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## Alameda Corridor Transportation Authority

April 12, 2018

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| <b>To:</b>      | Governing Board   |
| <b>From:</b>    | John T. Doherty, Chief Executive Officer  |
| <b>Subject:</b> | <i>Approval of a Third Amendment to the Police and Security Services Agreement for a Term Extension up to October 14, 2018 (APPROVAL)</i> |

### Recommendation:

Approve the Amendment and Authorize the Chief Executive Officer or Chief Financial Officer to execute the Third Amendment for an up to six-month extension through October 14, 2018 to the term of the Alameda Corridor Police and Security Services Agreement, between ACTA, the BNSF Railway Company, and Union Pacific Railroad Company, which agreements will expire on April 14, 2018.

### Discussion:

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

The existing Police and Security Services Agreement (Agreement) between ACTA and the Railroads has been in place since 2002 and will expire on April 14, 2018. Costs for the services provided under the Agreement is mostly paid directly by the Railroads.

The original term of the Agreement was five years, as approved by the former Operating Committee (OC), and was extended twice with OC approval for an additional 10 years via two amendments through April 14, 2017. An interim extension of up to one year through April 14, 2018 was provided for in the second amendment to the agreement, which was exercised. The parties are currently in the process of preparing amended and restated Agreement which will: 1) remove language concerning the former Operating Committee, 2) replace the approval process with that contained in the UOA, and 3) update certain other provisions, including extending the term through April 14, 2023.

The Port of Long Beach and the Railroads have recently approved the term extension through Notice of Mutual Agreement (NMA) 2018-2. Approval from the Port of Los Angeles is pending, but the matter only requires approval from three of the four parties. Therefore, ACTA is authorized under the UOA to execute the Third Amendment.



Approval to execute the Third Amendment for an interim extension is hereby requested, until such time as the amended and restated Agreement is approved and executed (or through October 14, 2018), whichever is earlier. Approval of the amended and restated Agreement will be the subject of a future Notice of Mutual Agreement to the Ports and Railroads, and a future Board approval request to execute if approved by the Ports and Railroads. The Third Amendment to the existing Agreement is attached (Transmittal 1).

**Budget Impact:**

There is no budget impact to either the approved FY18 ACTA Program Budget or the approved CY2018 Operations and Maintenance Budget.

Transmittal 1: 3rd Amendment to Police and Security Services Agreement