



# Alameda Corridor-East Construction Authority

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 [www.theaceproject.org](http://www.theaceproject.org)

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## ALAMEDA CORRIDOR-EAST CONSTRUCTION AUTHORITY BOARD OF DIRECTORS REGULAR MEETING AGENDA Monday, January 23, 2012 – 2:00 P.M. Irwindale City Hall 5050 Irwindale Avenue Irwindale, CA 91706

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Members of the public may comment on any item on the agenda at the time it is taken up by the Board. We ask that members of the public come forward to be recognized by the Chair and keep their remarks brief. If several persons wish to address the Board on a single item, the Chair may impose a three-minute time limit on individual remarks at the beginning of the discussion.

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- I. Pledge of Allegiance
- II. Roll Call and Introductions
- III. Approval of Minutes of Regular Meeting of December 19, 2011 (Pages 1-4) Action
- IV. Public Comment
- V. Chairman's Remarks
- VI. Board Member Comments
- VII. Chief Executive Officer's Report (Pages 5-10) Information
- VIII. Election of Officers Action
- IX. Approval of Pre-Qualified General Contractors for the San Gabriel Trench (Pages 11-13) Action
- X. Approval of Plans, Specifications and Estimates for the Baldwin Avenue Grade Separation Project (Pages 14-15) Action

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The ACE Construction Authority is constituted of seven (7) member jurisdiction; the Cities of El Monte, Industry, Montebello, San Gabriel and Pomona, the County of Los Angeles and the San Gabriel Valley Council of Governments. A San Bernardino County Council of Governments representative is an ex-officio Board member. Each member or alternate has one vote. A quorum of the ACE Construction Authority is no less than four (4) of its total voting membership. Actions taken by the ACE Construction Authority shall be by simple majority of the members present with a quorum in attendance except for personnel actions, the annual budget, matters dealing with the Administrative Code or matters requiring subsequent approval by the SGVCOG, all of which shall require five (5) votes. All disclosable public records related to this meeting are available for viewing at the ACE office above during normal working hours.

ACE Construction Authority Board of Directors  
January 23, 2012 Meeting Agenda

- |       |  |                 |
|-------|--|-----------------|
| XI.   | Approval of Contract Amendment for Property Acquisition Legal Services with Oliver Sandifer & Murphy (Page 16)   | Action          |
| XII.  | Approval of FY 2012 Mid-Year Budget Revision (Pages 17-19)   | Action          |
| XIII. | Approval of Revised Recommended Scope for Remainder of ACE Project (Pages 20-21)   | Action          |
| XIV.  | Quarterly Reports (Pages 22-31)  | Information     |
| XV.   | Closed Session: The Board will adjourn to closed session in accordance with Government Code Section 54956.9(a) to discuss existing litigation (three cases) <ul style="list-style-type: none"><li>• Los Angeles Superior Court Case No. BC429699<br/>Alameda Corridor-East Construction Authority vs MIPCO, L.L.C., et al., and</li><li>• Los Angeles Superior Court Case No. BS 125565<br/>MIPCO, L.L.C., et al., vs Alameda Corridor-East Construction Authority and</li><li>• Los Angeles Superior Court Case No. BC449102 ACE vs. Unilever Supply Chain Inc.</li></ul> | Possible Action |
| XVI.  | Adjournment  | Action          |



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### ACE Construction Authority Board of Directors December 19, 2011 Special Meeting Minutes

1. **Roll Call** – Chairman Spohn welcomed Andre Quintero and called the meeting to order at 3:04 PM at the City of Industry Council Chambers. In attendance were:

Tim Spohn, Industry  
David Gutierrez, San Gabriel  
Stephen Atchley, City of Pomona  
Frank Gomez, Montebello  
Andre Quintero, El Monte

#### Staff

Rick Richmond, Chief Executive Officer  
Joe Silvey, Legal Counsel  
Deanna Stanley  
Cecilia Cardenas  
Phil Balmeo  
Genichi Kanow  
Paul Hubler

#### Guests

Bob Archeleta, Pico Rivera  
Karen Gorman, Metro  
Art Cervantes, Pico Rivera  
Natasha DeBenon, Arcadis

2. **Pledge of Allegiance** – Vice Chair Gutierrez led the pledge of allegiance.
3. **Approval of November 28, 2011 Regular Meeting Minutes** – A motion was made to approve the minutes of the Board of Directors meeting of November 28, 2011. M/S/C/Gutierrez/Atchley
4. **Public Comments** – Pico Rivera Mayor Bob Archeleta thanked the Board for including a project at Durfee Road in the recommended list of projects for Phase II. He indicated the City would come up with \$2-3 million for the project.

Karen Gorman, Metro Acting Inspector General reported the Metro Board passed a motion to review its grantees' staffing, salaries, expenses and

policies. The review would cover the Metro Gold Line, Expo Line and ACE to ensure each are good stewards of taxpayer money and that prudent policies are in place. She indicated staff has been very cooperative in this effort.

5. **Chairman's Remarks** – Chairman Spohn reported he sent a letter to Senator Boxer requesting support including the Freight Act in surface transportation legislation that was passed by the Senate Commerce committee last week. A letter was also sent to Assembly Speaker Perez supporting the reappointment of Dario Frommer to the California Transportation Commission.
  
6. **Board Member Comments** – There were no Board member comments.
  
7. **Chief Executive Officer's Reports** – Mr. Richmond reported that the ACE staff was adjusting with the aftermath of activities related to the recent shooting which occurred in the office complex and thanked everyone for their concern. He also updated the Board on TIGER 3 funding applications. He indicated there were 848 applications submitted for TIGER 3 funds and 46 approved and though ACE was unsuccessful we would continue to seek TIGER funds and any other funding opportunities. He also reported the federal regulations of the Surface Transportation Act was out of committee and ready to go to the floor. Mr. Richmond indicated staff was making arrangements for annual meetings with legislators and their staff in Washington, DC, and dates would coincide with the National League of Cities and APTA's Legislative Conferences. He asked that members interested in attending contact Deanna Stanley. He also reported that the pre-qualification process was under way for the San Gabriel Trench construction project and there were 16 interested firms who could potentially bid separate or joint venture. He asked that if any members are contacted by potential bidders they should be referred to ACE's Contracts Manager.
  
8. **Approval of Amendment to Demolition & Other Construction Related Contract with Clauss Construction** – Mr. Richmond reported that Clauss Construction was one of four firms prequalified to bid on demolition work. The demo work at 3305 S. Del Mar was bid lowest by Clauss and work is necessary as part of preconstruction activities for the San Gabriel Trench Project.  
A motion was made to authorize the Chief Executive Officer to amend the contract with Clauss Construction for demolition and other construction-related services to add \$50,000 for a new contract value of \$266,004.  
M/S/C/Quintero/Gomez/Unanimous

9. **Approval of Construction Project Retention Withholding Practices** – Mr. Richmond reported that effective January 1 the State will impose a 5% retention withholding limit on construction contracts unless the project is found to be of sufficient size or complexity to warrant a waiver. He indicated ACE currently withholds 10% with that amount placed into an escrow account in the name of the contractor. He indicated the construction contracts for grade separation projects with ACE warrant a waiver due to the size of the contract.  
A motion was made to authorize implementation of a policy to allow 10% retention for grade separation contracts entered into between January 1, 2012 and December 31, 2015.  
M/S/C/Gutierrez/Gomez/Unanimous
10. **Approval and Adoption of Labor Compliance Program**–Mr. Richmond reported that the San Gabriel Trench and Nogales Street grade separation projects will rely on state bond funds. He indicated Assembly Bill 436 was enacted to require public agencies undertaking construction projects using state bonds be subject with new labor compliance requirements. He indicated the Authority reviewed the options to comply with the new law and found implementing a State-approved labor compliance program would be the most economical and feasible for the Project. He indicated a summary of the program was in the agenda.  
After discussion, a motion was made to authorize the Chief Executive Officer to adopt a Labor Compliance Program and authorize submission of the Program to the State of California Department of Industrial Relations for review and approval.  
M/S/C/Quintero/Atchley/Unanimous
11. **Approval of 2012 Schedule of Meetings** – Mr. Richmond indicated the regular board meeting schedule was based on the normal practice with the exception of holiday and a scheduling conflict. He indicated the Finance Committee meeting schedule was also included in hopes to get additional Board participation. A motion was made to approve the 2012 meeting schedule. M/S/C/Gutierrez/Atchley/Unanimous
12. **Closed Session:** Mr. Silvey announced the Board would adjourn to closed session in accordance with Government Code Section 54956.9(a) conference with legal counsel regarding existing litigation: LASC Case No. 457829 ACE

vs Newton Treating Company.

