7.7% in fiscal year 2023 compared to fiscal year 2022. The 2023 increase was primarily due to the issuance of the 2022 Series bonds offset by the refunding of older bonds.

Long-Term liabilities decreased by \$18.0 million or 0.8% in fiscal year 2022 compared to fiscal year 2021. The 2022 decrease was primarily due to total principal and interest payments on revenue bonds.

### **The Master Trust Indenture**

In conjunction with the sale of project revenue and refunding bonds in 1999, 2004, 2012, 2016, and 2022 ("Bonds"), the Authority entered into a Master Trust Indenture ("MTI") with U.S. Bank, the bond trustee ("Trustee"), pursuant to which the Authority assigned all of its rights, title, and interest in and to the Corridor, including the receipt of certain use fees and container charges and other revenues known as "Authority Revenues" to the Trustee as security for the repayment of the Bonds. Pursuant to the terms of the MTI, the Trustee is required to establish certain funds and accounts and to apply the Authority's revenues for the purposes specifically set forth therein. The MTI establishes debt service funds, debt service reserve funds, construction funds, maintenance and capital reserve funds, and certain other restricted funds. The MTI also establishes a priority of payments, which restricts the manner, timing, and sequence of transfers into and out of such funds and accounts, and among such funds and accounts. The MTI requires that the Authority comply with certain operational and financial covenants, restricts the types of investments the Trustee and Authority may make, and requires regular financial reporting and disclosure.

### **Net Position**

Net position, the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources, decreased by \$61.5 million or 11.7% and \$52.3 million or 11.1% during the years ended June 30, 2023 and 2022, respectively. The change in net position was primarily the result of interest and operating expenses continuing to exceed operating income. In fiscal years 2023 and 2022, operating revenues were \$109.5 million and \$105.5 million, respectively. The operating revenues were not sufficient to cover the interest expense of \$123.4 million in 2023 and \$108.0 million in 2022.

# Alameda Corridor Transportation Authority

## Management's Discussion and Analysis

### Summary of Changes in Net Position

The table below summarizes the changes in net position for the years ended June 30, 2023, 2022, and 2021:

	2023	2022	2021	Change Between 2023 and 2022	Change Between 2022 and 2021
<b>Operating revenues</b>					
Use fees and container charges	\$ 99,691,045	\$ 97,311,981	\$ 118,874,257	\$ 2,379,064	\$ (21,562,276)
Maintenance-of-way charges	9,835,210	8,220,228	7,925,261	1,614,982	294,967
<b>Total operating revenues</b>	<b>109,526,255</b>	<b>105,532,209</b>	<b>126,799,518</b>	<b>3,994,046</b>	<b>(21,267,309)</b>
<b>Operating expenses</b>					
Salaries and benefits	2,835,958	1,701,986	2,408,569	1,133,972	(706,583)
Administrative expenses and professional services	2,774,739	2,733,215	3,083,600	41,524	(350,385)
Maintenance-of-way charges	15,194,895	12,934,581	14,050,241	2,260,314	(1,115,660)
Depreciation	21,111,536	21,122,173	21,019,477	(10,637)	102,696
<b>Total operating expenses</b>	<b>41,917,128</b>	<b>38,491,955</b>	<b>40,561,887</b>	<b>3,425,173</b>	<b>(2,069,932)</b>
<b>Operating income</b>	<b>67,609,127</b>	<b>67,040,254</b>	<b>86,237,631</b>	<b>568,873</b>	<b>(19,197,377)</b>
<b>Nonoperating revenues (expenses)</b>					
Interest and investment income (loss), net	4,408,578	(1,223,813)	2,388,596	5,632,391	(3,612,409)
Interest expense	(123,420,121)	(108,001,227)	(107,533,022)	(15,418,894)	(468,205)
Grant revenues	973,149	1,942,312	577,595	(969,163)	1,364,717
Cost of issuance	(10,393,666)	-	-	(10,393,666)	-
Loss on transfers of assets held for transfer	(66,496)	(10,164,800)	-	10,098,304	(10,164,800)
Miscellaneous revenues	1,942,277	897,022	320,028	1,045,255	576,994
Expenses for public benefit	(2,574,292)	(2,756,180)	(730,206)	181,888	(2,025,974)
<b>Total nonoperating expenses</b>	<b>(129,130,571)</b>	<b>(119,306,686)</b>	<b>(104,977,009)</b>	<b>(9,823,885)</b>	<b>(14,329,677)</b>
<b>Changes in net position</b>	<b>(61,521,444)</b>	<b>(52,266,432)</b>	<b>(18,739,378)</b>	<b>(9,255,012)</b>	<b>(33,527,054)</b>
Net position, beginning of the year	(524,018,290)	(471,751,858)	(453,012,480)	(52,266,432)	(18,739,378)
<b>Net position, end of year</b>	<b>\$ (585,539,734)</b>	<b>\$ (524,018,290)</b>	<b>\$ (471,751,858)</b>	<b>\$ (61,521,444)</b>	<b>\$ (52,266,432)</b>

### Operating Revenues

Use fees and container charges revenues representing 91.0% and 92.2% of operating revenues in fiscal years 2023 and 2022, respectively, increased by \$2.4 million and decreased by \$21.6 million, or 2.4% and 18.1%, in 2023 and 2022, respectively. The current year increase in revenues was due to a net effect of a 4.5% increase in the Consumer Price Index ("CPI") offset by a decrease in the volume of containers received by the ports of Los Angeles and Long Beach (collectively known as the "Ports"). The prior year decrease was due to a decrease in the volume of containers received by the Ports.

### Operating Expenses

Operating expenses consist of salaries and benefits, administrative expenses, professional services, maintenance-of-way charges, and depreciation. During the year ended June 30, 2023, operating expenses increased by \$3.4 million or 8.9%. The increase in 2023 was the result of an increase of salaries and benefits and M&O expenses. During the year ended June 30, 2022, operating expenses decreased by \$2.1 million or 5.1%. The decrease in 2022 was the result of a decrease in maintenance-of-way charges.

# Alameda Corridor Transportation Authority

## Management's Discussion and Analysis

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### Nonoperating Revenues and Expenses

Nonoperating revenues and expenses consist of interest and investment earnings, interest expense, grant revenues, miscellaneous revenues, loss on transfers of assets held for transfer, and expenses for public benefit.

The 2023 increase in nonoperating expenses of \$9.8 million was primarily due to \$15.4 million increase in interest expense and \$10.4 million in cost of issuance expenses offset by an increase in investment income and as a result of a few properties and other parcels that were transferred in 2023 compared to 2022. The 2022 increase in nonoperating expenses of \$14.3 million was primarily due to a \$3.6 million loss on investment returns and \$10.2 million in properties and other parcels that were transferred in 2022.

### Capital Assets and Debt Administration

At June 30, 2023 and 2022, the Authority had approximately \$1.47 billion and \$1.49 billion, respectively, of capital assets, net of accumulated depreciation, and approximately \$2.29 billion and \$2.12 billion, respectively, in outstanding long-term debt.

### Long-Term Debt

As of June 30, 2023 and 2022, the Authority's long-term portion of revenue bonds payable was \$1.65 billion and \$1.47 billion, respectively. In addition, accrued interest payable was \$621.7 million and \$636.8 million during fiscal years 2023 and 2022, respectively.

As of June 30, 2023, the Authority's credit ratings for the Senior Bonds (1999A, 1999C, 2012, 2022A and 2022B) are A3, A-, and A by Moody's Investor Service, Standard & Poor's, and Fitch Ratings, respectively. For the first subordinated debt (2004A, 2004B, and 2016A), the ratings are Baa2, BBB+, and BBB+ by Moody's Investor Service, Standard & Poor's, and Fitch Ratings, respectively, and for the second subordinated debt (2016B and 2022C), the ratings are Baa2, BBB+, and BBB by Moody's Investor Service, Standard & Poor's, and Fitch Ratings, respectively.

Additional debt information can be found in Note 6 to the basic financial statements.

## **Alameda Corridor Transportation Authority Management's Discussion and Analysis**

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### **Other Developments**

The Authority's Alameda Corridor Project opened on April 15, 2002. On that date, the Authority commenced operations and began collecting revenues for intermodal containers and rail cars using the Corridor, as authorized in the Use and Operating Agreement between the Authority and the participating railroads ("Use and Operating Agreement"). The Authority's bonds are payable solely from and secured by a pledge of, among other revenues, use fees, container charges to be paid by the railroads, and shortfall advances to be paid under certain circumstances by the Ports. To the extent that the revenues from use and container charges are not sufficient to meet the Authority's obligations, the Ports have agreed to advance the funds necessary to pay up to the maximum amount of 20% each for any debt service payment. From inception until the fiscal year ended June 30, 2023, approximately \$1.98 billion has been received from the railroads. These revenues, combined with remaining interest income and other surplus cash balances, have been sufficient to meet debt services, fund reserve account required deposits, and pay the cost of revenue collections, monitoring, and administrative fees, except for in fiscal years 2012 and 2013 when shortfall advances accumulating to \$13.1 million from the Ports were needed.

The Authority's program manager, Alameda Corridor Engineering Team ("ACET"), together with the Authority's staff, are actively working to close out the remaining completed projects from the original Corridor projects as well as to support Caltrans on the SR-47 Project as outlined in cooperative agreements. Remaining work involves property transfers, right-of-way closeouts, and support on the SR-47 project.

The Authority's Governing Board (the "Board") modified the Corridor to include the addition of several Corridor-related projects, consistent with the Authority's Joint Powers Agreement, Use and Operating Agreement, and its bond-related documents. Significant among those projects is the SR-47 project. The SR-47 project has progressed, and the Authority is currently working in conjunction with Caltrans to advance the Heim Bridge portion of the project. The National Environmental Policy Act (NEPA) Record of Decision was approved on August 12, 2009; the Notice of Determination was received on August 17, 2009. The final design for replacement of the bridge was completed in October 2010. Construction was completed in September 2021 and full closeout is scheduled to occur in the middle of 2024.

Pursuant to Section 7.3(h)(ii) of the Use and Operating Agreement, the Authority delivered a Notice of Estimated Shortfall Advances dated March 15, 2022 (the "March 2022 Notice"). In the March 2022 Notice, the Authority indicated that a Shortfall Advance in the amount of \$5,000,000 would be required from the Ports for the fiscal year ending in 2023 and a voluntary Port Advance in the amount of \$13,000,000 would also be requested from the Ports for the fiscal year ending in 2023. The March 2022 Notice stated that the Authority was evaluating options to restructure its debt, including through the issuance of new bonds, which may reduce or eliminate the need for any Port Advance.

On July 14, 2022, the Authority issued \$169,046,510 aggregate principal amount of its Tax-Exempt Senior Lien Revenue Refunding Bonds, Series 2022A, \$349,694,763 aggregate principal amount of Taxable Senior Lien Revenue Refunding Bonds, Series 2022B and \$212,196,986 aggregate principal amount of Tax-Exempt Second Subordinate Lien Revenue Refunding Bonds, Series 2022C (collectively, the "Series 2022 Bonds"). The Series 2022 Bonds were issued to, among other things, defease certain outstanding bonds through a tender and refunding of those bonds. The restructuring of the Authority's debt through the issuance of the Series 2022 Bonds has removed the projected need for any Shortfall Advance or voluntary Port Advance in the fiscal year ending in 2024.

## **Alameda Corridor Transportation Authority Management's Discussion and Analysis**

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In April 2019, the Board approved the selection of a new maintenance contractor for the Corridor. RailWorks Track Services, Inc.'s ("RailWorks") contract commenced on May 1, 2019, for a five-year term with a five-year renewal option. Expenditures related to the maintenance of the Corridor continue to be higher, as the Corridor ages and additional capital work is required.

### **Contacting the Authority's Financial Management**

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Chief Financial Officer, Alameda Corridor Transportation Authority, 3760 Kilroy Airport Way, Suite 200, Long Beach, California, 90806.

## **Financial Statements**



**Alameda Corridor Transportation Authority**  
**Statements of Net Position**  
**June 30, 2023 and 2022**

	2023	2022
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>		
<b>CURRENT ASSETS</b>		
Restricted cash and cash equivalents	\$ 39,740,758	\$ 60,363,385
Restricted investments	67,974,247	52,279,049
Receivables	17,496,962	14,097,414
Prepaid expenses	2,294,731	1,509,733
Total current assets	127,506,698	128,249,581
Prepaid bond insurance premiums, net	18,539,640	-
Restricted investments	72,450,394	51,156,921
Assets held for transfer	3,116,329	3,182,825
OPEB asset	271,917	556,666
Capital assets not being depreciated	438,148,732	438,148,732
Capital assets, net of accumulated depreciation	1,034,397,519	1,055,509,055
Total assets	1,694,431,229	1,676,803,780
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Loss on refunding	45,012,155	12,344,243
Pension and OPEB related items	1,611,550	837,109
Total assets and deferred outflows of resources	\$ 1,741,054,934	\$ 1,689,985,132
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 6,784,529	\$ 8,018,917
Unearned revenue	4,425,838	2,402,881
Accrued interest payable, current portion	12,550,134	40,588,101
Revenue bonds payable, current portion	15,495,000	37,813,264
Other liabilities	628,447	533,837
Total current liabilities	39,883,948	89,357,000
Shortfall advances payable to Ports	13,115,138	12,646,463
Net pension liability	2,304,499	809,128
Accrued interest payable, net of current portion	621,655,133	636,833,348
Revenue bonds payable, net of current portion and unamortized discount	1,649,289,843	1,473,164,082
Total liabilities	2,326,248,561	2,212,810,021
<b>DEFERRED INFLOWS OF RESOURCES</b>		
	346,107	1,193,401
<b>NET POSITION</b>		
Net investments in capital assets	-	65,177,915
Restricted, expendable for		
Debt service	119,498,555	110,068,346
Master Trust Indenture	79,612,842	41,508,731
Unrestricted (deficit)	(784,651,131)	(740,773,282)
Total net position	(585,539,734)	(524,018,290)
Total liabilities, deferred inflows of resources, and net position	\$ 1,741,054,934	\$ 1,689,985,132

See accompanying notes.

**Alameda Corridor Transportation Authority**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**Years Ended June 30, 2023 and 2022**

	2023	2022
OPERATING REVENUES		
Use fees and container charges	\$ 99,691,045	\$ 97,311,981
Maintenance-of-way charges	9,835,210	8,220,228
Total operating revenues	109,526,255	105,532,209
OPERATING EXPENSES		
Salaries and benefits	2,835,958	1,701,986
Administrative expenses	1,828,304	1,823,253
Professional services	946,435	909,962
Maintenance-of-way	15,194,895	12,934,581
Depreciation	21,111,536	21,122,173
Total operating expenses	41,917,128	38,491,955
Operating income	67,609,127	67,040,254
NONOPERATING REVENUES (EXPENSES)		
Interest and investment revenue (loss), net	4,408,578	(1,223,813)
Grant revenue	973,149	1,942,312
Miscellaneous revenue	1,942,277	897,022
Interest expense	(123,420,121)	(108,001,227)
Cost of issuance	(10,393,666)	-
Loss on transfers of assets held for transfer	(66,496)	(10,164,800)
Expenses for public benefit	(2,574,292)	(2,756,180)
Total nonoperating expenses, net	(129,130,571)	(119,306,686)
Changes in net position	(61,521,444)	(52,266,432)
NET POSITION, beginning of the year	(524,018,290)	(471,751,858)
NET POSITION, end of year	\$ (585,539,734)	\$ (524,018,290)

See accompanying notes.

**Alameda Corridor Transportation Authority**  
**Statements of Cash Flows**  
**Years Ended June 30, 2023 and 2022**

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers for services	\$ 106,877,831	\$ 104,778,558
Payment to suppliers for goods and services	(19,989,020)	(16,084,580)
Payments to employees	(2,582,963)	(2,293,247)
Net cash provided by operating activities	84,305,848	86,400,731
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Grant receipts	2,114,321	3,358,310
Payments for expenses for public benefit	(2,574,292)	(2,756,180)
Receipts for miscellaneous income	1,942,277	897,022
Net cash provided by noncapital financing activities	1,482,306	1,499,152
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds received on bonds payable	730,938,259	-
Proceeds received from advances from the Ports	468,675	-
Payments for debt issuance costs and prepaid insurance premiums	(28,933,306)	-
Principal paid on bonds payable	(547,383,166)	(31,745,591)
Interest payments on debt	(229,051,811)	(84,717,305)
Net cash used in capital and related financing activities	(73,961,349)	(116,462,896)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of investments	(529,017,264)	(520,215,005)
Sales of investments	491,544,584	553,669,676
Interest received	5,023,248	3,136,492
Net cash (used in) provided by investing activities	(32,449,432)	36,591,163
<b>NET (DECREASE) INCREASE IN RESTRICTED CASH AND CASH EQUIVALENTS</b>	(20,622,627)	8,028,150
<b>RESTRICTED CASH AND CASH EQUIVALENTS, beginning of year</b>	60,363,385	52,335,235
<b>RESTRICTED CASH AND CASH EQUIVALENTS, end of year</b>	\$ 39,740,758	\$ 60,363,385

See accompanying notes.

**Alameda Corridor Transportation Authority**  
**Statements of Cash Flows (Continued)**  
**Years Ended June 30, 2023 and 2022**

	2023	2022
RECONCILIATION OF OPERATING INCOME TO NET		
CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$ 67,609,127	\$ 67,040,254
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation expense	21,111,536	21,122,173
Changes in operating assets, deferred outflows of resources, liabilities, and deferred inflows of resources		
Receivables	(2,648,424)	(753,651)
Prepaid expenses	(784,998)	(179,508)
OPEB asset	284,749	(43,233)
Deferred outflows/inflows of resources	(1,621,735)	770,845
Accounts payable	(1,234,388)	(237,276)
Net pension liability	1,495,371	(1,392,907)
Other liabilities	94,610	74,034
	<u>\$ 84,305,848</u>	<u>\$ 86,400,731</u>
Net cash provided by operating activities		
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES		
Losses on transfers of assets held for transfer	<u>\$ 66,496</u>	<u>\$ 10,164,800</u>

See accompanying notes.

# Alameda Corridor Transportation Authority

## Notes to Financial Statements

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### **Note 1 – Organization and Summary of Significant Accounting Policies**

**Reporting entity** – The Alameda Corridor Transportation Authority (the “Authority” or “Corridor”) was established in August 1989 through a Joint Exercise of Powers Agreement (“JPA”) between the cities of Los Angeles and Long Beach, California. The purpose of the Authority is to acquire, construct, finance, and operate a consolidated transportation corridor, including an improved railroad expressway between the ports of Los Angeles and Long Beach (the “Ports”) and downtown Los Angeles (the route between the two locations has become known as the “Alameda Corridor”).

The Authority’s independent Governing Board has seven members, comprising two members each from the Ports, one member each from the cities of Los Angeles and Long Beach, and one member representing the Los Angeles County Metropolitan Transportation Authority (LACMTA).

As of June 30, 2023, the members of the Authority’s Governing Board were the following:

Chairperson – Mr. Joe Buscaino, Council member, City of Los Angeles from 7/1/2022 to 12/12/2022  
Mr. Tim McOsker, Council member, City of Los Angeles from 12/13/2022 to 6/30/2023

Vice Chairperson – Ms. Suzie Price, Council member, City of Long Beach from 7/1/2022 to 12/13/2023  
Ms. Suely Saro, Council member, City of Long Beach from 2/21/2023 to 6/30/2023

Member – Mr. Frank Colonna, Commissioner, Port of Long Beach  
Member – Mr. Edward Renwick, Vice President, Port of Los Angeles  
Member – Mr. Eugene Seroka, Executive Director, Port of Los Angeles  
Member – Mr. Mario Cordero, Executive Director, Port of Long Beach  
Member – Mr. Michael Cano, Executive Officer, Los Angeles County Metro

The Authority is empowered to explore alternative methods of financing, to develop existing property, and to coordinate other governmental efforts necessary for a consolidated transportation corridor, including the completion of the Alameda Corridor Project (the “Project”). The Authority may issue revenue bonds to carry out its obligations under the JPA. Such bonds will be payable from revenues generated from the Alameda Corridor, from one or more pledges of revenues from the Authority, the Board of Harbor Commissioners of Long Beach and Los Angeles, from pledges of revenues from other responsible agencies, or from any other legally available funds.

**Program management agreement** – In January 1996, the Authority’s Governing Board entered into a Program Management Agreement (“Agreement”) with the Alameda Corridor Engineering Team (“ACET”), a joint venture comprising Daniel, Mann, Johnson, and Mendenhall (now “AECOM”); Moffatt and Nichol Engineers; Jenkins, Gales, and Martinez, Inc.; and TELACU Construction Management, Inc., to provide the broad program management services necessary to assist the Authority in implementing the Alameda Corridor. The Agreement calls for ACET to provide the Authority with professional services related to management, engineering, construction support, procurement, coordination, and administration of the Alameda Corridor Project Construction Program. This Agreement was amended by the Governing Board and is now extended through June 30, 2024.

## **Alameda Corridor Transportation Authority**

### **Notes to Financial Statements**

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**Use and operating agreement** – In October 1998, the cities of Long Beach and Los Angeles, the Authority, Union Pacific Railroad Company (“UP”), and Burlington Northern Santa Fe Railway Company (“BNSF”) entered into a use and operating agreement (the “Use and Operating Agreement” or “UOA”), which outlines the provisions for the construction, operation, and use of the Rail Corridor (as defined in the UOA). Specifically, it grants UP and BNSF the right to use the Rail Corridor constructed by the Authority for all Through Train (as defined in the UOA) movements upon substantial completion in exchange for paying maintenance, operating charges, container charges, and use fees to the Authority. Proceeds of the container charges and use fees will be used to repay the revenue bonds. The Use and Operating Agreement was amended in 2006 to resolve a dispute involving application of the container charge and use fee provisions of the Agreement to transloaded cargo. On December 15, 2016, an Amended and Restated Alameda Corridor Use and Operating Agreement was executed by and among the Ports, the railroads, and the Authority, which, among other things, incorporates the amendments set forth in the First Amendment dated as of July 5, 2006; replaces the Operating Committee with direct decision-making authority by the Ports and railroads for the management of Alameda Corridor maintenance and operations; and removes construction-related provisions and updates certain other provisions to reflect current conditions and practices. Dissolving the Operating Committee and modifying the decision-making process did not have any impact on the day-to-day operation of the Alameda Corridor or the collection of the Authority’s revenues. The UOA requirements are to be in effect until the earlier of April 15, 2062, or repayment of all obligations under the UOA.

**Master trust indenture** – In conjunction with the sale of project revenue and refunding bonds in 1999, 2004, 2012, 2013A, 2016, and 2022 (“Bonds”), the Authority entered into a Master Trust Indenture (MTI) with U.S. Bank, the bond trustee (“Trustee”), pursuant to which the Authority assigned all of its rights, title, and interest in and to the Project, including the receipt of certain use fees and container charges and other revenues known as the “Authority Revenues” to the Trustee as security for the repayment of the Bonds. Pursuant to the terms of the MTI, the Trustee is required to establish certain funds and accounts and to apply the Authority’s revenues for the purposes specifically set forth therein, which include the payment of most operating expenses and debt service payments. The MTI establishes debt service funds, debt service reserve funds, construction funds, maintenance and capital reserve funds, and certain other restrictive funds. The MTI also establishes a priority of payments, which restricts the manner, timing, and sequence of transfers into and out of such funds and accounts, and among such funds and accounts. The MTI requires that the Authority comply with certain operational and financial covenants, restricts the types of investments the Trustee and Authority may make, and requires regular financial reporting and disclosure. The Authority’s net position restricted by the MTI included in the accompanying statements of net position of \$79,612,842 and \$41,508,731 as of June 30, 2023 and 2022, respectively, represents the accumulation of the Authority’s revenues in excess of operating expenses and debt payments that can only be used for the aforementioned purposes noted in the MTI.

**Basis of presentation** – The basic financial statements of the Authority have been prepared in conformity with generally accepted accounting principles in the United States of America (GAAP) as applied to governmental units and the State Controller’s Minimum Audit Requirements and Reporting Guidelines.

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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The Governmental Accounting Standards Board (GASB) is the recognized standard-setting body for establishing governmental accounting and financial reporting principles for state and local governments within the United States of America. In accordance with GAAP, the Authority's operations are accounted for as a business-type activity. In this regard, the Authority follows the economic resources measurement focus and the accrual basis of accounting, whereby revenues are recognized when they are earned, and expenses are recorded when they are incurred, irrespective of when paid.

**Restricted cash and cash equivalents** – The Authority has defined, for purposes of the preparation of its statements of cash flows, that cash and cash equivalents include deposits, money market accounts, and investments with an original maturity date of three months or less, including investments in the State of California Local Agency Investment Fund (“LAIF”). The Authority participates in the State of California's LAIF, a non-Securities and Exchange Commission registered investment pool open to all government units in the State of California, and is able to withdraw amounts from LAIF on demand without penalty.

**Receivables** – Grant contracts receivable consist of unsecured reimbursements due from funding sources for services performed prior to year-end. Use fees and other receivables are carried at invoiced amounts. The Authority has not experienced losses from past uncollected receivables; therefore, it has not recognized an allowance for uncollectable amounts at June 30, 2023 and 2022.

**Investments** – Investments are stated at fair value. The value of each investment security has been determined based on the published closing price of the security as of June 30, 2023 and 2022, or quoted prices of securities with similar characteristics, discounted cash flows, and other observable inputs. The net changes in fair value of investments, consisting of realized gains or losses and the unrealized appreciation/depreciation on those investments, have been included in interest and investment revenue as shown in the accompanying statements of revenues, expenses, and changes in net position.

The Authority's investment practices are governed by the MTI investment policy. The investment policy was amended by the Authority's Governing Board in April 2018, segregating non-bond funds that are controlled by the Board from bond funds that are controlled by the MTI investment policy. The types of investment authorized by the policies are described further in Note 2.

**Assets held for transfer** – Remaining right-of-way parcels or easements that require a transfer are valued based upon the known costs paid at the time the parcel was originally acquired. These assets are not held for investment purposes. The carrying value of these assets is further described in Note 4.

**Capital assets** – Capital assets purchased or constructed, including capitalized interest accrued during construction, are carried at cost. Donated assets are valued at the estimated fair value on the date received. Depreciation is provided over the estimated useful life of each asset and computed on a straight-line basis beginning with the fiscal year after the asset is placed in service. Trench structures, tracks and signals, rail bridge structures, and highway bridge structures include both depreciable and non-depreciable components. Costs associated with construction and building of the structures, track, and signal systems of the Corridor are depreciable. Non-depreciable components include the demolition, excavation, backfill, embankment fill, removal of contaminated soil, construction delay costs, and utility relocations.

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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Estimated useful lives of classes of capital assets are as follows:

Tenant improvements	3 years
Automotive vehicles	5 years
Office equipment	3–5 years
Buildings	30 years
Revenue assessment and verification system and other software	5 years
Tracks and signal systems	40 years
Highway bridge structures	100 years
Trench structures	100 years
Rail bridge structures	100 years

Infrastructure and equipment acquired with state and local grants are also included in capital assets. Depreciation on these assets is recorded as an operating expense.

**Restricted assets and net position** – Certain proceeds of the Authority’s revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statements of net position because their use is limited by applicable bond covenants. The revenue bonds’ accrued interest, debt service reserve, and revenue fund accounts have been classified as restricted assets, because these accounts are first restricted to the payment of interest and principal on the outstanding revenue bonds. These amounts, offset by any related outstanding debt, are reported as net position restricted for debt service. After payment of debt service, remaining revenues, if any, are restricted to the payment of the Authority’s other costs and legal obligations (including repayment of Port Shortfall Advances) as defined by the Authority’s Use and Operating Agreement. The Reserve Account has also been classified as restricted assets, because the amount in this account is restricted for specific purposes under the Use and Operating Agreement and the revenue bond covenants. These amounts, offset by any related outstanding liabilities, are reported as net position restricted by the MTI.

Remaining long-term debt proceeds that have been set aside for capital projects are also reported as restricted assets. The monies restricted for capital projects have been fully expended. When both restricted and unrestricted resources are available for use, it is the Authority’s practice to use restricted resources first and then unrestricted resources as they are needed.

The Authority’s net position as of June 30, 2023, is a deficit of \$585.5 million because total liabilities and deferred inflows of resources were greater than total assets and deferred outflows of resources due to accumulating accreted interest on revenue bonds payable. The Authority’s interest cash payments are lower than recorded interest expense because the bonds are capital appreciation bonds (CABs), which compound interest until final maturity. As a result, the Authority is able to maintain a liquid financial position. Management believes that it will be able to sustain its liquidity based on the terms of the bonds payable and through shortfall advances from the Ports, if necessary, as discussed further in Note 6.



## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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**Compensated absences** – All Authority employees accumulate time off for vacation and sick leave each pay period. While sick leave hours are accrued at a uniform rate among all employees, vacation accrual is based on length of service. Vacation hours are payable to employees when used at the individual employee’s current rate of pay. Any unused vacation remaining at the time of termination is also payable to the employee at his/her then rate of pay. All vacation hours that have been earned but not paid as of June 30, 2023 and 2022, have been accrued in the accompanying statements of net position in other liabilities. Sick hours are paid to employees when used. The Authority’s sick leave policy also provides that employees will be paid 50% of the remaining value of their sick leave hours upon termination. Consequently, 50% of all unused sick hours for all employees totaling \$272,375 and \$230,774 as of June 30, 2023 and 2022, respectively, have also been accrued in other liabilities of the accompanying statements of net position.

**Pensions** – For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Agency of California Public Employees’ Retirement System (“CalPERS”) plans (“Plans”) and additions to/deductions from the Plans’ fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Pension information is further described in Note 7.

**Post-Employment Benefits Other Than Pensions (“OPEB”)** – For purposes of measuring the total OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Authority’s OPEB plan and additions to and deductions from the OPEB’s plan fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. OPEB information is further described in Note 8.

**Operating revenues and expenses** – Operating revenues and expenses generally result from the operation of the Rail Corridor. The principal operating revenues of the Authority are fees assessed to the railroads for use and maintenance of the Rail Corridor. These fees are recognized in the period earned. Operating expenses include revenue collection and other administrative expenses, maintenance, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Use of estimates** – The preparation of basic financial statements in conformity with GAAP requires that management make estimates and assumptions that may affect the reported amount of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**New accounting pronouncements** – In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for SBITAs and (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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The Authority adopted the provisions of this Statement retroactively during the fiscal year ended June 30, 2023; however, the adoption of this Statement did not have a material impact on the Authority's financial statements.

#### Note 2 – Restricted Cash, Cash Equivalents, and Investments

Cash, cash equivalents, and investments as of June 30, 2023 and 2022, are classified in the accompanying basic financial statements as follows:

	2023	2022
Current restricted cash and cash equivalents	\$ 39,740,758	\$ 60,363,385
Current restricted investments	67,974,247	52,279,049
Noncurrent restricted investments	72,450,394	51,156,921
Total restricted cash, cash equivalents, and investments	\$ 180,165,399	\$ 163,799,355

**Deposits** – At June 30, 2023 and 2022, the net carrying amount of the Authority's deposit account with Bank of America was \$490,867 and \$492,809, respectively, while the corresponding bank balance was \$503,204 and \$616,867, respectively. Outstanding checks account for the respective differences between the carrying amounts and bank balances. Of the aforementioned bank balance, \$250,000 is covered by the Federal Deposit Insurance Corporation, with the excess being secured with collateral of securities held by the pledging financial institution's trust or agent in the Authority's name.

The California Government Code Section 53601 requires California banks and savings and loan associations to secure a public agency's deposits not covered by federal depository insurance by pledging government securities as collateral. The carrying amount of pledged securities must equal at least 110% of the agency's deposits. California law also allows financial institutions to secure agency deposits by pledging first trust deed mortgage notes having a value of 150% of the Authority's total deposits. The collateral must be held at the pledging bank's trust department or other bank acting as the pledging bank's agent in the Authority's name.

**Investments** – The Authority's investments are invested pursuant to the investment policy guidelines included in the MTI for bond funds and adopted by the Governing Board of the Authority for non-bond funds. The objectives of the policies are, in order of priority, preservation of capital, liquidity, and yield. The policies address the types of investment instruments and the percentage of the portfolio in which the Authority may invest its funds as permitted by the California Government Code. Generally, investments shall be made in the context of the "prudent investor" rule.

**Investment in State of California Local Agency Investment Pool** – The Authority is a voluntary participant in the LAIF that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The carrying value of the Authority's investment in this pool is reported in the accompanying statements of net position as restricted cash equivalents at amounts based upon the Authority's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio. The balance available for withdrawal is based on the accounting records maintained by LAIF. Amounts up to \$10 million can be withdrawn on demand. At June 30, 2023 and 2022, the balance of such deposits is \$9,394,906 and \$9,728,226, respectively.

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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**Interest rate risk** – Interest rate risk is the risk that changes in market interest rates that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity its fair value is to changes in market interest rates. One of the ways that the Authority manages its exposure to interest rate risk is by purchasing a combination of short-term and medium-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The Authority monitors the interest rate risk inherent in its portfolio by measuring the weighted-average maturity of its portfolio. The Authority has no specific limitations with respect to this metric.

Under provision of the Authority’s MTI investment policy, and in accordance with Section 53601 of the California Government Code, the Authority may invest in the following types of investments:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury bills, notes, or bonds	5 years	None	None
State warrants or bonds	5 years	None	None
U.S. local agency bonds, notes, or warrants	5 years	None	None
Commercial paper	180 days	15%	10%
Negotiable certificates of deposit	2 years	30%	None
Medium-term maturity corporate notes	3 years	30%	8%
Money market funds	None	20%	10%
State of California LAIF	N/A	None	None
L.A. County Treasurer Investment Pool	N/A	None	None
Mortgage- or asset-backed securities	5 years	20%	None
Repurchase agreements	90 days	50%	None
Guaranteed Investment Contracts and Investment Agreements	5 years	50%	20%
Bankers’ acceptances	270 days	40%	10%
Federal agency obligations	5 years	None	None

In April 2018, the Governing Board adopted a modified Investment Policy for investments not controlled by MTI. Such investments represent approximately 8.0% and 8.9% of the Authority’s investments as of June 30, 2023 and 2022, respectively.

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

Under the provisions of the Authority's non-MTI-related Investment Policy, and in accordance with Section 53601 of the California Government Code, the Authority's non-MTI-related funds may be invested in the following types of investments:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury bills, notes, or bonds	5 years	None	None
Federal agency obligations	5 years	None	None
U.S. local agency bonds, notes, or warrants	5 years	None	None
State warrants or bonds	5 years	None	None
Authority bonds	N/A	None	N/A
Commercial paper	180 days	30%	10%
Negotiable certificates of deposit	2 years	30%	None
Medium-term maturity corporate notes	3 years	30%	8%
Money market funds	None	20%	10%
State of California LAIF	N/A	None	None
L.A. County Treasurer Investment Pool	N/A	None	None
Mortgage- or asset-backed securities	5 years	20%	None
Repurchase agreements	90 days	50%	None
Guaranteed investment contracts and investment agreements	5 years	50%	20%
Bankers' acceptances	270 days	40%	10%

The following schedules indicate the combined distribution of the Authority's investments as of June 30:

	2023		2022	
	Reported Amount	Weighted-Average Maturity (in Years)	Reported Amount	Weighted-Average Maturity (in Years)
Cash and investment type				
Cash	\$ 9,413,714	-	\$ 493,310	-
Money market fund	12,855,754	-	31,187,099	-
LAIF	9,394,906	-	9,728,226	-
U.S. Treasury notes	105,642,226	1.34	48,968,810	1.67
U.S. corporate notes	11,823,351	1.80	8,278,760	0.97
Federal agency obligations	31,035,448	1.09	65,143,150	1.04
	<u>\$ 180,165,399</u>		<u>\$ 163,799,355</u>	

## Alameda Corridor Transportation Authority Notes to Financial Statements

**Disclosure relating to credit risk** – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the distribution of investment amounts by type of investment and rating category as of June 30, 2023 and 2022.

