



## **Alameda Corridor-East Construction Authority**

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

### **ALAMEDA CORRIDOR-EAST CONSTRUCTION AUTHORITY FINANCE COMMITTEE MEETING AGENDA Thursday, August 13, 2009 11AM 4900 Rivergrade Road Ste. A120 – Board Conference Rm. Irwindale, CA 91706**

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Members of the public may comment on any item on the agenda.

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- I. Roll Call and Introductions
- II. Public Comment
- III. Status Report on ACE Contract Audits (Pages 1-4)
- IV. Review of Quarterly Financial Reports (Pages 5-10)
- V. Update on ACE Financial Position and Investments (Pages 11-13)
- VI. FY 2009 Fourth Quarter Expenditures and Receipts (Pages 14-15)
- VII. Adjournment

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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  
Report on ACE Contract Audits**

*As of June 30, 2009*

# Contract Audit Status Report (Through 6/30/09)

Auditor	Completed Audits	Duration	Amount Recovered	Audits To Be Done
MTA	124	5/01 – 6/06 6/09 – 9/09	\$441,700	6
ACE	24	4/08 – 6/09 7/09 – 3/10	\$372,203	33
<b>Total</b>	<b>148</b>		<b>\$813,903</b>	<b>39</b>

# Contract Audit Status Report (Through 6/30/09)

## Contract Audits Completed This Quarter

Contractor/Project	Audit Period	Value
Padilla & Associates, Inc./Various	1/04 – 12/08	\$1,228,598
Paragon Partners Ltd./Various	1/04 – 12/04	\$707,056
Paragon Partners Ltd./Various	1/05 – 12/05	\$872,522
Paragon Partners Ltd./Various	1/06 – 12/06	\$806,522
HNTB Corporation/Sunset	1/07 – 12/08	\$594,085

# Contract Audit Status Report (Through 6/30/09)

## Summary of Audit Findings

Contractor/Project	Questioned Costs	To Be Resolved
Padilla & Associates, Inc./Various	\$0	\$0
Paragon Partners Ltd./ '04	\$25,984	\$25,984
Paragon Partners Ltd./ '05	\$13,738	\$13,738
Paragon Partners Ltd./ '06	\$58,100	\$58,100
HNTB Corporation/Sunset	\$0	\$0
<b>Total</b>	<b>\$97,822</b>	<b>\$97,822</b>

**ACE Construction Authority**  
**FY 2009 Fourth Quarter**  
**Financial Report**

June 2009

# ACE Construction Authority

## FY 2009 Budget to Accrue Actual Expense Report

### June 2009

Prorated Budget	Quarter		Expense Indirect	Year-to-date		Under (Over)
	Actuals	Under (Over)		Budget	Actuals	
\$ 215	\$ 197	\$ 18	Personnel	\$ 1,690	\$ 1,773	\$ (83)
19	24	(5)	Employee Related Expenses	75	80	(5)
428	698	(270)	Professional Services	1,712	1,569	142
68	17	51	Insurance	273	115	158
11	44	(33)	Equipment Expense	44	73	(29)
54	35	19	Office Expense	215	188	27
13	15	(1)	Office Operations	53	48	5
<b>808</b>	<b>1,029</b>	<b>(221)</b>	<b>Subtotal Indirect</b>	<b>4,062</b>	<b>3,847</b>	<b>215</b>
299	1,476	(1,177)	<b>Direct (Construction)</b>	1,704	2,524	(820)
2,197	4,276	(2,080)	Program Management	9,307	8,776	531
2,296	1,186	1,110	Design	13,663	9,794	3,869
637	107	531	ROW Acquisition	1,906	622	1,284
566	1,857	(1,291)	Utility Relocation	2,687	3,262	(575)
5,524	2,130	3,394	Construction Mgt	18,325	7,667	10,658
3,392	9,790	(6,398)	Railroad	22,579	22,736	(157)
537	546	(10)	Construction	1,317	1,133	184
15,448	21,368	(5,920)	Other	71,488	56,515	14,973
<b>\$ 16,256</b>	<b>\$ 22,397</b>	<b>\$ (6,141)</b>	<b>Subtotal Direct</b>	<b>\$ 75,550</b>	<b>\$ 60,362</b>	<b>\$ 15,188</b>
			<b>Total ACE</b>			