The Board returned to open session and Mr. Silvey announced the Board approved upon a motion by member Quintero, seconded by member Gutierrez, a relocation claim and settlement agreement in the amount of \$550,000 to Newton Treating Company. Ayes: Quintero, Gutierrez, Antonovich, Spohn, Atchley, Gomez, Carrillo. Nays: None

13. **Adjournment** – Chairman Spohn wished everyone a happy holiday season. The meeting was adjourned at 3:47PM



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MEMO TO: ACE Construction Authority Board Members & Alternates

FROM: Rick Richmond  
Chief Executive Officer

DATE: January 23, 2011

SUBJECT: CEO Report

The following are items of note since the last meeting:

**Archaeological Work Underway** – Archaeologists started work in December to excavate and catalog numerous artifacts and the remains of structures located in the railroad right-of-way near the San Gabriel Mission, which was founded in 1771. The work is scheduled to be completed in approximately three months and will precede the start of the main construction work on the San Gabriel Trench. The area being excavated was once part of the extended grounds of the Mission, and the archaeological findings may prove important to our understanding of California's Mission period. Viewings of the work from an observation deck overlooking the site have been held for students from San Gabriel Mission Elementary School and are being arranged for other school and community groups.

**ACE Website Activity** – Attached is a report on ACE website traffic over the last calendar year, including the pages most visited and the domains of visitors to our website. The ACE website averaged 45,000 monthly visits last year, a six-fold increase since the website was created 10 years ago. Based on the pages that have proven most popular, peaks in web activity over 2011 are likely related to procurement opportunities.

**Contracting** – Our Administrative Code delegates to the CEO the authority to approve new contracts or change orders for Board-approved contracts within certain limits, with a requirement that I report to the Board any such contract action. The following changes have occurred:

Consultant/Vendor	Reason for Change	Change Amount	Total Contract Value
AECOM (formerly LAN Engineering)	Extend contract term through March 31, 2012 for pre-construction management services for the Baldwin Ave. grade separation project	\$0.00	\$204,645
AECOM (formerly LAN Engineering)	Decrease task order #1 contract value for construction management services for Nogales street (Alhambra) grade separation project	-\$253,374	\$4,105,968

AECOM (formerly LAN Engineering)	Decrease task order #3 contract value for construction management services for Brea Canyon grade separation project	-\$317,940	\$3,108,055
SWCA Environmental Consultants	Increase task order #1 value for additional services required for San Gabriel Trench grade separation project	\$22,855	\$3,585,532
LSA Associates, Inc.	Issued task order #3 for environmental services for Baldwin Ave., Nogales (LA Sub), and San Gabriel Trench	\$18,952	\$250,000

**Community Outreach Update** – Staff conducted the following project outreach activities:

- Distributed construction alert notices in English, Spanish and Chinese regarding demolition and site-clearing activities for the Baldwin Avenue grade separation project;
- Coordinated tour for Union Pacific Railroad staff of the archaeological excavation work for the San Gabriel Trench project; and,
- Conducted ongoing community outreach and support activities for the San Gabriel Trench, Baldwin Avenue, and Nogales Street grade separation projects.



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MEMO TO: ACE Construction Authority Board Members & Alternates

FROM: Rick Richmond  
Chief Executive Officer

DATE: January 13, 2012

SUBJECT: ACE Project Website Activity Report

Attached are three charts depicting the ACE Project website ([www.theaceproject.org](http://www.theaceproject.org)) activity for January 2011 through December 2011.

### Monthly Visits to the ACE Website

This bar chart depicts the numbers of visits or "hits" to the ACE Project website each month over last calendar year. The average number of visits was 45,124, with higher than average activity in the months of January, May and December, peaks likely related to contract procurement activity.

### Average Monthly Visits per Category

Contract Opportunities pages were the most visited, followed by pages with fact sheets regarding individual grade separation projects.

### Domains and Users Report

Domain Types	Extension	Who are they?
Government	.gov	Restricted to government agencies
Network	.net	Mostly residential, some small businesses
Commercial	.com	Mostly medium to large businesses
Non-profit Organization	.org	Non-profit organization but not limited
US Military	.mil	Restricted U.S military
Educational	.edu	Educational institutions

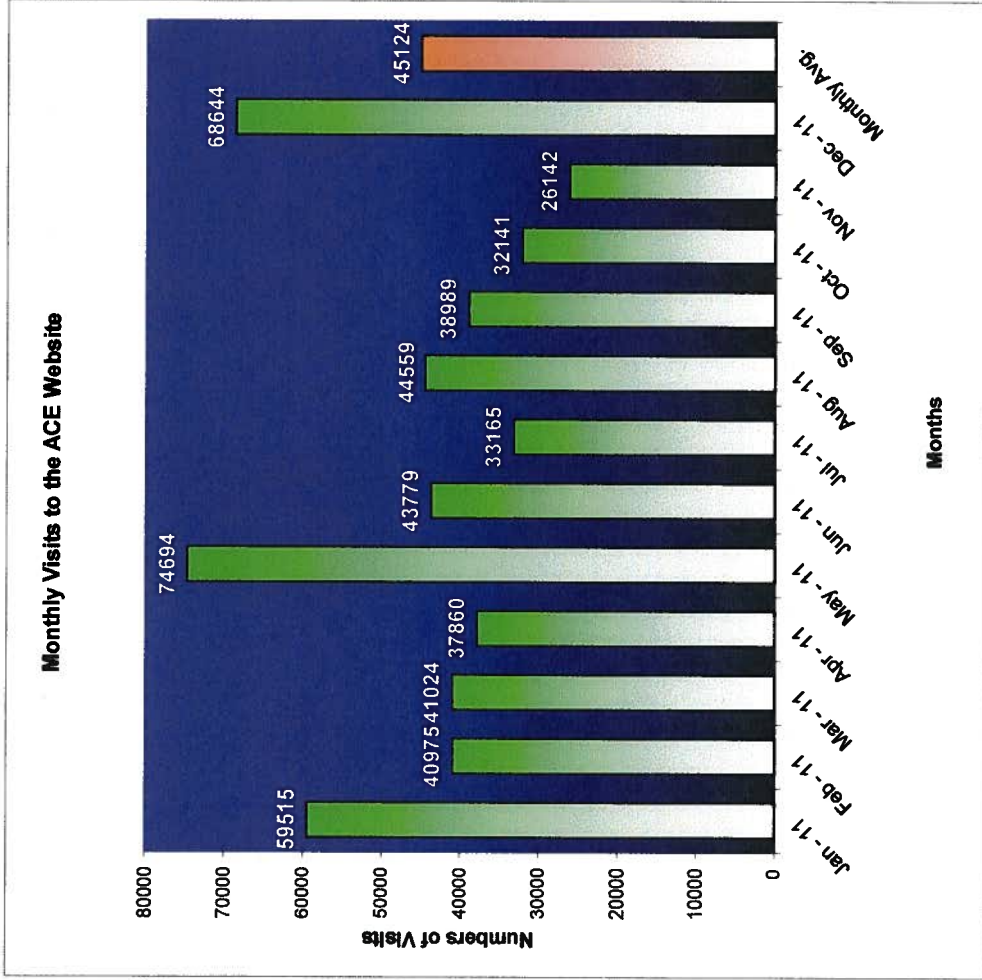
Visitors with a .net and/or .com domain comprise most of the total counts, and likely reflect visits by vendors, interested residents and businesses. Other domains, such as government agencies, non-profit organizations and educational institutions, comprise less than 5% of visitors.

### Summary

ACE Staff is pleased with the response to the ACE website since it was launched in 2001, when it averaged 7,700 monthly visits. Staff will continue to monitor the website and improve the ease of usage, usefulness and appeal of the website. For instance, as an educational tool, the website will shortly begin carrying live webcasts of the archaeological excavation work at the San Gabriel Trench grade separation project.

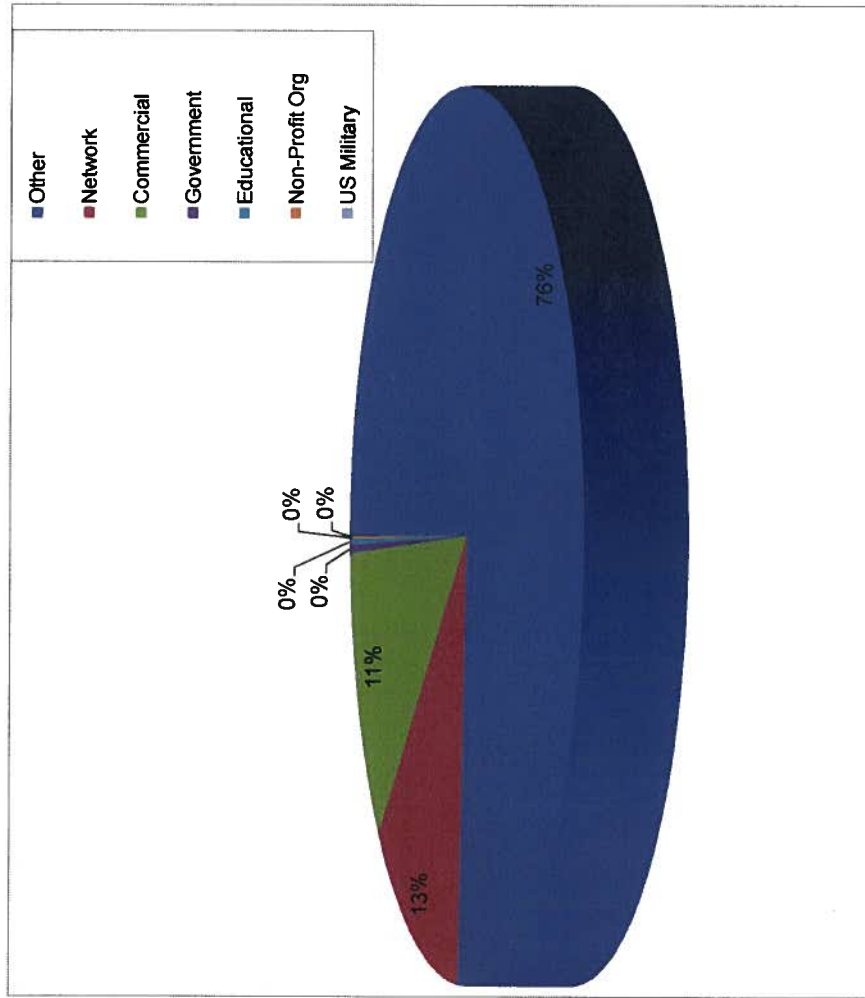
ACE website statistic report from January 2011 - December 2011