Investment type	Ratings as of June 30, 2023								Total
	AAA / AA+	AA	AA- / A+	A	A-	A-1+	A-1	NR	
Cash and money market	\$ 12,855,754	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,413,714	\$ 22,269,468
LAIF	-	-	-	-	-	-	-	9,394,906	9,394,906
U.S. Treasury notes	61,915,359	-	-	-	-	43,726,867	-	-	105,642,226
U.S. corporate notes	1,128,629	1,335,614	4,006,608	2,636,230	2,716,270	-	-	-	11,823,351
Federal agency obligations	24,750,833	-	-	-	-	6,284,615	-	-	31,035,448
<b>Total</b>	<b>\$ 100,650,575</b>	<b>\$ 1,335,614</b>	<b>\$ 4,006,608</b>	<b>\$ 2,636,230</b>	<b>\$ 2,716,270</b>	<b>\$ 50,011,482</b>	<b>\$ -</b>	<b>\$ 18,808,620</b>	<b>\$ 180,165,399</b>

Investment type	Ratings as of June 30, 2022								Total
	AAA / AA+	AA	AA- / A+	A	A-	A-1+	A-1	NR	
Cash and money market	\$ 31,187,099	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 493,310	\$ 31,680,409
LAIF	-	-	-	-	-	-	-	9,728,226	9,728,226
U.S. Treasury notes	35,241,540	-	-	-	-	13,727,270	-	-	48,968,810
U.S. corporate notes	529,881	1,742,052	2,457,926	2,747,728	801,173	-	-	-	8,278,760
Federal agency obligations	38,080,583	-	-	-	-	27,062,567	-	-	65,143,150
<b>Total</b>	<b>\$ 105,039,103</b>	<b>\$ 1,742,052</b>	<b>\$ 2,457,926</b>	<b>\$ 2,747,728</b>	<b>\$ 801,173</b>	<b>\$ 40,789,837</b>	<b>\$ -</b>	<b>\$ 10,221,536</b>	<b>\$ 163,799,355</b>

**Market volatility risk** – Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

**Concentration of credit risk** – The Authority’s investment policies contain no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of the total Authority’s investments are as follows:

	2023	2022
Federal Home Loan Bank – federal agency obligations	\$ 9,327,475	\$ 11,740,916
Federal National Mortgage Association – federal agency obligations	14,048,429	30,095,876
Federal Home Loan Mortgage Corporation – federal agency obligations	8,930,987	16,691,891
Fidelity Institutional	11,793,335	30,894,994

**Investment valuation** – Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an “exit price”) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Authority’s fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

**Level 1** – Quoted prices in active markets for identical assets or liabilities.

**Level 2** – Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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**Level 3** – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

Following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying statements of net position, as well as the general classification of such instruments pursuant to the valuation hierarchy. There have been no changes in the methodologies used at June 30, 2023 and 2022.

**U.S. government securities, mortgage-backed securities, and other debt and equity securities** – Valued at the closing price reported on the major market on which the individual securities are traded or have reported broker trades which may be considered indicative of an active market. Where quoted prices are available in an active market, the investments are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available for the specific security, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics, discounted cash flows, and other observable inputs. Such securities are classified within Level 2 of the valuation hierarchy.

Fair values of investments have been determined by the Authority from observable market quotations, as reflected below. The following tables present the Authority's fair value hierarchy for those assets measured at fair value on a recurring basis as of June 30, 2023 and 2022.

	June 30, 2023			
	Total	Level 1	Level 2	Level 3
Investments				
Federal agencies and municipalities				
U.S. Treasury notes	\$ 105,642,226	\$ -	\$ 105,642,226	\$ -
U.S. corporate notes	11,823,351	-	11,823,351	-
Federal agency obligations	31,035,448	-	31,035,448	-
	\$ 148,501,025	\$ -	\$ 148,501,025	\$ -
Cash and equivalents not measured at fair value				
Cash	9,413,714			
LAIF	9,394,906			
Money market accounts	12,855,754			
	\$ 180,165,399			

**Alameda Corridor Transportation Authority**  
**Notes to Financial Statements**

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	June 30, 2022			
	Total	Level 1	Level 2	Level 3
Investments				
Federal agencies and municipalities				
U.S. Treasury notes	\$ 48,968,810	\$ -	\$ 48,968,810	\$ -
U.S. corporate notes	8,278,760	-	8,278,760	-
Federal agency obligations	65,143,150	-	65,143,150	-
	\$ 122,390,720	\$ -	\$ 122,390,720	\$ -
Cash and equivalents not measured at fair value				
Cash	493,310			
LAIF	9,728,226			
Money market accounts	31,187,099			
	\$ 163,799,355			

**Note 3 – Receivables**

Receivables consist of grants, use fees, and other amounts due from private entities. The following provides a summary of the amounts of accounts and other receivables as of June 30:

	2023	2022
Grants receivable	\$ 984,952	\$ 103,167
Accrued receivable	2,290,898	1,825,820
Interest receivable	950,835	1,081,496
Use fees and other receivables	13,270,277	11,086,931
Total	\$ 17,496,962	\$ 14,097,414

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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#### Note 4 – Assets Held for Transfer

Assets held for transfer represent right-of-way land and land improvements that were acquired by the Authority. Hundreds of parcels and easement rights were acquired in order to complete the construction of the Alameda Corridor. The Authority, under the terms of the Joint Powers Agreement, is not permitted to own any land or land easement rights. The Ports own the land that the trench was built on and the Authority has the right to use and occupy the property under the terms of a Use Permit that was executed between the Ports and the Authority on October 12, 1998. Title to all land and easement rights necessary to operate the Alameda Corridor is in the process of being deeded to the Ports, as tenants in common. There was \$10.2 million in transfers that took place during 2022 and approximately \$66,500 during 2023.

	Balance, June 30, 2022	Additions	Sales/Transfers	Balance, June 30, 2023
Assets held for transfer	\$ 3,182,825	\$ -	\$ (66,496)	\$ 3,116,329
	Balance, June 30, 2021	Additions	Sales/Transfers	Balance, June 30, 2022
Assets held for transfer	\$ 13,347,625	\$ -	\$ (10,164,800)	\$ 3,182,825



## Alameda Corridor Transportation Authority

### Notes to Financial Statements

#### Note 5 – Capital Assets

The following schedule summarizes capital assets for the years ended June 30, 2023 and 2022:

	Balance, June 30, 2022	Additions	Deletions	Balance, June 30, 2023
Buildings and equipment				
Office equipment	\$ 288,302	\$ -	\$ -	\$ 288,302
Buildings	1,102,594	-	-	1,102,594
Revenue assessment and verification system and other software	7,538,810	-	-	7,538,810
Total buildings and equipment	<u>8,929,706</u>	<u>-</u>	<u>-</u>	<u>8,929,706</u>
Alameda Corridor Project Infrastructure				
Capital assets, being depreciated				
Trench structures	715,581,463	-	-	715,581,463
Track and signals	196,509,123	-	-	196,509,123
Rail bridge structures	408,972,328	-	-	408,972,328
Highway bridge structures	147,175,088	-	-	147,175,088
Capital assets, not being depreciated				
Trench structures	224,167,723	-	-	224,167,723
Track and signals	66,493,773	-	-	66,493,773
Rail bridge structures	101,783,053	-	-	101,783,053
Highway bridge structures	45,704,183	-	-	45,704,183
Alameda Corridor Project Infrastructure	<u>1,906,386,734</u>	<u>-</u>	<u>-</u>	<u>1,906,386,734</u>
Total capital assets	<u>1,915,316,440</u>	<u>-</u>	<u>-</u>	<u>1,915,316,440</u>
Less accumulated depreciation for				
Trench structures	(208,402,854)	(10,430,222)	-	(218,833,076)
Track and signals	(61,901,824)	(3,309,086)	-	(65,210,910)
Rail bridge structures	(105,297,112)	(5,292,827)	-	(110,589,939)
Highway bridge structures	(37,842,443)	(1,948,030)	-	(39,790,473)
Office equipment	(288,302)	-	-	(288,302)
Buildings	(735,063)	(36,753)	-	(771,816)
Revenue assessment and verification system and other software	(7,191,055)	(94,618)	-	(7,285,673)
Total accumulated depreciation	<u>(421,658,653)</u>	<u>(21,111,536)</u>	<u>-</u>	<u>(442,770,189)</u>
Capital assets, net	<u>\$ 1,493,657,787</u>	<u>\$ (21,111,536)</u>	<u>\$ -</u>	<u>\$ 1,472,546,251</u>

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

The following schedule summarizes capital assets for the years ended June 30, 2022 and 2021:

	Balance, June 30, 2021	Additions	Deletions	Balance, June 30, 2022
Buildings and equipment				
Office equipment	\$ 288,302	\$ -	\$ -	\$ 288,302
Buildings	1,102,594	-	-	1,102,594
Revenue assessment and verification system and other software	7,538,810	-	-	7,538,810
Total buildings and equipment	8,929,706	-	-	8,929,706
Alameda Corridor Project Infrastructure				
Capital assets, being depreciated				
Trench structures	715,581,463	-	-	715,581,463
Track and signals	196,509,123	-	-	196,509,123
Rail bridge structures	408,972,328	-	-	408,972,328
Highway bridge structures	147,175,088	-	-	147,175,088
Capital assets, not being depreciated				
Trench structures	224,167,723	-	-	224,167,723
Track and signals	66,493,773	-	-	66,493,773
Rail bridge structures	101,783,053	-	-	101,783,053
Highway bridge structures	45,704,183	-	-	45,704,183
Alameda Corridor Project Infrastructure	1,906,386,734	-	-	1,906,386,734
Total capital assets	1,915,316,440	-	-	1,915,316,440
Less accumulated depreciation for				
Trench structures	(197,972,632)	(10,430,222)	-	(208,402,854)
Track and signals	(58,592,739)	(3,309,085)	-	(61,901,824)
Rail bridge structures	(100,004,285)	(5,292,827)	-	(105,297,112)
Highway bridge structures	(35,894,413)	(1,948,030)	-	(37,842,443)
Office equipment	(287,545)	(757)	-	(288,302)
Buildings	(695,246)	(39,817)	-	(735,063)
Revenue assessment and verification system and other software	(7,089,620)	(101,435)	-	(7,191,055)
Total accumulated depreciation	(400,536,480)	(21,122,173)	-	(421,658,653)
Capital assets, net	\$ 1,514,779,960	\$ (21,122,173)	\$ -	\$ 1,493,657,787

#### Note 6 – Bonds Payable

The 1999A Series Senior Lien Tax-Exempt Bonds (“1999A Bonds”), the 1999C Senior Lien Taxable Bonds (“1999C Bonds”), the 2004A Series Subordinate Lien Tax-Exempt Bonds (“2004A Bonds”), the 2004B Subordinate Lien Taxable Bonds (“2004B Bonds”), the 2012 Series Taxable Senior Lien Bonds (“2012 Bonds”), the 2013A Series Tax-Exempt Senior Lien Bonds (“2013A Bonds”), the 2016A Series Subordinate Lien Tax-Exempt Bonds (“2016A Bonds”), the 2016B Series Second subordinate Lien Tax-Exempt Bonds (“2016B Bonds”), the 2022A Tax-Exempt Senior Lien Bonds (“2022A Bonds”), the 2022B Taxable Senior Lien Bonds (“2022B Bonds”), and the 2022C Tax-Exempt Second Subordinate Lien Bonds (“2022C Bonds”) are payable solely from and secured by a pledge of, among other revenues, use fees and container charges to be paid by the UP and BNSF for use of the Project and from shortfall advances to be paid under certain circumstances by the City of Long Beach, acting by and through its Board of Harbor Commissioners, and the City of Los Angeles, acting by and through its Board of Harbor Commissioners.

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

As of June 30, 2023 and 2022, the unamortized premium balance on the 1999A and 1999C, 2004A and 2004B, 2016A and 2016B, and 2022C Bonds was \$40,405,634 and \$70,153,230, respectively.

Long-term liability activity for the years ended June 30, 2023 and 2022, was as follows:

	Balance, June 30, 2022	Additions	Defeased	Payments and Amortization	Balance, June 30, 2023	Due Within One Year
Revenue bonds payable						
1999A Bonds	\$ 50,453,617	\$ -	\$ (11,666,272)	\$ -	\$ 38,787,345	\$ -
1999C Bonds	352,718,669	-	(132,666,894)	-	220,051,775	-
2004A Bonds	36,349,420	-	-	-	36,349,420	-
2004B Bonds	131,132,410	-	-	-	131,132,410	-
2012 Bonds	83,710,000	-	-	-	83,710,000	10,550,000
2013A Bonds	201,005,000	-	(201,005,000)	-	-	-
2016A Bonds	28,595,000	-	-	(10,830,000)	17,765,000	4,945,000
2016B Bonds	556,860,000	-	(191,215,000)	-	365,645,000	-
2022A Bonds	-	169,046,510	-	-	169,046,510	-
2022B Bonds	-	349,694,763	-	-	349,694,763	-
2022C Bonds	-	212,196,986	-	-	212,196,986	-
<b>Total revenue bonds payable</b>	<b>1,440,824,116</b>	<b>730,938,259</b>	<b>(536,553,166)</b>	<b>(10,830,000)</b>	<b>1,624,379,209</b>	<b>15,495,000</b>
Less unamortized bond premium	70,153,230	5,810,310	(32,242,658)	(3,315,248)	40,405,634	-
Accrued interest payable	677,421,450	151,829,412	(149,683,448)	(45,362,147)	634,205,267	12,550,134
<b>Net revenue bonds payable</b>	<b>\$ 2,188,398,796</b>	<b>\$ 888,577,981</b>	<b>\$ (718,479,272)</b>	<b>\$ (59,507,395)</b>	<b>\$ 2,298,990,110</b>	<b>\$ 28,045,134</b>

	Balance, June 30, 2021	Additions	Defeased	Payments and Amortization	Balance, June 30, 2022	Due Within One Year
Revenue bonds payable						
1999A Bonds	\$ 50,453,617	\$ -	\$ -	\$ -	50,453,617	\$ -
1999C Bonds	360,069,260	-	-	(7,350,591)	352,718,669	6,993,264
2004A Bonds	36,349,420	-	-	-	36,349,420	-
2004B Bonds	131,132,410	-	-	-	131,132,410	-
2012 Bonds	83,710,000	-	-	-	83,710,000	-
2013A Bonds	219,715,000	-	-	(18,710,000)	201,005,000	19,990,000
2016A Bonds	34,280,000	-	-	(5,685,000)	28,595,000	10,830,000
2016B Bonds	556,860,000	-	-	-	556,860,000	-
<b>Total revenue bonds payable</b>	<b>1,472,569,707</b>	<b>-</b>	<b>-</b>	<b>(31,745,591)</b>	<b>1,440,824,116</b>	<b>37,813,264</b>
Less unamortized bond premium	78,219,160	-	-	(8,065,930)	70,153,230	-
Accrued interest payable	647,583,068	114,555,684	-	(64,717,303)	677,421,449	40,588,101
<b>Net revenue bonds payable</b>	<b>\$ 2,198,371,935</b>	<b>\$ 114,555,684</b>	<b>\$ -</b>	<b>\$ (124,528,824)</b>	<b>\$ 2,188,398,795</b>	<b>\$ 78,401,365</b>

**1999 Series A Capital Appreciation Bonds** – The 1999A CABs were issued by the Authority in the aggregate amount of \$50,453,617 on February 2, 1999. Proceeds from the sale of these insured 1999A CABs were used to finance a portion of the cost of design and construction of the Project.

The first maturity of the bonds will commence on October 1, 2030. The 1999A CABs, which mature between October 1, 2030 and October 1, 2037, have an accretion yield to maturity at rates ranging from 5.25% to 5.27%. The principal and accrued interest balance outstanding on the 1999A CABs at June 30, 2023 and 2022, are \$38,787,345 and \$99,731,121, and \$50,453,617 and \$120,512,441, respectively.

On July 14, 2022, a portion of the 1999A CABs were tendered by a portion of the proceeds of the Series 2022A Bonds.

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

The 1999A CABs are not subject to optional redemption. The remaining debt service of the 1999A CABs is as follows:

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal Years Ending June 30,			
2024	\$ -	\$ -	\$ -
2025	-	-	-
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029–2033	13,831,178	61,318,822	75,150,000
2034–2038	24,956,167	144,808,833	169,765,000
	<u>38,787,345</u>	<u>206,127,655</u>	<u>244,915,000</u>
Total	<u>\$ 38,787,345</u>	<u>\$ 206,127,655</u>	<u>\$ 244,915,000</u>

**1999 C Bonds** – The 1999C Bonds include both current interest bonds (CIBs) and CABs.

**1999 Series C Current Interest Bonds** – The 1999C CIBs were issued by the Authority in the aggregate amount of \$430,155,000 on January 1, 1999. Proceeds from the sale of these insured 1999C CIBs were used to finance a portion of the cost of the design and construction of the Project.

Interest on the 1999C CIBs is payable semiannually on April 1 and October 1 of each year commencing April 1, 1999, with principal payments commencing October 1, 2014. The 1999C CIBs Series, which mature annually each October 1 from 2015 through 2029, bear interest at rates ranging from 6.50% to 6.60%. The principal balance outstanding on the 1999C CIBs is \$191,060,000 and \$300,480,000 at June 30, 2023 and 2022, respectively.

On July 14, 2022, a portion of 1999C CIBs were tendered by a portion of the proceeds of the Series 2022B Bonds.

The 1999C CIBs are not subject to optional redemption. The remaining debt service of the Authority's 1999C CIBs is as follows:

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal Years Ending June 30,			
2024	\$ -	\$ 12,609,960	\$ 12,609,960
2025	-	12,609,960	12,609,960
2026	-	12,609,960	12,609,960
2027	42,500,000	11,207,460	53,707,460
2028	45,855,000	8,291,745	54,146,745
2029–2033	102,705,000	6,904,755	109,609,755
	<u>191,060,000</u>	<u>64,233,840</u>	<u>255,293,840</u>
Total	<u>\$ 191,060,000</u>	<u>\$ 64,233,840</u>	<u>\$ 255,293,840</u>

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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**1999C CABs** – The 1999C CABs were issued by the Authority in the aggregate amount of \$67,298,396 on February 9, 1999. Proceeds from the sale of these insured 1999C CABs were used to finance a portion of the cost of the design and construction of the Project.

The first maturity of the bonds were set to commence between October 1, 2020 and October 1, 2037, have an accretion yield to maturity at rates ranging from 6.69% to 6.83%. The principal balance and accrued interest outstanding on the 1999C CABs at June 30, 2023 and 2022, are \$28,991,775 and \$121,482,369, and \$52,238,669 and \$199,886,631, respectively.

The 1999C CABs are not subject to optional redemption. On July 14, 2022 a portion of 1999C CABs were tendered by a portion of the proceeds of the Series 2022B Bonds. As a result, the Authority's remaining debt service on the 2004A CABs is as follows:

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal Years Ending June 30,			
2024	\$ -	\$ -	\$ -
2025	-	-	-
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029–2033	7,099,365	56,545,635	63,645,000
2034–2038	21,892,410	232,257,590	254,150,000
Total	\$ 28,991,775	\$ 288,803,225	\$ 317,795,000

**2004A Bonds** – The 2004A Bonds include both Capital Appreciation Bond – Non Convertible (CABs) and Capital Appreciation Bonds – Convertible (“CCIBs”).

**2004 Series A Capital Appreciation Bonds – Non Convertible** – The 2004A Bonds were initially all CABs. Of the total, \$475,292,386 and \$274,992,286 were convertible and converted to current interest bonds on October 1, 2012, and were callable on October 1, 2017 (CCIBs). \$200,300,100 are not convertible or callable (CABs). The 2004 Bonds were issued by the Authority in the aggregate amount of \$475,292,386 on April 22, 2004. Proceeds from the sale of these insured 2004A Bonds were used to refund a portion of the U.S. Department of Transportation Loan. The 2004A CABs were set to mature between fiscal years 2012 and 2031 and have an accretion yield to maturity at rates ranging from 4.30% to 5.72%.

**Alameda Corridor Transportation Authority**  
**Notes to Financial Statements**

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On May 24, 2016, all of the 2004A CABs maturing during fiscal year 2017 and a portion of the 2004A CABs maturing during fiscal years 2018 through 2021 were advance refunded, defeased, and escrowed to maturity. As a result, the Authority's remaining debt service on the 2004A CABs is as follows:

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal Years Ending June 30,			
2024	\$ -	\$ -	\$ -
2025	-	-	-
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029–2033	36,349,420	121,330,580	157,680,000
Total	\$ 36,349,420	\$ 121,330,580	\$ 157,680,000

The principal and accrued interest balances outstanding on the 2004A CABs at June 30, 2023 and 2022, are \$36,349,420 and \$75,129,450, and \$36,349,420 and \$65,289,213, respectively.

**2004B Bonds** – The 2004B Bonds are capital appreciation bonds that were issued by the Authority in the aggregate amount of \$210,731,703 on April 22, 2004. Proceeds from the sale of these insured 2004B Bonds were used to repay a portion of the U.S. Department of Transportation Loan.

The first maturity of the 2004B Bonds commenced October 1, 2006. The 2004B Bonds mature between October 1, 2006 and October 1, 2033, and have an accretion yield to maturity at rates ranging from 3.05% to 6.33%. The 2004B Bonds are not subject to optional redemption. The principal balance and accrued interest outstanding on the 2004B Bonds are \$131,132,410 and \$303,315,765, and \$131,132,410 and \$277,015,141, at June 30, 2023 and 2022, respectively.

The Authority's remaining debt service on the 2004B Bonds is as follows:

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal Years Ending June 30,			
2024	\$ -	\$ -	\$ -
2025	-	-	-
2026	-	-	-
2027	25,085,190	75,589,810	100,675,000
2028	23,522,714	77,152,286	100,675,000
2029–2033	66,413,487	279,256,513	345,670,000
2034–2038	16,111,019	84,563,981	100,675,000
Total	\$ 131,132,410	\$ 516,562,590	\$ 647,695,000

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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**2012 Bonds** – In June 2012, the Authority issued \$83,710,000 in senior lien bonds through a Railroad Rehabilitation & Improvement Financing (“RRIF”). The 2012 Bonds are current interest bonds. Interest is payable semiannually on April 1 and October 1 of each year commencing October 1, 2012, with principal payments commencing October 1, 2023 through 2035, all at an interest rate of 2.46%. The principal balance on the 2012 Bonds is \$83,710,000 on June 30, 2022 and June 30, 2021. The 2012 Bonds are redeemable at par at the option of the Authority at any time, in whole or in part, from any available moneys that may be provided for such purpose.

The terms of the 2012 Bond transaction required the Authority to establish a dedicated debt service reserve fund (“DSRF”) in the amount of \$7,200,000. The Authority entered into a surety agreement with the Ports to provide a surety for the DSRF until such time as the Authority was able, through scheduled periodic deposits of cash, to fund the DSRF. The Authority made the final cash deposit into the DSRF on October 1, 2019, and the Ports have been released by the trustee from the surety obligation. The Authority’s remaining debt service on the 2012 Bonds is as follows:

Fiscal Years Ending June 30,	Annual Debt Service Requirement		
	Principal	Interest	Total
2024	\$ 10,550,000	\$ 1,932,322	\$ 12,482,322
2025	9,995,000	1,674,669	11,669,669
2026	9,410,000	1,438,433	10,848,433
2027	8,805,000	1,214,368	10,019,368
2028	8,170,000	1,006,794	9,176,794
2029–2033	30,170,000	2,483,762	32,653,762
2034–2038	6,610,000	156,679	6,766,679
Total	\$ 83,710,000	\$ 9,907,027	\$ 93,617,027

**2013A Series Bonds** – The 2013A Bonds were issued by the Authority in the aggregate amount of \$248,325,000 on February 12, 2013. Proceeds from the sale of these 2013A Bonds were used on February 14, 2013, to call and refund all remaining 1999A CIBs.

On July 14, 2022, the remaining 2013A Bonds were fully tendered and refunded by portions of the proceeds of the 2022A and the 2022B Bonds. There was no outstanding balance as of June 30, 2023.

**2016A and B Bonds** – The 2016A and B Tax-Exempt CIBs were issued on May 24, 2016.

**2016A Bonds** – The 2016A Bonds were issued by the Authority in the aggregate amount of \$34,280,000 on May 24, 2016. Proceeds from the sale of these first subordinate lien 2016A Bonds were used on May 24, 2016, to advance refund, defease, and escrow to maturity certain 2004A CABs.

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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The 2016A Bonds are CIBs. Interest is payable semi-annually on April 1 and October 1 of each year commencing on October 1, 2016, with principal payments commencing October 1, 2021 through 2025, at interest rates ranging from 4.00% to 5.00%. The principal balances on the 2016A Bonds are \$17,765,000 and \$28,595,000 on June 30, 2023 and 2022, respectively. The 2016A Bonds are not subject to optional redemption prior to stated maturity dates. The Authority's remaining debt service on the 2016A Bonds is as follows:

Fiscal Years Ending June 30,	Annual Debt Service Requirement		
	Principal	Interest	Total
2024	\$ 4,945,000	\$ 739,900	\$ 5,684,900
2025	6,260,000	484,500	6,744,500
2026	6,560,000	164,000	6,724,000
Total	\$ 17,765,000	\$ 1,388,400	\$ 19,153,400

**2016B Bonds** – The 2016B Bonds were issued by the Authority in the aggregate amount of \$556,860,000 on May 24, 2016. Proceeds from the sale of these second subordinate lien 2016B Bonds were used on May 24, 2016, to advance refund, defease, and escrow to October 1, 2017, all 2004A CCIBs. The difference between the reacquisition price (the amount paid on extinguishment including call premiums and miscellaneous costs of reacquisition) and the net carrying value (amount due at maturity, adjusted for unamortized premiums and/or discounts) resulted in deferred charges on these refundings in the amount of \$21,466,292. These deferred outflows are being amortized over the remaining life of the old debt, as a component of interest expense. Amortization of these charges amounted to \$1,494,411 and \$1,494,411 for the years ended June 30, 2023 and 2022, respectively. The remaining portion is included in deferred outflows of resources on the accompanying statements of net position, in the amount of \$10,894,832 and \$12,344,243 at June 30, 2023 and 2022, respectively.

The 2016B Bonds are CIBs. Interest is payable semiannually on April 1 and October 1 of each year commencing on October 1, 2016, with principal payments commencing on October 1, 2034 through 2037, at interest rates ranging from 3.125% to 5.00%. The principal balance on the 2016B Bonds is \$365,645,000 and \$556,860,000 on June 30, 2023 and 2022, respectively. The 2016B Bonds are redeemable at the option of the Authority on or after October 1, 2026, in whole or in part at any time, from any moneys that may be provided for such purpose and at a redemption price equal to 100% of the principal amount of the 2016B Bonds to be redeemed plus interest accrued to the date fixed for redemption.

On July 14, 2022 a portion of 2016B were tendered by the proceeds of the 2022C Bonds.



## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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The Authority's remaining debt service on the 2016B Bonds is as follows:

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal Years Ending June 30,			
2024	\$ -	\$ 16,849,406	\$ 16,849,406
2025	-	16,849,406	16,849,406
2026	-	16,849,406	16,849,406
2027	-	16,849,406	16,849,406
2028	-	16,849,406	16,849,406
2029–2033	-	84,247,031	84,247,031
2034–2038	365,645,000	52,377,272	418,022,272
	<u>365,645,000</u>	<u>52,377,272</u>	<u>418,022,272</u>
Total	<u>\$ 365,645,000</u>	<u>\$ 220,871,333</u>	<u>\$ 586,516,333</u>

**2022A Bonds** – The 2022A Bonds are convertible appreciation bonds that were issued by the Authority in the aggregate amount of \$169,046,510 on July 14, 2022.

The Series 2022A Bonds were issued (i) to defease the Authority's Outstanding Tax-Exempt Senior Lien Revenue Refunding Bonds, Series 2013A that were set to mature on October 1, 2022; (ii) to pay the purchase price to all holders of the Authority's Outstanding Series 2013A Bonds (other than the Refunded 2013A Bonds who elected to tender such Series 2013A Bonds to the Authority); (iii) to pay the purchase price to all holders of the Authority's Outstanding Tax-Exempt Senior Lien Revenue Bonds, Series 1999A who elected to tender such Series 1999A Bonds to the Authority; (iv) to purchase a debt service surety insurance policy from Assured Guaranty Municipal Corp. ("AGM") for the Series 2022A Bonds; (v) to purchase a municipal bond insurance policy from AGM; and (vi) to pay costs of issuing the Series 2022A Bonds, including costs of the associated tender.

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The first maturity of the 2022A Bonds commences on October 1, 2047. The 2022A Bonds mature between October 1, 2047 and October 1, 2051, and have an accretion yield to maturity at rates ranging from 5.2% to 5.4%. The principal balance and accrued interest outstanding on the 2022A are \$169,046,510 and \$ 8,832,993.

Fiscal Years Ending June 30,	Annual Debt Service Requirement		
	Principal	Interest	Total
2024	\$ -	\$ -	\$ -
2025	-	-	-
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029–2033	-	-	-
2034–2038	-	10,072,551	10,072,551
2039–2043	-	100,725,506	100,725,506
2034–2048	36,865,296	143,400,028	180,265,324
2049–2053	132,181,214	190,373,466	322,554,680
<b>Total</b>	<b>\$ 169,046,510</b>	<b>\$ 444,571,551</b>	<b>\$ 613,618,061</b>

**2022B Bonds** – On July 14, 2022, the 2022B were issued by the Authority in \$349,694,763 aggregate principal amount of Taxable Senior Lien Revenue Refunding Bonds, Series 2022B consisting of the following Series 2022B Bonds: \$117,444,763 principal amount of Series 2022B Capital Appreciation Bonds and \$232,250,000 principal amount of Series 2022B Current Interest Bonds.

The Series 2022B Bonds were being issued (i) to defease the Authority's Outstanding Taxable Senior Lien Revenue Bonds, Series 1999C that were set to mature on October 1, 2022, a portion of Series 1999C Bonds set to mature on October 1, 2029, to the October 1, 2025 sinking fund redemption date and a portion of the Series 1999C Bonds set to mature on October 1, 2034, 2035, 2036, and 2037; (ii) to pay the purchase price to all holders of the Authority's Outstanding Series 1999C Bonds who elected to tender such Series 1999C Bonds to the Authority; (iii) to defease the portion of the Series 2013A Bonds set to mature on October 1, 2023, 2024, 2025, and 2026 and bearing interest at a rate of 5.00%, October 1, 2026 and bearing interest at a rate of 3.000%, October 1, 2027 and bearing interest at a rate of 5.00%, October 1, 2027 and bearing interest at a rate of 3.000%, October 1, 2028 and bearing interest at a rate of 5.00%, October 1, 2028 and bearing interest at a rate of 3.125%, October 1, 2029 and bearing interest at a rate of 5.00%, and October 1, 2029 and bearing interest at a rate of 3.125% to the first optional redemption date (such Series 2013A Bonds together with the Refunded 2022 Maturity of the 2013A Bonds being collectively referred to as the "Refunded 2013A Bonds"); (iv) to purchase a debt service reserve surety policy from AGM for the Series 2022B Bonds; (v) to purchase a municipal bond insurance policy from AGM for the Series 2022B Bonds maturing on October 1, 2046; and (vi) to pay costs of issuing the Series 2022B Bonds, including costs of the associated tender.

**Alameda Corridor Transportation Authority**  
**Notes to Financial Statements**

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The debt service of the Authority's 2022B CIBs is as follows:

Fiscal Years Ending June 30,	Annual Debt Service Requirement		
	Principal	Interest	Total
2024	\$ -	\$ 12,532,210	\$ 12,532,210
2025	-	12,532,210	12,532,210
2026	-	12,532,210	12,532,210
2027	-	12,532,210	12,532,210
2028	-	12,532,210	12,532,210
2029–2033	-	62,661,050	62,661,050
2034–2038	-	62,661,050	62,661,050
2039–2043	-	62,661,050	62,661,050
2034–2048	232,250,000	26,979,460	259,229,460
<b>Total</b>	<b>\$ 232,250,000</b>	<b>\$ 277,623,660</b>	<b>\$ 509,873,660</b>

The principal balance and accrued interest outstanding on the 2022B CABs are \$117,444,763 and \$7,511,870, respectively.

Fiscal Years Ending June 30,	Annual Debt Service Requirement		
	Principal	Interest	Total
2024	\$ -	\$ -	\$ -
2025	-	-	-
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029–2033	-	-	-
2034–2038	-	-	-
2039–2043	108,154,421	237,720,579	345,875,000
2034–2048	9,290,342	27,774,658	37,065,000
2049–2053	-	-	-
<b>Total</b>	<b>\$ 117,444,763</b>	<b>\$ 265,495,237</b>	<b>\$ 382,940,000</b>

**2022C Bonds** – On July 14, 2022, the 2022C were issued by the Authority in \$212,196,986 aggregate principal amount of Tax-Exempt Second Subordinate Lien Revenue Refunding Bonds, Series 2022C consisting of the following Series 2022C Bonds: \$106,105,000 principal amount of Series 2022C Current Interest Bonds and \$106,091,986 principal amount of Series 2022C Convertible Capital Appreciation Bonds.

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### Notes to Financial Statements

The Series 2022C Bonds were being issued (i) to pay the purchase price to all holders of the Authority's Outstanding Tax-Exempt Second Subordinate Lien Revenue Refunding Bonds, Series 2016B, who elected to tender such Series 2016B Bonds to the Authority; (ii) to purchase a debt service surety insurance policy from AGM for the Series 2022C Bonds; (iii) to purchase a municipal bond insurance policy from AGM for all of the Series 2022C Bonds and together with the Series 2022A Insured Bonds and the Series 2022B Insured Bonds; and (iv) to pay costs of issuing the Series 2022C Bonds, including costs of the associated tender.

The debt service of the Authority's 2022C CIBs is as follows:

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal Years Ending June 30,			
2024	\$ -	\$ 5,305,250	\$ 5,305,250
2025	-	5,305,250	5,305,250
2026	-	5,305,250	5,305,250
2027	-	5,305,250	5,305,250
2028	-	5,305,250	5,305,250
2029–2033	-	26,526,250	26,526,250
2034–2038	-	26,526,250	26,526,250
2039–2043	-	26,526,250	26,526,250
2034–2048	-	26,526,250	26,526,250
2049–2053	106,105,000	18,683,375	124,788,375
	<u>106,105,000</u>	<u>18,683,375</u>	<u>124,788,375</u>
Total	<u>\$ 106,105,000</u>	<u>\$ 151,314,625</u>	<u>\$ 257,419,625</u>

The principal balance and accrued interest outstanding on the 2022C CABs are \$106,091,986 and \$5,651,565, respectively.

	Annual Debt Service Requirement		
	Principal	Interest	Total
Fiscal Years Ending June 30,			
2024	\$ -	\$ -	\$ -
2025	-	-	-
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029–2033	-	-	-
2034–2038	-	6,538,093	6,538,093
2039–2043	-	65,380,925	65,380,925
2034–2048	-	65,380,925	65,380,925
2049–2053	106,091,986	180,218,036	286,310,022
	<u>106,091,986</u>	<u>180,218,036</u>	<u>286,310,022</u>
Total	<u>\$ 106,091,986</u>	<u>\$ 317,517,979</u>	<u>\$ 423,609,965</u>

## Alameda Corridor Transportation Authority

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The difference between the reacquisition price (the amount paid on extinguishment including call premiums and miscellaneous costs of reacquisition) and the net carrying value (amount due at maturity, adjusted for unamortized premiums and/or discounts) resulted in deferred charges on these refundings in the amount of \$38,687,219. These deferred outflows are being amortized over the remaining life of the old debt, as a component of interest expense. Amortization of these charges amounted to \$4,524,896 for the year ended June 30, 2023. The remaining portion is included in deferred outflows of resources on the accompanying statements of net position, in the amount of \$34,162,322 at June 30, 2023. There were no deferred outflows or amortization of these charges as of or for the year ended June 30, 2022. The overall economic loss on the refunding was \$88,724,847.

**Accrued interest payable** – The Authority’s accrued interest payable is as follows:

	June 30, 2023		
	CIB	Long-Term CABs	Total
1999A Bonds	\$ -	\$ 99,731,121	\$ 99,731,121
1999C Bonds	3,152,490	121,482,369	124,634,859
2004A Bonds	-	75,129,450	75,129,450
2004B Bonds	-	303,315,765	303,315,765
2012 Bonds	516,227	-	516,227
2016A Bonds	209,700	-	209,700
2016B Bonds	4,212,352	-	4,212,352
2022A Bonds	-	8,832,993	8,832,993
2022B Bonds	3,133,053	7,511,870	10,644,923
2022C Bonds	1,326,312	5,651,565	6,977,877
	<u>\$ 12,550,134</u>	<u>\$ 621,655,133</u>	<u>\$ 634,205,267</u>
	June 30, 2022		
	CIB	Long-Term CABs	Total
1999A Bonds	\$ -	\$ 120,512,441	\$ 120,512,441
1999C Bonds	30,827,998	174,016,553	204,844,551
2004A Bonds	-	65,289,213	65,289,213
2004B Bonds	-	277,015,141	277,015,141
2012 Bonds	516,227	-	516,227
2013A Bonds	2,355,238	-	2,355,238
2016A Bonds	345,075	-	345,075
2016B Bonds	6,543,563	-	6,543,563
	<u>\$ 40,588,101</u>	<u>\$ 636,833,348</u>	<u>\$ 677,421,449</u>

**Alameda Corridor Transportation Authority**  
**Notes to Financial Statements**

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**Combined outstanding bonds debt service** – The Authority’s debt service in aggregate is as follows at June 30, 2023:

	Annual Debt Service Requirement by Bond Issuance		
	Principal	Interest	Total
1999A Bonds	\$ 38,787,345	\$ 206,127,655	\$ 244,915,000
1999C Bonds	220,051,775	353,037,065	573,088,840
2004A Bonds	36,349,420	121,330,580	157,680,000
2004B Bonds	131,132,410	516,562,590	647,695,000
2012 Bonds	83,710,000	9,907,027	93,617,027
2016A Bonds	17,765,000	1,388,400	19,153,400
2016B Bonds	365,645,000	220,871,333	586,516,333
2022A Bonds	169,046,510	444,571,551	613,618,061
2022B Bonds	349,694,763	543,118,897	892,813,660
2022C Bonds	212,196,986	468,832,604	681,029,590
Total	\$ 1,624,379,209	\$ 2,885,747,702	\$ 4,510,126,911

**Note 7 – Pension Plan**

**Plan description** – All qualified employees are eligible to participate in the Authority’s Miscellaneous Employee Pension Plan, a Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the “Plan” or “PERF C”) that is administered by CalPERS. The Plan consists of a miscellaneous risk pool and a safety risk pool, which are comprised of individual employer miscellaneous and safety rate plans, respectively. Individual employers may sponsor more than one miscellaneous and safety rate plan. Each individual employer rate plan generally has less than 100 active members.