# ACE Construction Authority

## Expenditures vs. Receipts by Project

### June 30, 2009

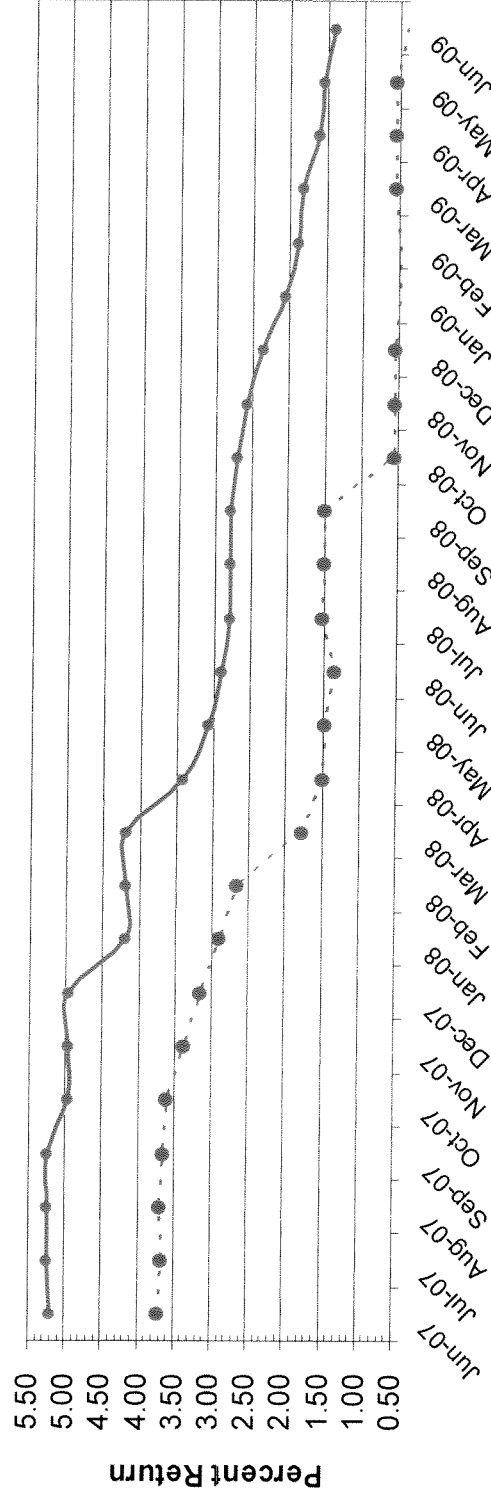
Projects	Reimbursement Status (\$ 000)									
	ITD Expenditures	Received	Billed/Not Received	To Be Billed	MTA Retention	Caltrans Approval	Requiring	Unreim- burseable	Unreim- burseable	Unreim- burseable
Crossing Safety	\$ 34,137	\$ 33,850	\$ 159	\$ -	\$ 129	\$ 6	\$ 6	\$ -	\$ -	\$ -
Nogales (AH)	49,698	49,600	54	-	44	-	-	-	-	-
EE/Reservoir	77,308	76,905	222	-	181	183	-	-	-	-
Ramona	50,985	50,285	431	-	269	110	-	-	-	-
Temple	66,494	65,738	417	-	339	352	-	-	-	-
Sunset	40,022	39,661	247	-	115	381	-	-	-	-
Brea Canyon	66,731	65,046	542	703	440	457	-	-	-	-
Nogales (LA)	3,333	3,222	108	-	3	40	-	-	-	-
Baldwin	22,868	22,254	400	-	214	398	-	-	-	-
SG Trench	7,327	6,711	592	-	23	242	-	-	-	-
Uncollected Indirect Exp. '08-'09	-	-	-	-	-	3,183	-	-	-	-
Sub-total Projects	418,902	413,271	3,172	703	1,757	5,352	-	-	-	-
Project Administration	7,066	7,066	-	-	-	-	-	-	-	(191)
Total ACE	\$ 425,968	\$ 420,337	\$ 3,172	\$ 703	\$ 1,757	\$ 5,352	\$ -	\$ -	\$ -	\$ (191)

**Unencumbered Funding**

Commercial Paper Net Interest	\$ 3,566 <sup>**</sup>	
Railroad Contributions Received	7,144	
	10,710	Billed UPRR
Unreimbursable Expenses	(191)	\$ 1,064
<b>Net Unencumbered</b>	<b>\$ 10,519</b>	