Months	# of visits
Jan - 11	59515
Feb - 11	40975
Mar - 11	41024
Apr - 11	37860
May - 11	74694
Jun - 11	43779
Jul - 11	33165
Aug - 11	44559
Sep - 11	38989
Oct - 11	32141
Nov - 11	26142
Dec - 11	68644
<b>Monthly Avg.</b>	<b>45124</b>

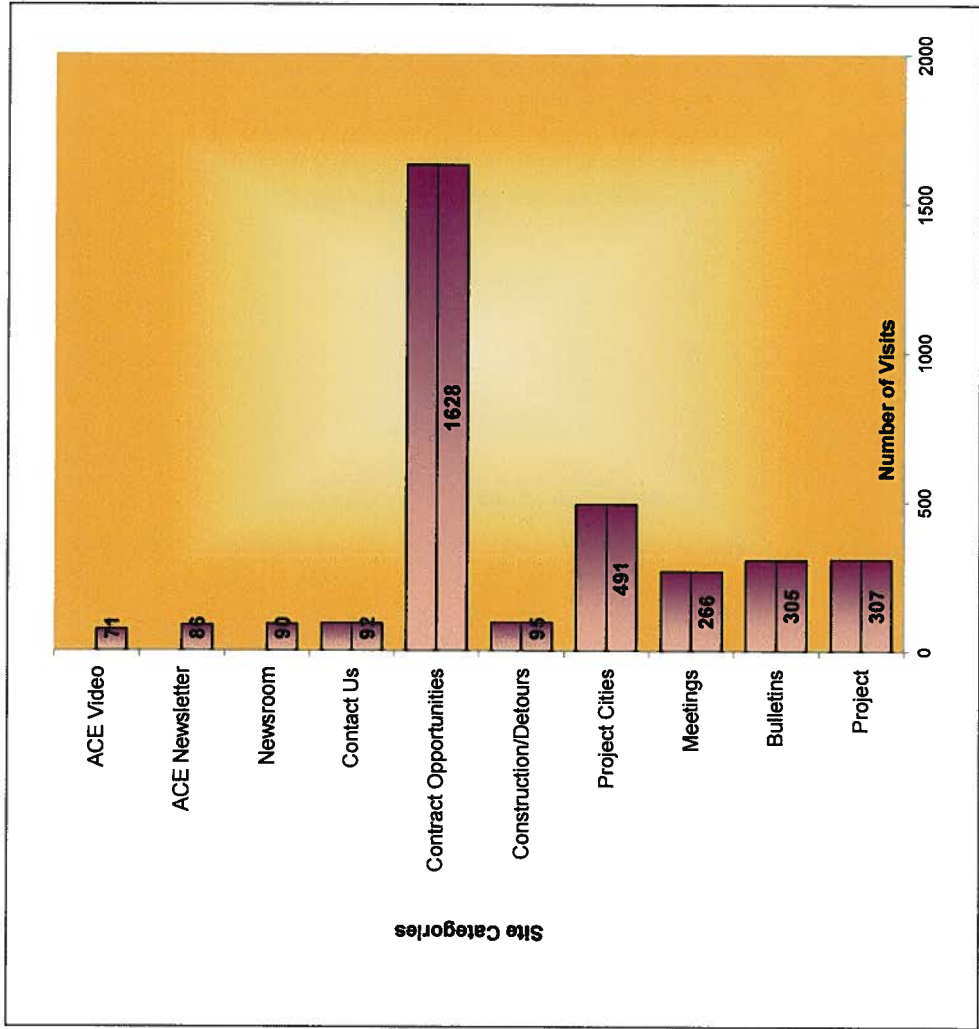


### Domains and Users Report (January 2011 - December, 2011)

Domains	# of Sessions
Other	89343
Network	14474
Commercial	12865
Government	338
Educational	270
Non-Profit Org	99
US Military	19



### Average Monthly Visits per Category



Site Categories	# of Visits
Project	307
Bulletins	305
Meetings	266
Project Cities	491
Construction/Detours	95
Contract Opportunities	1628
Contact Us	92
Newsroom	90
ACE Newsletter	86
ACE Video	71



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MEMO TO: ACE Construction Authority Board Members and Alternates

FROM: Rick Richmond  
Chief Executive Officer

DATE: January 23, 2012

SUBJECT: Approval of Pre-Qualified General Contractors for the San Gabriel Trench Project

**RECOMMENDATION:** Staff recommends Board approval of pre-qualified contractors for the San Gabriel Trench project as described below.

**BACKGROUND:** At your December 2010 meeting, you approved the use of a pre-qualification process due to the complexity and scale of the San Gabriel project. On October 28, 2011, ACE issued a General Contractor Pre-Qualification application. The availability of the pre-qualification application was advertised in the local newspaper and posted on ACE's online bidding system as well as our website. A pre-submittal meeting was held on November 14, 2011, attended by 46 people. The Authority received 16 pre-qualification applications on December 12<sup>th</sup>.

Staff has reviewed and evaluated all applications and has determined the following general contractors pre-qualified to bid on the San Gabriel Trench construction project:

1. Atkinson Contractors, LP
2. Balfour Beatty Infrastructure, Inc.
3. Bechtel Infrastructure Corporation
4. Flatiron West, Inc.
5. Granite Construction Company
6. Herzog Contracting Corporation
7. Kiewit Infrastructure West Co.
8. MCM Construction, Inc.
9. Obayashi Corporation
10. Pulice Construction Inc.
11. Shimmick Construction Company, Inc.
12. Skanska USA Civil West California District Inc.
13. Steve P. Rados, Inc.
14. Walsh Construction Company

The pre-qualification process included the following criteria:

1. Required certifications pertaining to business items (bonding, licenses, etc.) and past performance;

2. Minimum requirements for bonding capacity and relevant experience;
3. Achieving a minimum score on 22 questions addressing financial condition; past performance and legal and compliance issues; and
4. Achieving a minimum score on reference(s) from a relevant prior project.

Based on staff's review, Griffith Corporation (Griffith) did not meet the pre-qualification requirements by failing to meet a portion of criteria no. 2 above, specifically that it had completed at least one project with a construction cost of \$100 million or more. On January 5<sup>th</sup> Griffith submitted an appeal to staff's initial determination. On January 10<sup>th</sup> an appeal hearing was held wherein Griffith was provided an opportunity to state its case to the Appeals Panel, which consisted of me and Victoria Butler, Sr. Project Manager/Project Controls. The Appeals Panel upheld ACE's initial determination. Griffith was informed of ACE's decision and advised that the determination resulting from the hearing process was final.

Based on staff's review, Tutor-Saliba Corporation (TSC) did not meet the pre-qualification requirement by noncompliance with one of the required certifications included in criteria no. 1 above, specifically a certification that it has not been found by a judge, arbitrator or jury within the past five years to have submitted a false claim. On January 11<sup>th</sup>, TSC submitted an appeal to staff's initial determination. As of the mailing of this agenda item a requested appeal hearing has not taken place. It will occur prior to your January 23 meeting and the results will be provided at your meeting. Based on the decision by the Appeals Panel, Tutor-Saliba Corporation will either be included in the list of pre-qualified general contractors or will remain not qualified.

Attached are excerpts from the pre-qualification solicitation which pertain to the two requirements referenced above.

Bids for the San Gabriel Trench construction project will be received from the pre-qualified general contractors.

**BUDGET IMPACT:** Funds for this construction contract are available from MTA Measure R and Proposition 1B funds and have been budgeted for the anticipated costs.