The Plan was established to provide retirement, death, and disability benefits to public agency rate plans with generally less than 100 active members. The benefit provisions for PERF C employees are established by statute. A full description regarding the number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information for the respective rate plan is listed in the respective rate plan’s June 30, 2021 Annual Valuation Report (funding valuation). Details of the benefits provided can be obtained in Appendix B of the funding valuation report. This report and CalPERS’ audited financial statements are publicly available reports that can be found on CalPERS’ website at <https://www.calpers.ca.gov/page/forms-publications>.

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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**Benefits provided** – CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 (age 52 for members hired after 2012) with statutorily reduced benefits. All members are eligible for non-duty disability retirement benefits after five years of service. The death benefit is one of the following: the Post Retirement Basic Lump-Sum Death Benefit or the Pre-Retirement Optional Settlement 2W Death Benefit and, if applicable, the 1959 Survivor Benefit Level 3. The cost-of-living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

Hire date	Miscellaneous	
	Prior to January 1, 2013 (Classic Employees)	On or after January 1, 2013 (PEPRA Employees)
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 63+	52 - 67+
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7%	6.750%
Required employer contribution rates	10.870%	7.470%
Employer annual lump sum prepayment	\$ 164,219	\$ 125
Additional discretionary payment	\$ 200,000	\$ -

**Contributions** – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Authority is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The Authority reported net pension liability for its proportionate shares of the net pension liability of each Plan as follows as of June 30, 2023 and 2022:

	2023	2022
Net pension liability as reported by CalPERS	<u>\$ 2,304,499</u>	<u>\$ 809,128</u>

## Alameda Corridor Transportation Authority

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The Authority's net pension liability is measured as the proportionate share of the Plan's net pension liability. The net pension liability of the Plan is measured as of June 30, 2022, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021, rolled forward to June 30, 2022, using standard update procedures. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Authority's proportionate share of the net pension liability for each Plan as of June 30, 2023 and 2022, was as follows:

				Increase	
Plan Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Plan Net Pension Liability/(Asset) (c) = (a) - (b)	Adjustment Report to Value	Adjusted Value	
Balance at June 30, 2022	\$ 10,824,803	\$ 10,015,675	\$ 809,128	\$ -	\$ 809,128
Balance at June 30, 2023	<u>11,893,969</u>	<u>9,589,470</u>	<u>2,304,499</u>	<u>-</u>	<u>2,304,499</u>
Net changes	<u>\$ 1,069,166</u>	<u>\$ (426,205)</u>	<u>\$ 1,495,371</u>	<u>\$ -</u>	<u>\$ 1,495,371</u>

For the years ended June 30, 2023 and 2022, the Authority recognized pension expense (benefit) of \$667,277 and \$(166,819), respectively. At June 30, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 46,279	\$ 30,996
Changes in assumptions	236,144	-
Net difference between projected and actual earnings on Plan investments	422,123	-
Change in employer's proportion	19,775	34,577
Differences between the employer's contributions and the employer's proportionate share of contributions	45,452	23,580
Pension contributions subsequent to measurement date	<u>497,931</u>	<u>-</u>
Total	<u>\$ 1,267,704</u>	<u>\$ 89,153</u>

The \$497,931 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the measurement period ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Years Ending June 30,	
2024	\$ 180,917
2025	156,726
2026	84,793
2027	258,184



## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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**Actuarial assumptions** – Total pension liability for the June 30, 2022 measurement period was determined by an actuarial valuation as of June 30, 2021, with update procedures used to roll forward the total pension liability to June 30, 2022. The collective total pension liability was based on the following assumptions:

	Miscellaneous
Actuarial cost method	Entry Age Normal in accordance with the requirements of GASB 68
Actuarial assumptions	
Discount rate	6.90%
Inflation	2.30%
Projected salary increase	Varies by Entry Age and Service
Mortality	Derived using CalPERS' Membership Data for all Funds. The mortality rates include projected ongoing of mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries.
Post retirement benefit increase	Contract COLA up to 2.3% until Purchasing Power Protection Allowance Floor on Purchasing Power applies.
Investment rate of return	6.90%

**Discount rate** – The discount rate CalPERS used to measure the total pension liability for PERF C was 6.90%. The projection of cash flows CalPERS used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefits payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected return, net of pension plan investment expense, and inflation) are developed for each major asset class.

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short term (first 10 years) and the long term (11+ years) using a building block approach. Using the expected nominal returns for both short term and long term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as follows:

Asset Class	Assumed Asset Allocation	Real Return Years 1 – 10 (1,2)
Global equity - cap-weighted	30.00%	4.45%
Global equity non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
Total	100.00%	

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2021-22 Asset Liability Management study.

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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**Sensitivity of the proportionate share of the net pension liability to changes in the discount rate –**

The following presents the Authority’s proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the Authority’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	Miscellaneous
1% decrease	5.90%
Net pension liability	\$ 3,925,861
Current discount rate	6.90%
Net pension liability, as adjusted	\$ 2,304,499
1% increase	7.90%
Net pension liability	\$ 970,520

**Note 8 – Other Post-Employment Benefits**

**Pension plan fiduciary net position** – Detailed information about the Plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

**Plan description (OPEB)** – The Authority has established a Retiree Healthcare Plan (“HC Plan”) and participates in an agent multiple-employer defined-benefit healthcare plan. The plan provides healthcare benefits to eligible retirees and their dependents. Employees must retire directly from the Authority under a CalPERS disability retirement or service retirement (age 50 and five years of service for Classic employees, but age increases to 52 for Public Employees’ Pension Reform Act (PEPRA) employees hired after January 1, 2013). Benefit provisions are established and may be amended through agreements and memorandums of understanding between the Authority, its management employees, and unions representing Authority employees.

The Authority provides retiree medical benefits through the California Public Employees’ Retirement System Healthcare Program (“PEMHCA”). The Authority contributes, for eligible retirees and their dependents, using the Region 3 Kaiser rate structure at 5% of the active member contribution amount multiplied by years in PEMHCA (increase each year not greater than \$100 per month, total amount not to exceed the active amount). The Authority joined PEMHCA in 2000 for all bargaining units and contributes up to the Kaiser premium based on coverage level for active employees.

The Authority participates in the California Employers’ Retiree Benefit Trust (CERBT) Fund, which is administered by CalPERS. CERBT is a tax-qualified irrevocable trust organized under Internal Revenue Code Section 115 and established to prefund retiree healthcare benefits. CERBT, an agent multiple-employer trust, issues a publicly available financial report including GASB Statement No. 74, *Financial Reporting for Post-Employment Benefit Plans Other Than Pension Plans*; disclosure information in aggregate with the other CERBT participating employers. That report can be obtained from the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov).

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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GAAP requires that the reported results must pertain to liability and asset information within certain defined timeframes. For the information contained in this Note, the following timeframes were utilized:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

**Covered participants (OPEB)** – As of the June 30, 2022 measurement date, the following current and former employees were covered by the benefit terms under the HC Plan:

	<u>Number of Covered Participants</u>
Inactives currently receiving benefits	7
Inactives entitled to but not yet receiving benefits	5
Active employees	<u>11</u>
Total	<u><u>23</u></u>

**Contributions (OPEB)** – The HC Plan and its contribution requirements are established by the Authority and may be amended at any time. The annual contribution is based on the actuarially determined contribution (ADC). The ADC is an amount actuarially determined in accordance with the parameters of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Post-Employment Benefit Other Than Pensions*. The ADC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (of funding excess) over a period not to exceed 30 years. The Authority contracts with CalPERS CERBT for purposes of prefunding its OPEB obligations in a trust.

For the year ended June 30, 2023, the Authority made no contributions to the trust and the trust reimbursed all benefit payments that the Authority made.

For the year ended June 30, 2022, the Authority made no contributions to the trust and the trust reimbursed all benefit payments that the Authority made.

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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**OPEB Liability/(Asset)** – The Authority’s total OPEB Liability/(Asset) was measured as of June 30, 2022. The total OPEB Liability used to calculate the total OPEB Liability/(Asset) is calculated in the June 30, 2021 actuarial valuation which utilized the following actuarial methods and assumptions:

**Actuarial Assumptions**

Actuarial Valuation Date	June 30, 2021
Contribution Policy	Authority contributes full ADC
Discount Rate	5.25% at June 30, 2022 4.75% at June 30, 2021 Expected Authority contributions projected to keep sufficient plan assets to pay all benefits from trust.
General Inflation	2.5% Annually
Mortality, Retirement, Disability, Termination Rates	CalPERS’ 1997-2015 Experience Study
Mortality Improvement	Mortality projected fully generational with Society of Actuaries Scale MP-2021
Salary Increases	2.75%, in aggregate; CalPERS 1997-2015 Experience Study for merit increases
Medical Trend Rate	Non-Medicare – 6.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076 and later years Medicare (Non-Kaiser) – 5.85% for 2022, decreasing to an ultimate rate of 3.75% in 2076 Medicare (Kaiser) – 4.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076
Healthcare Participation	100%
Medical Plan at Retirement	Currently covered: same as current election Currently waived: weighted-average of retiree premiums

The only assumption changed since the prior measurement date is the removal of the Patient Protection and Affordable Care Act (PPACA) excise tax.

## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation CERBT – Strategy 3	Expected Real Rate of Return (Geometric Means)
Global equity	23.00%	4.56%
Fixed income	51.00%	1.56%
Treasury inflation-protected securities (TIPS)	9.00%	-0.08%
Commodities	3.00%	1.22%
Real estate investment trust (REITs)	14.00%	4.06%
Total	<u>100%</u>	

- (a) An expected long-term rate of inflation of 2.50% used for this period.
- (b) An expected long-term net rate of return of 5.25% used for this period.

**Discount rate** – The discount rate used to measure the total OPEB asset was 5.25%. The projection of cash flows used to determine the discount rate assumed that Authority contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB asset.

**Alameda Corridor Transportation Authority**  
**Notes to Financial Statements**

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**Changes in the total OPEB Liability/(Asset)** – The changes in the total OPEB Liability/(Asset) for the HC Plan are as follows:

	Total OPEB Liability (a)	Fiduciary Net Position (b)	Total OPEB Liability/(Asset) (a) – (b)
Balances reported at June 30, 2022 (June 30, 2021 measurement date)	\$ 1,885,994	\$ 2,442,660	\$ (556,666)
Changes for the year			
Service cost	69,031	-	69,031
Interest	91,426	-	91,426
Changes of benefit terms	-	-	-
Actual vs. expected experience	-	-	-
Assumptions changes	(112,347)	-	(112,347)
Contributions – employer *	-	26,172	(26,172)
Contributions – member	-	-	-
Net investment income (loss)	-	(262,018)	262,018
Benefit payments – cash	(60,553)	(60,553)	-
Administrative expense	-	(793)	793
Net changes	(12,443)	(297,192)	284,749
Balances reported at June 30, 2022 (June 30, 2021 measurement date)	\$ 1,873,551	\$ 2,145,468	\$ (271,917)

\* Includes disbursements from trust of \$34,553,  
and \$5,000 implied subsidy benefit payments \$172 admin expenses paid by the Authority.

**Alameda Corridor Transportation Authority**  
**Notes to Financial Statements**

	Total OPEB Liability (a)	Fiduciary Net Position (b)	Total OPEB Liability/(Asset) (a) – (b)
Balances reported at June 30, 2021 (June 30, 2020 measurement date)	\$ 1,671,067	\$ 2,184,500	\$ (513,433)
Changes for the year			
Service cost	90,561	-	90,561
Interest	95,871	-	95,871
Changes of benefit terms	-	-	-
Actual vs. expected experience	225,124	-	225,124
Assumptions changes	(159,592)	-	(159,592)
Contributions – employer *	-	-	-
Contributions – member	-	-	-
Net investment income (loss)	-	296,057	(296,057)
Benefit payments – cash	(37,037)	(37,037)	-
Benefit payments – implied subsidy	-	-	-
Administrative expense	-	(860)	860
Other changes	-	-	-
Net changes	214,927	258,160	(43,233)
Balances reported at June 30, 2022 (June 30, 2021 measurement date)	\$ 1,885,994	\$ 2,442,660	\$ (556,666)

\* Includes disbursements to trust of \$37,127, and \$4,000 implied subsidy benefit payments \$90 admin expenses paid by the Authority.

**Sensitivity of the total OPEB Liability/(Asset) to changes in the discount rate** – The following presents the total OPEB Liability/(Asset) of the Authority if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for the measurement period ended June 30, 2022:

1% decrease	4.25%
Net OPEB Liability/(Asset)	\$ (36,093)
Current discount rate	5.25%
Net OPEB Liability/(Asset)	\$ (271,917)
1% increase	6.25%
Net OPEB Liability/(Asset)	\$ (468,055)



## Alameda Corridor Transportation Authority

### Notes to Financial Statements

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**Sensitivity of the total OPEB Liability/(Asset) to changes in the healthcare cost trend rates** – The following presents the total OPEB Liability/(Asset) of the Authority if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2022:

1% decrease in healthcare trend Net OPEB Liability/(Asset)	\$ (504,870)
Current healthcare trend Net OPEB Liability/(Asset)	\$ (271,917)
1% increase in healthcare trend Net OPEB Liability/(Asset)	\$ 11,612

**OPEB plan fiduciary net position** – CalPERS issues a publicly available financial report that may be obtained from the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov).

**Recognition of deferred outflows and deferred inflows of resources** – Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss. The net difference between projected and actual earnings on OPEB plan investments is recognized over five years; all other amounts are recognized over the expected average remaining service lifetime.

For the fiscal year ended June 30, 2023, the Authority recognized OPEB expense of \$16,258. As of the fiscal year ended June 30, 2023, the Authority reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 133,236	\$ 50,993
Changes in assumptions	-	205,961
Net difference between projected and actual earnings on plan investments	183,391	-
Employer contributions made subsequent to the measurement date	27,219	-
Total	<u>\$ 343,846</u>	<u>\$ 256,954</u>

**Alameda Corridor Transportation Authority**  
**Notes to Financial Statements**

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The Authority made \$27,219 in contributions subsequent to the June 30, 2022 measurement date; therefore, a reduction of the total OPEB Liability/(Asset) was recognized during the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Years Ending June 30,	Deferred Outflows/ (Inflows) of Resources
2024	(31,997)
2025	1,564
2026	24,716
2027	65,390

**Note 9 – Commitments and Contingencies**

The Authority is subject to claims and lawsuits arising in the normal course of business. Such claims are routinely evaluated by the Authority’s legal counsel. Management may make provisions for probable losses if deemed appropriate on advice of legal counsel. To the extent that provisions for damages are considered necessary, appropriate amounts are reflected in the accompanying basic financial statements.

The Authority is also exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets, errors, and omissions, and natural disasters for which the Authority carries commercial insurance. In each of the past three fiscal years, the Authority has experienced no losses that have not been covered by existing insurance policy limits, beyond applicable deductible amounts.

As a recipient of federal and state grant funds, the Authority is subject to periodic audits and compliance reviews by, or on behalf of, the granting agencies to determine whether the expenditure of granted funds has been made in accordance with grant provisions. Such audits and compliance reviews could result in the potential disallowance of expenditures claimed by the Authority. The Authority’s management believes that the Authority has complied with the terms of its grant agreements and that the possible adverse effects, if any, of disallowed grant expenditures that may be determined by the granting agencies upon the Authority would not be material to the Authority.

The novel coronavirus (COVID-19) pandemic, subsequent e-commerce cargo surge, and resulting supply chain congestion have all affected Authority use fees and container charges. In fiscal year 2023, they are down from 2022 by 1.07% due in part to uncertainty caused by unresolved labor negotiations, which is now resolved.

## **Required Supplementary Information**

**Alameda Corridor Transportation Authority**  
**Schedule of Proportionate Share of the Net Pension Liability**  
**June 30, 2023**

Years Ended June 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015
Authority's proportion of the net pension liability/(asset)	0,01995%	0,01496%	0,02024%	0,02065%	0,02078%	0,02123%	0,02129%	0,02106%	0,23270%
Authority's proportionate share of the net pension liability/(asset)	\$ 2,304,499	\$ 809,128	\$ 2,202,035	\$ 2,116,034	\$ 2,001,963	\$ 2,105,587	\$ 1,842,521	\$ 1,445,588	\$ 1,438,008
Authority's covered-employee payroll	\$ 1,529,435	\$ 1,493,023	\$ 1,458,129	\$ 1,491,363	\$ 1,437,994	\$ 1,337,670	\$ 1,318,017	\$ 1,259,844	\$ 1,207,037
Authority's proportionate share of the net pension liability/(asset) as a percentage of its covered-employee payroll	150.68%	54.19%	151.02%	141.89%	139.22%	157.41%	139.79%	114.74%	119.14%
Plan's proportionate share of the fiduciary net position as a percentage of the Plan's total pension liability	76.68%	88.29%	75.10%	75.26%	75.26%	73.31%	74.06%	78.40%	79.44%
Authority's proportionate share of aggregate employer contributions	\$ 497,413	\$ 393,932	\$ 372,986	\$ 324,561	\$ 272,467	\$ 251,819	\$ 222,835	\$ 202,570	\$ 151,265

Note: GASB 68 requires 10 years of historical information. Fiscal year 2015 was the first year of implementation; therefore, only information for the year ended June 30, 2015, and later has been presented.

**Alameda Corridor Transportation Authority**  
**Schedule of Contributions – Pension**  
**June 30, 2023**

Years Ended June 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 297,931	\$ 265,099	\$ 280,569	\$ 263,799	\$ 235,396	\$ 270,374	\$ 243,216	\$ 222,836	\$ 196,611
Contributions in relation to the actuarially determined contribution	<u>(497,931)</u>	<u>(465,099)</u>	<u>(480,569)</u>	<u>(399,799)</u>	<u>(263,896)</u>	<u>(270,374)</u>	<u>(243,216)</u>	<u>(222,836)</u>	<u>(196,611)</u>
Contribution deficiency/(excess)	<u>\$ (200,000)</u>	<u>\$ (200,000)</u>	<u>\$ (200,000)</u>	<u>\$ 136,000</u>	<u>\$ 28,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 1,775,522	\$ 1,529,435	\$ 1,493,023	\$ 1,458,129	\$ 1,491,363	\$ 1,437,994	\$ 1,337,670	\$ 1,318,017	\$ 1,259,844
Contributions as a percentage of covered-employee payroll	28.04%	30.41%	32.19%	27.42%	17.69%	18.80%	18.18%	16.91%	15.61%

Note: GASB 68 requires 10 years of historical information. Fiscal year 2015 was the first year of implementation; therefore, only information for the year ended June 30, 2015, and later has been presented.

**Alameda Corridor Transportation Authority**  
**Schedule of Changes in the Net Other Post-Employment Benefits Asset and Related Ratios**  
**June 30, 2023**

Measurement Periods Ended June 30,	2022	2021	2020	2019	2018	2017
<b>Changes in total OPEB Liability</b>						
Service cost	\$ 69,031	\$ 90,561	\$ 89,465	\$ 90,173	\$ 89,088	\$ 86,494
Interest on the total OPEB Liability	91,426	95,871	89,187	93,375	84,593	76,285
Actual vs. expected experience difference	-	225,124	-	(196,681)	-	-
Changes in assumptions	(112,347)	(159,592)	(29,792)	(44,186)	-	-
Changes in benefit terms	-	-	-	-	-	-
Other changes	-	-	-	-	-	-
Benefit payments	(60,553)	(37,037)	(19,798)	(16,457)	(13,722)	(14,915)
<b>Net change in total OPEB Liability</b>	<b>(12,443)</b>	<b>214,927</b>	<b>129,062</b>	<b>(73,776)</b>	<b>159,959</b>	<b>147,864</b>
<b>Total OPEB liability – beginning</b>	<b>1,885,994</b>	<b>1,671,067</b>	<b>1,542,005</b>	<b>1,615,781</b>	<b>1,455,822</b>	<b>1,307,958</b>
<b>Total OPEB liability – ending (a)</b>	<b>\$ 1,873,551</b>	<b>\$ 1,885,994</b>	<b>\$ 1,671,067</b>	<b>\$ 1,542,005</b>	<b>\$ 1,615,781</b>	<b>\$ 1,455,822</b>
<b>Changes in Plan Fiduciary Net Position</b>						
Contribution – employer	\$ 26,172	\$ -	\$ 44,000	\$ 67,990	\$ 93,762	\$ 94,915
Net investment income	(262,018)	296,057	129,017	136,637	80,572	65,171
Benefit payments	(60,553)	(37,037)	(19,798)	(16,457)	(13,722)	(14,915)
Administrative expense	(793)	(860)	(1,067)	(435)	(3,174)	(835)
Other changes	-	-	-	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>(297,192)</b>	<b>258,160</b>	<b>152,152</b>	<b>187,735</b>	<b>157,438</b>	<b>144,336</b>
<b>Plan fiduciary net position – beginning</b>	<b>2,442,660</b>	<b>2,184,500</b>	<b>2,032,348</b>	<b>1,844,613</b>	<b>1,687,175</b>	<b>1,542,839</b>
<b>Plan fiduciary net position – ending (b)</b>	<b>2,145,468</b>	<b>2,442,660</b>	<b>2,184,500</b>	<b>2,032,348</b>	<b>1,844,613</b>	<b>1,687,175</b>
<b>Total OPEB Liability/(Asset) – ending (a) – (b)</b>	<b>\$ (271,917)</b>	<b>\$ (556,666)</b>	<b>\$ (513,433)</b>	<b>\$ (490,343)</b>	<b>\$ (228,832)</b>	<b>\$ (231,353)</b>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	<b>114.5%</b>	<b>129.5%</b>	<b>130.7%</b>	<b>131.8%</b>	<b>114.2%</b>	<b>115.9%</b>
<b>Covered-employee payroll (measurement period)</b>	<b>\$ 1,534,957</b>	<b>\$ 1,773,193</b>	<b>\$ 1,571,539</b>	<b>\$ 1,494,061</b>	<b>\$ 1,443,796</b>	<b>\$ 1,348,523</b>
<b>Total OPEB Liability/(Asset) as a percentage of covered-employee payroll</b>	<b>-17.7%</b>	<b>-31.4%</b>	<b>-32.7%</b>	<b>-32.8%</b>	<b>-15.8%</b>	<b>-17.2%</b>

Notes to Schedule:

Historical information is required only for measurement periods for which GASBS 75 is applicable.  
Future years' information will be displayed up to 10 years as information becomes available.

**Alameda Corridor Transportation Authority**  
**Schedule of Contributions – Other Post-Employment Benefits**  
**June 30, 2023**

Fiscal Years Ended June 30,	2023	2022	2021	2020	2019	2018
Actuarially Determined Contribution (ADC)	\$ 27,000	\$ 26,000	\$ 46,000	\$ 44,000	\$ 68,000	\$ 66,000
Contributions in relation to the ADC	<u>27,219</u>	<u>26,172</u>	<u>-</u>	<u>44,000</u>	<u>67,990</u>	<u>93,762</u>
Contribution deficiency (excess)	<u>\$ (219)</u>	<u>\$ (172)</u>	<u>\$ 46,000</u>	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ (27,762)</u>
Covered-employee payroll (fiscal year)	\$ 1,733,417	\$ 1,534,987	\$ 1,773,193	\$ 1,571,539	\$ 1,494,061	\$ 1,443,796
Contributions as a percentage of covered-employee payroll	1.6%	1.7%	0.0%	2.8%	4.6%	6.5%

Note: GASBS 75 requires 10 years of historical information. Fiscal year ended June 30, 2018 (measurement period ended June 30, 2017) was the first year of implementation; therefore, only information for five years has been presented.

Methods and Assumptions Used to Determine the 2022/2023 ADC:

Valuation Date:	June 30, 2021
Actuarial Cost Method:	Entry Age Normal, Level % of pay
Amortization Method/Period:	Level percent of payroll; 8.5 years average remaining fixed period
Asset Valuation Method:	Investment gains and losses spread over a five-year rolling period
Discount Rate:	4.75%
General Inflation:	2.50%
Medical Trend Rate:	Non-Medicare – 6.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076 and later years Medicare (Non-Kaiser) – 5.85% for 2022, decreasing to an ultimate rate of 3.75% in 2076 and later years Medicare (Kaiser) – 4.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076
Mortality, Retirement, Disability, Termination Rates:	CalPERS' 1997-2015 Experience Study
Mortality Improvement:	Mortality projected fully generational with Society of Actuaries Scale MP-2021

Historical information is required only for measurement periods for which GASBS 75 is applicable.  
Future years' information will be displayed up to 10 years as information becomes available.

MINUTES OF A REGULAR MEETING OF THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY GOVERNING BOARD HELD AT LONG BEACH CITY COLLEGE LIBERAL ARTS CAMPUS BOARD ROOM, 4901 E. CARSON STREET, BUILDING T1100, LONG BEACH, CALIFORNIA 90808 ON SEPTEMBER 14, 2023 AT 10:00 A.M.

**A. ROLL CALL**

Members present:

- Michael Cano, Los Angeles County Metro
- Tim McOsker, City of Los Angeles
- Edward Renwick, Port of Los Angeles
- Suely Saro, City of Long Beach

Alternate members present:

- Michael DiBernardo, Port of Los Angeles
- Duane Kenagy, Port of Long Beach
- Sharon Weissman, Port of Long Beach

Members absent:

None

Also present:

- Michael Leue, ACTA, Chief Executive Officer
- Kevin Scott, ACTA, Chief Financial Officer
- Heather McCloskey, ACTA, Co-General Counsel
- Thomas Oh, ACTA, Co-General Counsel
- Maria Melendres, ACTA, Governing Board Secretary

**B. OPENING STATEMENT**

CHAIR SARO PRESIDED AS CHAIR.

The meeting was called to order at 10:05 a.m. The opening statement was read into the record.

**C. AGENDA ITEMS**

**Reports**

1. JULY 2023 CORRIDOR PERFORMANCE

Michael Leue presented the Corridor performance statistics through July 2023.

(Vice Chair McOsker arrived at 10:11 a.m.)

**Consent Agenda**

2. MINUTES - ACTA GOVERNING BOARD REGULAR MEETING OF JULY 13, 2023 – APPROVED.

Minutes of the Regular Meeting of July 13, 2023, of the Governing Board of the Alameda Corridor Transportation Authority, were presented to the Governing Board.

No public comment was received on the Consent Agenda.



Board Member Kenagy motioned, seconded by Vice Chair McOsker that the minutes of the July 13, 2023, Regular Meeting of the Alameda Corridor Transportation Authority be approved as submitted. Carried by the following vote:

AYES: Cano, DiBernardo, Kenagy, McOsker, Renwick, Saro

NOES: None

ABSENT: None

ABSTAIN: Weissman

### **Regular Agenda**

#### **3. CREATION OF AD HOC COMMITTEE FOR FINANCE PLANNING – APPROVED.**

Communication from Michael C. Leue, Chief Executive Officer, and Kevin L. Scott, Chief Financial Officer, dated September 14, 2023, recommending the creation, nomination and approval of an Ad Hoc Committee for Finance Planning, was presented to the Governing Board.

No public comment was received on Item No. 3.

Board Member Weissman made a motion to create the committee and nominated Board Members Renwick, Colonna and Cano to serve on the committee, seconded by Vice Chair McOsker. Carried by the following vote:

AYES: Cano, DiBernardo, Kenagy, McOsker, Renwick, Saro, Weissman

NOES: None

ABSENT: None

#### **4. UNDERWRITING SERVICES FOR ACTA’S PROPOSED REVENUE REFUNDING BOND FINANCING – J.P. MORGAN SECURITIES LLC, RBC CAPITAL MARKETS, GOLDMAN SACHS & CO. LLC, SIEBERT WILLIAMS SHANK & CO., AND SAMUEL A. RAMIREZ & COMPANY – APPROVED.**

Communication from Kevin L. Scott, Chief Financial Officer, dated September 14, 2023, recommending the approval of investment banking firms to be selected from ACTA’s previously Board-approved team for 2022 bond transactions to undertake tenders and negotiate sale of bonds in 2023, 2024, and 2025 including 1) J.P. Morgan Securities LLC as Book Running Senior Manager; RBC Capital Markets as Co-Senior Manager; and Goldman, Sachs & Co. LLC, Siebert Williams Shank & Co., and Samuel A. Ramirez & Company, Inc. as Co-Managers; and 2) J.P. Morgan Securities LLC and RBC Capital Markets as Dealer Managers of tenders, was presented to the Governing Board.

No public comment was received on Item No. 4.

Vice Chair McOsker motioned, seconded by Chair Saro that Item No. 4 be approved as recommended. Carried by the following vote:

AYES: Cano, DiBernardo, Kenagy, McOsker, Renwick, Saro, Weissman

NOES: None

ABSENT: None

5. EXECUTIVE RECRUITING – SHEY HARDING – INFORMATION.

Communication from Michael C. Leue, Chief Executive Officer, dated September 14, 2023, with information on the organization transition plan and proposed contract with Shey Harding, an Executive Search firm, to assist with ACTA’s staff hiring, was presented to the Governing Board.

Vice Chair McOsker requested that the job description for the position of Chief Operating Officer be emailed to the Board.

No public comment was received on Item No. 5.

**D. CLOSED SESSION**

No closed session for today’s meeting.

**PUBLIC COMMENT ON NON-AGENDA ITEMS**

A written public comment submitted by Michele Grubbs, Vice President of the Pacific Merchant Shipping Association, was received and read into the record.

Chair Saro asked staff to come back to the Board with a report on the South Coast Air Quality Management District Independent Source Rule matter.


**ADJOURNMENT**

At 10:37 a.m., the meeting was adjourned sine die.

# M E M O

## *Alameda Corridor Transportation Authority*

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To: Governing Board  
Meeting Date: December 14, 2023  
From: Kevin L. Scott, Chief Financial Officer   
Subject: RECEIVE AND FILE Monthly Financial Reports as of September 30, 2023

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### **Recommendation:**

Receive and file the Monthly Financial Reports as of September 2023.

### **Discussion:**

The financial package includes the following:

- Executive Summary – Monthly key financial activity (See Transmittal 1).  
Performance Comparisons – Current Month (September) and year-to-date (both by fiscal year and calendar year) of **Revenue** (corridor use fee) and corresponding **TEU** information; **Change** is compared to prior year actuals by month, fiscal year and calendar year.  
Use Fees and Container Charges – Use fee and container charge information is provided in a bar chart by fiscal year. The current year shows the actuals to date overlain on the approved fiscal year budget, and with a notation of the latest forecast for fiscal year revenue.
- Monthly Financial Statements (See Transmittal 2).  
Statements of Net Position - Unaudited statement of ACTA's assets and liabilities as of September 30, 2023. The audited June 30, 2023 financial information is also included for comparative purposes to the beginning of the fiscal year.  
Statement of Revenues, Expenses and Changes in Net Position – Fiscal Year 2023 unaudited statement of revenues, expenses and changes in net position through September 30, 2023. Also included is the statement as of September 2022 which has been included for comparative purposes for three months of information.  
Comparison of Budget Functional Expenses – Operating Budget by Expense Type - The fiscal year-to-date budget is compared to actual revenue and expenditures incurred as of September 30, 2023.  
Comparison of Budget Functional Expenses – Operating Budget by Funds - The fiscal year-to-date budget is compared to actual revenue and expenditures incurred as of September 30, 2023.

Cash and Investment Summary – Cash and investment balances and the corresponding investment schedule are being presented as of September 30, 2023. The cash and investment balances are segregated by institution, account number reference, and account description. Balances are presented in book and market value. Also included are the grant funds received for the SR-47 project during the current fiscal year. The investment schedule summarizes the composition of the agency’s investment portfolio and how the portfolio complies with the Board approved Investment Policy.

Cash Flow – Cash flow for the month of September 2023 is presented. It is presented in both a summary format and a detailed format. A fiscal year-to-date cash flow showing all activity through September 30, 2023 is also presented in both a summary format and a detailed format. The dollar amounts represent the book values for each account.

**Co-General Counsel Review:**

ACTA’s Co-General Counsel has reviewed this Board Report and there are no legal issues at this time.

**Transmittals:**

Transmittal 1 - Executive Summary – Key financial activity

Transmittal 2 - Monthly Financial Statements as of September 30, 2023

# ***Key Financial Activity***

## ***September '23 vs. '22***

# Corridor Performance

## *September '23 vs. '22*

### *Railroad Self-Assessment Revenue*

	'23	'22	Change
<b>April Revenue</b>	<b>\$8.8 M</b>	<b>\$8.7 M</b>	<b>1.4 %</b>
<b>Calendar Year to Date (Jan-Sep) *</b>	<b>\$72.3 M</b>	<b>\$75.0 M</b>	<b>- 3.6 %</b>
<b>Fiscal Year to Date (July-Sep) *</b>	<b>\$25.7 M</b>	<b>\$26.9 M</b>	<b>- 4.5 %</b>

\* Note: Does not include reconciliations / adjustments for fiscal year-end.