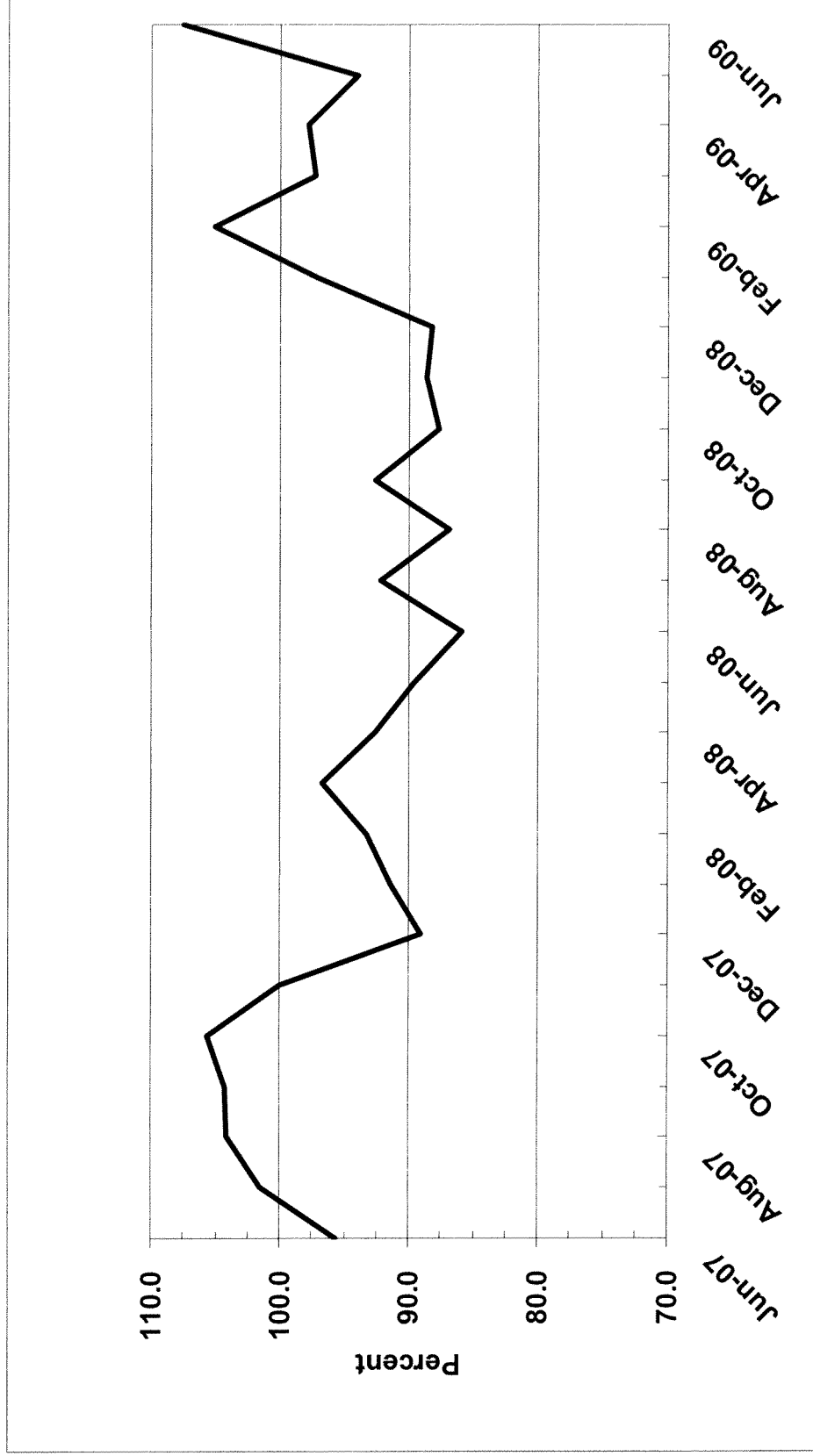
Notes: ITD Expenditures include payments only (no accruals).

# ACE Construction Authority 24 month Rolling Investment Return



	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09
LAF	5.20	5.25	5.25	4.96	4.96	4.96	4.18	4.18	4.18	4.18	3.40	3.07	2.89	2.79	2.78	2.78	2.71	2.57	2.35	2.05	1.87	1.82	1.61	1.53	1.38
CP	3.71	3.67	3.70	3.65	3.61	3.37	3.15	2.89	2.65	1.77	1.50	1.47	1.35	1.50	1.50	1.50	0.55	0.55	0.55	0.47	0.49	0.54	0.54	0.53	0.39

# ACE Construction Authority Percent funds Invested as % of Indebtedness



**ACE Construction Authority  
Update on Financial Position &  
Investments**

*As of June 30, 2009*

# Treasury/Banking Investments

June 30, 2009

<b><u>Cash on hand</u></b>	
Operating Account	\$ 1,744,787
Money Market Accounts (2)	22,214,912 *
Money Market (UPRR Contributions)	2,114,784
<b>Total cash on hand</b>	<b><u>26,074,483</u></b>
<b><u>Investments</u></b>	
LAIIF	70,612,179
CBB - Bonds and Cash Equivalents	1,666,308
<b>Total investments</b>	<b><u>72,278,486</u></b>
<b><u>Indirect Expenses (FY08 - FY09)</u></b>	
<b><u>Billed / Not Received</u></b>	5,352,083
<b><u>To Be Billed</u></b>	4,929,000
<b>Total Cash &amp; Receivables</b>	<b><u>702,961</u></b>
	109,337,013
<b><u>Outstanding Debt (Commercial Paper)</u></b>	<b><u>100,000,000</u></b>
<b><u>Resources In Excess of Debt</u></b>	<b><u>\$ 9,337,013</u></b>

\* Excludes \$9,125,046 of cash received in advance for construction services not yet performed.