Attachment

**GENERAL CONTRACTOR PRE-QUALIFICATION  
FOR THE CONSTRUCTION OF THE  
SAN GABRIEL TRENCH GRADE SEPARATION PROJECT**

**PRE-QUALIFICATION REQUIREMENTS**

**1. The Contractor must provide a:**

- a) Latest copy of a reviewed or audited financial statement with accompanying notes and supplemental information.
- b) Notarized Statement from Bonding Company.
- c) Notarized Statement from Worker's Compensation Insurance Carrier.
- d) Copy of Contractor's State Contractor's License(s).
- e) Certification declaring that the Contractor has not had a surety company finish work on any project within the last five (5) years.
- f) ***Certification declaring that the Contractor, in the last five (5) years has not been found by a judge, arbitrator, jury, or a nolo contendere plea to have submitted a false or fraudulent claim to a public agency.***
- g) Certification declaring that the Contractor has not been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of violations of law or a safety regulation, pursuant to Public Contract Code Section 10162.

**2. The Contractor must have:**

- a) Ability to secure performance and payment bonds in the penal sum of at least one hundred twenty five million (\$125,000,000);
  - b) Minimum of ten (10) years of experience in the construction of public works projects;
  - c) Completed construction of at least one (1) public works project involving Class 1 Railroad facilities within the last ten (10) years (Note: For project(s) performed under a Joint Venture, Contractor shall provide documentation showing the equity interest and include the licensing information as found in Part III A. 1.4);
  - d) Completed construction of at least one (1) relevant project similar in scope and complexity as the San Gabriel Trench Grade Separation Project within the last ten (10) years (Note: For project(s) performed under a Joint Venture, Contractor shall provide documentation showing the equity interest and include the licensing information as found in Part III A. 1.4);
  - e) ***Completed construction of at least one (1) project with construction cost of one hundred million (\$100,000,000) or more (Note: For project(s) performed under a Joint Venture, Contractor shall provide documentation showing the equity interest and include the licensing information as found in Part III A. 1.4.***
3. The Contractor must achieve a minimum passing score of 73 under Part III – Organization, History, Organizational Performance and Compliance with Civil and Criminal Laws
4. The Contractor must achieve a minimum passing scope of 64 under Part V – Reference(s) for a Relevant Prior Project.



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MEMO TO: ACE Construction Authority Board Members and Alternates

FROM: Rick Richmond  
Chief Executive Officer

DATE: January 23, 2012

SUBJECT: Approval of Plans, Specifications and Estimates for the Baldwin Avenue Grade Separation Construction Project

**RECOMMENDATION:** Staff recommends Board approval of the plans, specifications, and estimates (PS&E) for the Baldwin Avenue grade separation project located in the City of El Monte and the County of Los Angeles and authorize staff to solicit bids for the project.

**BACKGROUND:** At your March 2009 meeting, the Board approved the Project Definition Report for the Baldwin Avenue grade separation project. Design work on this project has been completed and staff is seeking approval of the PS&E to solicit bids.

**Scope of Work:** The Baldwin Avenue grade separation project will construct a double-track railroad bridge over a four-lane depressed roadway on Baldwin Avenue. Retaining walls the north side of the railroad will be constructed and slope backs will be used on the south side. Bessie Street, which parallels the railroad on the south side, will be cul-de-sacked, with a new pedestrian bridge built across Baldwin Avenue.

All work associated with this project will be done while maintaining rail operations on the existing main line or the shoofly. Baldwin Avenue will be closed while work on the project is underway.

**Environmental Clearance:** The Initial Study/Environmental Assessment (IS/EA) was approved by Caltrans in October 2002 and by FHWA in December 2002. The ACE Construction Authority adopted a Mitigation Plan and Negative Declaration in December 2002. Caltrans and FHWA reconfirmed their Findings of No Significant Impact in June 2011.

**Right Of Way Acquisition:** 30 full takes and 3 partial takes/easements were required for this project. Staff anticipates receiving authorization to proceed with the last remaining acquisition very soon and will only proceed with bidding after it is received and bidding is authorized by Caltrans.

**Utility Relocations:** Utilities will be relocated by the utility companies and will not impact this construction project. Fiber optic, water, electric, gas and cable lines need to

be relocated or have been relocated. All arrangements and any cost sharing of utility relocations have been established and proper authorization from the Board has been obtained, if required.

Union Pacific Railroad: A Construction and Maintenance Agreement was executed on November 28, 2011 between the Union Pacific, ACE and the City of El Monte.

Estimated Contract Cost: The estimated value of this contract is between \$23-\$28 million. This does not include other construction activities that are part of the project such as and UPRR force account work and construction engineering costs.

Contract Schedule: It is anticipated that the project will go out to bid in March and construction to begin in July 2012. Construction is expected to be completed by December 2014.

**BUDGET IMPACT:** Funds for this construction contract are available from Federal and MTA Proposition C funds and have been budgeted for the anticipated costs.



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MEMO TO: ACE Construction Authority Board Members and Alternates

FROM: Rick Richmond  
Chief Executive Officer

DATE: January 23, 2012

SUBJECT: Approval of Contract Amendment for Property Acquisition Legal Services with Oliver Sandifer & Murphy

**RECOMMENDATION:** Staff recommends that the Board authorize the Chief Executive Officer to amend the contract with Oliver Sandifer & Murphy (OSM) in an amount not-to-exceed \$900,000 for property acquisition legal services. This additional authorization would increase the total contract authorization to \$1,350,000.

**BACKGROUND:** At your May 11, 2009 meeting, you authorized contract award to OSM for property acquisition legal services.

OSM has been assigned to assist ACE with property acquisition for the Nogales Street grade separation project. We currently have eight active eminent domain cases and of the eight, we anticipate that four will proceed to court trials. Having eight fully active cases on a single project is unusual. Among nine other ACE projects the largest number of eminent domain cases actually filed was three. Nogales property acquisition has required more legal effort than we have experienced elsewhere.

The requested increase is based on the assumption that we can settle without court trials on the other four cases, therefore, property acquisition legal costs for this project should be substantially less in FY 2013.

As with our other legal services contracts, it is staff's intent to include OSM as one of our ongoing support contractors and will be included in our annual task order format starting next fiscal year.

**BUDGET IMPACT:** Funds for this contract are available from Federal, State and MTA funds.



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MEMO TO: ACE Construction Authority Board Members & Alternates

FROM: Rick Richmond  
Chief Executive Officer

SUBJECT: Approval of Mid Year Budget Revision

DATE: January 23, 2012

**RECOMMENDATION:** Staff recommends approval of the attached mid-year budget revision for the fiscal year ending June 30, 2012, reducing our total budget from \$72.077 million to \$43.477 million.

**BACKGROUND:** You adopted our current budget in June 2011 based on our estimate at the time on the expected rate of progress and resulting spending rate for the active projects. The most significant change from our assumptions which has the effect of reducing our fiscal year spending is delay on two of three pending construction projects from late FY 2012 to early FY 2013.

Delays on beginning construction on the Baldwin Avenue, Nogales Street and San Gabriel Trench projects resulted in reductions to many related budget line items. The delay on the Baldwin project is attributable to the extended delay in the acquisition of the final real estate interested needed to proceed with construction, which has pushed the likely construction start to early FY 2013. Similarly, the construction start for the Nogales Avenue project is expected to go to mid-2012. The start of the San Gabriel Trench, which we budgeted on the expectation of an April start, is now expected to start in May/June.

Expected budget underruns are all contained within our direct costs; we expect to be close to budget on our indirect costs. This is important since recovery of our overhead expenses (\$4.353 million for the year) is most closely tied to our in-house direct labor and indirect cost expenditures, both of which should be close to budget by June 30.

Based on the above, and a review of all expenditures for the first five months of the fiscal year, we are recommending the attached revisions. The line items with significant changes are:

Program Management – Direct (-\$717K) – We expect a significant reduction in our budget for program management for right-of-way acquisition for the Baldwin Avenue and San Gabriel Trench projects, and for construction on the Baldwin Avenue project.

Design – Direct (-\$2.502M) – We expect reductions in design costs for the Puente Avenue and Fairway Drive projects.

Right-of-Way Acquisition – Direct (-\$2.797M) – This decrease is primarily due to a budgeted acquisition cost for the Baldwin and Nogales projects going to next fiscal year based on a scheduled court dates, partially offset by higher costs for the San Gabriel project to account for UPRR real estate compensation not budgeted for.

Utility Relocation – Direct (-\$10.430M) – This decrease is mostly due to a transfer of fiber optic relocation expenses into the main construction contract on the San Gabriel Trench and a delay in SCE relocation for the Nogales project.

Construction Management – Direct (-\$1.328M) – The deferral in construction start dates on all three projects mentioned above will cause a reduced level of construction management cost.

Construction – Direct (-\$11.398M) – This reflects the delays in starting construction on the three projects mentioned above – Baldwin (-\$4.8M), Nogales (-\$4.0 M) and San Gabriel (-\$3.0M), partially offset by higher Sunset project construction spending.

Third Party Review – Direct – (-\$407K) – This is primarily due to deferral of outstanding agency review of San Gabriel Trench construction to next fiscal year.

Staff will be prepared to answer any questions you may have on this recommended budget revision.