# Corridor Volumes

**September '23 vs. '22**

TEUs (Daily Containers)

## *Operations – On Corridor*

	'23	'22	Change
TEU's *	380,481 (6,891)	410,140 (7,428)	- 7.2 %
Calendar Year to Date	3,105,446 (6,181)	3,441,355 (6,849)	- 9.8 %
Fiscal Year to Date	1,111,857 (6,567)	1,276,719 (7,540)	- 12.9 %

## *Operations – Around Corridor (Container Charges)*

	'23	'22	Change
TEU's *	11,873 (215)	17,447 (316)	- 32.0 %
Calendar Year to Date	95,600 (190)	127,180 (253)	- 24.8 %
Fiscal Year to Date	35,438 (209)	49,077 (290)	- 27.8 %

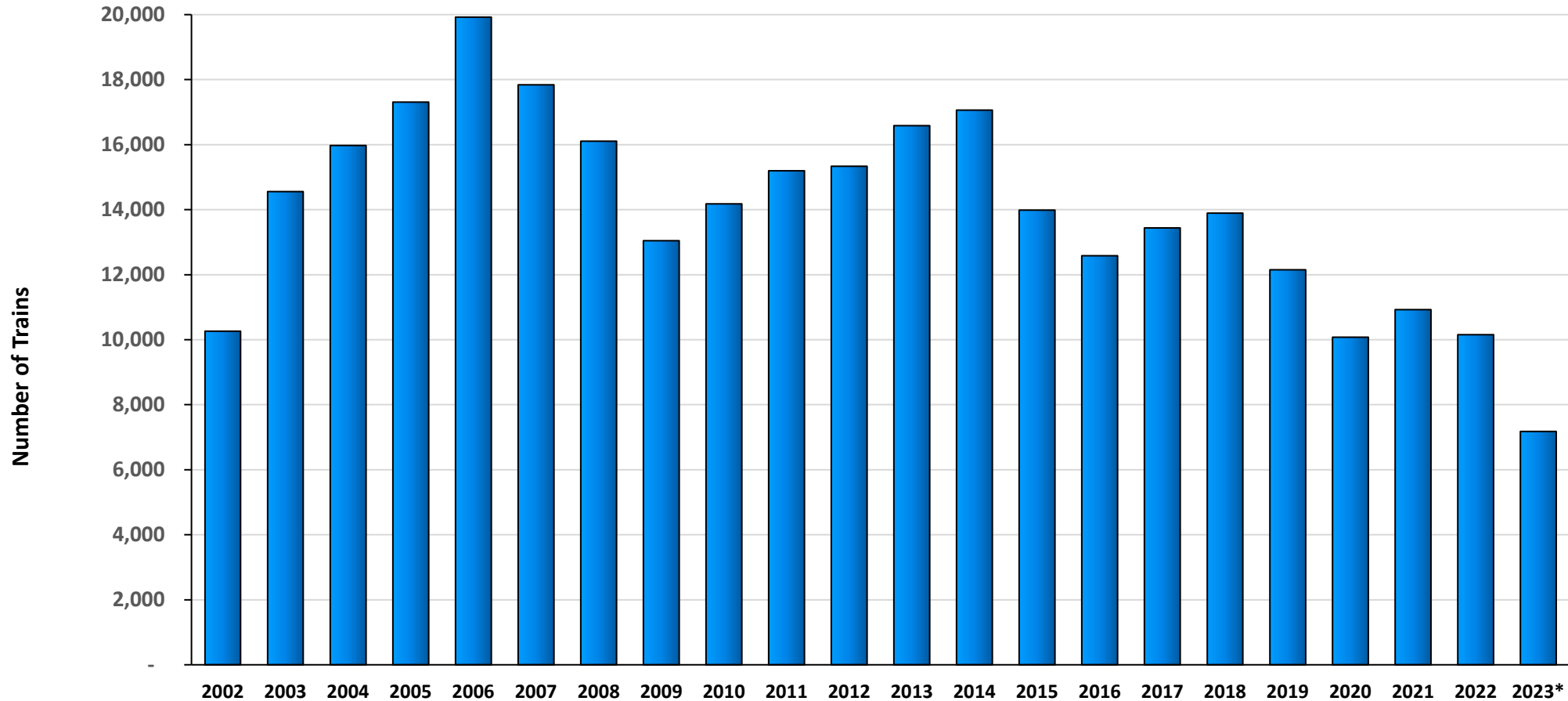
## *Operations – Combined*

	'23	'22	Change
TEU's *	392,354 (7,106)	427,586 (7,744)	- 8.2 %
Calendar Year to Date	3,201,047 (6,371)	3,568,535 (7,103)	- 10.3 %
Fiscal Year to Date	1,147,295 (6,776)	1,325,796 (7,830)	- 13.5 %

Note: Numbers in ( ) are the Average Daily Containers, Daily TEU's ÷ 1.84 = Containers

\* Containers trucked to off-dock intermodal yards that are charged ACTA fee

# Alameda Corridor Train Counts



Average Daily Trains\*\*:

<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
39	40	44	47	55	49	44	36	39	42	42
<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
45	47	38	34	37	38	33	28	30	28	26

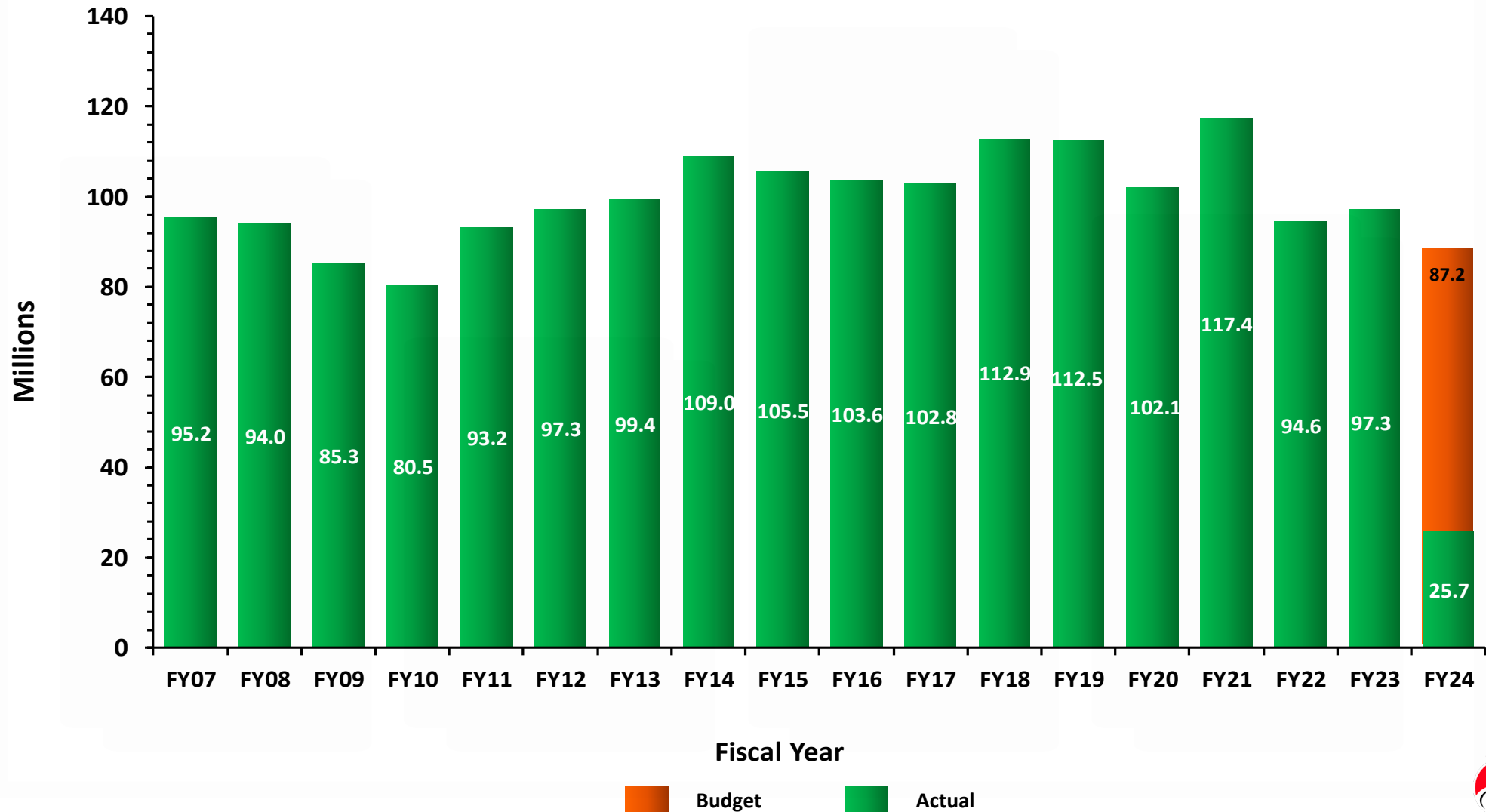
\* Calendar Year-to-Date

\*\* Corridor Capacity 150 Trains per Day



# Use Fees & Container Charges

## as of September 30, 2023





# Statements of Net Position

## September 30, 2023 & June 30, 2023

	<u>September 2023</u>	<u>June 2023</u>	
<b><u>Assets &amp; Deferred Outflows of Resources</u></b>			
<b>Current Assets:</b>			
Restricted Cash & Cash Equivalents, & Investments	\$ 100,974,308	\$ 107,715,005	
Receivables	12,199,759	17,496,962	
Prepaid Expenses	1,690,232	2,294,731	
<b>Total Current Assets</b>	<b>114,864,299</b>	<b>127,506,698</b>	
Prepaid Bond Insurance Premiums, net	18,367,423	18,539,640	
Restricted Investments *	108,729,217	72,450,394	
Assets Held for Transfer	3,116,329	3,116,329	
Net OPEB Asset	271,917	271,917	
Capital Assets Not Being Depreciated	438,148,732	438,148,732	
Capital Assets, Net	1,029,119,635	1,034,397,519	
<b>Total Assets</b>	<b>1,712,617,552</b>	<b>1,694,431,229</b>	
<b>Deferred Outflows of Resources:</b>			
Charges on Refunding	43,457,962	45,012,155	
Pension Contributions & Differences in Experience	1,611,550	1,611,550	
<b>Total Assets &amp; Deferred Outflows of Resources</b>	<b>\$ 1,757,687,064</b>	<b>\$ 1,741,054,934</b>	
<b><u>Liabilities, Deferred Inflows of Resources, &amp; Net Position</u></b>			
<b>Current Liabilities:</b>			
Accounts Payable	\$ 2,531,449	\$ 6,784,529	
Unearned Revenue	6,832,046	4,425,838	
Accrued Interest Payable, Current Portion	25,100,267	12,550,134	
Revenue Bonds Payable, Current Portion	15,495,000	15,495,000	
Other Liabilities	559,894	628,447	
<b>Total Current Liabilities</b>	<b>50,518,656</b>	<b>39,883,948</b>	
<b>Noncurrent Liabilities:</b>			
Collateral Deposit	-	-	
Shortfall Advances Payable to Ports	13,297,291	13,115,138	
Net Pension Liability	2,304,499	2,304,499	
Accrued Interest Payable, Net of Current Portion	639,770,579	621,655,133	
Revenue Bonds Payable, Net of Current Portion & Unamortized Discount	1,648,499,349	1,649,289,843	
<b>Total Noncurrent Liabilities</b>	<b>2,303,871,718</b>	<b>2,286,364,613</b>	
<b>Total Liabilities</b>	<b>\$ 2,354,390,374</b>	<b>\$ 2,326,248,561</b>	
<b>Deferred Inflows of Resources</b>	<b>346,107</b>	<b>346,107</b>	
<b><u>Net Position</u></b>			
Net Investment in Capital Assets	-	-	
Restricted for Debt Service	176,149,331	119,498,555	
Restricted for Capital Projects	-	-	
Restricted by Master Trust Agreement	50,436,791	79,612,842	
Unrestricted	(823,635,538)	(784,651,131)	
<b>Total Net Position</b>	<b>(597,049,416)</b>	<b>(585,539,734)</b>	
<b>Total Liabilities, Deferred Inflows of Resources, &amp; Net Position</b>	<b>\$ 1,757,687,064</b>	<b>\$ 1,741,054,934</b>	
* All investments with a maturity within three months are considered cash for the year-end financial statements. Monthly, unaudited financial statements, carry all investments, regardless of maturity date(s), as Restricted Investments. Fully detailed classifications are only done at year-end in accordance with GASB 41, therefore classification differences exist.			
	<b>September 2024</b>	<b>June 2023</b>	<b>FY2024 Increase</b>
<b>Current</b>	<b>\$ 100,974,308</b>	<b>\$ 107,715,005</b>	
<b>Noncurrent</b>	<b>108,729,217</b>	<b>72,450,394</b>	
	<b>\$ 209,703,526</b>	<b>\$ 180,165,399</b>	<b>\$ 29,538,127</b>



# Statement of Revenues, Expenses, & Changes in Net Position

For three months ended September 30, 2023 & September 30, 2022

	<u>September 2023</u>	<u>September 2022</u>
<b>Operating Revenues:</b>		
Use Fees & Container Charges	\$ 25,995,905	\$ 28,133,524
Maintenance-of-Way Charges	793,206	393,148
<b>Total Operating Revenues</b>	<u>26,789,111</u>	<u>28,526,672</u>
<b>Operating Expenses:</b>		
Salaries & Benefits	546,084	572,242
Administrative Expenses	252,378	263,937
Professional Services	138,440	127,862
Maintenance-of-Way	1,650,408	1,627,011
Depreciation	5,277,884	5,277,884
<b>Total Operating Expenses</b>	<u>7,865,194</u>	<u>7,868,936</u>
<b>Operating Income (Loss)</b>	18,923,917	20,657,736
<b>Nonoperating Revenues:</b>		
Interest & Investment Revenue, Net	1,111,239	(431,824)
Public Benefit Income	15,235	-
Miscellaneous Revenue	242,034	(126,796)
<b>Total Nonoperating Revenues</b>	<u>1,368,508</u>	<u>(558,620)</u>
<b>Nonoperating Expenses:</b>		
Interest Expense	31,783,649	6,425,790
Expenses for Public Benefit & Pass Thru Expenses	18,458	24,276
Costs of Issuance	-	29,598,476
Gain/Loss Sale or Transfer of Capital Assets	-	-
<b>Total Nonoperating Expenses, Net</b>	<u>31,802,107</u>	<u>36,048,542</u>
<b>Changes in Net Position</b>	(11,509,682)	(15,949,426)
<b>Net Position:</b>		
Net Position, Beginning of Year	(585,539,734)	(524,018,290)
<b>Net Position - End of Year</b>	<u>\$ (597,049,416)</u>	<u>\$ (539,967,716)</u>



# Comparison of Budget By Expense Type as of September 30, 2023

(\$ in thousands)	Fiscal Year-to-Date		
	Budget*	Actuals	Variance
<b>Revenues</b>			
<b>Operating Revenues</b>			
Use Fees & Container Charges	\$ 21,791,969	\$ 25,995,905	\$ 4,203,936
Maintenance-of-Way Charges	3,665,164	793,206	(2,871,958)
<b>Total Operating Revenues</b>	<u>25,457,133</u>	<u>26,789,111</u>	<u>1,331,978</u>
<b>Other Revenues</b>			
<b>Projects</b>			
Pier Pass	15,000	15,000	-
EPA Order & Pass Thru Income	292,459	-	(292,459)
<b>Subtotal Projects</b>	<u>307,459</u>	<u>15,000</u>	<u>(292,459)</u>
<b>Miscellaneous</b>			
Public Benefit Income	748,213	15,235	(732,978)
Gain/Loss from Sale of Fixed Assets	-	-	-
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	16,523	227,034	210,511
Investment Income	377,504	1,111,239	733,735
<b>Subtotal Miscellaneous</b>	<u>1,142,240</u>	<u>1,353,508</u>	<u>211,268</u>
<b>Subtotal Other Revenues</b>	<u>1,449,699</u>	<u>1,368,508</u>	<u>(81,191)</u>
<b>Total Sources of Funds</b>	<u>26,906,832</u>	<u>28,157,619</u>	<u>1,250,787</u>
<b>Expenses</b>			
Salaries	560,803	427,868	(132,935)
Benefits	260,190	118,216	(141,974)
Office Expenses	126,308	135,660	9,352
Other Management Expenses	25,975	6,410	(19,565)
Information Technologies	45,875	4,377	(41,498)
Bank & Investment	43,750	33,165	(10,585)
ACET Administrative & Capital Support	386,486	72,767	(313,719)
Audit	51,532	32,703	(18,829)
Legal	170,000	63,929	(106,071)
Governmental Affairs	21,250	-	(21,250)
Other Professional Services	480,406	41,809	(438,597)
Pass Thru Expenses & EPA Order	292,459	18,080	(274,379)
Expenses for Public Benefit	748,213	378	(747,835)
<b>Total Administrative Expenses</b>	<u>3,213,247</u>	<u>955,362</u>	<u>(2,257,885)</u>
Maintenance-of-Way Expenses-Rail - Contractors	2,886,170	601,590	(2,284,580)
Maintenance-of-Way Expenses-Rail - Capital	-	-	-
Maintenance-of-Way Expenses-Rail - Other	778,994	811,669	32,675
Maintenance-of-Way Expenses-Nonrail - Contractors	359,809	85,478	(274,331)
Maintenance-of-Way Expenses-Nonrail - Capital	1,552,885	106,370	(1,446,515)
Maintenance-of-Way Expenses-Nonrail - Other	66,207	29,199	(37,008)
Maintenance-of-Way Expenses - ACTA	47,725	16,102	(31,623)
<b>Total Maintenance-of-Way Expenses</b>	<u>5,691,790</u>	<u>1,650,408</u>	<u>(4,041,383)</u>
<b>Subtotal Administrative and M&amp;O Expenses</b>	<u>8,905,037</u>	<u>2,605,770</u>	<u>(6,299,268)</u>
<b>Financing Expenses</b>			
Debt Service - Interest	12,491,557	13,668,202	1,176,645
Debt Service - Accrued CAB Interest	18,901,772	18,115,445	(786,327)
<b>Subtotal Financing Expenses</b>	<u>31,393,329</u>	<u>31,783,647</u>	<u>390,318</u>
<b>Depreciation &amp; Amortization Expenses</b>			
Depreciation	5,246,291	5,277,884	31,593
Cost of Issuance	-	-	-
<b>Subtotal Depreciation &amp; Amortization Expenses</b>	<u>5,246,291</u>	<u>5,277,884</u>	<u>31,593</u>
<b>Total Operating Expenses</b>	<u>45,544,657</u>	<u>39,667,301</u>	<u>(5,877,356)</u>
<b>Income (Loss)</b>	<u>\$ (18,637,825)</u>	<u>\$ (11,509,682)</u>	<u>\$ 7,128,144</u>

\* Y-T-D Budget calculated on a straight line basis.



# Comparison of Budget By Funds as of September 30, 2023

(\$ in thousands)	Fiscal Year-to-Date		
	Budget*	Actuals	Variance
<b>Revenues</b>			
<b>Operating Revenues</b>			
Use Fees & Container Charges	\$ 21,791,969	\$ 25,995,905	\$ 4,203,936
Maintenance-of-Way Charges	3,665,164	793,206	(2,871,958)
<b>Total Operating Revenues</b>	25,457,133	26,789,111	1,331,978
<b>Other Revenues</b>			
<b>Projects</b>			
Pier Pass	15,000	15,000	-
EPA Order & Pass Thru Income	292,459	-	(292,459)
<b>Subtotal Projects</b>	307,459	15,000	(292,459)
<b>Miscellaneous</b>			
Public Benefit Income	748,213	15,235	(732,978)
Gain/Loss from Sale of Fixed Assets	-	-	-
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	16,523	227,034	210,511
Investment Income	377,504	1,111,239	733,735
<b>Subtotal Miscellaneous</b>	1,142,240	1,353,508	211,268
<b>Subtotal Other Revenues</b>	1,449,699	1,368,508	(81,191)
<b>Total Sources of Funds</b>	26,906,832	28,157,619	1,250,787
<b>Expenses</b>			
Financing Fees	294,824	772	(294,052)
Administrative Costs	1,877,751	936,131	(941,620)
Capital	-	-	-
Railroads-M&O	3,665,164	1,413,259	(2,251,905)
Reserve-M&O	1,978,901	221,047	(1,757,854)
Financing Fees-M&O	47,725	16,102	(31,623)
Revenue Fund-Interest & COI	12,491,557	13,668,203	1,176,646
Expenses for Public Benefit	748,213	378	(747,835)
LAIF General Fund-Pass Thru & EPA	292,459	18,080	(274,379)
<b>Total Expenses</b>	21,396,594	16,273,972	(5,122,621)
<b>Non Cash Expenses</b>			
Accrued CAB Debt Service Interest	18,901,772	18,115,445	(786,327)
Depreciation	5,246,291	5,277,884	31,593
Cost of Issuance	-	-	-
<b>Subtotal Interest, Depreciation, &amp; Amortization Expenses</b>	24,148,063	23,393,329	(754,734)
<b>Total Operating Expenses</b>	45,544,657	39,667,301	(5,877,355)
<b>Income (Loss)</b>	\$ (18,637,825)	\$ (11,509,682)	\$ 7,128,142

\* Y-T-D Budget calculated on a straight line basis.



# Cash & Investment Summary as of September 30, 2023

<b>Cash and Investment Balances (\$ in thousands)</b>					
<u>Institution</u>	<u>Bank Reference #</u>	<u>Chandler Reference #</u>	<u>Account Description</u>	<u>Book Value</u>	<u>Market Value</u>
<b>Bank of America</b>					
	0457 & 0796	-	Concentration & Disbursement	612	612
<b>Pre 1999 Bond Sale Accounts-Union Bank</b>					
	5080	512	SR-47	4,486	4,535
Grant Reimbursement Received this Month \$47,578					
Grant Reimbursement Received FY to Date \$1,032,341					
<b>Local Agency Investment Fund (LAIF)</b>					
	40-19-006	570	General Fund	8,759	8,759
<b>1999, 2004 and 2016 Bond Funds - US Bank-Trustee</b>					
<b>Revenue Funds</b>					
	1170	507	Revenue Fund	4,663	4,663
	1171	508	M & O Fund	5,859	5,878
	1172	509	Reserve Account	14,989	14,979
	1189	518	Administrative Costs	11,823	11,891
<b>Subtotal Revenue Funds</b>				37,334	37,411
<b>Debt Service Funds</b>					
	61180	-	99A Interest	1	1
	61181	-	99A Principal	-	-
	61183	-	99A Redemption	-	-
	61192	-	99A Senior Lien	388	388
	61193	-	99A 17th Level	21,283	21,283
	61186	-	99A Construction	1	1
	61200	-	99C Interest Account	6,407	6,505
	61201	-	99C Principal Account	25,135	25,023
	38003	-	04B Debt Service Reserve	25,137	23,887
	39004	-	04A Debt Service Reserve	34,234	32,332
	38000	516	04B Debt Service	-	-
	39006	-	04A Financing fee	2,503	2,503
	39002	515	04A Debt Service Principal Account	-	-
	59001	-	12 Debt Service Interest Account	1,052	1,052
	59002	-	12 Debt Service Principal Account	10,746	10,746
	59004	516	12 Debt Service Reserve Account	7,775	7,314
	67001	-	13A Debt Service Interest Account	1	1
	67002	-	13A Debt Service Principal Account	7	7
	27000	-	16A Debt Service	5,373	5,373
	27004	-	16A Debt Service Reserve	3,682	3,478
	108006	-	16B- Financing fee	783	783
	108000	-	16B- Financing fee	8,442	8,442
	98000	-	2022 A - DS Fund	32	32
	98001	-	2022 A - DS Reserve Fund	-	-
	98002	-	2022 A - Interest Account	-	-
	98003	-	2022 A - Principal Account	-	-
	98004	-	2022 A - Redemption Account	-	-
	98005	-	2022 A - Cost of Issuance Fund	-	-
	98006	-	2022 A - Bond Proceeds Account	-	-
	53000	-	2022 B - DS Fund	63	63
	53001	-	2022 B - DS Reserve Fund	-	-
	53002	-	2022 B - Interest Account	6,387	6,484
	53003	-	2022 B - Principal Account	-	-
	53004	-	2022 B - Redemption Account	-	-
	53005	-	2022 B - Cost of Issuance Fund	-	-
	53006	-	2022 B - Bond Proceeds Account	-	-
	86000	-	2022 C - DS Fund	2,689	2,689
	86001	-	2022 C - DS Reserve Fund	-	-
	86002	-	2022 C - Interest Account	-	-
	86003	-	2022 C - Principal Account	-	-
	86004	-	2022 C - Redemption Account	-	-
	86005	-	2022 C - Cost of Issuance Fund	-	-
	86006	-	2022 C - Bond Proceeds Account	-	-
<b>Subtotal Debt Service Funds</b>				162,121	158,387
<b>Total 1999, 2004, 2012, 2016, 2022 Bond Funds- U.S. Bank</b>				199,455	195,798
<b>Total Cash &amp; Investment Balances</b>				<b>\$ 213,312</b>	<b>209,704</b>



# Cash & Investment Summary (cont'd)

## as of September 30, 2023

### Investment Schedule (\$ in thousands)

<u>Type of Investment</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Percentage of Total</u>	<u>Investment Policy Limit</u>
Money Market Funds	\$ 91,603	\$ 91,603	43.68%	20.00%
U.S. Government & Agency Obligations	49,963	50,478	24.07%	100.00%
Commercial Paper	-	-	0.00%	15.00%
U.S. Treasury Note	49,730	45,784	21.83%	100.00%
Corporate Bonds	12,645	12,468	5.95%	30.00%
Bank of America	612	612	0.29%	20.00%
Local Agency Investment Fund	8,759	8,759	4.18%	\$40 Million
<b>Total</b>	<b><u>\$ 213,312</u></b>	<b><u>\$ 209,704</u></b>	<b><u>100.00%</u></b>	

### Monthly Cash Flow

		<u>September 2023</u>
<b>Total Beginning Cash</b>		\$ 80,439,094
<b>Receipts</b>		
Use Fees & Container Charges	\$ 8,421,334	
M&O & Misc. Revenues, & Funds Transfers	13,886,978	
<b>Total Receipts</b>	<u>22,308,312</u>	
<b>Disbursements</b>		
Debt Service - Transfer to Accounts	54,580,447	
M&O, Administrative, & Financing Expenses	10,832,078	
<b>Total Disbursements</b>	<u>65,412,525</u>	
<b>Cash Flow for Month</b>		<u>\$ (43,104,213)</u>
<b>Total Ending Cash</b>		<u><u>\$ 37,334,881</u></u>



# Cash Flow as of September 30, 2023

<u>September 2023</u>	
<b>Beginning Cash</b>	
Master Indenture Revenue Fund 1170	60,368,740
Master Indenture M&O Fund 1171	3,569,938
Master Indenture Reserve Fund 1172	10,407,147
1999A Admin Fund 1189	6,093,269
2004A Financing Fund 39006	-
1999C Construction Fund 1206	-
<b>Total Beginning Cash</b>	80,439,094
<b>Receipts</b>	
Use Fee & Container Charges	8,421,334
M&O	2,390,999
Funds Transferred from BOA to Admin Fund	-
Funds Transferred from BOA to Reserve Fund	-
Annual Accounting- transfer from 1999C Interest	-
Annual Accounting - Transfer from Revenue Fund	10,718,843
Interest Income / Loss	777,136
<b>Total Receipts</b>	22,308,312
<b>Total Cash</b>	<b>\$ 102,747,406</b>
<b>Disbursements</b>	
Debt Service - transfer to 1999C Principal	11,559,130
Debt Service - transfer to 1999C Interest	1,050,830
Debt Service - transfer to 2012 Interest	172,076
Debt Service- transfer to 2012 Principal	879,167
Debt Service- transfer to 2022B Interest	1,044,351
Debt Service - transfer to 2013A Principal	-
Semi-Annual Accounting - Transfers & Debt Service	-
Transfer to 2012 Reserve	-
Transfer to 2004A Financing Fee	1,067,345
Transfer to 2016B Financing fee	227,635
Transfer to 1999A Financing fee	387,851
Transfer to Admin Fund	435,431
Transfer to Master Reserve	31,441
Transfer to 2016A Reserve	-
Transfer to 2016B Financing Fee	-
Transfer to 2022C Reserve Fund	-
Transfer to 17th level	21,283,462
Debt service payment - 2016A Interest	5,364,400
Debt service payment - 2016B Interest	8,424,703
Debt service payment - 2004	2,652,625
M&O - Railroads expense payments	113,235
M&O - Reserve expense payments	4,593,226
Administrative expense payments	6,125,617
Financing expense payments	-
<b>Total Disbursements</b>	65,412,525
<b>Net Ending Cash</b>	<b>\$ 37,334,881</b>
<b>Ending Cash</b>	
Master Indenture Revenue Fund 1170	4,662,547
Master Indenture M&O Fund 1171	5,859,443
Master Indenture Reserve Fund 1172	14,989,407
1999A Admin Fund 1189	11,823,484
2004A Financing Fund 39006	-
<b>Total Ending Cash</b>	<b>\$ 37,334,881</b>





# Cash Flow – YTD as of September 30, 2023

<u>Cash Flow - Fiscal Year-to-Date</u>		
		<u>September 2023</u>
<b>Total Beginning Cash as of 7/1/23</b>		\$ 66,180,891
<b>Receipts</b>		
Use Fees & Container Charges	\$ 25,873,567	
M&O & Misc. Revenues, & Funds Transfers	18,857,498	
	<u>44,731,065</u>	
<b>Total Receipts</b>		44,731,065
<b>Disbursements</b>		
Debt Service - Transfer to Accounts	58,771,633	
M&O, Administrative, & Financing Expenses	14,805,442	
	<u>73,577,075</u>	
<b>Total Disbursements</b>		73,577,075
<b>Cash Flow for Fiscal Year</b>		<u>\$ (28,846,010)</u>
<b>Total Ending Cash</b>		<u><u>\$ 37,334,881</u></u>




# Cash Flow – YTD as of September 30, 2023

<u>September 2023</u>	
<b>Beginning Cash as of 7/1/23</b>	
Master Indenture Revenue Fund 1170	46,932,116
Master Indenture M&O Fund 1171	928,185
Master Indenture Reserve Fund 1172	11,323,311
1999A Admin Fund 1189	6,997,279
2004A Financing Fund 39006	-
<b>Total Beginning Cash</b>	66,180,891
<b>Receipts</b>	
Use Fee & Container Charges	25,873,567
M&O	7,043,779
Funds Transferred from BOA to Admin Fund	29,000
Funds Transferred from BOA to Reserve Fund	-
Annual Accounting - Transfer from Revenue Fund	10,718,843
Interest Income / Loss	1,065,876
<b>Total Receipts</b>	44,731,065
<b>Total Cash</b>	\$ 110,911,956
<b>Disbursements</b>	
Debt Service - transfer to 1999C Principal	11,559,130
Debt Service - transfer to 1999C Interest	1,050,830
Debt Service - transfer to 2012 Interest	516,227
Debt Service- transfer to 2012 Principal	2,637,500
Debt Service - transfer to 2022A Interest	3,133,052
Debt Service- transfer to 2013A Principal	-
Semi-Annual Accounting - Transfers & Debt Service	-
Transfer to 2012 Reserve	-
Transfer to 2004A Financing Fee	1,067,345
Transfer to 2016B Financing fee	227,635
Transfer to 1999A Financing fee	387,851
Transfer to Admin Fund	435,431
Transfer to Master Reserve	31,441
Transfer to 2016A Reserve	-
Transfer to 2016B Financing Fee	-
Transfer to 2022C Reserv Fee	-
Transfer to 17th level	21,283,462
Debt service payment - 2016A Interest	5,364,400
Debt service payment - 2016B Interest	8,424,703
Debt service payment - 2004	2,652,625
M&O - Railroads expense payments	2,146,106
M&O - Reserve expense payments	5,518,203
Administrative expense payments	7,141,134
Financing expense payments	-
<b>Total Disbursements</b>	73,577,075
<b>Net Ending Cash</b>	\$ 37,334,881
<b>Ending Cash</b>	
Master Indenture Revenue Fund 1170	4,662,547
Master Indenture M&O Fund 1171	5,859,443
Master Indenture Reserve Fund 1172	14,989,407
1999A Admin Fund 1189	11,823,484
2004A Financing Fund 39006	-
<b>Total Ending Cash</b>	\$ 37,334,881

# M E M O

## *Alameda Corridor Transportation Authority*

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To: Governing Board  
Meeting Date: December 14, 2023  
From: Kevin L. Scott, Chief Executive Officer   
Subject: APPROVE Certain Documents for the Issuance of 2024 Revenue Refunding Bonds and a Tender of Certain Previously Issued bonds

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### **Recommendation:**

Adopt the Resolution of the Governing Board of the Alameda Corridor Transportation Authority.

This Resolution:

1. Approves and authorizes the issuance and sale of Alameda Corridor Transportation Authority Tax-Exempt Senior Lien Revenue Refunding Bonds, Series 2024A (the "Series 2024A Bonds"), Taxable Senior Lien Revenue Refunding Bonds, Series 2024B (the "Series 2024B Bonds"), Tax-Exempt Subordinate Lien Revenue Refunding Bonds, Series 2024C (the "Series 2024C Bonds,") and Taxable Subordinate Lien Revenue Refunding Bonds, Series 2024D (the "Series 2024D Bonds," and collectively, the "Series 2024 Bonds;"); and
  2. Authorizes a cash tender offer or bond exchange to holders of certain of ACTA's taxable and tax-exempt senior lien and subordinate lien revenue bonds and revenue refunding bonds; and
  3. Authorizes (i) the execution and delivery of the Fifteenth Supplemental Trust Indenture providing the terms of the Series 2024A Bonds; (ii) the execution and delivery of the Sixteenth Supplemental Trust Indenture providing the terms of the Series 2024B Bonds; (iii) the execution and delivery of the Seventeenth Supplemental Trust Indenture providing the terms of the Series 2024C Bonds; (iv) the execution and delivery of the Eighteenth Supplemental Trust Indenture providing the terms of the Series 2024D Bonds; (v) the preparation and distribution of a Preliminary Official Statement and a Final Official Statement relating to the sale of the Series 2024 Bonds; (vi) the execution and delivery of one or more Bond Purchase Agreements for the Series 2024 Bonds, one or more Continuing Disclosure Certificates related to the Series 2024 Bonds, and one or more contracts for credit enhancement relating to the Series 2024 Bonds; (vii) execution and delivery of the Dealer Manager Agreement and certain related documents; and (viii) the execution and delivery of related documents and notices; and
  4. Authorizes the Chief Executive Officer or the Chief Financial Officer, or their respective designees, acting individually, to take such other actions as are necessary or desirable in connection with the tender and exchange offers and the issuance of the Series 2024 Bonds, including payment of Costs of Issuance.
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**Discussion:**

ACTA collects Use Fees and Charges for waterborne containers that get transported to and from Southern California by rail, which is ACTA's revenue (Revenue). Revenue is used to pay debt service and operations and administration costs. If Revenue is less than debt service (shortfall), the Port of Los Angeles and Port of Long Beach (Ports) are responsible for paying Contingent Port Obligations of up to 40% of debt service and related financing fees.

A previous bond refinancing, the 2022 Transaction, achieved ACTA's short-term goals for 2022-2026. However, current revenue projections and debt service schedule necessitate additional solutions for anticipated shortfalls in Bond Years ("BY") 2026-2037.

The plan of finance developed in 2022 was a two phased approach, with the first transaction in 2022 and a second transaction planned for 2026 to address shortfalls projections. The 2022 transaction was successful in solving ACTA's near term shortfalls and resulted in shortfalls that decreased from \$1.35 billion to under \$800 million, saving ACTA \$568 million through BY 2037 and removing all shortfalls through FY 2026 (BY 2025). Given the current revenue projections, ACTA is not forecasted to have adequate annual revenues to fund debt service payments due in Bond Years 2026-2037, resulting in annual shortfalls that need to be addressed. The Contingent Port Obligations of 40% of ACTA debt service and financing fees are not sufficient to cover projected shortfall levels in BY 2026 through BY 2029.

Current market conditions suggest that a programmatic approach to reducing risk over the next two years is warranted. Staff proposes that ACTA refund portions of its debt in FY2024 and FY2025, should market conditions continue to be advantageous for it to cost effectively refinance. This multi-year approach will reduce the risk of interest rates increasing and of not being able to sell all the bonds needed in the anticipated large financing in 2026. As the majority of ACTA's debt is non-callable, an Invitation to Tender or Exchange to existing bondholders is the lowest cost method available to restructure outstanding debt service.

The proposed 2024 transaction will be part of a multi-year financing strategy, expected to be completed in 2026, to address the projected shortfalls through Bond Year 2037. With regard to 2024, ACTA staff proposes to issue the following:

- Series 2024A Bonds to fund the purchase of tendered Series 1999A Bonds;
- Series 2024B Bonds to fund the purchase of tendered Series 1999C Bonds and to prepay, redeem or defease to their redemption date or maturity any or all outstanding Series 1999C Bonds;
- Series 2024C Bonds to fund the purchase of tendered Series 2004A Bonds;
- Series 2024D Bonds to fund the purchase of tendered Series 2004B Bonds and to prepay, redeem or defease to their redemption date or maturity any or all maturities of the outstanding Series 2004B Bonds;

Costs of the transaction such as, but not limited to, insurance, transaction fees, information and tender agent fees, rating agency fees, bond, tax and disclosure counsel, financial advisory fees, offering document preparation and closing will be funded from proceeds of the transaction. As an example, an issuance the Series 2024 is expected

to result in transaction costs of approximately \$2.5 million excluding bond insurance and surety fees, tender/exchange fees and underwriting charges and expenses. See Transmittal 1, Exhibit A

Principal 2024 Bond Transaction Documents

There are a number of transaction documents related to the Series 2024 Bond financings which are available online at ACTA's website in substantially final form for consideration and approval by ACTA's Governing Board as follows:

- Governing Board Resolution for the Series 2024 Bonds (Transmittal 1): Approves and authorizes the issuance and sale of the Series 2024 Bonds in an aggregate principal amount not to exceed \$500 million; Approves and authorizes the tender and exchange offer with respect to ACTA's senior lien and subordinate lien taxable and tax-exempt bonds prepayment, redemption or defeasance to their redemption date or maturity any or all maturities with respect to ACTA's and subordinate lien taxable and tax-exempt bonds; Approves the forms of the primary financing documents and delegates to the CEO and CFO, or their designees, the ability to execute and deliver such documents with such changes as the CEO and CFO, or their designees, shall require or approve, and such other ancillary documents necessary or desirable in connection with the transaction; Authorizes municipal bond insurance and debt service reserve surety policies for the Series 2024 Bonds; Authorizes (a) paying the purchase price for tendered senior and subordinate lien bonds; Sets an outside limit for the true interest cost of the Series 2024 Bonds to 8.5% and a maximum underwriters' discount of 0.7% of the aggregate par amount of the Series 2024 Bonds. The maximum Dealer Manager fee will not exceed 0.4% of the aggregate par amount of the bonds that are offered for tender and accepted by the Authority, plus out-of-pocket expenses.
- 2024 Dealer Manager Agreement (Exhibit B-1): Provides for the terms, conditions and compensation for the Dealer Managers, JP Morgan and RBC, in the consummation of the tender of outstanding bonds.
- 15th Supplemental Trust Indenture (Exhibit C-1): Authorizes the issuance of ACTA's Series 2024A Bonds which will be senior lien bonds under ACTA's existing Master Trust Indenture; the Series 2024A Bonds are expected to pay the purchase price for tendered Series 1999A Bonds, if any. The 15th Supplement contemplates that, subject to market conditions, bond insurance and a debt service reserve surety may be provided by a bond insurer.
- 16th Supplemental Trust Indenture (Exhibit C-2): Authorizes the issuance of ACTA's Series 2024B Bonds which will be subordinate lien bonds under ACTA's existing Master Trust Indenture; the Series 2024B Bonds are expected to be used to pay the purchase price for tendered Series 1999C Bonds and to prepay, redeem or defease to their redemption date or maturity any or all outstanding Series 1999C Bonds, if any. The 16th Supplement also contemplates that, subject to market conditions, bond insurance and a debt service reserve surety may be provided by a bond insurer.