# Compliance with Banking/Investment Policy

June 30, 2009

SGVCOG Authorized Investments Ref. #	Bayerische Landesbank Permitted Investment Ref. #	Deposit/ Investment Amount 06-30-09	Bank Deposits	Maximum Maturity	Maximum Percent of Portfolio	Maximum Investment in One Issuer	
N/A	N/A	\$ 1,744,787	<b>Bank Deposits</b> Ace deposits are held by Citizens Business Bank (CBB) under a deposit agreement in amounts not to exceed \$40 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: Checking Accounts (with sweep) Money Market Accounts (3) * Total Deposits				
N/A	N/A	33,454,742					
		35,199,529					
1	1	1,666,308	<b>Permitted Investments</b> U.S. Treasury Obligations	None Stated	None Stated	None Stated	
5	11	70,612,179		State's Local Agency Investment Fund	None Stated	None Stated	None Stated
		72,278,487		Total Investments			
		\$ 107,478,016	<b>Total</b>				

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.

Bayerische Landesbank

11. State's Local Agency Investment Fund.

\* Includes \$9,125,046 of advanced construction funding

**ACE Construction Authority  
Fourth Quarter Cash  
Expenditures & Receipts**

*As of June 30, 2009*

# FY 2009 4<sup>th</sup> Quarter Cash Expenditures and Receipts

	April-09	May-09	June-09	Total
<b>Expense</b>				
<b>Indirect</b>				
Personnel				
Employee Related Expenses	(a) \$ (114,105)	\$ 163,312	\$ 150,143	\$ 199,349
Professional Services	3,418	12,283	5,899	21,600
Insurance	285,290	137,478	148,678	571,446
Equipment Expense	-	2,150	14,668	16,818
Office Expense	32,818	6,795	4,841	44,454
Office Operations	-	(b) 34,093	-	34,093
<b>Subtotal Indirect</b>	<u>\$ 213,958</u>	<u>\$ 360,840</u>	<u>\$ 327,561</u>	<u>\$ 902,360</u>
<b>Direct (Construction)</b>				
Personnel	(a) \$ 334,871	\$ 79,415	\$ 50,049	\$ 464,335
Program Management	302,173	115,450	184,664	602,286
Design	934,779	1,060,579	583,878	2,579,237
ROW Acquisition	685,550	163,569	148,702	997,822
Utility Relocation	19,782	17,597	(80,764)	(43,385)
Construction Mgt	1,064	944,263	16,787	962,114
Railroad	559,161	879,861	558,572	1,997,594
Construction	2,421,284	2,466,301	1,488,294	6,375,878
Other	13,979	-	20,499	34,479
<b>Subtotal Direct</b>	<u>5,272,643</u>	<u>5,727,035</u>	<u>2,970,681</u>	<u>13,970,359</u>
<b>Total Expense</b>	<u>\$ 5,486,601</u>	<u>\$ 6,087,875</u>	<u>\$ 3,298,242</u>	<u>\$ 14,872,718</u>
<b>Receipts</b>				
Caltrans				
Federal	\$ 1,270,232	\$ 2,061,140	\$ 1,286,315	\$ 4,617,687
State	-	-	7,229,564	7,229,564
MTA	3,230,719	-	2,823,552	6,054,271
UPRR	1,333,500	1,300,300	-	2,633,800
Rental Income (Brea Cyn & Baldwin)	21,791	23,938	18,346	64,074
City of Industry - Nogales (LA) Adv.	-	-	5,600,000	5,600,000
Other/Reimbursements	23,079	3,511	2,954	29,544
<b>Total Receipts</b>	<u>\$ 5,879,320</u>	<u>\$ 3,388,889</u>	<u>\$ 16,960,731</u>	<u>\$ 26,228,940</u>

**Footnotes:**

- (a) Represents YTD April 2009 allocation of fringe benefits from indirect to direct expenditures consists with Caltrans requirements.
- (b) Reflects payment adjustment as part of new lease agreement with new landlord.
- © Represents Shea Property Acquisition (Brea Cyn) and Altec Industries (Temple 4th Trck)
- (d) Voided state check issued to Verizon for Utilities work