Attachment

**ACE Construction Authority**  
**FY 2012 Amended Budget**  
(\$ in thousands)

<b>Expenditures</b>	<b>FY 2012 Approved</b>	<b>Proposed Change</b>	<b>FY 2012 Amended</b>
<b>Indirect</b>			
<b>Personnel</b>			
Salaries and Wages	\$ 1,650	\$ (61)	\$ 1,589
Fringe Benefits	527	(32)	495
<b>Board/Employee Expense</b>			
Auto/Travel	25	-	25
Training/Memberships	11	-	11
Board Expense	19	-	19
<b>Professional Services</b>			
Auditing/Accounting	35	-	35
DBE Compliance	83	-	83
Legal-Agency Support	65	-	65
Program Management	539	-	539
State/Federal Advisory Services	265	-	265
Risk Management	65	-	65
<b>Insurance</b>	845	-	845
<b>Equipment Expense</b>	55	-	55
<b>Office Expense</b>	209	-	209
<b>Office Operations</b>	41	-	41
<b>Other</b>	12	-	12
<b>Total Indirect</b>	<u>4,446</u>	<u>(93)</u>	<u>4,353</u>
<b>Direct</b>			
Salaries and Wages	727	61	789
Fringe Benefits	288	32	320
Employee Travel - Projects	17	0	18
Program Management	2,380	(717)	1,663
Legal	455	847	1,302
Labor Compliance	120	(68)	52
Design	6,156	(2,502)	3,654
ROW Acquisition	18,245	(2,797)	15,448
Utility Relocation	11,855	(10,430)	1,425
Construction Mgt	2,575	(1,328)	1,247
Railroad	1,054	174	1,228
Construction	23,115	(11,398)	11,717
Third Party Review	630	(407)	223
UPRR Invoice Review	-	20	20
Advertising	14	4	18
<b>Total Direct</b>	<u>67,631</u>	<u>(28,509)</u>	<u>39,124</u>
<b>Total Expenditures</b>	<u>\$ 72,077</u>	<u>\$ (28,602)</u>	<u>\$ 43,477</u>



## Alameda Corridor-East Construction Authority

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 www.theaceproject.org

MEMO TO: ACE Construction Authority Board Members & Alternates

FROM: Rick Richmond  
Chief Executive Officer

SUBJECT: Approval of Revised Recommended Scope for the Remainder of the ACE Project

DATE: January 23, 2012

**RECOMMENDATION:** Staff recommends that your recommendation to the San Gabriel Valley Council of Governments (SGVCOG) on adoption of the ACE Project scope for remaining grade separations be amended to include priorities 1-8 of the Public Works Directors subcommittee. This modification would make your Board's recommendation consistent with the scope being recommended to the SGVCOG Transportation Committee.

**BACKGROUND:** At your October 2011 meeting you decided to recommend to the SGVCOG that the scope of the remaining grade separations not already in the construction pipeline be amended to include seven projects. The recommended seven projects, which were drawn from the rankings of the technical subcommittee empanelled by SGVCOG to review the Phase II study, were:

- Fullerton Road (LA sub)
- Montebello-Greenwood Avenue
- Hamilton Boulevard
- Fairway Drive (Alh sub)
- Turnbull Canyon Road
- Fairway Drive (LA sub)
- Puente Avenue

During the SGVCOG review of the Phase II study the City of Pico Rivera has appealed to both ACE and the SGVCOG for inclusion of the Durfee Avenue grade separation in the adopted project. One of the reviewing SGVCOG committees, the City Managers' Steering Committee, recommended that the scope of the remaining grade separations be expanded from projects ranked 1-7 to rankings 1-8. The eighth ranked project is the Durfee Avenue (LA sub) grade separation in the City of Pico Rivera. This recommendation is expected to be considered by the SGVCOG Transportation Committee at their January 19 meeting.

The Durfee Avenue project has a conceptual estimate of \$64.5 million. The currently ACE-recommended scope has an estimated cost of \$633 million vs. known revenue of \$423 million, for a shortfall of \$210 million. Adding the Durfee Avenue project to the recommended scope increases the unfunded portion to approximately \$275 million. As stated in our October 2011 recommendation, we believe our revenue estimates are conservative and should increase over the timeframe it will take to deliver the full scope of the Project.

Staff concurs with the pending SGVCOG recommendation. As discussed in October, the recommended future scope exceeds known available funding. As a result staff has committed to returning to the ACE and SGVCOG Boards with an implementation plan that will limit the first set of active projects to those which can be fully implemented within currently reliable revenue forecasts. There will be projects which will have to wait for future revenues to become active. Adding one project to this list does not materially change that.

# **ACE Construction Authority**

## **FY 2012 Second Quarter**

### **Project Reports**

**As of December 31, 2011**



**EXHIBIT I - ACE REVENUE BY SOURCE**  
As of December 31, 2011

Grant		Authorized	Adjustments	Note	Net Authorized	Allocated To Projects	Surplus
<b>Federal</b>							
TEA - 21	Sect 1017	2,205,000	(136,333)	b	2,068,667	2,063,683	4,984
TEA - 21	Sect 1138	17,250,000	-		17,250,000	17,250,000	-
TEA - 21	Sect 1533	100,000,000	-		100,000,000	100,000,000	-
TEA - 21	Sect 198	9,562,500	(572,760)		8,989,740	8,989,740	-
TEA - 21	Sect 0491	6,500,000	(402,000)	a	6,098,000	6,098,000	-
Hiway Fund FY 01		1,500,000	(3,300)	b	1,496,700	1,496,700	-
NCPD FY 2000		1,240,000	-		1,240,000	1,240,000	-
NCPD FY 2001		2,400,000	(2,565)	b	2,397,435	2,397,435	-
NCPD FY 2002		4,000,000	(116,000)	b	3,884,000	3,884,000	-
NCPD FY 2003		1,495,000	(10,000)	b	1,485,000	1,485,000	-
NCPD FY 2004		2,000,000	(119,163)	b	1,880,837	1,880,837	-
STP FY 2006		4,200,000	(42,000)	b	4,158,000	4,158,000	-
STP FY 2009		570,000	-		570,000	570,000	-
SAFETEA-LU FY 05	Sect 1701	2,528,000	(378,937)	c	2,149,063	2,149,063	-
SAFETEA-LU FY 06	Sect 1701	2,528,000	(378,635)	c	2,149,365	2,149,365	-
SAFETEA-LU FY 07	Sect 1701	2,528,000	(375,781)	c	2,152,219	2,152,219	-
SAFETEA-LU FY 08	Sect 1701	2,528,000	(375,781)	c	2,152,219	2,152,219	-
SAFETEA-LU FY 09	Sect 1701	2,528,000	(374,889)	c	2,153,111	2,153,111	-
SAFETEA-LU FY 05	Sect 1934	3,000,000	(450,000)	c	2,550,000	2,550,000	-
SAFETEA-LU FY 06	Sect 1934	6,000,000	(900,000)	c	5,100,000	5,100,000	-
SAFETEA-LU FY 07	Sect 1934	7,500,000	(1,125,000)	c	6,375,000	6,375,000	-
SAFETEA-LU FY 08	Sect 1934	7,500,000	(1,125,000)	c	6,375,000	6,375,000	-
SAFETEA-LU FY 09	Sect 1934	6,000,000	(900,000)	c	5,100,000	5,100,000	-
SAFETEA-LU FY 05	Sect 1301	3,125,000	(247,763)	c	2,877,237	2,877,237	-
SAFETEA-LU FY 06	Sect 1301	6,250,000	(495,526)	c	5,754,474	5,754,474	-
SAFETEA-LU FY 07	Sect 1301	7,812,500	(619,407)	c	7,193,093	7,193,093	-
SAFETEA-LU FY 08	Sect 1301	7,812,500	(619,407)	c	7,193,093	7,193,093	-
SAFETEA-LU FY 09	Sect 1301	6,250,000	(495,526)	c	5,754,474	5,754,474	-
FRA		2,544,100	-		2,544,100	2,185,000	359,100
ISTEA (Nogales-LA)		6,936,147	-		6,936,147	6,936,147	-
CMAQ (Nogales-LA)		6,347,000	-		6,347,000	6,347,000	-
	Subtotal	242,639,747	(10,265,773)		232,373,974	232,009,890	364,084
<b>State</b>							
ITIP		39,000,000	(18,426)	d	38,981,574	38,981,574	-
PUC (Brea Canyon)		5,000,000	-		5,000,000	5,000,000	-
TCRP		150,000,000	(19,700,000)	e	130,300,000	130,300,000	-
Prop 1B - HRCSA (Nogales-LA)		25,600,000	-		25,600,000	25,600,000	-
TCIF (SG Trench)		336,600,000	-		336,600,000	336,600,000	-
	Subtotal	556,200,000	(19,718,426)		536,481,574	536,481,574	-
<b>Local</b>							
MTA 1 (FY 98-02)	C 25%	37,500,000	(23,360,000)	f	14,140,000	14,140,000	-
MTA 2 (FY 03-05)	C 10%	1,857,000	-		1,857,000	1,857,000	-
MTA 2 (FY 03-05)	C 25%	13,178,000	-		13,178,000	13,178,000	-
MTA 2 (FY 03-05)	AB 3090	9,308,000	-		9,308,000	9,308,000	-
MTA 2 (FY 03-05)	STIP-RIP	5,496,000	-		5,496,000	5,496,000	-
MTA 3 (FY 06-09)	C 25%	85,000,000	-		85,000,000	85,000,000	-
MTA 4 (FY 09-15)	C 25%-Remaining	28,566,800	-		28,566,800	28,566,800	-
MTA 5 (FY 09-15)	C 25%-Supplemental	112,323,000	(9,978,000)	g	102,345,000	29,138,250	73,206,750
MTA 6 (Nogales-LA)	C 25%	28,849,000	-		28,849,000	28,849,000	-
MTA 7 (SG Trench)	Measure R	42,000,000	-	h	42,000,000	42,000,000	-
	Subtotal	364,077,800	(33,338,000)		330,739,800	257,533,050	73,206,750
<b>Other Sources</b>							
Railroad (UPRR/Metrolink)		31,921,000	-	i	31,921,000	17,500,000	14,421,000
Cities (Nogales-LA)		9,600,000	-		9,600,000	9,600,000	-
Betterments (Cities/Metrolink)		17,773,575	-		17,773,575	17,084,825	688,750
MWD (Brea Canyon)		2,207,402	-		2,207,402	2,207,402	-
	Subtotal	61,501,977	-		61,501,977	46,392,227	15,109,750
<b>TOTAL GRANTS</b>		<b>1,224,419,524</b>	<b>(63,322,199)</b>		<b>1,161,097,325</b>	<b>1,072,416,741</b>	<b>88,680,584</b>
<b>Other Income</b>							
Property Rental Income		34,291	-		34,291	-	34,291
Net Investment Income		-	-		-	-	-
	Subtotal	34,291	-		34,291	-	34,291
<b>TOTAL ACE Construction</b>		<b>1,224,453,815</b>	<b>(63,322,199)</b>		<b>1,161,131,616</b>	<b>1,072,416,741</b>	<b>88,714,875</b>