- 17th Supplemental Trust Indenture (Exhibit C-3): Authorizes the issuance of ACTA’s Series 2024C Bonds which will be first subordinate lien bonds under ACTA’s existing Master Trust Indenture; the Series 2024C Bonds are expected to be used to pay the purchase price for the tendered Series 2004A Bonds, if any. The 17th Supplement also contemplates that, subject to market conditions, bond insurance and a debt service reserve surety may be provided by a bond insurer.
- 18th Supplemental Trust Indenture (Exhibit C-4): Authorizes the issuance of ACTA’s Series 2024D Bonds which will be first subordinate lien bonds under ACTA’s existing Master Trust Indenture; the Series 2024D Bonds are expected to be used to pay the purchase price for the tendered Series 2004B Bonds and to prepay, redeem or defease to their redemption date or maturity any or all outstanding Series 2004B Bonds, if any. The 18th Supplement also contemplates that, subject to market conditions, bond insurance and a debt service reserve surety may be provided by a bond insurer.
- 2024 Bond Purchase Agreement - Senior Lien (Exhibit D-1): Provide for the sale and distribution of the Series 2024 Senior Lien Bonds by the underwriters designated therein; Designates J.P. Morgan Securities, LLC as lead underwriter.
- 2024 Bond Purchase Agreement – Subordinate Lien (Exhibit D-2): Provide for the sale and distribution of the Series 2024 Subordinate Lien Bonds by the underwriters designated therein; Designates J.P. Morgan Securities, LLC as lead underwriter.
- 2024 Preliminary Official Statement (Exhibits E): Discloses to investors the terms of the 2024 Bonds and other material information concerning ACTA’s Bonds and the Alameda Corridor Project, including the Ports’ and Railroads’ obligations under the Use and Operating Agreement and other relevant documents.
- Escrow Agreement (Exhibit F): Provides for the establishment and funding of escrow accounts for the purpose of defeasing the applicable Bonds, if needed. Requires the execution of escrow purchases by the selected escrow bidding agent and the delivery of verification reports by an independent certified public accountant verifying that the amounts deposited in the escrow accounts (and earnings thereon) will be sufficient to defease the applicable bonds upon redemption or maturity, as applicable.
- Continuing Disclosure Certificates (Exhibit G): Provides that ACTA, and each Port, will provide certain financial and operating information to bondholders annually in accordance with SEC Rule 15c2-12. Similar agreements will be entered into by BNSF and UP.

### Schedule

By the December 14, 2024 meeting of ACTA’s Governing Board, the Harbor Commissions of each Port will have considered approval of Port Resolution, Letter of Representation, and Continuing Disclosure Certificate in connection with the restructuring transaction. ACTA management and its consultants have met with rating agencies. Subject to approval of the Resolution, they will negotiate terms for bond insurance and a debt service reserve fund surety, if cost effective and take other actions set forth in the Resolution with respect to the offering and sale of the Series 2024 Bonds. The tender and exchange offer is scheduled to occur in early January through mid-January 2024. The Series 2024 Bond sale is currently scheduled for the week of January 17, with closing in mid-February 2024.

**Budget Impact:**

No budget appropriation is necessary at this time.

**Co-General Counsel Review:**

Subject to final completion of the documents as authorized in the Resolution, ACTA's Co-General Counsel has reviewed and approved as to form the proposed Resolution, the Dealer Manager Agreement, Bond Purchase Agreements, and Continuing Disclosure Certificates.

**Transmittals:**

## Transmittal 1: Board Resolution

- Exhibit A: Good Faith Estimate
- Exhibit B-1: Form of Dealer Manager Agreement
- Exhibit B-2: Invitation to Tender Bonds
- Exhibit C-1: Form of 15th Supplemental Trust Indenture
- Exhibit C-2: Form of 16th Supplemental Trust Indenture
- Exhibit C-3: Form of 17th Supplemental Trust Indenture
- Exhibit C-4: Form of 18th Supplemental Trust Indenture
- Exhibit D-1: Form of Bond Purchase Agreement (Senior Lien)
- Exhibit D-2: Form of Bond Purchase Agreement (Subordinate Lien)
- Exhibit E: Form of Preliminary Official Statement
- Exhibit F: Form of Escrow Agreement
- Exhibit G: Form of Continuing Disclosure Certificate

**RESOLUTION NO. JPA-23-8**

**A RESOLUTION OF THE GOVERNING BOARD OF THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY APPROVING AND AUTHORIZING THE MAKING OF A TENDER OFFER FOR CERTAIN OF THE AUTHORITY'S OUTSTANDING BONDS; THE NEGOTIATION, PREPARATION, ENTERING INTO, EXECUTION AND DELIVERY, AS APPLICABLE, OF A DEALER MANAGER AGREEMENT AND AN INVITATION TO TENDER OR EXCHANGE BONDS RELATING TO SUCH TENDER OFFER AND THE PURCHASE OF BONDS TENDERED PURSUANT TO THE TENDER OFFER; THE ISSUANCE AND SALE OF ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY TAX-EXEMPT SENIOR LIEN REVENUE REFUNDING BONDS, SERIES 2024A, TAXABLE SENIOR LIEN REVENUE REFUNDING BONDS, SERIES 2024B, TAX-EXEMPT SUBORDINATE LIEN REVENUE REFUNDING BONDS, SERIES 2024C AND TAXABLE SUBORDINATE LIEN REVENUE REFUNDING BONDS, SERIES 2024D; THE EXECUTION AND DELIVERY OF THE FIFTEENTH SUPPLEMENTAL TRUST INDENTURE PROVIDING THE TERMS OF THE SERIES 2024A BONDS; THE EXECUTION AND DELIVERY OF THE SIXTEENTH SUPPLEMENTAL TRUST INDENTURE PROVIDING THE TERMS OF THE SERIES 2024B BONDS; THE EXECUTION AND DELIVERY OF THE SEVENTEENTH SUPPLEMENTAL TRUST INDENTURE PROVIDING THE TERMS OF THE SERIES 2024C BONDS; THE EXECUTION AND DELIVERY OF THE EIGHTEENTH SUPPLEMENTAL TRUST INDENTURE PROVIDING THE TERMS OF THE SERIES 2024D BONDS; THE PREPARATION AND DISTRIBUTION OF ONE OR MORE PRELIMINARY OFFICIAL STATEMENTS AND ONE OR MORE FINAL OFFICIAL STATEMENTS RELATING TO THE SALE OF THE BONDS, AND ANY SUPPLEMENTS OR AMENDMENTS THERETO; THE EXECUTION AND DELIVERY OF ONE OR MORE BOND PURCHASE AGREEMENTS, ONE OR MORE CONTINUING DISCLOSURE CERTIFICATES, AND CONTRACTS FOR CREDIT ENHANCEMENT RELATING TO THE BONDS; THE DEFEASANCE OF CERTAIN OUTSTANDING BONDS AND THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS AND NOTICES, INCLUDING BUT NOT LIMITED TO THE EXECUTION AND DELIVERY OF ONE OR MORE ESCROW AGREEMENTS; AND AUTHORIZING SUCH OTHER ACTIONS AS ARE NECESSARY OR DESIRABLE IN CONNECTION WITH THE TENDER OFFER, THE ISSUANCE OF THE SERIES 2024A BONDS, SERIES 2024B BONDS, SERIES 2024C BONDS AND SERIES 2024D BONDS, AND SUCH DEFEASANCES.**

WHEREAS, pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"), the City of Long Beach and the City of Los Angeles, (collectively, the "Cities") entered into the Joint Exercise of Powers Agreement, as amended and restated December 18, 1996 and as further amended on July 1, 2006 (as amended and restated, the "Joint Powers Agreement"), creating the Alameda Corridor Transportation Authority (the "Authority"), a public entity separate and apart from the Cities;

WHEREAS, pursuant to the Joint Powers Act and a Master Trust Indenture dated as of January 1, 1999 (as amended, the "Master Indenture," and as amended and supplemented, the



“Indenture”), the Authority has issued, among other bonds: (i) \$494,893,616.80 in aggregate principal amount and Initial Amount (as defined in the Indenture) of its Tax-Exempt Senior Lien Revenue Bonds, Series 1999A (the “Series 1999A Bonds”); (ii) \$497,453,395.70 in aggregate principal amount and Initial Amount of its Taxable Senior Lien Revenue Bonds, Series 1999C (the “Series 1999C Bonds”); (iii) \$475,292,386.40 in aggregate principal amount and Initial Amount of its Tax-Exempt Subordinate Lien Revenue Refunding Bonds, Series 2004A (the “Series 2004A Bonds”); (iv) \$210,731,702.85 in aggregate principal amount and Initial Amount of its Taxable Subordinate Lien Revenue Refunding Bonds, Series 2004B (the “Series 2004B Bonds”); (v) \$83,710,000 in aggregate principal amount of its Taxable Senior Lien Revenue Refunding Bonds, Series 2012 (the “Series 2012 Bonds”); (vi) \$34,280,000 in aggregate principal amount of its Tax-Exempt Subordinate Lien Revenue Refunding Bonds, Series 2016A (the “Series 2016A Bonds”); (vii) \$556,860,000 in aggregate principal amount of its Tax-Exempt Second Subordinate Lien Revenue Refunding Bonds, Series 2016B (the “Series 2016B Bonds”); (viii) \$169,046,509.85 in aggregate principal amount and Initial Amount of its Tax-Exempt Senior Lien Revenue Refunding Bonds, Series 2022A (the “Series 2022A Bonds”), (ix) \$349,694,763.00 in aggregate principal amount and Initial Amount of its Taxable Senior Lien Revenue Refunding Bonds, Series 2022B (the “Series 2022B Bonds”) and (x) \$212,196,986.40 in aggregate principal amount and Initial Amount of its Tax-Exempt Second Subordinate Lien Revenue Refunding Bonds, Series 2022C (the “Series 2022C Bonds”), in each case for the purpose of financing or refinancing Costs of the Project (as defined in the Master Indenture). Capitalized terms used herein which are not defined herein shall have meanings given to such terms in the Master Indenture;

WHEREAS, the Series 2012 Bonds are subject to redemption at any time, at the option of the Authority, at a price equal to 100% of the principal amount plus accrued interest;

WHEREAS, Section 2.08 of the Master Indenture provides that the Authority may issue Refunding Bonds from time to time for the purpose, in pertinent part, of providing funds to refund all or a portion of its Outstanding Bonds (as defined in the Indenture);

WHEREAS, Section 2.09 of the Master Indenture provides that such Refunding Bonds may be issued for the purpose of providing funds to refund Outstanding Bonds of an equal or higher priority level under the Master Indenture provided that certain conditions are satisfied, which conditions may include, among others, that Maximum Annual Debt Service following the issuance of such Refunding Bonds, for each level of priority corresponding to the Refunding Bonds, will not exceed the Maximum Annual Debt Service prior to such issuance;

WHEREAS, pursuant to Article V of the Master Indenture, the Authority is authorized to defease all or a portion of the Outstanding Bonds prior to their stated maturities in accordance with the terms set forth in the Master Indenture;

WHEREAS, the Authority desires to make a cash tender offer and/or exchange offer (the “Senior Tender Offer”) to holders of some or all of its Outstanding Senior Lien Bonds (the “Tender Offer Senior Bonds”) on substantially the terms described in the draft Tender Offer Documents (as defined below);

WHEREAS, the Authority desires to issue Senior Lien Bonds, in part, for the following

purposes: (i) providing funds to refund, or exchanging, some or all of the Tender Offer Senior Bonds that the holders thereof elect to tender to or exchange with the Authority (such tendered or exchanged bonds, the “Tendered Senior Bonds”), (ii) on a current delivery basis, for the purpose of prepaying, redeeming or defeasing to their redemption date or maturity any or all maturities of the Outstanding Senior Lien Bonds, and (iii) paying costs of issuing such refunding Senior Lien Bonds, including any premiums with respect to bond insurance and/or a debt service reserve surety policy, if any, for such refunding Senior Lien Bonds;

WHEREAS, the Authority desires to make a cash tender offer and/or exchange offer (the “First Subordinate Tender Offer”) to holders of some or all of its Outstanding First Subordinate Lien Bonds (the “Tender Offer First Subordinate Bonds”, and together with the Tender Offer Senior Bonds, the “Tender Offer Bonds”) on substantially the terms described in the draft Tender Offer Documents;

WHEREAS, the Authority desires to issue First Subordinate Lien Revenue Refunding Bonds, in part, for the following purposes: (i) providing funds to refund, or exchanging, some or all of the Tender Offer First Subordinate Bonds that the holders thereof elect to tender to or exchange with the Authority (such tendered or exchanged bonds, the “Tendered First Subordinate Bonds”, and together with the Tendered Senior Bonds, the “Tendered Bonds”); (ii) on a current delivery basis, for the purpose of prepaying, redeeming or defeasing to their redemption date or maturity any or all maturities of the Outstanding Senior Lien Bonds or the Outstanding First Subordinate Lien Bonds, and (iii) paying costs of issuing such refunding First Subordinate Lien Bonds, including any premiums with respect to bond insurance and/or a debt service reserve surety policy, if any, for such refunding First Subordinate Lien Bonds;

WHEREAS, the Authority may elect to purchase a portion of any Outstanding Senior Lien Bonds and/or Outstanding First Subordinate Lien Bonds of any series on the open market for cancellation;

WHEREAS, in particular, the Authority proposes to issue, as Refunding Bonds under the Master Indenture, its Alameda Corridor Transportation Authority Tax-Exempt Senior Lien Revenue Refunding Bonds, Series 2024A (the “Series 2024A Bonds”), its Alameda Corridor Transportation Authority Taxable Senior Lien Revenue Refunding Bonds, Series 2024B (the “Series 2024B Bonds”), its Alameda Corridor Transportation Authority Tax-Exempt Subordinate Lien Revenue Refunding Bonds, Series 2024C (the “Series 2024C Bonds”), its Alameda Corridor Transportation Authority Taxable Subordinate Lien Revenue Refunding Bonds, Series 2024D (the “Series 2024D Bonds” and together with the Series 2024A Bonds, the Series 2024B Bonds and the Series 2024C Bonds, the “Series 2024 Bonds”) in a total aggregate principal amount or Initial Amount not to exceed \$500,000,000.00 for the purposes of prepaying, redeeming or defeasing all or a portion of any or all maturities of the Outstanding Senior Lien Bonds and/or Outstanding First Subordinate Lien Bonds, and purchasing and/or exchanging the Tendered Bonds; provided, however, that the Authority reserves the right, at its option, to elect not to issue one or more of series of the Series 2024 Bonds;

WHEREAS, the Authority may elect to issue any series of the Series 2024 Bonds as Current Interest Bonds, Capital Appreciation Bonds, or convertible Capital Appreciation Bonds (which

convertible Capital Appreciation Bonds shall be Capital Appreciation Bonds which convert to Current Interest Bonds upon a set conversion date) (“Convertible Capital Appreciation Bonds”), or a combination thereof;

WHEREAS, in connection with the Tender Offers for the Tender Offer Bonds, the Authority will cause to be prepared, among other things, as applicable, a dealer manager agreement between the Authority and such dealer manager(s) as the Authorized Authority Representative may hereinafter appoint (each a “Dealer Manager” and collectively the “Dealer Managers”) for the Tender Offers (the “Dealer Manager Agreement”), an invitation to tender or exchange bonds (the “Invitation”), and other documents, instruments, applications, presentations, agreements, notes, undertakings, filings, forms, certificates, and other ancillary documents and materials in connection therewith (collectively, the “Tender Offer Documents”);

WHEREAS, in connection with the issuance and sale of the Series 2024 Bonds, the Authority desires to prepare and distribute one or more Preliminary Official Statements and one or more Final Official Statements (each as hereinafter defined), and any necessary or desirable supplements or amendments thereto;

WHEREAS, the Authority desires to enter into one or more Bond Purchase Agreements (collectively, the “Bond Purchase Agreement”), by and between the Authority and J.P. Morgan Securities LLC, as representative of the underwriters named therein (collectively, the “Underwriters”), pursuant to which the Authority will agree to issue and sell, and the Underwriters will agree to purchase, the Series 2024 Bonds on the terms and conditions contained therein;

WHEREAS, in connection with the issuance and sale of the Series 2024 Bonds, the Authority desires to execute and deliver one or more Continuing Disclosure Certificates (collectively, the “Continuing Disclosure Certificate”) for the benefit of the holders and beneficial owners of the Series 2024 Bonds;

WHEREAS, in compliance with Government Code Section 5852.1, the Authority has obtained from its financial adviser the required good faith estimates and such estimates are disclosed and set forth on Exhibit A attached hereto;

WHEREAS, the Underwriters under the Bond Purchase Agreement will require that the City of Long Beach, acting by and through its Board of Harbor Commissioners (“POLB”), and the City of Los Angeles, acting by and through its Board of Harbor Commissioners (“POLA”), each execute a letter of representation, a continuing disclosure certificate and certain other documents (collectively, the “Port Documents”) prior to and in connection with the issuance of the Series 2024 Bonds; and

WHEREAS, both POLB and POLA will need to take actions to approve the execution and delivery of their respective Port Documents.

NOW, THEREFORE, be it resolved by the Governing Board of the Authority as follows:

1. The Tender Offers on the Tender Offer Bonds by the Authority, including the payment of cash or exchange of Series 2024 Bonds as the consideration to be offered to the

tendering holders of the Tendered Bonds and the cancellation of the Tendered Bonds, are hereby approved on substantially the terms and conditions as set forth in the Dealer Manager Agreement and the Invitation. Each of the Chief Executive Officer or the Chief Financial Officer of the Authority, or their respective designee(s) (each an “Authorized Authority Representative”), acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, (i) to negotiate, prepare or cause to be prepared, enter into, execute and file, as applicable, with any federal or state regulatory body any form, schedule, document, instrument or agreement required to obtain approval of the Tender Offers, (ii) to take any full and final action deemed necessary, desirable or appropriate with respect to any amendment or modification of, or supplement to, or extension of, the Tender Offers and/or any waiver of the conditions set forth in the Tender Offer Documents with respect to the Tender Offers, the necessity, desirability or appropriateness thereof to be conclusively evidenced by the taking of such action, and (iii) cause the Authority to perform its obligations and exercise its rights under the Tender Offer Documents in connection with the Tender Offers.

2. The draft forms of the Dealer Manager Agreement attached hereto as Exhibit B-1 and the Invitation attached hereto as Exhibit B-2 are hereby authorized and approved, in substantially the forms attached hereto. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, (i) to negotiate, prepare or cause to be prepared, enter into, execute and deliver, as applicable, the Dealer Manager Agreement, substantially in the form attached hereto as Exhibit B-1, the Invitation, substantially in the form attached hereto as Exhibit B-2, and the other Tender Offer Documents, with such changes thereto as the Authorized Authority Representative executing and delivering, as applicable, such Tender Offer Documents may require or approve (with the concurrence of counsel to the Authority), such requirement or approval (and such concurrence) to be conclusively evidenced by the execution and delivery thereof, as applicable; (ii) to appoint the Dealer Managers, information agent and/or depository in accordance with the Tender Offer Documents; (iii) to execute and deliver, as applicable, any additional documents, certificates or instruments related thereto; and (iv) to take such other actions as may be deemed necessary or desirable in order to effect the purposes of this Resolution.

3. The issuance and sale of the Series 2024A Bonds and the Series 2024B Bonds by the Authority are hereby approved in a total aggregate principal amount or Initial Amount not to exceed \$250,000,000.00. The issuance and sale of the Series 2024C Bonds and the Series 2024D Bonds by the Authority are hereby approved in an aggregate principal amount or Initial Amount not to exceed \$250,000,000.00. Each series of the Series 2024 Bonds may be issued as Current Interest Bonds, Capital Appreciation Bonds, or Convertible Capital Appreciation Bonds, or a combination thereof.

4. The Series 2024A Bonds shall be special limited obligations of the Authority secured only by the Trust Estate (as defined in the Indenture) and a pledge of Revenues (as defined in the Indenture), as provided in the Indenture. The proceeds from the sale of the Series 2024A Bonds shall be applied as provided in the Fifteenth Supplemental Trust Indenture and be used for any of the following purposes: (a) to pay the purchase price for some or all of the tax-exempt and/or taxable Tendered Senior Bonds, if any (or the Series 2024A Bonds may be exchanged for the tax-exempt and/or taxable Tendered Senior Bonds), (b) to prepay, redeem or defease to their

redemption date or maturity any or all maturities of the tax-exempt Outstanding Senior Lien Bonds, (c) to pay costs of issuing the Series 2024A Bonds, including any premiums with respect to bond insurance, (d) to pay all fees, costs and expenses associated with conducting the Senior Tender Offer for the tax-exempt Tendered Senior Bonds, and (e) to satisfy the debt service reserve requirement with respect to the Series 2024A Bonds, including the cost of obtaining a debt service reserve surety agreement with respect thereto, if applicable. The Authority may elect, in its discretion, not to proceed with the issuance and sale of the Series 2024A Bonds, or not to use any proceeds of such issuance and sale for the purchase of the tax-exempt Tendered Senior Bonds (and/or not to exchange any tax-exempt Tendered Senior Bonds for Series 2024A Bonds), if the Authority determines that, based on market conditions and/or the results of the Tender Offers, proceeding with such issuance, sale, purchase or exchange is not in the best interests of the Authority.

5. The Series 2024B Bonds shall be special limited obligations of the Authority secured only by the Trust Estate and a pledge of Revenues, as provided in the Indenture. The proceeds from the sale of the Series 2024B Bonds shall be applied as provided in the Sixteenth Supplemental Trust Indenture and be used for any of the following purposes: (a) to pay the purchase price for the taxable Tendered Senior Bonds, if any (or the Series 2024B Bonds may be exchanged for taxable Tendered Senior Bonds), (b) to prepay, redeem or defease to their redemption date or maturity any or all maturities of the taxable Outstanding Senior Lien Bonds, (c) to pay costs of issuing the Series 2024B Bonds, including any premiums with respect to bond insurance, (d) to pay fees, costs and expenses associated with conducting the Senior Tender Offer for the taxable Tendered Senior Bonds, and (e) to satisfy the debt service reserve requirement with respect to the Series 2024B Bonds, including the cost of obtaining a debt service reserve surety agreement with respect thereto, if applicable. The Authority may elect, in its discretion, not to proceed with the issuance and sale of the Series 2024B Bonds, or not to use any proceeds of such issuance and sale for the purchase of taxable Tendered Senior Bonds (and/or not to exchange any taxable Tendered Senior Bonds for Series 2024B Bonds), if the Authority determines that, based on market conditions and/or the results of the Tender Offers, proceeding with such issuance, sale, purchase or exchange is not in the best interests of the Authority.

6. The Series 2024C Bonds shall be special limited obligations of the Authority secured only by a first subordinate lien on the Trust Estate and a pledge of Revenues, as provided in the Indenture. The proceeds from the sale of the Series 2024C Bonds shall be applied as provided in the Seventeenth Supplemental Trust Indenture and be used for any of the following purposes: (a) to pay the purchase price for some or all of the tax-exempt Tendered Senior Bonds and/or tax-exempt Tendered First Subordinate Bonds, if any (or the Series 2024C Bonds may be exchanged for tax-exempt Tendered First Subordinate Bonds), (b) to prepay, redeem or defease to their redemption date or maturity any or all maturities of the tax-exempt Outstanding Senior Lien Bonds or tax-exempt Outstanding First Subordinate Lien Bonds, (c) to pay costs of issuing the Series 2024C Bonds, including any premiums with respect to bond insurance, (d) to pay fees, costs and expenses associated with conducting the First Subordinate Tender Offer for the tax-exempt Outstanding First Subordinate Lien Bonds, and (e) to satisfy the debt service reserve requirement with respect to the Series 2024C Bonds, including the cost of obtaining a debt service reserve surety agreement with respect thereto, if applicable. The Authority may elect, in its discretion, not to proceed with the issuance and sale of the Series 2024C Bonds, or not to use any

proceeds of such issuance and sale for the purchase of tax-exempt Tendered Senior Bonds and/or tax-exempt Tendered First Subordinate Bonds (and/or not to exchange any tax-exempt Tendered First Subordinate Bonds for Series 2024C Bonds) if the Authority determines that, based on market conditions and/or the results of the Tender Offers, proceeding with such issuance, sale, purchase or exchange is not in the best interests of the Authority.

7. The Series 2024D Bonds shall be special limited obligations of the Authority secured only by a first subordinate lien on the Trust Estate and a pledge of Revenues, as provided in the Indenture. The proceeds from the sale of the Series 2024D Bonds shall be applied as provided in the Eighteenth Supplemental Trust Indenture and be used for any of the following purposes: (a) to pay the purchase price for some or all of the taxable Tendered Senior Bonds and/or taxable Tendered First Subordinate Bonds, if any (or the Series 2024D Bonds may be exchanged for taxable Tendered First Subordinate Bonds), (b) to prepay, redeem or defease to their redemption date or maturity any or all maturities of the taxable Outstanding Senior Lien Bonds or taxable Outstanding First Subordinate Lien Bonds, (c) to pay costs of issuing the Series 2024D Bonds, including any premiums with respect to bond insurance, (d) to pay fees, costs and expenses associated with conducting the First Subordinate Tender Offer for the taxable Outstanding First Subordinate Lien Bonds and (d) to satisfy the debt service reserve requirement with respect to the Series 2024D Bonds, including the cost of obtaining a debt service reserve surety agreement with respect thereto, if applicable. The Authority may elect, in its discretion, not to proceed with the issuance and sale of the Series 2024D Bonds, or not to use any proceeds of such issuance and sale for the purchase of taxable Tendered Senior Lien Bonds and/or taxable Tendered First Subordinate Bonds (and/or not to exchange any taxable Tendered First Subordinate Bonds for Series 2024D Bonds) if the Authority determines that, based on market conditions and/or the results of the Tender Offers, proceeding with such issuance, sale, purchase or exchange is not in the best interests of the Authority.

8. The draft form of the Fifteenth Supplemental Trust Indenture attached hereto as Exhibit C-1 is hereby authorized and approved, in substantially the form attached hereto. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to execute and deliver the Fifteenth Supplemental Trust Indenture, substantially in the form attached hereto as Exhibit C-1, with such changes thereto as the Authorized Authority Representative executing and delivering such Fifteenth Supplemental Trust Indenture may require or approve, including any changes required to reflect proceeds of such bonds being used for defeasances (with the concurrence of counsel to the Authority), such requirement or approval (and such concurrence) to be conclusively evidenced by the execution and delivery thereof; and to execute and deliver any additional documents, certificates or instruments related thereto; and to take such other actions as may be deemed necessary or desirable in order to effect the purposes of this Resolution.

9. The draft form of the Sixteenth Supplemental Trust Indenture attached hereto as Exhibit C-2 is hereby authorized and approved, in substantially the form attached hereto. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to execute and deliver the Sixteenth Supplemental Trust Indenture, substantially in the form attached hereto as Exhibit C-2, with such changes thereto as the Authorized Authority Representative executing and delivering such

Sixteenth Supplemental Trust Indenture may require or approve (with the concurrence of counsel to the Authority), such requirement or approval (and such concurrence) to be conclusively evidenced by the execution and delivery thereof; and to execute and deliver any additional documents, certificates or instruments related thereto; and to take such other actions as may be deemed necessary or desirable in order to effect the purposes of this Resolution.

10. The draft form of the Seventeenth Supplemental Trust Indenture attached hereto as Exhibit C-3 is hereby authorized and approved, in substantially the form attached hereto. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to execute and deliver the Seventeenth Supplemental Trust Indenture, substantially in the form attached hereto as Exhibit C-3, with such changes thereto as the Authorized Authority Representative executing and delivering such Seventeenth Supplemental Trust Indenture may require or approve, including any changes required to reflect proceeds of such bonds being used for defeasances (with the concurrence of counsel to the Authority), such requirement or approval (and such concurrence) to be conclusively evidenced by the execution and delivery thereof; and to execute and deliver any additional documents, certificates or instruments related thereto; and to take such other actions as may be deemed necessary or desirable in order to effect the purposes of this Resolution.

11. The draft form of the Eighteenth Supplemental Trust Indenture attached hereto as Exhibit C-4 is hereby authorized and approved, in substantially the form attached hereto. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to execute and deliver the Eighteenth Supplemental Trust Indenture, substantially in the form attached hereto as Exhibit C-4, with such changes thereto as the Authorized Authority Representative executing and delivering such Eighteenth Supplemental Trust Indenture may require or approve (with the concurrence of counsel to the Authority), such requirement or approval (and such concurrence) to be conclusively evidenced by the execution and delivery thereof; and to execute and deliver any additional documents, certificates or instruments related thereto; and to take such other actions as may be deemed necessary or desirable in order to effect the purposes of this Resolution.

12. The draft forms of the Bond Purchase Agreement attached hereto as Exhibit D-1 (with respect to the Series 2024A Bonds and the Series 2024C Bonds) and Exhibit D-2 (with respect to the Series 2024B Bonds and the Series 2024D Bonds) are hereby authorized and approved, in substantially the forms attached hereto. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to execute and deliver the Bond Purchase Agreements, substantially in the forms attached hereto as Exhibit D-1 and Exhibit D-2, as applicable, with such changes thereto as the Authorized Authority Representative executing and delivering such Bond Purchase Agreement may require or approve (with the concurrence of counsel to the Authority), such requirement or approval (and such concurrence) to be conclusively evidenced by the execution and delivery thereof; and to execute and deliver any additional documents, certificates or instruments related thereto; and to take such other actions as may be deemed necessary or desirable in order to effect the purposes of this Resolution. In connection with the negotiation, execution and delivery of the Bond Purchase Agreements, each Authorized Authority Representative is further hereby authorized, empowered and directed to negotiate the purchase

price, interest rates, redemption provisions, dated dates, maturity dates, principal amounts and prepayment provisions with respect to the Series 2024 Bonds, and are further authorized to negotiate any and all other terms and agreements related to the issuance of the Series 2024 Bonds, as an Authorized Authority Representative, acting individually, may determine to be in the best interest of the Authority, all to be conclusively evidenced by the execution and delivery of the applicable Bond Purchase Agreement; provided, however, that (a) the true interest cost of the Series 2024 Bonds to the Authority shall not exceed eight and five-tenths of one percent (8.5%), and (b) the aggregate underwriters' discount shall not exceed seven-tenths of one percent (0.7%) of the aggregate par amount of the Series 2024 Bonds, and (c) the maximum Dealer Manager fee will not exceed four-tenths of one percent (0.4%) of the aggregate par amount of the bonds, including the Tendered Bonds accepted by the Authority, plus out-of-pocket expenses.

13. All or any portion of any series of the Series 2024 Bonds may be sold with credit enhancement (such as, but not limited to, municipal bond insurance or letters of credit) as any Authorized Authority Representative, acting individually, may determine to be in the best interests of the Authority. Further, the Authority may obtain one or more debt service reserve account surety policies, letters of credit, or similar credit facilities to satisfy the Debt Service Reserve Requirement for all or any portion of any series of the Series 2024 Bonds, as any Authorized Authority Representative, acting individually, may determine to be in the best interests of the Authority. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to execute and deliver any documents required to be executed and delivered in connection with such credit enhancement or credit facilities, with such terms and provisions as the Authorized Authority Representative executing and delivering such documents may require or approve (with the concurrence of counsel to the Authority), such requirement or approval (and such concurrence) to be conclusively evidenced by the execution and delivery thereof; and to execute and deliver any additional documents, certificates or instruments related thereto; and to take such other actions as may be deemed necessary or desirable in order to effect the purposes of this Resolution.

14. The prepayment, redemption or defeasance of any or all of the Outstanding Senior Lien Bonds and/or Outstanding First Subordinate Lien Bonds, as provided in Paragraphs 4, 5, 6 and 7 hereof, are hereby authorized and approved, at such time and using proceeds of the sale of the Series 2024A Bonds, the Series 2024B Bonds, the Series 2024C Bonds and the Series 2024D Bonds, as may be provided in the Fifteenth Supplemental Trust Indenture, the Sixteenth Supplemental Trust Indenture, the Seventeenth Supplemental Trust Indenture and the Eighteenth Supplemental Trust Indenture, and the Escrow Agreements (as defined in Paragraph 20 below). Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to negotiate, prepare, or cause to be prepared, execute and deliver such defeasance notices (conditional or otherwise), certificates, instruments and documents, as applicable, as are necessary or desirable to prepay, redeem or defease such Outstanding Senior Lien Bonds and/or Outstanding First Subordinate Lien Bonds, in accordance with the Indenture, and to take any and all actions as may be necessary or desirable to effectuate the purposes of this Resolution.

15. The purchase or exchange of the Tendered Senior Bonds as provided in Paragraphs 4, 5, 6 and 7 hereof is hereby authorized and approved, at such time and using proceeds of the



sale of the Series 2024A Bonds, the Series 2024B Bonds, the Series 2024C Bonds and the Series 2024D Bonds, as provided in the Fifteenth Supplemental Trust Indenture, the Sixteenth Supplemental Trust Indenture, the Seventeenth Supplemental Trust Indenture and the Eighteenth Supplemental Trust Indenture. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to negotiate, prepare, or cause to be prepared, execute and deliver such certificates, instruments and documents, as applicable, as are necessary or desirable to purchase or exchange such Tendered Senior Bonds in accordance with the Indenture, and to take any and all actions as may be necessary or desirable to effectuate the purposes of this Resolution. The Authority may elect, in its discretion, not to proceed with the purchase or exchange of and one or more series of the Tendered Senior Bonds if the Authority determines that, based on market conditions and/or the results of the Tender Offers, proceeding with the purchase or exchange of any such series of the Tendered Senior Bonds is not in the best interests of the Authority.

16. The purchase or exchange of the Tendered First Subordinate Bonds, as provided in Paragraphs 6 and 7 hereof, is hereby authorized and approved, at such time and using proceeds of the sale of the Series 2024C Bonds and Series 2024D Bonds, as provided in the Seventeenth Supplemental Trust Indenture and the Eighteenth Supplemental Trust Indenture. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to negotiate, prepare, or cause to be prepared, execute and deliver such certificates, instruments and documents, as applicable, as are necessary or desirable to purchase or exchange such Tendered First Subordinate Bonds in accordance with the Indenture, and to take any and all actions as may be necessary or desirable to effectuate the purposes of this Resolution. The Authority may elect, in its discretion, not to proceed with the purchase or exchange of the Tendered First Subordinate Bonds if the Authority determines that, based on market conditions and/or the results of the Tender Offers, proceeding with the purchase or exchange of the Tendered First Subordinate Bonds is not in the best interests of the Authority.

17. If the Authority elects, in its discretion, not to proceed with the issuance and sale of one or more series of the Series 2024 Bonds, the remaining series of Series 2024 Bonds to be issued may be renamed so as to maintain contiguous alphabetical ordering of the series of Outstanding Bonds.

18. The purchase of any of the Authority's Outstanding Bonds on the open market for cancellation is hereby authorized and approved, at such time and using such Authority funds, if and as determined by an Authorized Authority Representative.

19. The form of the Preliminary Official Statement (as hereinafter defined) attached hereto as Exhibit E-1 is hereby authorized and approved, in substantially the form attached hereto. The Preliminary Official Statement is to be distributed substantially in the form attached hereto as Exhibit E-1, with such changes thereto as any Authorized Authority Representative may require or approve (with the concurrence of the counsel to the Authority) (together with all supplements and amendments prior to the execution and delivery of the Bond Purchase Agreement, the "Preliminary Official Statement"), which requirement or approval shall be evidenced by the Authority's certification, by its execution of the applicable Bond Purchase Agreement, to the effect that the Preliminary Official Statement is deemed final as of its date, within the meaning of

Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (except for the omission of certain information as permitted by said Rule). Further, each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to execute and deliver the final Official Statement, substantially in the form of the Preliminary Official Statement, with such changes thereto as any Authorized Authority Representative executing and delivering the final Official Statement may require or approve (with the concurrence of counsel to the Authority), including such supplement as may be required (collectively, the “Final Official Statement”), such requirement or approval (and such concurrence) to be conclusively evidenced by the execution and delivery thereof; and to execute and deliver any additional documents, certificates or instruments related thereto, and to take such other actions as may be deemed necessary or desirable in order to effect the purpose of this Resolution. The Underwriters are hereby authorized to distribute copies of the Preliminary Official Statement and the Final Official Statement to persons who may be interested in the purchase of the Series 2024 Bonds, and to deliver the Final Official Statement to the purchasers of the Series 2024 Bonds.

20. The draft form of the Escrow Agreement attached hereto as Exhibit F is hereby authorized and approved, in substantially the form attached hereto. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to execute and deliver one or more such escrow agreements (each an “Escrow Agreement”), each substantially in the form attached hereto as Exhibit F, with such changes thereto as the Authorized Authority Representative executing and delivering such Escrow Agreements may require or approve (with the concurrence of counsel to the Authority), such requirement or approval (and such concurrence) to be conclusively evidenced by the execution and delivery thereof; and to execute and deliver any additional documents, certificates or instruments related thereto; and to take such other actions as may be deemed necessary or desirable in order to effect the purposes of this Resolution.

21. The draft form of the Continuing Disclosure Certificate attached hereto as Exhibit G is hereby authorized and approved, in substantially the form attached hereto. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to execute and deliver one or more such Continuing Disclosure Certificates, each substantially in the form attached hereto as Exhibit G, with such changes thereto as the Authorized Authority Representative executing and delivering such Continuing Disclosure Certificate may require or approve (with the concurrence of the counsel to the Authority), such requirement or approval (and such concurrence) to be conclusively evidenced by the execution and delivery thereof; and to execute and deliver any additional documents, certificates or instruments related thereto; and to take such other actions as may be deemed necessary or desirable in order to effect the purposes of this Resolution.

22. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to appoint one or more Dealer Managers, information agent and/or depository, as applicable and as desired by such Authorized Authority Representative, in respect of the Tender Offers, to appoint such other agents as may be deemed necessary by the Authorized Authority Representative in connection with the Tender Offers, and to pay the fees and costs of the Dealer Managers,

information agent, depository and such other agents, as applicable, in accordance with the Tender Offer Documents.

