



THE PORT  
OF LOS ANGELES  
Executive Director's  
Report to the

Board of Harbor Commissioners

**DATE:** October 21, 2021  
**FROM:** GOODS MOVEMENT  
**SUBJECT:** RESOLUTION NO. \_\_\_\_\_ APPROVAL OF NOTICE OF  
MUTUAL AGREEMENT FOR NEW ALAMEDA CORRIDOR  
TRANSPORTATION AUTHORITY DISPATCHING AGREEMENT

**SUMMARY:**

Staff requests that the Board of Harbor Commissioners adopt a Resolution approving and providing mutual agreement, via a Notice of Mutual Agreement (NMA), which enables the Alameda Corridor Transportation Authority (ACTA) to execute a new Alameda Corridor (AC) Dispatching Agreement with the BNSF Railway (BNSF) and Union Pacific Railroad (UPRR). This new NMA and subsequent new Dispatching Agreement formally establishes the lead role for the AC dispatching for the next ten years; the BNSF in the lead role for the first five years (commencing no later than April 15, 2022 to April 14, 2027), followed by the UPRR (April 15, 2027 to April 14, 2032). The current ACTA Dispatching Agreement, with the UPRR in the lead role, expires on April 14, 2022. The Alameda Corridor (AC) Use and Operating Agreement (UOA) requires that the City of Los Angeles Harbor Department (Harbor Department), Port of Long Beach (POLB), BNSF, and UPRR collectively select the AC train operations dispatcher via an NMA. There are no financial impacts to the Harbor Department if this NMA is approved and a new Dispatching Agreement is executed.

**RECOMMENDATION:**

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

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Approve NMA 2021-5 that enables ACTA to execute a new Dispatching Agreement with the BNSF and UPRR, for a term of ten years;
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. \_\_\_\_\_.

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**SUBJECT: ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY  
DISPATCHING AGREEMENT**

**DISCUSSION:**

The AC UOA requires ACTA to have a Dispatching Agreement with the BNSF and UP, in which they jointly serve as dispatcher, but one railroad is designated "lead" and the other as "oversight" dispatcher. The UOA also requires that the Harbor Department, POLB, BNSF, and UPRR collectively select the AC train dispatcher provider, via an NMA. The NMA requires the approval from at least three of the aforementioned parties (ACTA as an entity does not approve or disapprove the NMA). The current ACTA Dispatching Agreement, with the UPRR in the lead role, expires on April 14, 2022. In accordance with a bilateral agreement between the two railroads separate from the current and prior dispatching agreements with ACTA, the lead dispatching role was supposed to have been rotated to the BNSF in April 2017. However, since 2017, the UPRR has not relinquished their lead role due to their concerns about service and operations to their customers along the AC and to/from their Dolores Yard. As such, ACTA has needed to amend the Dispatching Agreement numerous times since 2017 to maintain the AC dispatching operations, with the UPRR in the lead role. Since this time, the POLA, POLB, ACTA, and BNSF have been working with the UPRR to assuage their concerns and implement the dispatching lead rotation. The Board approved the last NMA on September 23, 2021, which enabled ACTA to extend the Dispatching Agreement to April 14, 2022. This extension was required to enable the BNSF the time to prepare for a seamless transfer of the lead dispatching from the UPRR, without any interruptions to the AC operations.

This new NMA and Dispatching Agreement formally establishes the lead role for the AC dispatching for the next ten years; the BNSF in the lead role for the first five years (commencing no later than April 15, 2022 to April 14, 2027), followed by the UPRR (April 15, 2027 to April 14, 2032). If satisfied with the BNSF's transition to assume the lead role, ACTA can choose to execute the Dispatching Agreement earlier than April 15. During each five-year period, the other railroad will have the AC Oversight dispatcher role, which is the current BNSF role. The POLB, UPRR, and BNSF are expected to approve this NMA by November 8, 2021. The actual Costs for the services provided under this Agreement are paid by the UPRR and BNSF.

As additional information, all parties are currently discussing a new type of arrangement for AC dispatching that entails establishment of terminal company, jointly owned and operated by the UPRR and BSNF, in a truly joint lead role. No agreement in principle has yet been reached by the two railroads. Such a process to implement a new operating entity could take two to three years, as initially determined by the UPRR and BNSF.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of the NMA which enables ACTA to execute a new Dispatching Agreement, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

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SUBJECT: ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY  
DISPATCHING AGREEMENT

**FINANCIAL IMPACT:**

There are no financial impacts to the Harbor Department if this NMA is approved and the ACTA Agreement is executed. The funding associated with these ACTA Agreements are provided by the Railroads.

**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. 2021-5

FIS Approval: MB  
CA Approval: SO



KERRY CARTWRIGHT, P.E.  
Director of Goods Movement



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

APPROVED:

 FOR

EUGENE D. SEROKA  
Executive Director

KC:S