**Notes:**

- a) Transferred by LA County to ACE for the Nogales-LA project.
- b) Federal budgetary reduction.
- c) Appropriations reduced by 15%.
- d) \$18K for Ramona lapsed in June 2008 prior to project closeout.
- e) \$19.7 million programmed to other entities (yet to be allocated by State).
- f) Allocated to City of LA.
- g) Adjustment made by MTA based on 17% of total project cost.
- h) An additional \$358M for the ACE Project is included in the voter approved Measure R program and is expected to be available between Fiscal Years 2011 and 2019 per Metro Board action of March 2010.
- i) Based on individual projects, UPRR paid 1/2 before and 1/2 after construction phase.  
\$30.921M committed by UPRR but due to phasing of construction, only \$13.458M has been received.

EXHIBIT II - ACE PROJECTS FUNDING BY SOURCE  
As of December 31, 2011

(\$ 000's)

Project	Task	Fed #	All													Railroad	Cities/Better											
			TEA-21	NCPD/STP	SAFETEA	ITIP	ISTEA/CMQ	FRA/PUC	TCRP	Prop 1B	MTA 1	MTA 2	MTA 3	MTA 4	MTA 5			MTA 6	MTA 7									
Brea Canyon	Design	(019)	4,556	1,191	-	-	410	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
	ROW	(027)	12,881	-	1,485	5,521	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Constr	TCRP	49,959	-	-	-	-	-	-	5,000	21,007	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Brea Canyon Sub-Total			67,396	1,191	1,485	5,521	410	-	-	5,000	25,507	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,207		
Brea Canyon Better		n/a	6,507	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,207		
Brea Canyon Total			73,903	1,191	1,485	5,521	410	-	-	5,000	25,507	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,507		
																											8,715	
Ramona	Design	(002)	4,355	3,560	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	ROW	(002)	8,156	2,400	-	-	-	-	-	-	-	-	-	795	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Constr	(002)	38,839	16,684	4,158	-	5,533	-	-	-	-	-	215	5,494	48	-	-	-	-	-	-	-	-	-	-	-	-	
Ramona Sub-Total			51,350	22,644	4,158	-	5,533	-	-	-	-	-	1,010	13,577	2,324	1,057	-	-	-	-	-	-	-	-	-	-	1,000	
Ramona Better		n/a	1,741	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,000	
Ramona Total			53,091	22,644	4,158	-	5,533	-	-	-	-	-	1,010	13,577	2,372	1,680	-	-	-	-	-	-	-	-	-	-	1,119	
Nogales-AH	Design	(005)	4,034	2,560	-	-	1,473	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	ROW	(005)	17,231	9,829	2,397	-	2,364	-	-	-	-	-	700	1,940	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Constr	(005)	28,434	1,841	-	-	21,580	-	-	-	4,406	-	382	225	-	-	-	-	-	-	-	-	-	-	-	-	-	
Nogales-AH Sub-Total			49,698	14,230	2,397	-	25,417	-	-	-	4,406	-	1,082	2,166	-	-	-	-	-	-	-	-	-	-	-	-	-	
Nogales-AH Better		n/a	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100	
Nogales-AH Total			49,798	14,230	2,397	-	25,417	-	-	-	4,406	-	1,082	2,166	-	-	-	-	-	-	-	-	-	-	-	-	100	
Jump Start	Design	(001)	8,057	6,072	-	-	265	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	ROW	(001)	-	-	-	-	-	-	-	-	-	-	1,541	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Constr	(001)	3,582	2,866	-	-	-	-	-	-	-	-	612	239	-	-	-	-	-	-	-	-	-	-	-	-	-	
Jump Start Sub-Total			11,639	8,938	-	-	265	-	-	-	-	-	2,153	239	-	-	-	-	-	-	-	-	-	-	-	-	-	
JS - Mission	Design	(006)	242	240	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	ROW	(006)	158	160	-	-	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Constr	(015)	2,270	1,578	-	-	-	-	-	-	-	-	-	(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	
JS - Mission Sub-Total			2,670	1,978	-	-	-	-	-	-	-	-	515	96	-	-	-	-	-	-	-	-	-	-	-	-	-	
JS - Mission Better			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
JS - Mission Total			2,670	1,978	-	-	-	-	-	-	-	-	517	94	-	-	-	-	-	-	-	-	-	-	-	-	-	
JS - Quad Gates	Constr	(016)	4,832	3,863	-	-	-	-	-	-	-	-	888	38	43	-	-	-	-	-	-	-	-	-	-	-	-	
IRRIIS - Train	Constr	(007)	2,936	2,164	-	-	-	-	-	-	-	-	374	167	231	-	-	-	-	-	-	-	-	-	-	-	-	
JS - Phase 1	Constr	(008)	3,553	2,845	-	-	-	-	-	-	-	-	96	615	(2)	-	-	-	-	-	-	-	-	-	-	-	-	
JS - Phase 2	Constr	(014)	4,991	3,992	-	-	-	-	-	-	-	-	-	1,000	(1)	-	-	-	-	-	-	-	-	-	-	-	-	
IRRIIS - Traffic	Constr	(021)	3,520	2,502	-	-	-	-	-	-	-	-	-	727	290	-	-	-	-	-	-	-	-	-	-	-	-	
JS/Safety/IRRIIS Total			34,141	26,282	-	-	265	-	-	-	-	-	4,028	2,880	686	-	-	-	-	-	-	-	-	-	-	-	-	
Total Projects			1,062,429	135,898	15,615	65,028	38,982	13,283	7,185	130,300	362,200	8,414	28,578	85,000	27,567	27,138	28,849	42,000	17,500	28,892	-	-	-	-	-	-	-	
Start-up/Misc		n/a	9,988	-	-	-	-	-	-	-	-	-	5,726	1,261	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total ACE			1,072,417	135,898	15,615	65,028	38,982	13,283	7,185	130,300	362,200	14,140	29,839	85,000	28,567	29,138	28,849	42,000	17,500	28,892	-	-	-	-	-	-	-	

Net Authorized Allocated to Projects	1,161,098	135,904	15,615	65,028	38,982	13,283	7,544	130,300	362,200	14,140	29,839	85,000	28,567	102,345	28,849	42,000	31,921	29,581
Surplus / (Shortfall)	1,072,417	135,898	15,615	65,028	38,982	13,283	7,185	130,300	362,200	14,140	29,839	85,000	28,567	29,138	28,849	42,000	17,500	28,892
Other Income	88,681	6	(0)	(0)	0	(0)	359	-	-	-	-	-	0	73,207	-	-	14,421	689
Total Surplus / (Shortfall)	34	88,715																

MTA 1 : MOU P0004367  
MTA 2 : MOU 8002  
MTA 3-5 : AMENDMENTS TO MOU 8002  
MTA 6 : MOU P000F1159 (Nogales-LA)  
MTA 7 : MOU 8002R (San Gabriel Trench)