23. All actions heretofore taken (a) by any officer or agent of the Authority in connection with or related to the Tender Offers, the issuance and sale of the Bonds, or the defeasance of any Outstanding Bonds and (b) by the Authority in connection with its authorization of the execution and delivery of, and the performance of its obligations under, the Use and Operating Agreement and the Master Indenture, and its authorization of the performance of its obligations under the Joint Powers Agreement, are hereby approved, confirmed and ratified.

24. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to take any and all actions and to execute any and all documents as may be necessary or desirable to effectuate the purposes of this Resolution and the documents and transactions herein authorized and to comply with the terms of the documents herein authorized.

25. This Resolution shall take effect immediately. The Secretary shall certify to the adoption of this Resolution by the Authority and shall cause a copy of this Resolution to be transmitted to the Board of Harbor Commissioners of the City of Long Beach and to the Board of Harbor Commissioners of the City of Los Angeles.

I hereby certify that the foregoing resolution was adopted by the Authority at its meeting this \_\_\_ day of \_\_\_\_\_, 2023 by the following vote:

Ayes: \_\_\_\_\_

\_\_\_\_\_

Noes: \_\_\_\_\_

\_\_\_\_\_

Absent: \_\_\_\_\_

\_\_\_\_\_

Not Voting: \_\_\_\_\_

\_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Secretary of Alameda Corridor  
Transportation Authority

APPROVED AS TO FORM:

\_\_\_\_\_, 2023

HYDEE FELDSTEIN SOTO, City Attorney

By: \_\_\_\_\_  
Heather M. McCloskey, Deputy City Attorney  
ACTA Co-General Counsel

Exhibits A through G for Transmittal 1 of Item #2, listed below will be available on the ACTA website at the address/link below.

<https://www.acta.org/wp-content/uploads/2023/12/DEC-2023-02-Transmittal-01-Exhibits.pdf>

Transmittal 1: Board Resolution


- Exhibit A: Good Faith Estimate
- Exhibit B-1: Form of Dealer Manager Agreement
- Exhibit B-2: Invitation to Tender Bonds
- Exhibit C-1: Form of 15<sup>th</sup> Supplemental Trust Indenture
- Exhibit C-2: Form of 16<sup>th</sup> Supplemental Trust Indenture
- Exhibit C-3: Form of 17<sup>th</sup> Supplemental Trust Indenture
- Exhibit C-4: Form of 18<sup>th</sup> Supplemental Trust Indenture
- Exhibit D-1: Form of Bond Purchase Agreement (Senior Lien)
- Exhibit D-2: Form of Bond Purchase Agreement (Subordinated Lien)
- Exhibit E: Form of Preliminary Official Statement
- Exhibit F: Form of Escrow Agreement
- Exhibit G: Form of Continuing Disclosure Certificate

# M E M O

## *Alameda Corridor Transportation Authority*

To: Governing Board

Meeting Date: December 14, 2023

From: Michael C. Leue, Chief Executive Officer 

Subject: APPROVE FY23 Closeout Change Orders 81 and 62 to Agreement No. 27 with Alameda Corridor Engineering Team, decreasing contract compensation amount \$141,908 in aggregate

**Recommendation:**

Authorize the Chief Executive Officer or Chief Financial Officer to issue Change Orders to Contract Work Orders (CWO) with the Alameda Corridor Engineering Team (ACET) for FY23 as follows:

1. Change Order No. 81 for ACTA Support Work Order (ASA) CWO in the decreased amount of <\$21,231>
2. Change Order No. 62 for SR47 Project (SR47) CWO in the decreased amount of <\$120,677>

Final adjustments in the aggregate decreased amount of total contract value for FY23 in the amount of <\$141,908> from \$2,519,985 to \$2,331,077. Note that the total contract value was previously decreased by \$47,000 in the First Amendment to ACTA Operating Budget for FY23/24 approved by the Governing Board on Jan 5, 2023.

**Discussion:**

The annual ACET CWO process is comprised of three steps. First at the end of each fiscal year, the Governing Board approves CWOs for ACET for the next fiscal year beginning July 1 based on scope of work assumptions and corresponding cost estimates. The second step occurs during the fiscal year when amounts are shifted from one CWO to another as necessary to account for overruns and underruns, provided the aggregate annual Board-approved amount for both CWOs is not exceeded. If the aggregate amount will be exceeded, a separate item is brought to the Board for approval. The third and final step occurs after the end of the fiscal year when all actual costs have been compiled, including prior period audit adjustments, and the Board is asked to approve adjustment of the contract value accordingly.

The table below summarizes the proposed adjustments:

	FY23					Prior Period	Net FY23	
	FY23 Approved CWO	Reduce & Transfer*	FY23 New Approved Total	Actual FY23 Total Cost	CWO Remaining Balance	Audit Adjustments	Net FY23 Closeout Amount	Net FY23
<b>ASA</b>	\$2,238,977	<\$22,000>	\$2,216,977	\$2,202,106	\$ 14,871	\$6,360	<\$ 21,231>	\$2,195,746
<b>SR47</b>	281,008	<25,000>	256,008	137,369	118,639	2,038	<120,677>	135,331
<b>Total</b>	\$2,519,985	<\$47,000>	\$2,472,985	\$2,339,475	\$133,510	\$8,398	<\$141,908>	\$2,331,077

\*Note - ASA previously reduced by \$47K and then increased by \$25K transferred from SR47.

This memorandum and adjustment request involves the final step described above and is broken down as follows:

**ASA (Base) CWO – Proposed Change Order No. 81 (Transmittal 1)**

FY23 efforts included involvement in the transfer of Corridor property to the ports and other jurisdictions, compliance with environmental obligations to the various governmental agencies regarding reporting, testing and monitoring of air water and soils generated by the operation of the Corridor, certain project closeout activity, maintaining the various security signal, alarm and surveillance systems within the Corridor, maintenance and operations support, and certain ACTA administrative support.

In June 2022, the Board approved a FY23 CWO amount of \$2,238,977 for the ASA CWO. At that time, approval was also given to allow ACTA to move monies between CWOs as needed during the fiscal year, as long as the aggregate total amount is not exceeded. In January 2023, the Board approved the First Amended ACTA FY2023 Budget, which included a \$47,000 reduction for ACET Administrative Support which brought the total FY23 CWO amount to \$2,191,977. In August 2023, \$25,000 was transferred from the SR47 CWO to the ASA CWO bringing the total FY23 CWO amount to \$2,216,977. The ASA CWO closeout for FY23 is a net decrease of \$21,231 (net includes the JV firms' overhead audit adjustments for the prior period). The final FY23 total requested to be approved is \$2,195,746. Note that the amount shown in Transmittal 1 is cumulative of this and all previous adjustments.

**SR47 CWO – Proposed Change Order No. 62 (Transmittal 2)**

FY23 efforts included finalizing environmental mitigation measures, various right-of-way acquisitions and finalizing payment of one utility relocation as required by the cooperative agreements with Caltrans.

In June 2022, the Board approved a FY23 amount of \$281,008 for the SR47 CWO. In August 2023, \$25,000 was transferred to the ASA CWO reducing the total FY23 SR47 CWO amount to \$256,008. The SR47 CWO closeout for FY23 is a net decrease of \$120,677 (net includes the JV firms' overhead audit adjustments for the prior period). The final total for FY23 requested to be approved is \$135,331. Note that the amount shown in Transmittal 2 is cumulative of this and all previous adjustments.

**Budget Impact:**

There is a net decrease of \$141,908 to the total FY23 CWO value. There is no impact to FY24 Governing Board approved Budget. The final FY23 ACET CWO amount, if approved, is \$2,331,077. This final FY23 CWO amount does not include ACET work on the EPA oil release matter (Project R10).

**Co-General Counsel Review:**

ACTA's Co-General Counsel has reviewed and approved the proposed change orders as to form.

**Transmittals:**

- Transmittal 1 - Proposed Change Order No. 81 to ASA CWO
- Transmittal 2 - Proposed Change Order No. 62 to SR-47 CWO
- Transmittal 3 - CWO FY23 ACET Cumulative Contract Values
- Transmittal 4 - June 2022 ACTA Board Memo

# ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

## First Amended Agreement No. C0027 Program Management Services

### CHANGE ORDER NO. 81

Modifies the First Amended Agreement No. C0027 (hereinafter “the Agreement”) to decrease the maximum compensation as approved by the ACTA Governing Board on December 14, 2023 for the ACTA Support Work Order (ASA CWO).

CONSULTANT: **Alameda Corridor Engineering Team (ACET)**

#### SUMMARY

**OF** The Agreement value is decreased by <\$21,231> to a total Agreement value of \$222,095,629 for the ASA CWO.

#### CHANGE

1. This is the closeout change order to reconcile final cost amounts for FY '23 as set forth in this Change Order No. 81 and the statements set forth in ACTA Board Authorization of December 14, 2023.

The ACET contract total value of all CWO's is \$256,441,769 *excluding compensation for the R10 Oil Release*. See attached documents titled “CWO FY23 ACET Cumulative Contract Values” and “Summary of Contract Values” as of October 18, 2023.

2. In **ARTICLE 5, COMPENSATION, Paragraph 5.1, is revised to provide “Cost-Plus-Fixed-Fee through June 30, 2024”**, is as follows:

	(No R10) ASA CWO through CO 80	(No R10) FY '23 CO 81	(No R10) Total ASA CWO (Base)
<b>Reimbursable Costs not-to-exceed</b>	<u>\$202,644,687</u>	<u>&lt;\$21,231&gt;</u>	<u>\$202,623,456</u>
Plus Fixed Fee (calculated in accordance with Paragraph 5.2.3, Fixed Fee) of	<u>\$19,472,173</u>	<u>\$-0-</u>	<u>\$19,472,173</u>
For a Total Estimated Cost of	<u>\$222,116,860</u>	<u>&lt;\$21,231&gt;</u>	<u>\$222,095,629</u>



3. Except as provided herein, all terms and conditions of the Agreement remain unchanged. The terms and conditions of this ASA CWO Change Order to the Agreement constitute full accord and satisfaction for all costs and period of performance related to the Change described or referenced herein.

IN WITNESS WHEREOF, the Parties hereto have executed this Change Order No. 81 to the Agreement on the date next to their signatures.

**AUTHORITY:**

**ALAMEDA CORRIDOR  
TRANSPORTATION AUTHORITY**

By: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST**

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVED AS TO FORM:**

Hydee Feldstein-Soto,  
City of Los Angeles City Attorney

By: \_\_\_\_\_

**Deputy City Attorney**

Date: \_\_\_\_\_

**CONSULTANT:**

**ALAMEDA CORRIDOR ENGINEERING  
TEAM, a Joint Venture**

**AECOM TECHNICAL SERVICES, INC.**

By: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST**

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

**MOFFATT & NICHOL, INC.**

By: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST**

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Signatures of Change Order No. 81 (continued)**

IN WITNESS WHEREOF, the Parties hereto have executed this Change Order No. 81 to the Agreement on the date next to their signatures.

*CONSULTANT:*

**JENKINS/GALES & MARTINEZ, INC.**

By: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST**

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

**TELACU CONSTRUCTION  
MANAGEMENT, INC.**

By: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST**

Signature \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

# ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

## First Amended Agreement No. C0027 Program Management Services

### CWO SR-47 PROJECT CHANGE ORDER NO. 62

Modifies the First Amended Agreement No. C0027 (hereinafter “the Agreement”) to decrease the maximum compensation as approved by ACTA Governing Board on December 14, 2023 for the SR-47 Project CWO.

CONSULTANT: **Alameda Corridor Engineering Team (ACET)**

#### SUMMARY

**OF** The total SR-47 Project CWO is decreased by <\$120,677>for a total not-to-exceed amount of \$23,697,421.

#### CHANGE

1. This is the closeout change order to reconcile final cost amounts for FY '23 as set forth in this Change Order No. 62 and the statements set forth in the ACTA Board Authorization of December 14, 2023.

The ACET contract total value of all CWO's is \$256,441,769 *excluding compensation for the R10 Oil Release*. See attached documents titled “CWO FY23 ACET Cumulative Contract Values” and “Summary of Contract Values” as of October 18, 2023.

2. In **ARTICLE 5, COMPENSATION, Paragraph 5.1**, is revised to provide “**Cost-Plus-Fixed-Fee through June 30, 2024**”, as follows:

	<b>SR-47 Project CWO Through CO 61</b>	<b>FY '23 CO 62</b>	<b>Total SR-47 Project CWO Only</b>
<b><i>Reimbursable Costs not-to-exceed</i></b>	<u>\$21,986,984</u>	<u>&lt;\$120,677&gt;</u>	<u>\$21,866,307</u>
Plus Fixed Fee (calculated in accordance with Paragraph 5.2.3, Fixed Fee) of	<u>\$1,831,114</u>	<u>\$-0-</u>	<u>\$1,831,114</u>
For a Total Estimated Cost of	<u>\$23,818,098</u>	<u>&lt;\$120,677&gt;</u>	<u>\$23,697,421</u>

3. Except as provided herein, all terms and conditions of the Agreement remain unchanged. The terms and conditions of this SR-47 Project CWO Change Order to the Agreement constitute full accord and satisfaction for all costs and period of performance related to the Change described or referenced herein.

IN WITNESS WHEREOF, the Parties hereto have executed this SR-47 CWO Change Order No. 62 to the Agreement on the date next to their signatures.

**AUTHORITY:**

**ALAMEDA CORRIDOR  
TRANSPORTATION AUTHORITY**

By: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST**

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVED AS TO FORM:**

Hydee Feldstein-Soto,  
City of Los Angeles City Attorney

By: \_\_\_\_\_

**Deputy City Attorney**

Date \_\_\_\_\_

**CONSULTANT:**

**ALAMEDA CORRIDOR ENGINEERING  
TEAM, a Joint Venture**

**AECOM TECHNICAL SERVICES, INC.**

By: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST**

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

**MOFFATT & NICHOL, INC.**

By: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST**

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Signatures of Change Order No. 62 (continued)**

IN WITNESS WHEREOF, the Parties hereto have executed this Change Order No. 62 to the Agreement on the date next to their signatures.

*CONSULTANT:*

**JENKINS/GALES & MARTINEZ, INC.**

By: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST**

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

**TELACU CONSTRUCTION  
MANAGEMENT, INC.**

By: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST**

Signature \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

ATTACHMENT CWO FY23 ACET CUMULATIVE CONTRACT VALUES

	ASA (BASE)					PCH	SR47					TOTALS		
	ITD (Base + R10) Thru CO 80	ASA (Base) FY 23 CLOSEOUT CO 81	ASA (Base) FY 23 TO DATE	ASA (Base) FY 24 TO DATE	TOTAL ASA (Base + R10) TO DATE CO 81	TOTAL PCH TO DATE (PROJECT CLOSED in FY15)	SR47 ITD Thru CO 61	SR47 CO 62 FY 23 CLOSEOUT	Total SR47 FY 23 TO DATE	Total SR47 FY 24 TO DATE	ITD SR47 THRU CO 62	TOTAL FY 23 TO DATE	TOTAL FY 24 TO DATE	GRAND TOTAL
Direct Labor	\$ 68,429,067	\$ (8,432)	\$ 680,018	\$ 615,094	\$ 68,420,635	\$ 3,431,270	\$ 4,534,066	\$ (27,943)	\$ 17,267	\$ 29,777	\$ 4,506,123	\$ 697,285	\$ 644,871	\$ 76,358,028
Indirect Costs	\$ 96,008,572	\$ 27,483	\$ 1,011,071	\$ 1,435,220	\$ 96,036,055	\$ 4,805,744	\$ 7,647,974	\$ (45,961)	\$ 27,847	\$ 43,264	\$ 7,602,014	\$ 1,038,918	\$ 1,478,484	\$ 108,443,812
Offsite/On Call/OT	\$ 2,327,586		\$ 43,014	\$ -	\$ 2,327,586	\$ 27,331	\$ 1,577,326	\$ -	\$ -	\$ -	\$ 1,577,326	\$ 43,014	\$ -	\$ 3,932,243
S/t - Labor	\$ 166,765,225	\$ 19,051	\$ 1,734,104	\$ 2,050,314	\$ 166,784,276	\$ 8,264,345	\$ 13,759,367	\$ (73,904)	\$ 45,114	\$ 73,041	\$ 13,685,463	\$ 1,779,217	\$ 2,123,355	\$ 188,734,084
Subconsultants	\$ 30,922,763	\$ (35,554)	\$ 271,445	\$ 266,420	\$ 30,887,209	\$ 1,219,633	\$ 7,911,487	\$ (46,773)	\$ 70,568	\$ 91,100	\$ 7,864,714	\$ 342,013	\$ 357,520	\$ 39,971,556
MIS	\$ 994,701	\$ -	\$ -	\$ -	\$ 994,701	\$ 33,827	\$ 60,664	\$ -	\$ -	\$ -	\$ 60,664	\$ -	\$ -	\$ 1,089,192
ODC's	\$ 6,460,148	\$ (4,728)	\$ 272	\$ -	\$ 6,455,420	\$ 207,883	\$ 255,466	\$ -	\$ -	\$ -	\$ 255,466	\$ 272	\$ -	\$ 6,918,769
S/t - Subs & ODC's	\$ 38,377,612	\$ (40,283)	\$ 271,717	\$ 266,420	\$ 38,337,329	\$ 1,461,343	\$ 8,227,617	\$ (46,773)	\$ 70,568	\$ 91,100	\$ 8,180,844	\$ 342,285	\$ 357,520	\$ 47,979,516
														\$ -
FY 01 Underrun (rolled over)	\$ 978,500	\$ -	\$ -	\$ -	\$ 978,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 978,500
Correction of '99 discrepancy	\$ (2,021,501)	\$ -	\$ -	\$ -	\$ (2,021,501)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,021,501)
To Balance	\$ 32,230	\$ 1	\$ 1	\$ -	\$ 32,230	\$ (22)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ 32,208
<b>Total Direct Costs</b>	<b>\$ 204,132,065</b>	<b>\$ (21,231)</b>	<b>\$ 2,005,821</b>	<b>\$ 2,316,734</b>	<b>\$ 204,110,834</b>	<b>\$ 9,725,666</b>	<b>\$ 21,986,984</b>	<b>\$ (120,677)</b>	<b>\$ 115,682</b>	<b>\$ 164,141</b>	<b>\$ 21,866,307</b>	<b>\$ 2,121,503</b>	<b>\$ 2,480,875</b>	<b>\$ 235,702,807</b>
														\$ -
Labor Fee	\$ 17,820,152	\$ -	\$ 174,946	\$ 227,812	\$ 17,820,152	\$ 844,081	\$ 1,350,710	\$ -	\$ 13,161	\$ 7,304	\$ 1,350,710	\$ 188,108	\$ 235,116	\$ 20,014,943
Administrative Fees	\$ 1,806,238	\$ -	\$ 14,979	\$ 14,022	\$ 1,806,238	\$ 78,972	\$ 480,404	\$ -	\$ 6,488	\$ 4,555	\$ 480,404	\$ 21,467	\$ 18,577	\$ 2,365,614
<b>Total Fixed Fee</b>	<b>\$ 19,626,390</b>	<b>\$ -</b>	<b>\$ 189,925</b>	<b>\$ 241,834</b>	<b>\$ 19,626,390</b>	<b>\$ 923,053</b>	<b>\$ 1,831,114</b>	<b>\$ -</b>	<b>\$ 19,649</b>	<b>\$ 11,859</b>	<b>\$ 1,831,114</b>	<b>\$ 209,574</b>	<b>\$ 253,693</b>	<b>\$ 22,380,557</b>
														\$ -
<b>Total Costs w/ Fees</b>	<b>\$ 223,758,455</b>	<b>\$ (21,231)</b>	<b>\$ 2,195,746</b>	<b>\$ 2,558,568</b>	<b>\$ 223,737,224</b>	<b>\$ 10,648,719</b>	<b>\$ 23,818,098</b>	<b>\$ (120,677)</b>	<b>\$ 135,331</b>	<b>\$ 176,000</b>	<b>\$ 23,697,421</b>	<b>\$ 2,331,077</b>	<b>\$ 2,734,568</b>	<b>\$ 258,083,364</b>
<b>Less figures for R10</b>	<b>(1,641,595)</b>				<b>(1,641,595)</b>									<b>(1,641,595)</b>
<b>TOTAL figures excluding R10</b>	<b>222,116,860</b>				<b>222,095,629</b>									<b>256,441,769</b>

**SUMMARY OF CONTRACT VALUES**

**ASA (Base) CWO:**

DESCRIPTION			DIRECT COST	RUNNING TOTAL DIRECT COST	FIXED FEE	RUNNING TOTAL FIXED FEE	CWO TOTAL	RUNNING TOTAL CWO
FY 02 Total			\$ 5,200,032		\$ 479,720		\$ 5,679,752	
FY 03 Total			\$ 9,455,175		\$ 840,981		\$ 10,296,155	
FY 04 Total			\$ 4,102,568		\$ 438,842		\$ 4,541,410	
FY 05 Total			\$ 4,882,523		\$ 424,411		\$ 5,306,935	
FY 06 Total			\$ 4,942,537		\$ 400,425		\$ 5,342,962	
FY 07 Total			\$ 3,749,203		\$ 333,937		\$ 4,083,140	
FY 08 Total			\$ 4,115,386		\$ 459,590		\$ 4,574,975	
FY 09 Total			\$ 4,071,344		\$ 365,944		\$ 4,437,288	
FY 10 Total			\$ 3,480,697		\$ 288,596		\$ 3,769,294	
FY 11 Total			\$ 2,546,627		\$ 210,824		\$ 2,757,450	
FY 12 Total			\$ 2,451,050		\$ 223,354		\$ 2,674,404	
FY 13 Total			\$ 2,095,394		\$ 205,833		\$ 2,301,226	
FY 14 Total			\$ 1,880,110		\$ 174,775		\$ 2,054,885	
FY 15 Total			\$ 1,632,890		\$ 176,181		\$ 1,809,071	
FY 16 Total			\$ 1,563,189		\$ 147,075		\$ 1,710,264	
FY 17 Total			\$ 1,562,390		\$ 150,882		\$ 1,713,272	
FY 18 Total			\$ 1,634,182		\$ 157,532		\$ 1,791,714	
FY 19	ASA	CO 65	\$ 1,759,400	\$ 194,223,223	\$ 164,626	\$ 18,695,569	\$ 1,924,026	\$ 212,918,791
FY 19	(R10 - 9)	CO 54 / SPLIT	\$ 15,438	\$ 194,238,660	\$ 0	\$ 18,695,569	\$ 15,438	\$ 212,934,229
FY 19	ASA	CO 68	\$ (57,675)	\$ 194,180,985	\$ -	\$ 18,695,569	\$ (57,675)	\$ 212,876,554
FY 19 Total			\$ 1,717,163		\$ 164,626		\$ 1,881,789	
FY 20	ASA	CO 67	\$ 1,775,372	\$ 195,956,357	\$ 166,223	\$ 18,861,792	\$ 1,941,595	\$ 214,818,149
FY 20	(R10 - 9)	CO 54 / SPLIT	\$ 5,660	\$ 195,962,018	\$ (0)	\$ 18,861,792	\$ 5,660	\$ 214,823,809
FY 20	ASA	CO 70	\$ 175,000	\$ 196,137,018	\$ -	\$ 18,861,792	\$ 175,000	\$ 214,998,809
FY 20	ASA	CO 71	\$ (73,634)	\$ 196,063,384	\$ -	\$ 18,861,792	\$ (73,634)	\$ 214,925,176
FY 20 Total			\$ 1,882,399		\$ 166,223		\$ 2,048,622	
FY 21	ASA	CO 69	\$ 1,719,419	\$ 197,782,804	\$ 160,629	\$ 19,022,421	\$ 1,880,048	\$ 216,805,224
FY 21	(R10 - 9)	CO 54 / SPLIT	\$ 13,976	\$ 197,796,780	\$ -	\$ 19,022,421	\$ 13,976	\$ 216,819,200
FY 21	ASA	CO 72	\$ 170,000	\$ 197,966,780	\$ -	\$ 19,022,421	\$ 170,000	\$ 216,989,200
FY 21	CLOSEOUT	CO 74	\$ (100,111)	\$ 197,866,668	\$ -	\$ 19,022,421	\$ (100,111)	\$ 216,889,089
FY 21 Total			\$ 1,803,284		\$ 160,629		\$ 1,963,913	
FY 22	ASA	CO 73	\$ 1,835,879	\$ 199,702,547	\$ 172,210	\$ 19,194,631	\$ 2,008,089	\$ 218,897,177
FY 22	(R10 - 9)	CO 54 / SPLIT	\$ 9,244	\$ 199,711,791	\$ -	\$ 19,194,631	\$ 9,244	\$ 218,906,421
FY 22	ASA	CO 76	\$ 200,000	\$ 199,911,791	\$ -	\$ 19,194,631	\$ 200,000	\$ 219,106,421
FY 22	CLOSEOUT	CO 77	\$ (183,408)	\$ 199,728,383	\$ -	\$ 19,194,631	\$ (183,408)	\$ 218,923,013
FY 22 Total			\$ 1,861,715		\$ 172,210		\$ 2,033,925	
FY 23	ASA	CO 75	\$ 2,049,052	\$ 201,777,435	\$ 189,925	\$ 19,384,555	\$ 2,238,977	\$ 221,161,990
FY 23	(R10 - 9)	CO 54 / SPLIT	\$ 6,347	\$ 201,783,782	\$ -	\$ 19,384,555	\$ 6,347	\$ 221,168,337
FY 23	ASA Reduction	CO 78	\$ (47,000)	\$ 201,736,782	\$ -	\$ 19,384,555	\$ (47,000)	\$ 221,121,337
FY 23	ASA	CO 80	\$ 25,000	\$ 201,761,782	\$ -	\$ 19,384,555	\$ 25,000	\$ 221,146,337
FY 23	CLOSEOUT	CO 81	\$ (21,232)	\$ 201,740,550	\$ -	\$ 19,384,555	\$ (21,232)	\$ 221,125,105
FY 23 Total			\$ 2,033,399		\$ 189,925		\$ 2,223,324	
FY 24	ASA	CO 79	\$ 2,316,734	\$ 204,057,284	\$ 241,834	\$ 19,626,389	\$ 2,558,568	\$ 223,683,673
FY 24	(R10 - 9)	CO 54 / SPLIT	\$ 53,548	\$ 204,110,832	\$ -	\$ 19,626,389	\$ 53,548	\$ 223,737,221
FY 24 Total			\$ 4,382,449	\$ 204,110,832	\$ 431,759	\$ 19,626,389	\$ 4,814,208	\$ 223,737,221
Grand Total			\$ 204,110,835		\$ 19,626,389		\$ 223,737,224	
Total of all Base exclusive of R10			\$ 202,623,456		\$ 19,472,173		\$ 222,095,629	
R10 Totals			\$ 1,487,379		\$ 154,216		\$ 1,641,595	

**SUMMARY OF CONTRACT VALUES**

**PCH CWO:**

DESCRIPTION	DIRECT COST	RUNNING TOTAL DIRECT COST	FIXED FEE	RUNNING TOTAL FIXED FEE	CWO TOTAL	RUNNING TOTAL CWO
FY 02 Total	\$ 1,758,838		\$ 140,099		\$ 1,898,937	
FY 03 Total	\$ 3,183,381		\$ 307,669		\$ 3,491,050	
FY 04 Total	\$ 3,189,176		\$ 339,883		\$ 3,529,059	
FY 05 Total	\$ 490,130		\$ 34,093		\$ 524,223	
FY 06 Total	\$ 528,227		\$ 27,709		\$ 555,936	
FY 07 Total	\$ 111,812		\$ 10,787		\$ 122,599	
FY 08 Total	\$ 110,794		\$ 11,838		\$ 122,632	
FY 09 Total	\$ 27,734		\$ 11,838		\$ 39,572	
FY 10 Total	\$ 55,064		\$ 8,914		\$ 63,978	
FY 11 Total	\$ 68,375		\$ 9,473		\$ 77,848	
FY 12 Total	\$ 43,133		\$ 2,066		\$ 45,199	
FY 13 Total	\$ 76,836		\$ 7,997		\$ 84,833	
FY 14 Total	\$ 65,738		\$ 7,554		\$ 73,292	
FY 15 Total	\$ 16,429		\$ 3,133		\$ 19,562	
FY 16 Total	\$ -		\$ -		\$ -	
<b>Grand Total</b>	<b>\$ 9,725,666</b>		<b>\$ 923,053</b>		<b>\$ 10,648,719</b>	



**SUMMARY OF CONTRACT VALUES**

SR 47 CWO:

DESCRIPTION		DIRECT COST	RUNNING TOTAL DIRECT COST	FIXED FEE	RUNNING TOTAL FIXED FEE	CWO TOTAL	RUNNING TOTAL CWO
FY 02 Total		\$ 715,367		\$ 62,321		\$ 777,688	
FY 03 Total		\$ 1,479,222	\$ 2,194,589	\$ 138,600	\$ 200,921	\$ 1,617,822	
FY 04 Total		\$ 401,173		\$ 33,083		\$ 434,256	
FY 05 Total		\$ 2,370,581		\$ 189,925		\$ 2,560,505	
FY 06 Total		\$ 1,901,388		\$ 85,153		\$ 1,986,541	
FY 07 Total		\$ 2,187,304		\$ 143,149		\$ 2,330,453	
FY 08 Total		\$ 2,399,265		\$ 138,680		\$ 2,537,945	
FY 09 Total		\$ 2,056,700		\$ 148,500		\$ 2,205,200	
FY 10 Total		\$ 2,053,959		\$ 201,332		\$ 2,255,292	
FY 11 Total		\$ 1,531,589		\$ 148,592		\$ 1,680,181	
FY 12 Total		\$ 944,613		\$ 86,600		\$ 1,031,213	
FY 13 Total		\$ 496,611		\$ 55,734		\$ 552,345	
FY 14 Total		\$ 619,218		\$ 71,587		\$ 690,805	
FY 15 Total		\$ 407,749		\$ 32,965		\$ 440,714	
FY 16 Total		\$ 371,599		\$ 36,251		\$ 407,849	
FY 17 Total		\$ 347,879		\$ 37,517		\$ 385,397	
FY 18 Total		\$ 393,101		\$ 37,863		\$ 430,965	
FY 19 Total		\$ 350,770		\$ 39,303		\$ 390,073	
FY 20 Total		\$ 202,911		\$ 39,219		\$ 242,130	
FY 21	CO 51	\$ 470,339	\$ 21,701,337	\$ 39,522	\$ 1,765,897	\$ 509,861	\$ 23,467,234
FY 21	CO 54	\$ (170,000)	\$ 21,531,337	\$ -	\$ 1,765,897	\$ (170,000)	\$ 23,297,234
FY 21	CLOSEOUT CO 56	\$ (102,181)	\$ 21,429,156	\$ -	\$ 1,765,897	\$ (102,181)	\$ 23,195,053
FY 21 Total		\$ 198,158		\$ 39,522		\$ 237,680	
FY 22	CO 55	\$ 401,974	\$ 21,831,130	\$ 33,710	\$ 1,799,607	\$ 435,684	\$ 23,630,737
FY 22	CO 58	\$ (200,000)	\$ 21,631,130	\$ -	\$ 1,799,607	\$ (200,000)	\$ 23,430,737
FY 22	CLOSEOUT CO 59	\$ (44,647)	\$ 21,586,483	\$ -	\$ 1,799,607	\$ (44,647)	\$ 23,386,090
FY 22 Total		\$ 157,327		\$ 33,710		\$ 191,037	
FY 23	CO 57	\$ 261,359	\$ 21,847,842	\$ 19,649	\$ 1,819,256	\$ 281,008	\$ 23,667,098
FY 23	CO 61	\$ (25,000)	\$ 21,822,842	\$ -	\$ 1,819,256	\$ (25,000)	\$ 23,642,098
FY 23	CLOSEOUT CO62	\$ (120,677)	\$ 21,702,165	\$ -	\$ 1,819,256	\$ (120,677)	\$ 23,521,421
FY 23 Total		\$ 236,359		\$ 19,649		\$ 256,008	
FY24	CO 60	\$ 164,141	\$ 21,866,306	\$ 11,859	\$ 1,831,115	\$ 176,000	\$ 23,697,421
FY 24 Total		\$ 164,141		\$ 11,859		\$ 176,000	\$ 23,697,421
<b>Grand Total</b>		<b>\$ 21,866,307</b>		<b>\$ 1,831,114</b>		<b>\$ 23,697,421</b>	

**SUMMARY OF CONTRACT VALUES**


**ALL ACET CWO's:**

DESCRIPTION			DIRECT COST	RUNNING TOTAL DIRECT COST	FIXED FEE	RUNNING TOTAL FIXED FEE	CWO TOTAL	RUNNING TOTAL CWO
FY 02 Total			\$ 7,674,237		\$ 682,140		\$ 8,356,377	
FY 03 Total			\$ 14,117,777		\$ 1,287,250		\$ 15,405,027	
FY 04 Total			\$ 7,692,917		\$ 811,808		\$ 8,504,725	
FY 05 Total			\$ 7,743,234		\$ 648,429		\$ 8,391,663	
FY 06 Total			\$ 7,372,152		\$ 513,287		\$ 7,885,439	
FY 07 Total			\$ 6,048,319		\$ 487,873		\$ 6,536,191	
FY 08 Total			\$ 6,625,445		\$ 610,108		\$ 7,235,552	
FY 09 Total			\$ 6,155,778		\$ 526,282		\$ 6,682,060	
FY 10 Total			\$ 5,589,721		\$ 498,842		\$ 6,088,563	
FY 11 Total			\$ 4,146,591		\$ 368,888		\$ 4,515,479	
FY 12 Total			\$ 3,438,796		\$ 312,020		\$ 3,750,816	
FY 13 Total			\$ 2,668,841		\$ 269,564		\$ 2,938,404	
FY 14 Total			\$ 2,565,066		\$ 253,916		\$ 2,818,982	
FY 15 Total			\$ 2,057,068		\$ 212,279		\$ 2,269,347	
FY 16 Total			\$ 1,934,787		\$ 183,326		\$ 2,118,113	
FY 17 Total			\$ 1,910,269		\$ 188,400		\$ 2,098,669	
FY 18 Total			\$ 2,027,283		\$ 195,396		\$ 2,222,679	
FY 19 Total			\$ 2,067,933		\$ 203,929		\$ 2,271,863	
FY 20	ASA	CO 67	\$ 1,775,372	\$ 226,710,111	\$ 166,223	\$ 21,472,000	\$ 1,941,595	\$ 248,182,111
FY 20	SR47	CO 49	\$ 467,308	\$ 227,177,419	\$ 39,219	\$ 21,511,220	\$ 506,527	\$ 248,688,638
FY 20	ASA (R10) 9	CO 54/SPLIT-9	\$ 5,660	\$ 227,183,079	\$ (0)	\$ 21,511,219	\$ 5,660	\$ 248,694,298
FY 20	ASA	CO 70	\$ 175,000	\$ 227,358,079	\$ -	\$ 21,511,219	\$ 175,000	\$ 248,869,298
FY 20	SR47	CO 52	\$ (175,000)	\$ 227,183,079	\$ -	\$ 21,511,219	\$ (175,000)	\$ 248,694,298
FY 20	ASA	CO 71	\$ (73,634)	\$ 227,109,446	\$ -	\$ 21,511,219	\$ (73,634)	\$ 248,620,665
FY 20	SR47	CO 53	\$ (89,397)	\$ 227,020,048	\$ -	\$ 21,511,219	\$ (89,397)	\$ 248,531,268
FY 20 Total			\$ 2,085,309		\$ 205,442		\$ 2,290,751	
FY 21	ASA	CO 69	\$ 1,719,419	\$ 228,739,468	\$ 160,629	\$ 21,671,848	\$ 1,880,048	\$ 250,411,316
FY 21	SR47	CO 51	\$ 470,339	\$ 229,209,807	\$ 39,522	\$ 21,711,370	\$ 509,861	\$ 250,921,177
FY 21	ASA (R10) 9	CO 54/SPLIT-9	\$ 13,976	\$ 229,223,783	\$ -	\$ 21,711,370	\$ 13,976	\$ 250,935,153
FY 21	ASA	CO 72	\$ 170,000	\$ 229,393,783	\$ -	\$ 21,711,370	\$ 170,000	\$ 251,105,153
FY 21	SR47	CO 54	\$ (170,000)	\$ 229,223,783	\$ -	\$ 21,711,370	\$ (170,000)	\$ 250,935,153
FY 21	ASA	CO 74	\$ (100,111)	\$ 229,123,671	\$ -	\$ 21,711,370	\$ (100,111)	\$ 250,835,041
FY 21	SR47	CO56	\$ (102,181)	\$ 229,021,490	\$ -	\$ 21,711,370	\$ (102,181)	\$ 250,732,860
FY 21 Total			\$ 2,103,623		\$ 200,151		\$ 2,303,773	
FY 22	ASA	CO73	\$ 1,835,879	\$ 230,857,369	\$ 172,210	\$ 21,883,580	\$ 2,008,089	\$ 252,740,949
FY 22	SR47	CO 55	\$ 401,974	\$ 231,259,343	\$ 33,710	\$ 21,917,290	\$ 435,684	\$ 253,176,633
FY 22	ASA (R10) 9	CO 54/SPLIT-9	\$ 9,244	\$ 231,268,587	\$ -	\$ 21,917,290	\$ 9,244	\$ 253,185,877
FY 22	ASA	CO 76	\$ 200,000	\$ 231,468,587	\$ -	\$ 21,917,290	\$ 200,000	\$ 253,385,877
FY 22	SR47	CO 58	\$ (200,000)	\$ 231,268,587	\$ -	\$ 21,917,290	\$ (200,000)	\$ 253,185,877
FY 22	ASA	CO 77	\$ (183,408)	\$ 231,085,179	\$ -	\$ 21,917,290	\$ (183,408)	\$ 253,002,469
FY 22	SR47	CO 59	\$ (44,647)	\$ 231,040,532	\$ -	\$ 21,917,290	\$ (44,647)	\$ 252,957,822
FY 22 Total			\$ 2,019,042		\$ 205,920		\$ 2,224,962	
FY 23	ASA	CO 75	\$ 2,049,052	\$ 233,089,584	\$ 189,925	\$ 22,107,215	\$ 2,238,977	\$ 255,196,799
FY 23	SR47	CO 57	\$ 261,359	\$ 233,350,943	\$ 19,649	\$ 22,126,864	\$ 281,008	\$ 255,477,807
FY 23	ASA (R10) 9	CO 54/SPLIT-9	\$ 6,347	\$ 233,357,290	\$ -	\$ 22,126,864	\$ 6,347	\$ 255,484,154
FY 23	ASA	CO 78	\$ (47,000)	\$ 233,310,290	\$ -	\$ 22,126,864	\$ (47,000)	\$ 255,437,154
FY 23	ASA	CO 80	\$ 25,000	\$ 233,335,290	\$ -	\$ 22,126,864	\$ 25,000	\$ 255,462,154
FY 23	SR47	CO 61	\$ (25,000)	\$ 233,310,290	\$ -	\$ 22,126,864	\$ (25,000)	\$ 255,437,154
FY 23	ASA	CO 81	\$ (21,232)	\$ 233,289,058	\$ -	\$ 22,126,864	\$ (21,232)	\$ 255,415,922
FY 23	SR47	CO 62	\$ (120,677)	\$ 233,168,381	\$ -	\$ 22,126,864	\$ (120,677)	\$ 255,295,245
FY 23 Total			\$ 2,269,758		\$ 209,574		\$ 2,479,332	
FY 24	ASA	CO 79	\$ 2,316,734	\$ 235,485,115	\$ 241,834	\$ 22,368,698	\$ 2,558,568	\$ 257,853,813
FY 24	SR47	CO 60	\$ 164,141	\$ 235,649,256	\$ 11,859	\$ 22,380,557	\$ 176,000	\$ 258,029,813
FY 24	ASA (R10) 9	CO 54/SPLIT-9	\$ 53,548	\$ 235,702,804	\$ -	\$ 22,380,557	\$ 53,548	\$ 258,083,363
FY 24 Total			\$ 2,534,423		\$ 253,693		\$ 2,788,116	
<b>Grand Total</b>			<b>\$ 235,702,807</b>		<b>\$ 22,380,557</b>		<b>\$ 258,083,364</b>	
<b>Total of all CWO's exclusive of R10</b>			<b>\$ 234,215,428</b>		<b>\$ 22,226,341</b>		<b>\$ 256,441,769</b>	

# M · E · M · O

## Alameda Corridor Transportation Authority

June 16, 2022

<b>To:</b>	Governing Board
<b>From:</b>	Michael C. Leue, Chief Executive Officer 
<b>Subject:</b>	<i>Approve Annual Contract Change Orders 75 and 57 and the Extension of Agreement No. C0027 with Alameda Corridor Engineering Team (APPROVAL)</i>

### Recommendation:

Approve the following Change Orders (COs) and Agreement extension, and authorize the Chief Executive Officer or Chief Financial Officer to execute said items and reallocate funding amounts as discussed herein:

1. Approve two Change Orders (COs) to First Amended Agreement No. C0027 with the Alameda Corridor Engineering Team (ACET) for FY23 in the aggregate amount of \$2,519,985 allocated as follows: \$2,238,977 for ACTA Support (Change Order No. 75 as presented in Transmittal 1) and \$281,008 for the SR-47 Project (Change Order No. 57 as presented in Transmittal 2);
2. Extend the term of the First Amended Agreement No. C0027 for one additional year through June 30, 2023 (via Change Orders Nos. 75 and 57); and
3. Authorize the Chief Executive Officer or Chief Financial Officer to reallocate the FY23 funding between the ACTA Support and SR-47 Project budgets during the fiscal year provided the approved aggregate total amount is not exceeded.

