



DATE: SEPTEMBER 7, 2017

FROM: EXECUTIVE OFFICE

**SUBJECT: RESOLUTION NO. _____ APPROVAL OF AN
EXTENSION TO ALAMEDA CORRIDOR TRANSPORTATION
AUTHORITY'S MAINTENANCE AGREEMENT**

SUMMARY:

Staff requests the Board of Harbor Commissioners adopt a Resolution approving and providing mutual agreement to the terms of a proposed sixth amendment to the Alameda Corridor Transportation Authority's (ACTA) Maintenance Agreement (Rail Corridor and Non-Rail Components) with Balfour Beatty Infrastructure, Inc. dated April 15, 2007 (Agreement). The Agreement expires on October 14, 2017. The terms of the amendment consist of a second six-month extension to the Agreement (Amendment) through April 14, 2018.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II, Section 2(f) of the Los Angeles City CEQA Guidelines as determined by the Director of Environmental Management;
2. Approve and provide mutual agreement to the terms of the Amendment which consists of a second extension to the term of the ACTA Maintenance Agreement for up to an additional six months ending on April 14, 2018;
3. Direct the Executive Director to transmit this Resolution to ACTA for further action pursuant to the Amended and Restated Alameda Corridor Use and Operating Agreement; and
4. Adopt Resolution No. _____.

DISCUSSION:

On October 24, 2016, the Board approved the Amended and Restated Alameda Corridor Use and Operating Agreement (Amended and Restated UOA). The Amended and Restated UOA included revisions to the original Use and Operating Agreement, and among other things, replaced the former Alameda Corridor Operating Committee

SUBJECT: 2017 ALAMEDA CORRIDOR MAINTENANCE AGREEMENT

comprised of one representative from the Port of Los Angeles and Port of Long Beach (Ports) and a representative from the Union Pacific Railroad and the Burlington Northern Santa Fe Railroad (Railroads) with direct decision making authority by the Ports and Railroads.

The Amended and Restated Use and Operating Agreement (UOA) requires that the Ports and Railroads, through Mutual Agreement, select the Corridor Maintenance Contractor and that ACTA endeavor to enter into an agreement with the selected entity on the business terms specified by the Owner and Railroads.

The existing Agreement with Balfour Beatty Infrastructure, Inc. (BBII) expires on October 14, 2017. On February 16, 2017 the Board approved and provided mutual agreement to extend the Agreement for an initial six months pending completion of a new competitive process. The request for proposal (RFP) for the new maintenance contract has taken longer to process than anticipated. The RFP has been re-issued on August 9, 2017, and the approval of the selection of a maintenance contractor including the business terms for the new agreement are expected to be processed through a separate Notice of Mutual Agreement in November 2017 and it is anticipated to be ready for execution by ACTA in December 2017. Therefore, ACTA is requesting that the Ports and Railroads provide their approval and mutual agreement to extend the existing Agreement by up to six months through April 14, 2018 to enable mobilization and a smooth transition of the work from the existing contractor to a new contractor, should a new contractor be selected. ACTA's July 28, 2017, Notice of Mutual Agreement and a draft amendment are attached as Transmittal No. 1 for reference.

The exact Agreement termination date will be established once the maintenance contractor is selected and a reasonable transition phase, if applicable, is completed. The termination date will be set forth in a written notice from ACTA to BBII. In no event shall the date be later than April 14, 2018 unless additional approval from the Ports and Railroads is obtained.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of an extension to a Maintenance Agreement. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA), under Article II, Section 2(f) of the City of Los Angeles CEQA Guidelines.

FINANCIAL IMPACT:

Approval of this proposed Board item is not expected to have a financial impact on the Harbor Department. The funds for this amendment are provided by the Railroads and the ACTA Reserve Account. The Reserve Account is funded by fees collected from the Railroads. No Harbor Department funds are required.

DATE: SEPTEMBER 7, 2017

PAGE 3 OF 3

SUBJECT: 2017 ALAMEDA CORRIDOR MAINTENANCE AGREEMENT

CITY ATTORNEY:

The Office of the City Attorney has reviewed this Board Report and has determined there are no legal issues at this time.

TRANSMITTALS:

1. Notice of Mutual Agreement No. 2017-3

FIS Approval: MB (initials)
CA Approval: gmc (initials)


ANTONIO V. GIOIELLO, P.E.
Deputy Executive Director

APPROVED:


EUGENE D. SEROKA FOR
Executive Director

Author: David M. Walsh, P.E.
DW:ap
Eng_ACTA Agreement Extension II

MGT 3-3