**EXHIBIT II - ACE PROJECTS FUNDING BY SOURCE**  
As of December 31, 2011  
(\$ 000's)

Project	Task	Fed #	All																
			TEA-21	NCPD/STP	SAFETEA	ITP	ISTEA/CMQ	FRA/PUC	TCRP	Prop SB	MTA 1	MTA 2	MTA 3	MTA 4	MTA 5	MTA 6	MTA 7	Railroad	Cities/Better
Baldwin	Design	(017)	5,209	3,013	-	753	-	-	-	-	-	-	495	696	251	-	-	-	-
	ROW	(028)	40,942	-	24,890	-	-	-	-	-	-	9,382	2,500	4,170	-	-	-	-	-
	Constr	n/a	26,857	2,373	20,186	1,043	-	-	-	-	0	0	0	2,685	-	-	-	-	-
<b>Baldwin Total</b>			<b>73,008</b>	<b>5,386</b>	<b>45,076</b>	<b>1,797</b>	-	-	-	-	<b>9,877</b>	<b>3,196</b>	<b>7,106</b>	-	-	-	-	-	-
Puente	Design	(034)	5,186	-	216	-	-	-	-	-	-	-	84	4,886	-	-	-	-	-
	ROW	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Constr	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Puente Total</b>			<b>5,186</b>	-	<b>216</b>	-	-	-	-	-	-	-	<b>84</b>	<b>4,886</b>	-	-	-	-	-
Fairway	Design	(036)	5,875	-	240	-	-	-	-	-	-	-	60	5,575	-	-	-	-	-
	ROW	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Constr	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Fairway Total</b>			<b>5,875</b>	-	<b>240</b>	-	-	-	-	-	-	-	<b>60</b>	<b>5,575</b>	-	-	-	-	-
East End	Design	(003)	4,295	1,952	-	952	-	-	-	-	97	54	-	-	-	-	-	-	-
	ROW	(003)	4,478	3,131	-	1,347	-	-	-	-	-	-	-	-	-	-	-	-	-
	Design	(010)	3,620	2,896	-	600	-	-	-	122	2	-	-	-	-	-	-	-	-
	ROW	(010)	9,431	5,718	-	2,255	-	-	-	-	286	919	253	-	-	-	-	-	-
	Constr	TCRP	57,376	-	-	407	-	-	-	-	433	9,757	-	-	-	-	-	-	-
<b>EE/Reservoir Total</b>			<b>79,200</b>	<b>13,697</b>	<b>1,240</b>	<b>5,561</b>	-	-	-	<b>122</b>	<b>818</b>	<b>10,730</b>	<b>253</b>	-	-	-	-	-	-
Sunset	Design	(020)	4,739	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ROW	(026)	3,146	100	2,063	-	-	-	-	-	-	339	-	-	-	-	-	-	-
	Constr	TCRP	80,043	-	-	-	-	-	-	-	100	565	-	318	-	-	-	-	-
<b>Sunset Sub-Total</b>			<b>87,928</b>	<b>100</b>	<b>2,063</b>	-	-	-	-	-	<b>47,720</b>	<b>14,607</b>	<b>16,691</b>	<b>1,025</b>	-	-	-	-	-
<b>Sunset Total</b>			<b>6,434</b>	-	-	-	-	-	-	-	<b>15,511</b>	<b>16,691</b>	<b>1,343</b>	-	-	-	-	-	<b>6,434</b>
			<b>94,362</b>	<b>100</b>	<b>2,063</b>	-	-	-	-	-	<b>15,511</b>	<b>16,691</b>	<b>1,343</b>	-	-	-	-	-	<b>6,434</b>
Temple	Design	(009)	7,265	4,680	-	-	-	-	-	1,168	151	978	288	-	-	-	-	-	-
	ROW	(009)	12,367	7,768	-	-	-	-	-	969	1,370	2,260	-	-	-	-	-	-	-
	Constr	(009)	71,948	33,700	3,884	-	-	-	-	33	7,589	13,505	3,950	-	-	-	-	-	-
<b>Temple Total</b>			<b>91,580</b>	<b>46,149</b>	<b>3,884</b>	-	-	-	-	<b>2,169</b>	<b>9,110</b>	<b>16,743</b>	<b>4,238</b>	-	-	-	-	-	<b>7,900</b>
			<b>3,725</b>	<b>932</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>7,900</b>
Nogales-LA	Design	(032)	36,899	5,166	-	-	-	-	-	-	-	-	-	-	785	-	-	-	2,008
	ROW	(035)	51,034	-	6,347	-	-	-	-	-	-	-	-	-	17,205	-	-	-	5,407
	Constr	n/a	91,658	6,098	-	-	-	-	25,600	-	-	-	-	-	8,228	10,859	-	-	-
<b>Nogales-LA Total</b>			<b>179,591</b>	<b>11,264</b>	<b>6,347</b>	-	-	-	<b>25,600</b>	-	-	-	-	-	<b>8,228</b>	<b>28,849</b>	-	-	<b>7,415</b>
			<b>34,214</b>	<b>120</b>	<b>11,913</b>	-	-	-	<b>25,600</b>	-	-	-	-	-	<b>8,228</b>	<b>28,849</b>	-	-	<b>7,415</b>
SG Trench	Design	(030)	28,285	-	-	-	-	-	-	3	27	3,006	1,365	-	-	-	15,900	-	-
	ROW	(030)	345,200	-	-	-	-	-	-	-	-	-	-	-	-	-	26,100	-	-
	Constr	n/a	407,699	120	1,881	-	-	-	336,600	-	-	-	-	-	-	-	-	-	8,600
<b>SG Trench Sub-Total</b>			<b>741,184</b>	<b>240</b>	<b>1,881</b>	-	-	-	<b>336,600</b>	<b>3</b>	<b>27</b>	<b>3,006</b>	<b>1,365</b>	-	-	-	<b>42,000</b>	-	<b>2,185</b>
			<b>2,925</b>	<b>120</b>	<b>11,913</b>	-	-	-	<b>336,600</b>	<b>3</b>	<b>27</b>	<b>3,006</b>	<b>1,365</b>	-	-	-	<b>42,000</b>	-	<b>2,185</b>
<b>SG Trench Total</b>			<b>410,624</b>	<b>260</b>	<b>1,881</b>	-	-	-	<b>336,600</b>	<b>3</b>	<b>27</b>	<b>3,006</b>	<b>1,365</b>	-	-	-	<b>42,000</b>	-	<b>5,110</b>
			<b>2,925</b>	<b>120</b>	<b>11,913</b>	-	-	-	<b>336,600</b>	<b>3</b>	<b>27</b>	<b>3,006</b>	<b>1,365</b>	-	-	-	<b>42,000</b>	-	<b>5,110</b>

# Exhibit III

## ACE Projects Allocation vs. Actual Summary

As of December 31, 2011

(\$ 000's)

Project	Cost Estimate (1997)	Cost Estimate (2006)	Allocated (Exhibit II)	Betterments /Other	Railroad	Total Allocated	ITD Expenditures (Exhibit V)	Estimate at ** Completion Exhibit IV	Variance (Allocated vs. Estimate at Completion)	Status
<b>Start-up/Misc</b>			\$ 9,988			\$ 9,988	\$ 7,814			
<b>Active Projects</b>										
1 Baldwin Avenue	\$ 23,994	\$ 64,765	\$ 73,008	\$ -	\$ -	\$ 73,008	36,291	\$ 85,207	\$ (12,199)	Active
2 Fairway Drive (LA)	N/A	N/A	5,875	-	-	5,875	1,374	5,875	-	PE only
3 Nogales South (LA)	24,307	N/A	91,658	-	-	91,658	19,694	97,058	(5,400)	Active
4 Puente Avenue	N/A	N/A	5,186	-	-	5,186	1,776	5,875	(689)	PE only
5 San Gabriel Trench	198,205	N/A	407,699	2,925	-	410,624	44,142	498,485	(90,786)	Active
6 Sunset Avenue	22,259	70,502	87,928	6,434	-	94,362	86,607	87,892	36	Active
7 Temple Avenue	35,985	80,272	91,580	-	7,900	91,580	88,191	92,120	(540)	Active
8 Brea Canyon	26,571	64,401	67,396	6,507	-	73,903	67,394	67,396	-	Closed
9 East End/Reservoir	56,571	69,180	79,200	-	-	79,200	78,960	79,012	188	Closed
10 Jump Start/Crossing Safety/IRRS	61,000	35,200	34,141	-	-	34,141	34,142	34,142	(1)	Closed
11 Nogales North (Alh)	39,636	54,599	49,698	100	-	49,798	49,698	49,698	-	Closed
12 Ramona Blvd.	14,489	47,102	51,350	1,741	1,000	53,091	51,350	51,350	-	Closed
<b>Subtotal</b>	<b>\$ 503,017</b>	<b>\$ 486,021</b>	<b>\$ 1,054,707</b>	<b>\$ 17,707</b>	<b>\$ 8,900</b>	<b>\$ 1,072,417</b>	<b>\$ 567,432</b>	<b>\$ 1,154,110</b>	<b>\$ (109,391)</b>	
<b>Inactive Projects</b>										
13 Montebello Blvd.										
14 Rose Hills Road										
15 Turnbull Canyon Road										
16 Fairway Drive (Alh)										
<b>Estimated Total Project Cost</b>	<b>\$ 950,000</b>	<b>\$ 1,400,000</b>								
<b>Net Authorized</b>	<b>\$ 1,161,097,325</b>									
<b>Allocated</b>	<b>1,072,416,741</b>									
<b>Available</b>	<b>\$88,680,584</b>									

\*\* Excludes Start-up/Misc of \$9,988M to agree with Exhibit-IV EAC.