### Discussion:

In February 2014, the Board expressed its preference to extend the ACET contract on a year-by-year basis until ACTA's unfinished capital improvement program support obligations are complete. For each subsequent fiscal year, the Board has reaffirmed its preference for one-year extensions. In March 2022, the Board approved the inclusion of ACET in the FY23 Budget.

ACET support was as high as approximately 170 full time equivalent (FTE) positions in FY00 at the height of corridor construction. ACET staff size was significantly reduced to 16 by FY07 and remained relatively constant through FY10. ACET staffing was gradually reduced to five FTEs by FY16. The number of FY22 FTE positions remains at five, excluding subconsultants.



The ACET budget also includes specialized technical services provided by additional technical staff and subconsultants through the ACET contract. The proposed budget requirement may increase if additional ACTA project development tasks are identified during the fiscal year, in which case Governing Board approval for such Change Orders would be sought at the appropriate time.

The Amended Agreement with ACET, effective January 1, 1996, requires that an annual Contract Work Order (CWO), in the form of a Change Order (CO), be submitted to the Governing Board for approval prior to the beginning of each fiscal year on July 1. For budget purposes, separate COs are required for the ACTA Support CWO and the SR-47 Project CWO. In prior years, there were also CWO Change Orders presented and approved for the PCH Project, but this is no longer required due to project completion.

In FY23, the ACTA Support CWO will be funded by the Administrative Operating Budget that is paid from ACTA revenue, and the M&O Budget that is paid directly by the railroads or through the Reserve Account. The SR-47 Project CWO is funded entirely from Caltrans sources.

The previous FY22 CWO aggregate amount approved by the Board in June 2021 was \$2,443,773. It included \$2,008,089 for ACTA Support and \$435,684 for the SR-47 Project. A final FY22 closeout CO for both CWOs will be brought to the Board for approval in the Fall of 2022.

**The proposed FY23 aggregate budget for both CWOs is \$2,519,985**, as presented in Transmittal 3, which is 3.1% more than the FY22 budget of \$2,443,773. Note that the CWO amount does not include the budget for the Dominguez Channel Oil Release EPA Matter. The ACTA Support CWO and SR-47 Project CWO are described in more detail below.

## **1. ACTA SUPPORT CWO**

The ACTA Support CWO covers the following three areas:

### **A. Base Program Closeout (Operating, previously Capital)**

This effort includes:

- Transferring ACTA-acquired property to the ports, municipalities and others;
- Concluding utility replacement rights agreements, licenses, franchises, and easements.

**The proposed FY23 budget for this item is \$481,595** which is 24.3% more than the FY22 budget of \$387,616. This item is charged to the Administrative Operating Budget and paid from ACTA Use Fees and Container Charges.

### **B. Maintenance and Operations (Direct Railroad Cost)**

This item supports rail maintenance and is directly reimbursed by the Railroads. The FY23 budgeted amount is **\$571,293**, which is 0.6% more than the FY22 budget of \$568,052.

### **C. ACTA General Administrative Support (Operating)**

This effort includes general ACTA technical and administrative support and staff augmentation for other ongoing ACTA activities including:

- Computer and network systems support;
- Grant reimbursement, engineering, environmental coordination, document control, and graphics support.

**The proposed FY23 allocation for this item is \$1,186,089**, which is 12.7% more than the FY22 budget of \$1,052,423. This item is charged to the Administrative Operating Budget and paid from ACTA Use Fees and Container Charges.

The aggregate total for the three parts of the ACTA Support CWO is \$2,238,977.

## **2. SR-47 PROJECT CWO (Public Benefit Project only)**

**The proposed FY23 budget for the SR-47 Project CWO is \$281,008 (Segment 1 only, as Segment 2 is on indefinite hold)**, which is 35.5% less than the FY22 budget of \$435,684. It includes final design support, design support during construction, and ROW/utility support during construction for the SR-47 Project as detailed below.

### *SR-47 Project Background:*

Through four separate agreements with Caltrans, the SR-47 Project progressed in four phases: The Feasibility Phase, the Environmental Document Phase, the Final Design and ROW Phase, and the Construction Phase.

All Project phases are now complete except final ROW Acquisition Phase. Caltrans' completed all construction in February 2021; final construction items, including one utility relocation, currently in progress, will extend to mid-2023; and administrative close-out is expected to be completed by June 30, 2023. ACTA will continue to provide the required services through two separate Cooperative Agreements between the parties through that date to complete project close-out tasks.

If the FY23 ACET CWOs are approved, the not-to-exceed total contract value will be increased by \$2,519,985 from \$251,604,179 to \$254,124,164 exclusive of the budget for the Dominguez Channel Oil Release EPA Matter.

### **Budget Impact:**

The \$2,519,985 aggregate CWO amount is included in the FY23 Program Budget. Sources include \$281,008 in Caltrans funds for SR-47 shown in the Operating Budget as an Expense for Public Benefit; \$571,293 in Railroad M&O funds paid directly by the Railroads or from the Reserve Account; and \$1,667,684 from ACTA revenue sources in the Operating Budget.

### **Co-General Counsel:**

ACTA's Co-General Counsel has reviewed and approved the proposed Change Orders as to form.

### Transmittals:

- Transmittal 1 - Change Order No. 75 to ACET Agreement No. C0027
- Transmittal 2 - Change Order No. 57 to ACET Agreement No. C0027
- Transmittal 3 - CWO FY23 ACET Cumulative Contract Values


# M E M O

## *Alameda Corridor Transportation Authority*

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To: Governing Board

Meeting Date: December 14, 2023

From: Michael C. Leue, Chief Executive Officer 

Subject: APPROVE First Amendment to Reimbursement Agreement C0905 with the City of Long Beach Harbor Department for ACTA to provide various support services in connection with the Pier B On-Dock Rail Support Facility Project, increasing the contract compensation amount by \$184,000 and extending the term to three years

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### **Recommendation:**

Authorize the Chief Executive Officer or his designee to execute the First Amendment to Reimbursement Agreement with the City of Long Beach Harbor Department (POLB) to cover ACTA expenditures for legal, environmental review, engineering and flagging services associated with POLB's Pier B On-Dock Rail Support Facility (Pier B Project) in accordance with the Agreement. The First Amendment extends the term of the Agreement for two additional years through March 2026, and increases the total compensation amount to \$431,250 including contingency.

### **Discussion:**

The Pier B Project is a rail yard located in POLB North Harbor that will provide five 10,000-foot arrival/departure tracks, 90,000 feet of staging tracks, locomotive facility, in addition to the two existing mainlines, which together will significantly boost the productivity of on-dock rail yards. The portions of the Pier B Project west of Anaheim Street are proposed to be on jointly owned port property allocated to ACTA by the Use Permit to manage and operate the rail corridor. The impacts of the Pier B Project on ACTA's operations will require certain approvals by the ACTA Governing Board, including amendments to the UOA and Use Permit.

The additional time and funding set forth in the proposed amendment will allow ACTA to provide the following services for the Pier B Project during construction:

- ACTA's maintenance contractor will be required to perform flagging services during construction to enable safe working conditions for the Ports contractor when they are within 25 feet of ACTA's railroad tracks;

- ACTA will review all design packages that impact ACTA's operational jurisdiction and upon acceptance of the final design package, will issue a Notice to Proceed;

- ACTA will complete the appropriate documents giving the POLB improvements the right to be used within ACTA's operational jurisdiction.

ACTA's Chief Executive Officer recommends that the Board approve the proposed amendment to Agreement No. C0905, extending the Agreement an additional two years through March 2026, and increasing the contract value to \$345,000 plus \$86,250 contingency. All ACTA costs associated with work performed by ACTA for the benefit of the Pier B Project will be reimbursed by POLB. An updated budget is included in Transmittal 1, Exhibit A-1, which also shows the categories of work ACTA will perform in support of the Pier B Pre-Construction and Construction Work.

**Budget Impact:**

There will be no net impact to the ACTA Program Budget because ACTA's costs will be fully reimbursed by POLB. ACTA will pay its costs up-front for the services, utilizing the Local Agency Investment Fund (LAIF) account to pay for the services. The LAIF account will be refunded using the reimbursements from POLB.

**Co-General Counsel Review:**

ACTA's Co-General Counsel has reviewed and approved the proposed amendment as to form.

**Transmittal:**

Transmittal 1 – First Amendment to Agreement No. 905 with the City of Long Beach for the Reimbursement of Expenditures by ACTA in Support of POLB's Pier B On-Dock Rail Support Facility

FIRST AMENDMENT  
TO AGREEMENT NO. C0905  
BETWEEN  
THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY  
AND  
CITY OF LONG BEACH

THIS FIRST AMENDMENT to Agreement No. C0905 is made and entered into by the Alameda Corridor Transportation Authority ("ACTA"), acting by and through its Governing Board, and the City of Long Beach, by and through its Board of Harbor Commissioners ("POLB") as follows:

1. Section I, Work to be Completed by ACTA, Paragraph 3 is hereby removed and replaced in its entirety, as follows:

"3. As set forth below ACTA shall perform ACTA's Work by its own forces as well as by utilizing firms under contract to ACTA, including but not limited to, CEQA consultants, ACET, RailWorks Track Services, Inc., and Pacific Railway Enterprises, Inc."

2. Section II, POLB Reimbursement of ACTA Costs, Paragraph 2 is hereby removed and replaced in its entirety, as follows:

"2. The maximum amount payable under this Agreement, unless modified by written amendment, shall be Four Hundred Thirty-One Thousand Two-Hundred Fifty Dollars (\$431,250). ACTA's Chief Executive Officer has delegated authority to transfer funds between Exhibit A-1 Scope of Work line items (but not including Administrative Overhead and Contingency Budget line Items) where there are remaining funds in completed line items, to fund other line items to completion. As needed throughout the term of the Agreement, ACTA and POLB shall agree in writing when and for what line item(s) to utilize the Contingency Budget set forth in Exhibit A-1."

3. Section II, POLB Reimbursement of ACTA Costs, Paragraphs 3 and 4 are hereby removed in their entirety and are not replaced.

4. Section IV, Effective Date and Term, Paragraph 2 is hereby removed and replaced in its entirety, as follows:

"2. This Agreement shall be in full force and effect commencing from the date of ACTA's CEO execution and shall continue until three (3) years have lapsed from the effective date of this Agreement."

5. Exhibit A "Pier B Project Pre-construction Support by ACTA" is hereby removed and replaced in its entirety with Exhibit A-1, "Port of Long Beach Pier B Project ACTA Support for Pre-Construction and Construction Work".



All references to "Exhibit A" throughout the Agreement shall be changed to "Exhibit A-1".

- 6. Section IV, Miscellaneous Provisions, is hereby changed to Section V Miscellaneous Provisions, correcting a drafting error in the Agreement.

Except as amended herein, all remaining terms and conditions of Agreement No. C0905 shall remain in full force and effect.

The effective date of this amendment shall be the date of its execution by ACTA's Chief Executive Officer or his designee.

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IN WITNESS THEREOF, the parties hereto have executed this First Amendment to Agreement No. C0905 on the date to the left of their signatures:

ALAMEDA CORRIDOR  
TRANSPORTATION AUTHORITY

Date: \_\_\_\_\_

By: \_\_\_\_\_

Michael C. Leue, P.E.  
Chief Executive Officer

Attest: \_\_\_\_\_

Secretary

APPROVED AS TO FORM

\_\_\_\_\_, 2023

HYDEE FELDSTEIN SOTO, Los Angeles City Attorney

By \_\_\_\_\_

Heather M. McCloskey, Deputy  
ACTA Co-General Counsel

THE CITY OF LONG BEACH, a  
municipal corporation, acting by and  
through its Board of Harbor  
Commissioners

Date: \_\_\_\_\_

By: \_\_\_\_\_

MARIO CORDERO  
Chief Executive Officer  
Long Beach Harbor Department

APPROVED AS TO FORM

\_\_\_\_\_, 2023

DAWN MCINTOSH, Long Beach City Attorney

By \_\_\_\_\_

Thomas Y. Oh, Deputy

## Exhibit A - 1

### Port of Long Beach Pier B Project ACTA Support for Pre-Construction and Construction Work

<u>Scope of Work</u>	<u>Estimated Budget</u>
Flagging During Preconstruction	\$ 30,000
Legal CEQA Opinions	\$ 5,000
CEQA Review	\$ 45,000
ACTA Design Review	\$ 30,000
Pier B MOA Administrative Work	\$ 30,000
Flagging During Construction	\$ 60,000
ACTA Notice to Proceed, Construction	\$ 50,000
ACTA Permission to Occupy	\$ 50,000
<u>Administrative Overhead (15%)</u>	<u>\$ 45,000</u>
<u>Total</u>	<u>\$345,000</u>
<u>Contingency</u>	<u>\$ 86,250</u>
Grand Total Not to Exceed	\$431,250


# M E M O

## *Alameda Corridor Transportation Authority*

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To: Governing Board

Meeting Date: December 14, 2023

From: Michael C. Leue, Chief Executive Officer 

Subject: APPROVE Second Amendment to Agreement M0899 with Union Pacific Railroad for Reimbursement of ACTA Costs for Construction Related Activities on Dolores Yard Crossover Project, increasing contract compensation amount by \$493,000 and extending the term to three years

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### **Recommendation:**

Authorize the Chief Executive Officer or his designee to execute the Second Amendment to Reimbursement Agreement with the Union Pacific Railroad Co. (UPRR), wherein ACTA agrees to perform certain reimbursable services for UPRR's Dolores Yard Crossover Project in accordance with the project Memorandum of Agreement.

The Second Amendment increases the costs associated with construction on ACTA right-of-way, design review and administration by \$493,000 to a total amount of \$2,150,000 to be reimbursed by UPRR as costs are expended by ACTA and its contractors.

### **Discussion:**

The ACTA Governing Board approved execution of Agreement M0899 on June 16, 2022 and approved the First Amendment to the agreement on February 02, 2023. In early May 2023, construction on the project stopped due to unforeseen field conditions. Once the project resumes, there will be a need for additional flagging, additional signal field support, completion of all signal work, testing, and the commissioning of Control Point (CP) Thenard, CP Long Beach and CP Sepulveda. There will also be a re-mobilization to complete signal and trackwork and additional administration costs related to the project. The total increase is \$493,000 and the total amount of amended Agreement M0899 is \$2,150,000.

### **Budget Impact:**


There is no impact to the FY24 Budget for the Dolores Yard Crossover Project, which is fully reimbursable. These are pass-through costs that ACTA is initially required to pay, but which are subsequently fully reimbursed by UPRR. ACTA utilizes the Local Agency Investment Fund (LAIF) account to pay for the services and reimburses the account when payment is received.

### **Co-General Counsel Review:**

ACTA's Co-General Counsel has reviewed and approved the proposed amendment as to form.

### **Transmittal:**

Transmittal 1 – Second Amendment to Agreement No. M0899 between the Alameda Corridor Transportation Authority and Union Pacific Railroad Company



SECOND AMENDMENT  
TO AGREEMENT NO. M0899  
BETWEEN  
THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY  
AND  
UNION PACIFIC RAILROAD COMPANY

THIS SECOND AMENDMENT to Agreement No. M0899 is made and entered into by the Alameda Corridor Transportation Authority ("ACTA"), acting by and through its Governing Board, and Union Pacific Railroad Company ("Union Pacific") as follows:

1. Section II, Union Pacific Reimbursement of ACTA Costs, Paragraph 2 is hereby removed and replaced in its entirety, as follows:

"2. The total estimated budget for ACTA's Work as set forth in Exhibit B-2, and the maximum payable amount under this Agreement, is Two Million One Hundred Fifty Thousand Dollars (\$2,150,000)."

2. Section II, Union Pacific Reimbursement of ACTA Costs, Paragraph 3 is hereby removed from the Agreement.

3. Section IV, Effective Date and Term, Paragraph 2 is hereby removed and replaced in its entirety, as follows:

"2. This Agreement shall be in full force and effect commencing from the date of ACTA's CEO execution and shall continue until three (3) years have lapsed from the effective date of this Agreement."

4. Section IV, Paragraph 6, Amendments and Modifications, is hereby removed and replaced in its entirety, as follows (including a paragraph numbering correction):

"7. Amendments and Modifications: The terms of this Agreement may be modified only by written amendment approved by the Parties, subject to all applicable approval processes required by either Party."

5. Section IV, Paragraph 7, Counterparts, is administratively corrected to be numbered as paragraph number 8.

6. Exhibit B-1, "Amendment 1 to Scope of Work and Budget for Construction Related Activities for ACTA's Work" is hereby removed and replaced in its entirety with Exhibit B-2, "Amendment 2 to Schedule, Scope of Work and Budget for Construction Related Activities for ACTA's Work"

Except as amended herein, all remaining terms and conditions of Agreement No. M0899 shall remain in full force and effect.

Amendment 2  
Agreement No. M0899  
Union Pacific Railroad Company

The effective date of this amendment shall be the date of its execution by ACTA's Chief Executive Officer or his designee.

IN WITNESS THEREOF, the parties hereto have executed this Second Amendment to Agreement No. M0899 on the date to the left of their signatures:

ALAMEDA CORRIDOR  
TRANSPORTATION AUTHORITY

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Michael C. Leue, P.E.  
Chief Executive Officer

Attest: \_\_\_\_\_  
Secretary

UNION PACIFIC RAILROAD  
COMPANY

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO FORM

\_\_\_\_\_, 2023  
HYDEE FELDSTEIN SOTO, Los Angeles City Attorney

By \_\_\_\_\_  
Heather M. McCloskey, Deputy  
ACTA Co-General Counsel

## EXHIBIT B-2

### Alameda Corridor Transportation Authority

#### Amendment 2 to Schedule, Scope of Work and Budget for Construction Related Activities for ACTA's Work

**PROJECT: Dolores Yard Crossover Project**

**SCHEDULE:**

<b>ACTA Engineering</b>	
Administration	Effective date through end of term.
<b>Railworks Construction</b>	
Resumption of Construction through end of term.	
<b>Pacific Railway Enterprises, Inc.</b>	
Resumption of Construction through end of term.	

**SCOPE:**

The revised Pacific Railway Enterprise, Inc. Highball Signal, Inc. and Railway Track Services LLC estimates include the cost of additional signal field support, completion of all signal work, test and commission CP's Thenard, Long beach and Sepulveda, flagging, and re-mobilizing once project resumes to complete the Signal and Trackwork for the Project. Increase Administration costs equal 5% of Amendment 2 increase.

**ESTIMATE:**

<b>ACTA Engineering</b>		
Pre-construction Design Review	\$	20,000.00
Construction Closeout Approval	\$	25,000.00
Administration (contract management, accounts payable)	\$	<b>40,000.00</b>
<b>Railworks Labor, Materials and Equipment</b>		
Flagging & Construction <sup>3</sup>	\$	<b>275,498.84</b>
Weld Kits	\$	4,125.00
Rental Equipment	\$	29,900.00
Equipment Operator to Assist Highball Signal with Relocation & Installation of Signal Bungalow	\$	12,753.40
<b>Railworks Subcontractors</b>		
Hutcher (Concrete Panel Hoisting Services)	\$	105,000.00
Surfacing Crew for Turnout Installation (1 day Travel 2 days Tamp)	\$	26,276.25
Highball Signal, Inc. <sup>1</sup>	\$	<b>1,249,187.82</b>
Fencing & Traffic Control (allowance for services as needed)	\$	50,000.00
<b>Pacific Railway Enterprises, Inc.</b>		
Final Signal Design for the various Control Points and Software Development <sup>2</sup>	\$	<b>311,754.58</b>
<b>Construction Estimate Total</b>		<b>\$ 2,149,495.89</b>

<sup>1</sup> Per Amendment 2 the costs increase, \$308,400.00, is due to having to correct factory bungalow discrepancies for Thenard C house, having to pickup material that was supposed to be delivered by UPRR from Colton and Santa Fe UPRR yards numerous times, required the use of their own flagger when others should have provided one to avoid further delays, provided their own equipment operator to dig in conduit periodically when others were not available to assist, extensive Train delays due to coordination with two (2) dispatchers due to territory jurisdiction and having to partially install signal equipment and returning at a later date to complete when missing or delayed material was received.

<sup>2</sup> Per Amendment 2, the cost increase, \$80,126.00, is due to increased field support to test and commission CP Thenard, CP Long Beach and CP Sepulveda.

<sup>3</sup> Per Amendment 2, the cost increase, \$79,000.00, is due to the high flagging demand by Highball Signal and the UPRR's contractor on days that RailWorks was not scheduled to flag. Due to the long project delay, RailWorks had to demobilize and re-assign their work force which was scheduled to remove the No. 14 turnout and build the straight section of track, re-ballast, distress and surface the new section of track. This will require work to start on a Friday to prep the area, all materials and continue through Sunday night. Saturday, OT & DT work, will include a day and night shift and Sunday, DT work, will be used to complete any remaining work, pickup excess material and clean up the site.


# M E M O

## *Alameda Corridor Transportation Authority*

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To: Governing Board

Meeting Date: December 14, 2023

From: Michael C. Leue, Chief Executive Officer 

Subject: APPROVE Second Amendment to Agreement C0889 with Pacific Railway Enterprises, Inc. to increase the total compensation amount by \$630,200 for an agreement total not to exceed amount of \$1,005,200 for the continuation of Signal Design Services

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### **Recommendation:**

Approve the Second Amendment to Agreement No. C0889 with Pacific Railway Enterprise, Inc. (PRE), for additional compensation in the amount of \$630,200 for continuation of signal design services and authorize the Chief Executive Officer or his designee to execute the amendment.

The Second Amendment increases the agreement compensation by \$630,200 to a total not-to-exceed amount of \$1,005,200. Of the total agreement amount, approximately \$693,445 will be funded by ACTA Fees and Charges as non-rail or capital expenditures within the Maintenance of Way program, while \$311,755 will be reimbursed by the Union Pacific Railroad (UPRR) for costs associated with the Dolores Yard Crossover Project.

### **Discussion:**


The ACTA Governing Board approved execution of agreement C0889 with PRE on November 15, 2019, and a First Amendment on February 24, 2023. Under the Agreement, PRE performs signal design services for both the Maintenance of Way Program and the Dolores Yard Crossover Project.

PRE's work on the Maintenance of Way Program (MOW) to accomplish signal plan designs at various control points within the Alameda Corridor is allocated approximately \$693,445 of the \$1,005,200 Agreement budget. Many of the original signal and communication components are obsolete and are reaching the end of their service life. Manufacturers have discontinued production of various replacement parts and no longer provide support for ACTA's current signal systems. Due to the industry converting to more modern signal and communication systems, ACTA will need to update the Alameda Corridor signal system, which requires design support services.

PRE's work on the UPRR Dolores Yard Crossover Project (Project) is for signal design related to that project and is allocated approximately \$311,755 of the \$1,005,200 Agreement budget. The prior PRE agreement funding was sufficient to cover the original Project design costs, however due to unforeseen utility conflicts and delays the Project design costs have increased for PRE to provide the design and testing to replace two outdated signal huts with a new state-of-the-art bungalow and associated systems.

### **Budget Impact:**

There is no impact to the FY24 Budget for the additional signal design work performed by PRE for either the MOW improvements or the Dolores Yard Crossover Project. The MOW improvements are included in the MOW budget







December 14, 2023  
**ITEM #6**

included in the Governing Board approved FY23/24 ACTA Operating Budget. The Dolores Yard Crossover Project costs will be fully reimbursed to ACTA by UPRR; ACTA will utilize the Local Agency Investment Fund (LAIF) account to pay PRE for the services and then reimburse the account when payment is received from UPRR.

**Co-General Counsel Review:**

ACTA's Co-General Counsel has reviewed and approved the proposed amendment as to form.

**Transmittals:**

Transmittal 1 – Second Amendment to Agreement No. C0889 between the Alameda Corridor Transportation Authority and Pacific Railway Enterprises, Inc.

SECOND AMENDMENT  
TO AGREEMENT NO. C0889  
BETWEEN  
THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY  
AND PACIFIC RAILWAY ENTERPRISES, INC.

THIS SECOND AMENDMENT to Agreement No. C0889 is made and entered into by the Alameda Corridor Transportation Authority ("ACTA"), acting by and through its Governing Board, and Pacific Railway Enterprises, Inc. ("Consultant") as follows:

1. Article 5. Compensation is hereby removed and replaced in its entirety, as follows:

"For the full and satisfactory performance of the Scope of Work, ACTA shall pay Consultant, and Consultant shall accept, a sum not to exceed One Million Five Thousand Two Hundred Dollars (\$1,005,200). The total sum payable under this Agreement shall be determined by Project Directives and Consultant acknowledges that final compensation may not reach the maximum sum allowed for herein."

2. Exhibit A-1 "Additional Scope of Work" is attached hereto and made a part hereof.

Except as amended herein, all remaining terms and conditions of Agreement No. C0889 shall remain in full force and effect.

The effective date of this amendment shall be the date of its execution by ACTA's Chief Executive Officer or his designee.

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IN WITNESS THEREOF, the parties hereto have executed this Second Amendment to Agreement No. C0889 on the date to the left of their signatures:

ALAMEDA CORRIDOR  
TRANSPORTATION AUTHORITY

Date: \_\_\_\_\_

By: \_\_\_\_\_

Michael C. Leue, P.E.  
Chief Executive Officer

Attest: \_\_\_\_\_

Secretary

PACIFIC RAILWAY ENTERPRISES,  
INC.

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO FORM

\_\_\_\_\_, 2023  
HYDEE FELDSTEIN SOTO, Los Angeles City Attorney

By \_\_\_\_\_

Heather M. McCloskey, Deputy  
ACTA Co-General Counsel

Agreement No. 889  
Exhibit A-1  
(Second Amendment)


Additional Scope of Work

The UPRR Dolores Yard Crossover Project will require additional signal field support to test and commission CP Thenard, CP Long Beach, and CP Sepulveda. In early May 2023 the project was stopped due to unidentified utility lines and a manhole in conflict with the UPRR's new track connection. The utility lines and manhole contained hazardous substances that made it unsafe to disturb. When the owner(s) of the lines are identified and the lines are decommissioned/removed, the project will resume and PRE will provide field support to test and commission CP Thenard, CP Long Beach, and CP Sepulveda.

In addition, PRE will be tasked with the design of railroad signal/communication throughout the Corridor to modernize the existing signal system which is reaching the end of its service life. Many of the current signal and communication components have been discontinued and/or are difficult to procure. The modernization program is scheduled to occur during the next five years or as equipment fails and needs replacement and/or is transitioned to the new technology.

# M E M O

## *Alameda Corridor Transportation Authority*

To: Governing Board  
 Meeting Date: December 14, 2023  
 From: Michael C. Leue, Chief Executive Officer   
 Subject: APPROVE Resolution No. JPA 23-5 Setting the Calendar Year 2024 Date & Time for the Regular Meetings of the ACTA Governing Board

### **Recommendation:**

Approve the attached resolution setting the date and time for regular meetings of the ACTA Governing Board in 2024. January through August are proposed to be on the third Thursday of each month, and September through December are proposed to be on the second Thursday of each month. All Governing Board meetings are proposed to begin at 10:00 a.m.

Dates of proposed regular Governing Board meetings are listed below:

<b>January-August: 3<sup>rd</sup> Thursday</b>	<b>September-December: 2<sup>nd</sup> Thursday</b>
January 18, 2024	September 12, 2024
February 15, 2024	October 10, 2024
March 21, 2024	November 14, 2024
April 18, 2024	December 12, 2024
May 16, 2024	
June 20, 2024	
July 18, 2024	
August 15, 2024	

### **Discussion:**

Section 4D(1) of the Amended and Restated Joint Exercise of Powers Agreement (Agreement), dated December 18, 1996, requires the Governing Board to hold at least one regular meeting each year, and that the dates, time and place be fixed by resolution. Meetings have been scheduled monthly since 1989 and cancelled for any month when a meeting was not necessary. See the Background section below for the history of dates, time and locations of meetings.

Regular meetings are proposed to be held at 10:00 a.m. on the 3<sup>rd</sup> Thursday for January through August, and on the 2<sup>nd</sup> Thursday for September through December to avoid conflict with other meetings attended by the ACTA Board Members.

**Background:**

In August 1989, the Board adopted a resolution setting the monthly meetings for 9 a.m. at the Carson Civic Center on the second Thursday of each month. In January 1997, the Board adopted a resolution to move the meetings to the first Thursday of each month and alternate each year between POLB and POLA Administration Buildings. Later that same month, the Board approved the POLB location for all meetings going forward. In April 1997, the Board adopted a resolution to move the meetings to the second Thursday of each month. In January 2022, the Board adopted a resolution to move the meeting to the third Thursday of each month at 3:00 p.m.

As a result of the closure of the Port of Long Beach Administration Building, the Board adopted a resolution in February 2014 for meetings to be held at either the POLA Administration Building or the City of Long Beach Council Chambers. There was no change made to the dates or times for the monthly meetings. In April 2017, a third location was added at Long Beach City College Board Room (Liberal Arts Campus at Clark Ave. and Carson St. in Long Beach, CA) due to parking limitations during construction of the new Long Beach City Hall and Board dais seating limitations at the POLA Administration Building Commission Meeting Room. In January 2022, the ACTA Headquarters was added as a meeting location and the Port of Los Angeles Administrative Building was removed to streamline administrative procedures due to teleconference meetings during COVID-19.

**Budget Impact:**

There will be no budget impact from the proposed action since the minimal cost of LBCC was included in the ACTA Operating Budget for FY23/24.

**Co-General Counsel Review:**

ACTA's Co-General Counsel has reviewed and approved the proposed Resolution as to form.

**Transmittal:**

Transmittal 1 – Resolution No. JPA 23-5

**Resolution No. JPA 23-5**  
**RESOLUTION FOR THE REGULAR MEETINGS OF THE ACTA**  
**GOVERNING BOARD FOR CALENDAR YEAR 2024**

WHEREAS, Section 4D(1), Regular Meetings, of the Amended and Restated Joint Exercise of Powers Agreement dated December 18, 1996, reads as follows:

*“The Governing Board shall provide for its regular, adjourned regular and special meetings; provided, however, it shall hold at least one regular meeting in each year. The dates upon which, and the hour and place at which, any regular meeting shall be held shall be fixed by resolution and a copy of such resolution shall be filed with each member of the Governing Board, the Boards of Harbor Commissioners of Long Beach and Los Angeles, and the Mayors of Long Beach and Los Angeles.”*

WHEREAS, pursuant to Resolution No. JPA-22-2 dated January 14, 2022, the regular meetings are currently held at 3:00 p.m. on the third Thursday of each month at one of the following locations: the City of Long Beach Council Chamber located at 333 W. Ocean Boulevard, Long Beach, CA 90802; the Long Beach City College Board Room (Building T1100) on the Liberal Arts Campus located at 4901 East Carson Street, Long Beach, CA 90808; or the ACTA Headquarters located at 3760 Kilroy Airport Way, Suite 200, Long Beach, CA 90806; and

WHEREAS, pursuant to Resolution No. JPA-23-2 dated January 5, 2023, the regular meetings are currently held at 10:00 a.m. on the first Thursday of each month for February through June, and the second Thursday of each month for July through December; and

WHEREAS, it is now proposed that the regular meeting date for Calendar Year 2024 be changed to the third Thursday of each month for January through August, and the second Thursday of each month for September through December, and all regular meetings begin at 10:00 a.m. at one of the currently authorized locations.

NOW, THEREFORE, BE IT RESOLVED as follows:

Section 1. The regular meetings of the ACTA Governing Board for Calendar Year 2024 shall be held at 10:00 a.m. on the third Thursday of each month for January through August, and the second Thursday of each month for September through December.

Section 2. The meetings of the ACTA Governing Board shall be held at one of the following locations:

- 1) City of Long Beach Council Chamber located at 333 W. Ocean Boulevard, Long Beach, CA 90802; or
- 2) Long Beach City College Board Room (Building T1100) on the Liberal Arts Campus located at 4901 East Carson Street, Long Beach, CA 90808; or
- 3) ACTA Headquarters located at 3760 Kilroy Airport Way, Suite 200, Long Beach, CA 90806.

Section 3. This resolution shall take effect immediately upon its adoption by the ACTA Governing Board, and the Board Secretary shall certify the vote adopting this resolution.

AYES:

NAYS:

ABSENT:

I HEREBY CERTIFY THAT the foregoing resolution was adopted by the ACTA Governing Board at its meeting held on December 14, 2023.