# Exhibit V

## ACE Expenditures vs. Reimbursements

As of December 31, 2011

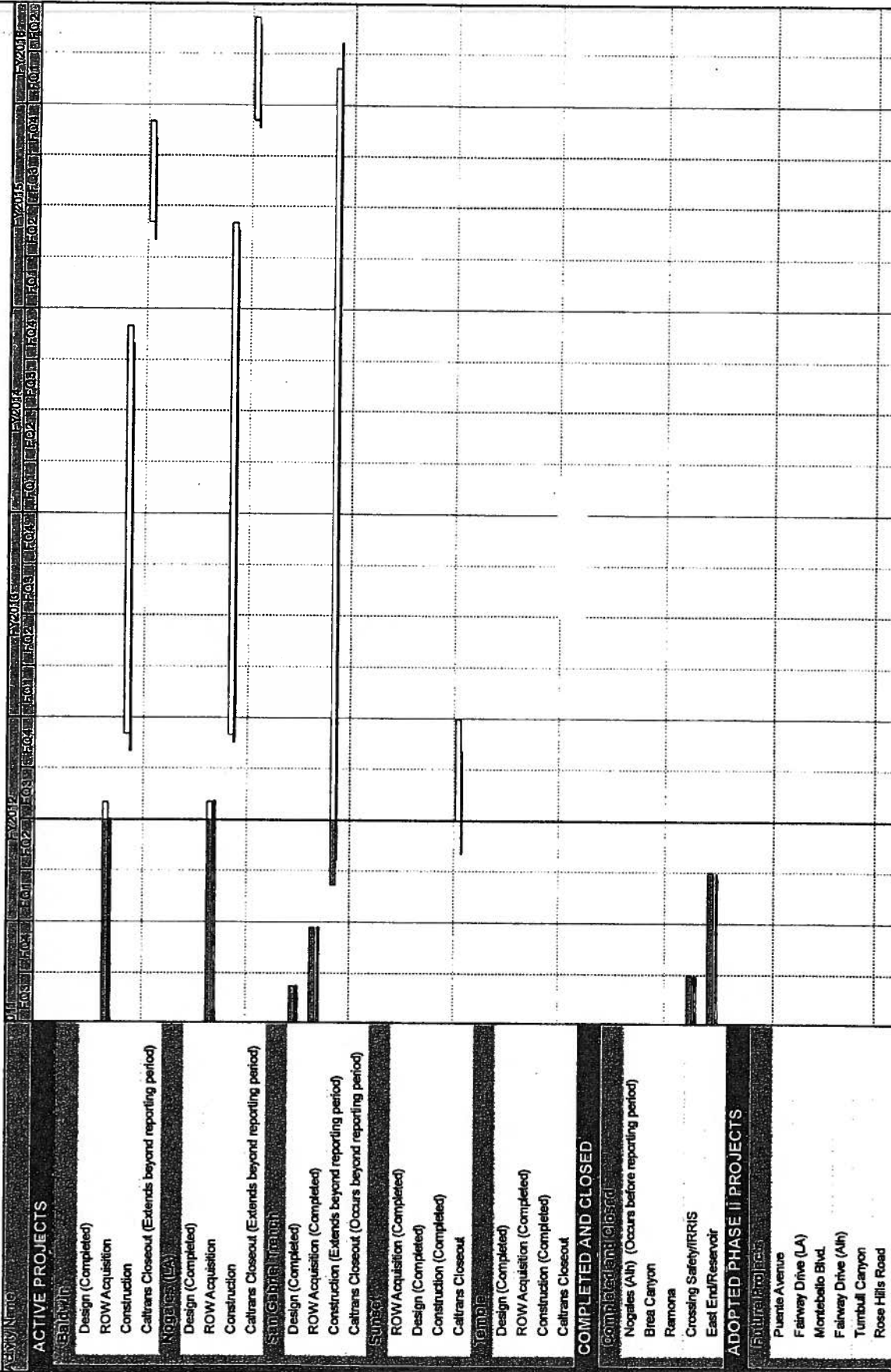
Projects	Reimbursement Status (\$ 000)							Indirect Costs Requiring Caltrans Approval	Unreim- burseable
	ITD Expenditures	Received	Billed/Not Received	To Be Billed	MTA Retention	1			
Baldwin	\$ 36,291	\$ 35,418	\$ 291	\$ 239	\$ 343		-	-	
Fairway Drive	1,374	287	-	1,084	3				
Nogales (LA)	19,694	17,828	1,940	(130)	55		-	-	
Puente Ave.	1,776	286	-	1,486	4				
SG Trench	44,142	41,247	2,278	443	175		-	-	
Sunset	86,607	84,387	1,456	618	146		-	-	
Temple	88,191	87,529	31	6	625		-	-	
Brea Canyon	67,394	67,401	28	(324)	289		-	-	
Crossing Safety / IRRIS	34,142	33,788	15	-	338		-	-	
EE/Reservoir	78,960	78,711	14	-	235		-	-	
Nogales (AH)	49,698	49,640	3	-	55		-	-	
Ramona	51,350	51,374	94	(293)	174		-	-	
Uncollected Indirect Exp. '08-'11	-	-	-	-	-		1,335	-	
Sub-total Projects	559,618	547,897	6,151	3,129	2,441		1,335	-	
Project Administration	7,814	7,706	-	108			-	(191)	
<b>Total ACE</b>	<b>\$ 567,432</b>	<b>\$ 555,602</b>	<b>\$ 6,151</b>	<b>\$ 3,237</b>	<b>\$ 2,441</b>		<b>\$ 1,335</b>	<b>\$ (191)</b>	

Notes: 1 - Represents carriedforward amounts from '08 and '09 that will be applied to indirect cost plans for Fiscal Years '12 and '13.

# Exhibit VI

## Project Schedules

As of December 31, 2011



# Exhibit VII

## Treasury / Banking Investments

As of December 31, 2011

Operating Account	\$ 225,640
Money Market Account	91,779 *
Money Market (UPRR Contributions)	2,423,430
<b>Total cash on hand</b>	<b><u>2,740,849</u></b>

### Investments

LAIF	1,561,670
CBB - US Treasuries	10,340,336
<b>Total investments</b>	<b><u>11,902,006</u></b>

### Billed / Not Received

<u>To Be Billed</u>	6,151,014
<u>MTA Retention</u>	3,237,493
<u>Indirect Expenses ('08 - '09)</u>	2,441,482
<b>Total Cash &amp; Receivables</b>	<b><u>1,334,784</u></b>
	<b><u>27,807,630</u></b>

### Outstanding Debt (Commercial Paper)

<b>Resources In Excess of Debt</b>	<b><u>20,000,000</u></b>
	<b><u>\$ 7,807,630</u></b>

\* Note: Excludes \$2,283,000 of recovered project costs and advanced construction funds

# Exhibit VII

## Compliance with Banking / Investment Policy

As of December 31, 2011

SGVCOG Authorized Investments Ref. #	Bayerische Landesbank Permitted Investment Ref. #	Deposit/ Investment Amount 12-31-11	Bank Deposits	Maximum Maturity	Maximum Percent of Portfolio	Maximum Investment in One Issuer
			<p>ACE deposits are held by Citizens Business Bank (CBB) under a deposit agreement in amounts not to exceed \$50 million. Under the agreement, CBB maintains collateral deposits of at least 110% of the value of all ACE deposits at Bank of the West - Los Angeles in eligible securities. The CBB deposits accounts are:</p> <p>Checking Account \$ 225,640</p> <p>Money Market Accounts (2) * 4,798,209</p> <p>Total Deposits 5,023,849</p>			
			<p>Permitted Investments</p> <p>U.S. Treasury Obligations 10,340,336</p>	None Stated	None Stated	None Stated
1	1					
			<p>State's Local Agency Investment Fund</p> <p>Total Investments 11,902,006</p>	None Stated	None Stated	None Stated
5	11					
			<b>Total</b>			
			\$ 16,925,855			

**SGVCOG and Bayerische Landesbank**

1. United States Treasury notes, bonds, bills, or certificate of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest

**SGVCOG**

5. Notwithstanding any other provision of law, and local government official, with the consent of the governing body of that agency, having money in its treasury not required for immediate needs, may remit the money to the Treasurer of the State of California for deposit in the Local Agency Investment Fund for the purpose of investment.

11. State's Local Agency Investment Fund.

\* Note: Includes \$2,283,000 of grant reimbursement for close out projects