\_\_\_\_\_  
Maria M. Melendres  
Board Secretary

APPROVED AS TO FORM

\_\_\_\_\_, 2023  
HYDEE FELDSTEIN SOTO, City Attorney


By \_\_\_\_\_  
Heather M. McCloskey, Deputy City Attorney  
ACTA Co-General Counsel



# M E M O

## *Alameda Corridor Transportation Authority*

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To: Governing Board  
Meeting Date: December 14, 2023  
From: Michael C. Leue, Chief Executive Officer   
Subject: APPROVE Resolution No. JPA 23-6 approving the list of ACTA Officer Positions

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### **Recommendation:**

Adopt a resolution that clarifies and affirms the current ACTA Officers as required under the Amended and Restated Joint Exercise of Powers Agreement dated as of December 18, 1996 (as amended, the “Joint Powers Agreement”) and approves adding the position of Chief Operating Officer as another officer.

### **Discussion:**

Section 4E (Officers) of the Joint Powers Agreement requires that the Governing Board appoint qualified personnel to fill the following positions:

1. General Manager, who shall be responsible for the administration of the Authority;
2. Authority Engineer, who shall be a registered professional engineer in California responsible for engineering and construction of the Alameda Corridor;
3. Treasurer, who shall be selected in accordance with Government Code Sections 6505.5 and 6505.6;\*
4. Auditor/Controller, who shall be selected in accordance with Government Code Sections 6505.5 and 6505.6;\*
5. General Counsel, from the City Attorney’s Office of the City of Long Beach and/or the City of Los Angeles who shall provide legal advice to the Authority;
6. Secretary, who shall keep the official records and correspondence of the Authority; and
7. Such other officers as determined by the Governing Board.

\* Government Code Sections 6505.5 and 6506.6 allow such position to be filled by an employee of the Authority, an employee of the City of Los Angeles or the City of Long Beach, or a third party contractor.

Since ACTA’s inception, such positions have been filled by either Port employees or employees of ACTA. Over the years, with Governing Board approval, such positions and/or additional positions have been added, re-named and/or consolidated as follows:

### General Manager

The original role of the General Manager (GM) was augmented in 1998 with the Board appointment of a Chief Executive Officer (CEO). The GM position was at that time re-named the General Manager and Chief Operating Officer (GM/COO). Later the GM/COO position was abolished, and the duties absorbed by the CEO.

***By the proposed resolution, it is affirmed that the position of the CEO includes the duties originally assigned to the General Manager, and that the CEO title replaces the GM title.***

### Authority Engineer

The role of Authority Engineer was initially performed by engineering representatives of both POLA and POLB. In 1998, the position was renamed the Director of Construction and Engineering (DCE) and filled with an ACTA contract employee. In early 2003, the position was refilled with an ACTA employee. In mid-2003, the position was absorbed into the CEO position, when the DCE was promoted to the CEO position. The current CEO has the requisite California PE license.

***By the approved by resolution JPA 21-1, it is affirmed that the CEO at this time also fills the role of the Authority Engineer.***

### Treasurer

The role of Treasurer has historically been filled with a Port financial staff member on a part-time basis. Recently it had been filled by a POLB financial staff member. However, most of the original functions of the Treasurer are now performed by the ACTA Chief Financial Officer (CFO). The Port-provided Treasurer is now responsible for general oversight as opposed to performing day-to-day functions.

***By the proposed resolution, it is affirmed that the Treasurer title remains unchanged; that the position at this time is provided by CFO of the Port of Los Angeles; and that such position currently consists of providing oversight of the ACTA CFO functions.***

### Auditor/Controller

The function of Auditor/Controller was originally performed by Port-provided personnel on a part-time basis, with the Auditor provided by one Port and the Controller provided by the other. The role of Controller was later absorbed into the ACTA CFO position. As regards the Auditor role, for a time ACTA maintained a separate Internal Auditor position during the peak of construction activity, but that role has subsequently been performed by independent external auditors under the purview of the CFO and overseen by the Audit Committee of the ACTA Governing Board.

***By the proposed resolution, it is affirmed that the position of the CFO at this time includes responsibility for the duties required to be performed by the Auditor/Controller and that the CFO title replaces the Auditor/Controller title.***

### General Counsel

The role of General Counsel, which was to be filled by either the City Attorney's Office of the City of Los Angeles or the City of Long Beach, was originally filled by the City of Los Angeles. By Board resolution in 2005, the role is now performed by Co-General Counsel from each of the City Attorney's Offices. Their services are reimbursed by ACTA.

***By the proposed resolution, it is affirmed that General Counsel title has been replaced by the Co-General Counsel title.***

**Secretary**

The role of Secretary has been provided by both ACTA and port staff over the years. Most recently the position is performed by an ACTA staff member, as approved by the Governing Board in March 2013.

***By the proposed resolution, it is affirmed that Secretary functions and title remain the same.***

**Chief Operating Officer**

The role of Chief Operating Officer (COO), as defined in the ACTA reorganization previously presented to the Board, is proposed to be added to the ACTA officers. The COO will report to the CEO and provide leadership in contract management with technical guidance to the performance of contracted services including engineering and railroad maintenance of way.

***By the proposed resolution, the Board will determine that the position of Chief Operating Officer should be added to the list of ACTA officers.***

It is recommended that the Board approve the attached resolution, affirming the ACTA Officer positions.

**Budget Impact:**

There is no change to the approved ACTA Program Budget caused by the adoption of this resolution since the Board approved the addition of COO to the FY24 budget when it was adopted.

**Co-General Counsel Review:**

ACTA's Co-General Counsel has reviewed and approved this Resolution as to form.

**Transmittals:**

Transmittal 1 – Resolution JPA 23-6

**RESOLUTION NO. JPA-23-6**  
**RESOLUTION APPROVING THE OFFICER POSITIONS AND FUNCTIONS OF  
THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY**

WHEREAS, in December 1996, the City of Los Angeles and the City of Long Beach acting by and through their respective Harbor Commissions entered into the Amended and Restated Joint Exercise of Powers Agreement between the City of Long Beach and the City of Los Angeles to be known as the Alameda Corridor Transportation Authority (ACTA); and

WHEREAS, Section 4.E of the Amended and Restated Joint Exercise of Powers Agreement (Agreement) names the Officer positions and functions, and provides that such Officers shall be appointed by the Governing Board of ACTA; and

WHEREAS, Section 4E of the Agreement lists the titles of the Officers as the General Manager, Authority Engineer, Treasurer, Auditor/Controller, General Counsel, Secretary, and other officers as determined by the Governing Board; and

WHEREAS, over the course of the years since 1996, including Resolution JPA 14-3, positions have been added or re-titled and functions changed or consolidated; and

WHEREAS, Governing Board of ACTA desires to affirm the current list of Officers by position and function, as related to the original 1996 list of Officer positions and functions;

NOW THEREFORE BE IT RESOLVED that the Governing Board of ACTA does hereby affirm the following:

1. As regards the original General Manager position, the ACTA Chief Executive Officer (CEO) position has replaced the General Manager (GM) position, and the CEO performs the functions originally ascribed to the GM. **The CEO is an ACTA Officer.**
2. As regards the original Authority Engineer position, the current CEO also fills the Authority Engineer position, and is a registered engineer in California, as required. **The Authority Engineer is an ACTA Officer.**
3. In a support role to the CEO, the position of Chief Operating Officer (COO) is instated as part of a reorganization in 2024, which transitions to as-needed contract services, increases responsibility of ACTA staff, and requires management and technical direction of as-needed contract services. **The COO is an ACTA Officer.**
4. As regards the original Treasurer position, the position continues to be held by a qualified financial representative of either port. The Treasurer oversees the functions of the ACTA Chief Financial Officer (CFO), who performs the functions required under Government Code Sections 6505.5 and 6506.5. **The Treasurer is an ACTA Officer.**

5. As regards the original Auditor/Controller position, the ACTA CFO position has replaced the Auditor/Controller position, and the CFO, as overseen by the ACTA Audit Committee, performs the functions required under Government Code Sections 6505.5 and 6506.5. **The CFO is an ACTA Officer.**
  
6. As regards the original General Counsel position, which was to be provided by either of the two cities, the position is now filled by an attorney from each of the City Attorney's Offices to provide ACTA's legal support. **The Co-General Counsel are ACTA Officers.**
  
7. As regards the original Secretary position, the position and functions have remained unchanged. **The Secretary is an ACTA Officer.**
  
8. The Governing Board will evaluate the performance and approve salary adjustments of the CEO. The CEO will be responsible for the performance evaluations and salary adjustments of all other ACTA employees including officers.

I HEREBY CERTIFY THAT the foregoing resolution was adopted by the ACTA Governing Board at its meeting held on this 14<sup>th</sup> day of December 2023 by the following vote:

AYES:

NAYS:

ABSENT:

ATTEST:

By: \_\_\_\_\_  
Maria M. Melendres  
Board Secretary

APPROVED AS TO FORM

\_\_\_\_\_, 2023  
HYDEE FELDSTEIN SOTO, City Attorney

By: \_\_\_\_\_  
Heather M. McCloskey, Deputy City Attorney  
ACTA Co-General Counsel


# M E M O

## *Alameda Corridor Transportation Authority*

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To: Governing Board

Meeting Date: December 14, 2023

From: Michael C. Leue, Chief Executive Officer 

Subject: APPROVE Resolution No. JPA 23-7 for the appointment of a Chief Operating Officer (COO) of the Alameda Corridor Transportation Authority, effective December 18, 2023, and approve the COO's compensation package

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### **Recommendation:**

Approve Resolution No. JPA 23-7 for the appointment of a Chief Operating Officer (COO) of the Alameda Corridor Transportation Authority, effective December 18, 2023 and, after discussion in Open Session, approve the COO's salary and compensation package.

### **Discussion:**

The ACTA Governing Board directed ACTA's CEO and CFO to evaluate modifying the Authority's structure and resources to reflect the current needs and function of the Authority. An Ad Hoc Committee for ACTA Reorganization was formed by the Governing Board on September 15, 2022. The Ad Hoc Committee members comprise Duane Kenagy, Tony Gioiello and Michael Cano.

ACTA's CEO and CFO met with the Ad Hoc Committee on February 8, 2023, to present their analysis of ACTA's operations and discuss alternative organizational solutions. The proposed reorganization was presented to the Governing Board on April 16, 2023 with a key element of the plan being to add the position of COO. The Operating Budget for Fiscal Year 2023/2024 included the salary for a COO, which was approved by the Governing Board on June 1, 2023.

ACTA contracted with Shey-Harding Executive Search to perform recruitment services for filling the COO position. Selection of Shey-Harding was done through a competitive selection process where 12 firms currently under contract to either POLB or POLA were evaluated and three were asked to provide written proposals for review. Based on their evaluation of the written proposals by the CEO and CFO, they selected Shey-Harding and using his delegated contracting authority, the CEO executed a professional services agreement between ACTA and Shey-Harding for the COO recruitment services.

The executive search involved advertising the position through Shey-Harding's job board, on the POLA and POLB websites, on LinkedIn and through direct outreach to industry leaders and candidates referenced by those leaders. The extensive job requirements include a Bachelor's degree, 15 years of directly relevant experience including 7 years of management experience, and a Professional Engineers license or Construction Management certificate or Class I railroad leadership. The job bulletin was also sent to each of ACTA's Governing Board members. Shey-Harding was instructed to make asserted efforts to ensure diversity in their outreach. Shey-Harding's nationwide search included contact with over 50 professionals of varying ethnic backgrounds, including a dozen women who are leaders in the industry.

An evaluation team was assembled, comprised of Duane Kenagy, Michael Leue, and Kevin Scott. Susan Dvonch of Shey-Harding performed an evaluation of the candidate pool to identify a group that met the COO job qualifications and were willing to submit an application when the selection occurred. The evaluation team reviewed the whole candidate list and selected the top four candidates to be interviewed. Interviews were conducted by the evaluation team with Susan Dvonch of Shey-Harding observing. The interviews were consistent in duration, the same list of questions was asked of each finalist and evaluators scored answers to each question. Each of the four finalists were exceptionally well qualified and offered diverse backgrounds. The score-based selection of the preferred candidate was unanimous by the evaluation team.

After conducting the interviews, the four finalists filled out an application, which included their desired salary. The Governing Board had approved the ACTA Officer and Employee Publicly Available Pay Schedule for FY24 on June 1, 2023, which listed the COO position salary range to be from \$196,549 to 292,745. Subsequently, the CEO and CFO evaluated the market and the balance of internal ACTA salaries. Based on all of the above and seeking compensation commensurate with the candidate's experience and alignment of qualifications to this position, the evaluation team suggested a target salary and benefits for Shey-Harding to negotiate an offer package with the preferred candidate and to verify credentials through background checks and references. At this time, the CEO recommends that the Governing Board approve the selection of the preferred candidate for appointment as ACTA's COO. A proposed compensation and benefits package will be discussed in open session during the December 14, 2023 Governing Board meeting.

**Budget Impact:**

The appointment of the COO will not impact ACTA's Operating Budget because the position and funding was included in the Board-approved FY24 budget.

**Co-General Counsel Review:**

ACTA's Co-General Counsel has reviewed and approved the Resolution as to form.

**Transmittals:**

Transmittal 1 – Resolution JPA 23-7

Resolution No. JPA 23-7

RESOLUTION APPOINTING \_\_\_\_\_ AS CHIEF  
OPERATING OFFICER OF THE ALAMEDA CORRIDOR TRANSPORTATION  
AUTHORITY AND APPROVING COMPENSATION AND BENEFITS

WHEREAS, the Amended and Restated Joint Exercise of Powers Agreement between the City of Los Angeles and the City of Long Beach dated December 18, 1996, provides for the appointment of certain officers of the Alameda Corridor Transportation Authority (“ACTA”); and

WHEREAS, ACTA’s Chief Operating Officer is responsible for overseeing ACTA’s contracting and contracted services, as well as the oversight of certain aspects of employees activities and agency administration necessary to ensure that ACTA functions in an efficient and cost-effective manner; and

WHEREAS, ACTA’s transition to a new paradigm of contracting and managing services needs to be accomplished by June 2024; and

WHEREAS, the Governing Board of ACTA desires to fill the COO position promptly to enable a transition period before June 2024 and, following a robust nation-wide recruitment and selection process, approves the candidate selected by the evaluation committee for the position of ACTA Chief Operating Officer;

NOW THEREFORE BE IT RESOLVED that the Governing Board of ACTA does hereby appoint \_\_\_\_\_, as ACTA’s Chief Operating Officer effective December 18, 2023; and

FURTHER BE IT RESOLVED that the Governing Board of ACTA does hereby authorize the Chief Operating Officer’s compensation to be an annual salary of \$ \_\_\_\_\_ and all other employee benefits offered to salaried Fair Labor Standards Act exempt employees with an adjustment to the Chief Operating Officer’s biweekly vacation accrual rate at 6.15 hours.

AYES:

NOES:

ABSENT

I HEREBY CERTIFY THAT the foregoing resolution was adopted by the ACTA Governing Board at its meeting held on December 14, 2023.

\_\_\_\_\_  
Maria M. Melendres  
Board Secretary

APPROVED AS TO FORM AND LEGALITY  
\_\_\_\_\_, 2023

HYDEE FELDSTEIN SOTO, Los Angeles City Attorney

By \_\_\_\_\_  
Heather M. McCloskey, Deputy  
ACTA Co-General Counsel




# M E M O

## *Alameda Corridor Transportation Authority*

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To: Governing Board

Meeting Date: December 14, 2023

From: Michael C. Leue, Chief Executive Officer 

Subject: APPROVE a Memorandum of Understanding for the proposed West Santa Ana Branch Transit Corridor Project amongst the City of Los Angeles Harbor Department, the Los Angeles County Metropolitan Transportation Authority, Union Pacific Railroad Company, the City of Long Beach Harbor Department, and the Alameda Corridor Transportation Authority.

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### **Summary:**


Staff requests approval of a Memorandum of Understanding (MOU) amongst the City of Los Angeles Harbor Department (POLA), the Los Angeles County Metropolitan Transportation Authority (Metro), Union Pacific Railroad Company (UPRR), the City of Long Beach Harbor Department (POLB), and the Alameda Corridor Transportation Authority (ACTA), regarding Metro's proposed West Santa Ana Branch Transit Corridor (WSAB) Project. Staff also recommends delegation of authority to the Chief Executive Officer to approve final modifications to the MOU which may be proposed by the parties to address Metro's obligations for environmental review of the Project.

The WSAB Project will expand light rail passenger service along the West Santa Ana Branch Transit Corridor to connect southeast Los Angeles County to downtown Los Angeles and is proposed to be constructed within a portion of POLA-POLB jointly owned property (former the UPRR San Pedro Branch Line), on which UPRR has operating rights and which serves as an emergency bypass rail line for the Alameda Corridor. The proposed WSAB Light Rail Transit (LRT) line will not impact the freight operation of this rail line and ACTA has no objections to the currently proposed LRT line alignment contained in Metro's draft Environmental Impact Report/Environmental Impact Statement (DEIR/DEIS).

The purpose of the MOU is to coordinate the design and planning for construction, property interests, operation, and maintenance of the WSAB Project. The term of the MOU is three years, and there is no financial impact related to this MOU.

### **Recommendation:**

Approve the MOU and delegate authority to the Chief Executive Officer to approve the parties' proposed modifications to the MOU regarding environmental review obligations and execute the MOU.



**Discussion:**

Metro's proposed WSAB Project is a new light rail passenger transit line that will connect southeast Los Angeles County to downtown Los Angeles. In January 2022, Metro's Board of Directors selected an initial segment (Slauson/A Line to Pioneer) as the Locally Preferred Alternative and focus of the Final EIS/EIR. Metro's Board also approved Los Angeles Union Station as the ultimate northern terminus for the Project. The Project is currently in the environmental review phase. A Final EIS/EIR is expected for Metro Board certification in 2024.

The initial segment is comprised of 14.5 miles of the total planned 19-mile corridor (Exhibit A of Transmittal 1). The Project is anticipated to cross over rail lines and other properties used, owned or under the control of UPRR, POLA and POLB; and part of the alignment is anticipated to be located parallel to active freight tracks in the portions of:

- Wilmington Branch: 1.8 miles (UPRR-owned)
- La Habra Branch: 2.2 miles (UPRR-owned)
- San Pedro Subdivision: 6.1 miles (POLA/POLB-owned)

Current discussions among the parties' staff indicate that it may be possible to build the proposed Project at-grade and close to the rail operations along portions of the Project without impacting the parties' various right of way. Metro requested the MOU so that the parties may continue to discuss and coordinate on the advancement of design and planning for construction, property interests, operation, and maintenance of the Project. The MOU recognizes certain existing obligations and rights of POLA, POLB, ACTA and UPRR with respect to the proposed Project location and reserves the rights of these parties to prioritize their pre-existing obligations over any future agreements for the proposed Project. One of these pre-existing obligations includes the obligation of ACTA, POLA and POLB to maintain the San Pedro branch line as an alternate emergency route for Alameda Corridor operations.

Provided below are the material terms of the MOU:

<b>Terms</b>	<b>Description</b>
Parties	Metro, POLA, POLB, ACTA, UPRR
Instrument	Non-binding MOU
Term	Three years, subject to termination with written notice.
Project Scope	Metro is evaluating the Project as a new Light Rail Transit (LRT) line to connect southeast LA County to downtown Los Angeles.
Roles and Responsibilities	<ul style="list-style-type: none"> <li>• A Project Development Committee will be created, made up of staff representatives from each Party, to further the goals of the MOU.</li> <li>• Metro will be the lead agency for Project design and engineering, and will apply applicable design standards and recommendations agreed upon by the parties.</li> </ul>

Deliverables	<p>The Parties agree to work together to produce certain deliverables, including, but not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Draft Statement of Work for the freight line relocations required for the Project.</li> <li>• Term Sheet memorializing the major terms and conditions of any Project.</li> <li>• Consideration of the type of property ownership interests being conveyed.</li> <li>• Terms and conditions for Project construction of the freight line relocation and adjacent construction.</li> <li>• Terms and conditions for Project operations and maintenance of the relocated freight line and adjacent LRT.</li> <li>• Terms and Conditions for Access.</li> <li>• Consideration, Compensation, and Financial Responsibilities for each Party.</li> <li>• Allocation of Liability, Insurance, and Indemnification.</li> <li>• Trackage rights agreements.</li> <li>• Capital improvements and Project scope.</li> </ul>
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The deliverables set forth above are subject to the appropriate approval procedures of each party, including approvals by the ACTA Governing Board.

Delegated authority to the Chief Executive Officer is requested due to the POLA Board of Harbor Commissioners requesting additional information and assurances from Metro to address Metro’s obligations under CEQA. It is unknown whether the information and assurances will be addressed through MOU modifications or POLA staff reporting to their Board of Harbor Commissioners. However, all parties shall comply with CEQA, and Metro, as the lead agency for the Project, will address project impacts as set forth in the draft and final Environmental Impact Reports as required by CEQA.

**Budget Impact:**

Approval of the proposed MOU is not anticipated to have a financial impact on ACTA other than the staff time required to produce deliverables under the MOU. Any potential future spending related to the WSAB project will be subject to Governing Board review and approval as part of the annual budget adoption process.

**Co-General Counsel Review:**

ACTA’s Co-General Counsel has reviewed and approved the proposed MOU as to form.

**Transmittals:**

Transmittal 1 - Memorandum of Understanding Regarding the Proposed Los Angeles County Metro Extension Along the West Santa Ana Branch Line

**MEMORANDUM OF UNDERSTANDING  
REGARDING THE PROPOSED LOS ANGELES COUNTY  
METRO EXTENSION ALONG THE WEST SANTA ANA BRANCH LINE**

This Memorandum of Understanding (“MOU”) is made and entered into by and among the Los Angeles County Metropolitan Transportation Authority (hereinafter referred to as “LACMTA” or “Metro”), an agency created under the laws of the State of California to provide planning and transportation services to the Los Angeles County area; Union Pacific Railroad Company (hereinafter referred to as “UPRR”), a corporation, having its headquarters in Omaha, Nebraska and incorporated under the laws of the State of Delaware; the City of Los Angeles, a municipal corporation, acting by and through its Board of Harbor Commissioners (hereinafter referred to as “POLA”); the City of Long Beach, a municipal corporation, acting by and through its Board of Harbor Commissioners (hereinafter referred to as “POLB”); and the Alameda Corridor Transportation Authority, a California Joint Powers Authority, acting by and through its Governing Board (hereinafter referred to as “ACTA”). LACMTA, UPRR, POLA, POLB and ACTA are hereinafter referred to individually as “Party” and collectively as “Parties”.

**WHEREAS**, LACMTA desires to provide expanded light rail passenger service along the West Santa Ana Branch Transit Corridor (“WSAB”) to connect southeast Los Angeles County to downtown Los Angeles (the “Project”). In January 2022, the LACMTA Board of Directors approved a 14.5-mile Light Rail Transit (“LRT”) line from Slauson/A Line to Pioneer as the Locally Preferred Alternative for the Project (“LPA”). The LPA is anticipated to cross over rail lines and other properties used, owned or under the control of UPRR, POLA and POLB and part of the LPA alignment is anticipated to be located parallel to active freight track(s) in the portions of the UPRR-owned Wilmington Subdivision right-of-way (“ROW”), the UPRR-owned La Habra Subdivision ROW, the POLB and POLA-owned San Pedro Subdivision ROW, and the LACMTA-owned Pacific Electric ROW. The Parties acknowledge that UPRR has operating rights on the San Pedro Subdivision ROW and the Pacific Electric ROW. A map of the area is attached to this MOU as Exhibit A;

**WHEREAS**, the purpose of this MOU is to memorialize the Parties’ preliminary understanding of the proposed Project and outlines non-binding understandings between and among the Parties, along with their individual and collective roles for reviewing the design and operation of the proposed Project;

**WHEREAS**, each Party to this MOU is able to provide specific perspective, expertise, and responsibilities that are integral to the planning, implementation, completion and operation of the proposed Project;

**WHEREAS**, the Parties acknowledge that this MOU is being entered into while the environmental review process is ongoing and the final Environmental Impact Statement/Environmental Impact Report (“EIS/EIR”) is being prepared and entering into this MOU does not prejudice a Party’s right to participate in the environmental review process (including the right to raise concerns or objections to impacts from the Project) nor does it predetermine the outcome of that process. As part of the ongoing environmental review process, LACMTA continues to work with stakeholders and/or communities to consider impacts (such as safety and noise) and mitigation measures. The LPA will be designed and constructed in accordance with the final EIS/EIR, including

implementing measures to mitigate noise impacts and safety/security impacts with respect to adjacent residences as identified in the final EIS/EIR;

**WHEREAS**, current discussions among the Parties' staff indicate that it may be possible to build the proposed Project at-grade and close to the rail operations along portions of the Project impacting the Parties' various ROW;

**WHEREAS**, each Party agrees to provide resources to facilitate the review of various elements of the proposed Project, which in some cases may be conditioned on LACMTA's reimbursement of costs associated with such review pursuant to separate agreements as between those Parties; and

**WHEREAS**, in addition to the foregoing, LACMTA desires to enter into this MOU in order to support its efforts to secure Project funding and to advance the environmental review process.

**NOW, THEREFORE**, the Parties hereby mutually agree as follows:

**I. MOU Purpose, Project Scope and Purpose, Benefits, Funding Sources and Technical Specifications**

The purpose of this MOU is to coordinate the advancement of design and planning for construction, property interests, operation, and maintenance of the Project with respect to the LPA as it relates to the relocation of the freight track(s) and appurtenances to accommodate the alignment of the Project while maintaining existing freight operations along each Parties' ROW. The Parties agree to work together to evaluate and attempt to resolve issues needed to complete the Project. Any impacts affecting the Parties with respect to the segment from Slauson/A Line to the northern terminus shall be addressed in a separate agreement or agreements. The Parties agree that if subsequent agreements are necessary for the proposed Project, more detailed information and definitive terms and conditions will be set forth in those agreements after satisfactory completion of relevant due diligence and Project planning, along with approval by each Parties governing body as needed. If at any time a Party determines, after completing its own due diligence, the proposed Project would be incompatible with its operational needs within its ROW, then such Party may decline to support the Project through future agreements.

a. Project Scope and Purpose

LACMTA is evaluating the Project as a new LRT line to connect southeast LA County to downtown Los Angeles. The Project would serve the cities and communities of Artesia, Cerritos, Bellflower, Paramount, Downey, South Gate, Cudahy, Bell, Huntington Park, Vernon, the unincorporated Florence-Graham community and Downtown Los Angeles. The Project's overall purpose would be to provide high-quality reliable fixed guideway transit service to meet the future mobility needs of residents, employees, and visitors who travel within and through the corridor. The Project would increase mobility and connectivity for historically underserved and transit-dependent communities, improve travel times on local and regional transportation networks relative to not making this investment, and accommodate substantial future employment and population growth. The study area (as defined in the environmental review) is currently home to 1.4 million residents and 618,500 jobs, which are projected to increase to 1.6 million residents and 746,000 jobs by 2042.

In January 2022, LACMTA's Board of Directors approved Los Angeles Union Station as the northern terminus of the Project, with the Project being deemed complete when there is a one-seat ride that connects Artesia to Union Station. The Board further approved the 14.5 mile LPA segment, including nine WSAB stations and one new infill C Line station at I-105, and a maintenance and storage yard, as the locally preferred alternative with the objective of delivering the LPA by 2033-35.

b. Benefits

The Project is anticipated to serve commuters in a high travel demand corridor by providing relief to the limited transportation systems currently available to the communities along the corridor. Population and employment densities in areas around the Project are five times higher than the Los Angeles County average. Most of the study area is served by buses that operate primarily along a heavily congested freeway and arterial network. As the population and employment within the study area are predicted to grow substantially over the next 20 years, the congestion of the roadway network is expected to worsen, resulting in the further decreased reliability of transit service for these heavily transit-dependent environmental justice communities. The Project is intended to provide the much-needed access to opportunities and resources for transit riders in a high-travel demand corridor that is populated by a majority minority community. In addition, the new light rail line is intended to provide transfers to the Metro C Line (Green), Metro A Line (Blue) and the Los Angeles County regional transit network. Upon completion to the northern terminus, the new light rail line would also connect passengers to Amtrak and Metrolink services.

c. Funding sources

LACMTA anticipates funding or financing the Project from different sources, including federal, state, and local sources, such as the New Starts program under the federal Capital Investment Grants program, the State Transit and Intercity Rail Capital Program, Measure M sales tax revenues, local agency contributions, and others.

d. Technical specifications

The Parties acknowledge and agree that the preliminary technical specifications for the LPA include the following:

1. The distance between the at-grade LRT track centerlines would be a minimum of 14-feet
2. The distance between the nearest freight track centerline and LRT track centerline would be a minimum of 20-feet for the at-grade alignment
3. Aerial guideway spanning over any UPRR- owned ROW or any ROW on which UPRR has rights to operate freight trains would have a minimum vertical clearance of 24 feet over freight between the bottom of the bridge and the top of the rail
4. The overhead catenary system would electrically power the light rail line through a contact wire suspended approximately 20 feet above the track,

- supported by poles spaced at an average interval of 150 feet with the poles placed between the two LRT tracks through the LPA
5. Relocation of the freight track(s) and appurtenances to accommodate the alignment and maintain freight operations:
    - Relocation to the north of the Project alignment within the La Habra Subdivision ROW
    - Relocation to the west of the Project alignment within the San Pedro Subdivision ROW
    - Relocation to the north of the Project alignment within the LACMTA-owned Pacific Electric ROW
  6. The Project's planned service would operate approximately 22 hours daily, seven days per week with weekday peak headways of 5 minutes and would have 10-minute headways during the off-peak hours

## II. Roles and Responsibilities

### a. Project Development Committee

A Project Development Committee ("Committee") is hereby created, made up of staff representatives from each Party, to further the goals of this MOU.

#### 1. Purpose

The purpose of the Committee will be to provide a regular forum for staff representatives of each Party to meet and discuss Project issues and elements. The main goal of the Committee will be to make recommendations to the Parties on various aspects of the Project that may require future agreement of the Parties. The Committee is created solely for the limited purpose of providing guidance, recommendations and advice to the Parties and their governing bodies. The Committee and its members shall have no decision-making authority and any work performed by members of the Committee, whether done individually or as a group, shall have no binding authority on any Party.

For the proposed freight relocations and the Project alignment that is anticipated to be located parallel to active freight track(s) in the portions of the UPRR-owned Wilmington Subdivision ROW, the UPRR-owned La Habra Subdivision ROW, the POLB and POLA-owned San Pedro Subdivision ROW, and the LACMTA-owned Pacific Electric ROW, the Committee will provide recommendations on specific terms and conditions to the Parties on the following topics, including, but not limited to:

- i. Project Alignment (April 2023 Advanced Conceptual Engineering Plans);
- ii. Necessary Capital Improvements for the Project;
- iii. Project Budget;
- iv. Financial Contributions, if any, of the Parties;
- v. Compliance with State and Federal Laws and Regulations;
- vi. Project Schedule;

- vii. Project Design and Design Standards;
- viii. Construction;
- ix. Operations;
- x. Maintenance and Access; and
- xi. Property Transfers, including Trackage rights.

## 2. Membership

Each Party shall nominate, at its sole discretion, at least one person to serve on the Committee. The individuals serving on the Committee should have certain background experience and qualifications in at least one area regarding railroad project development, engineering, environmental compliance, or ROW/real estate. Additional staff may attend Committee meetings at the discretion of each Party for the purpose of providing required expertise and advice as needed during the term of this MOU.

## 3. Meetings and Communication

The Committee will establish a regular schedule of meeting as needed, but at a minimum meet at least once a month either via online video conference, in person, or a combination of the two based on the preference of the majority of the Committee members. LACMTA will designate one of its members to prepare minutes of each meeting and circulate them to the other Committee members within seven (7) days after each meeting, unless a more expedited schedule is required on a case-by-case basis.

### b. Confidential Information

The Parties agree that any information and documents shared between the Parties may be treated as confidential upon the request of the providing Party and to the extent allowed under federal and state laws, with the understanding that any Party to this MOU which is a public agency shall treat documents created or shared pursuant to this MOU as public records in accordance with the California Public Records Act. Each Party may determine, in its sole discretion, what information, if any, such Party elects to share with other Parties and distribution of confidential information or documents shall be limited accordingly. Parties seeking to share confidential information or documents among themselves may choose, at their sole discretion, to enter into a separate agreement to limit the release of such confidential information and documents.

### c. Duration of the Committee

The Committee will exist until the earlier of either the termination or expiration of this MOU or such time as the Parties determine that the Committee is no longer necessary to achieve the goals of this MOU.

### d. Lead Party for Design

LACMTA will be the lead agency for Project design and engineering and will apply applicable design standards and recommendations agreed upon by the Parties.



**III. Deliverables**

- a. The Parties agree to work together to produce certain deliverables, including, but not limited to, the following:
  - i. A draft Statement of Work for the freight line relocations required for the Project, including a draft budget and schedule.
  - ii. A Term Sheet memorializing the major terms and conditions of any Project agreements between the Parties.
  - iii. Consideration of the type of property ownership interests being conveyed.
  - iv. Terms and conditions for Project construction of the freight line relocation and adjacent LRT construction.
  - v. Terms and conditions for Project operations and maintenance of the relocated freight line and adjacent LRT.
  - vi. Terms and Conditions for Access.
  - vii. Consideration, Compensation, and Financial Responsibilities for each Party.
  - viii. Allocation of Liability, Insurance, and Indemnification.
  - ix. Trackage rights agreements.
  - x. Capital improvements and project scope.
- b. Additionally, the Committee will assist LACMTA with technical advice and document review if LACMTA decides to seek funding for the Project as described in Section I.c herein.

**IV. Miscellaneous**

- a. This MOU shall not be assigned by any Party without the prior written consent of the other Parties.
- b. Any provision of this MOU may be amended, modified, extended or waived by written mutual agreement of all of the Parties.
- c. This MOU may be executed in counterparts, all of which taken together will be deemed one and the same instrument.
- d. This MOU may be terminated by any Party at any time upon written notice to the other Parties.
- e. This MOU confers no contractual obligations by any Party to any other Party with respect to the matters set forth herein. This MOU shall have no legal binding authority on any Party and has no enforcement rights through mediation, arbitration or in a court of law. UPRR, POLA, POLB and ACTA make no representations or warranties regarding the underlying property rights and any matters concerning such property rights shall be addressed in separate future agreements.

- f. This MOU shall be effective for a period of three years commencing on the date of last execution by all Parties. The term of the MOU may be extended by written amendment to this MOU.

**V. LACMTA acknowledgment of ROW commitments**

LACMTA acknowledges that the proposed Project LPA will impact some portions of the Parties' ROW which are governed by certain agreements as they exist now, and as they may be amended from time to time, namely 1) an Amended and Restated Use and Operating Agreement between ACTA, POLA, POLB, UPRR and BNSF, 2) a Use Permit between POLA, POLB and ACTA, and 3) a Master Trust Indenture between ACTA and US Bank Trust National Association (collectively "ROW Agreements"). LACMTA further acknowledges that in the event a party to any of the ROW Agreements determines that the proposed Project within a ROW materially conflicts with obligations of the ROW Agreements, then compliance with the ROW Agreement(s) at issue shall take precedence over any Party to this MOU agreeing to the proposed Project and entering into future Project-related agreements.

*[Signatures on Next Page]*

THE LOS ANGELES COUNTY  
METROPOLITAN TRANSPORTATION  
AUTHORITY

Dated: December 13, 2023

By: Mathew Antonelli  
(Name), (Title)

Attest: Not Applicable  
(Name), (Title)

APPROVED AS TO FORM

December 12, 2023

DAWYN R. HARRISON, County Counsel

By: Teddy Low  
~~(Name), (Title)~~ Teddy Low, Senior Deputy County Counsel

*[Signatures Continue on Next Page]*

THE CITY OF LONG BEACH, a municipal corporation, acting by and through its Board of Harbor Commissioners

Dated: \_\_\_\_\_, 2023

By: \_\_\_\_\_

MARIO CORDERO  
Chief Executive Officer  
Long Beach Harbor Department

APPROVED AS TO FORM

\_\_\_\_\_, 2023  
DAWN MCINTOSH, Long Beach City  
Attorney

By \_\_\_\_\_  
Thomas Y. Oh, Deputy

*[Signatures Continue on Next Page]*

THE CITY OF LOS ANGELES, by its Board  
of Harbor Commissioners

Dated: \_\_\_\_\_, 2023

By: \_\_\_\_\_  
EUGENE D. SEROKA  
Executive Director

Attest: \_\_\_\_\_  
AMBER M. KLESGES  
Board Secretary

APPROVED AS TO FORM

\_\_\_\_\_, 2023  
HYDEE FELDSTEIN SOTO, Los Angeles  
City Attorney

By \_\_\_\_\_  
Helen J. Sok, Deputy

*[Signatures Continue on Next Page]*

ALAMEDA CORRIDOR  
TRANSPORTATION AUTHORITY

Dated: \_\_\_\_\_, 2023

By: \_\_\_\_\_  
Michael C. Leue, P.E.  
Chief Executive Officer

Attest: \_\_\_\_\_  
Secretary

APPROVED AS TO FORM

\_\_\_\_\_, 2023  
HYDEE FELDSTEIN SOTO, Los Angeles  
City Attorney

By \_\_\_\_\_  
Heather M. McCloskey, Deputy  
ACTA Co-General Counsel

*[Signatures Continue on Next Page]*

UNION PACIFIC RAILROAD COMPANY

Dated: \_\_\_\_\_, 2023

By: \_\_\_\_\_  
(Name), (Title)

# Exhibit A

