



Alameda Corridor-East Construction Authority

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ALAMEDA CORRIDOR-EAST CONSTRUCTION AUTHORITY FINANCE COMMITTEE MEETING AGENDA

July 30, 2012 – 2:00 p.m.

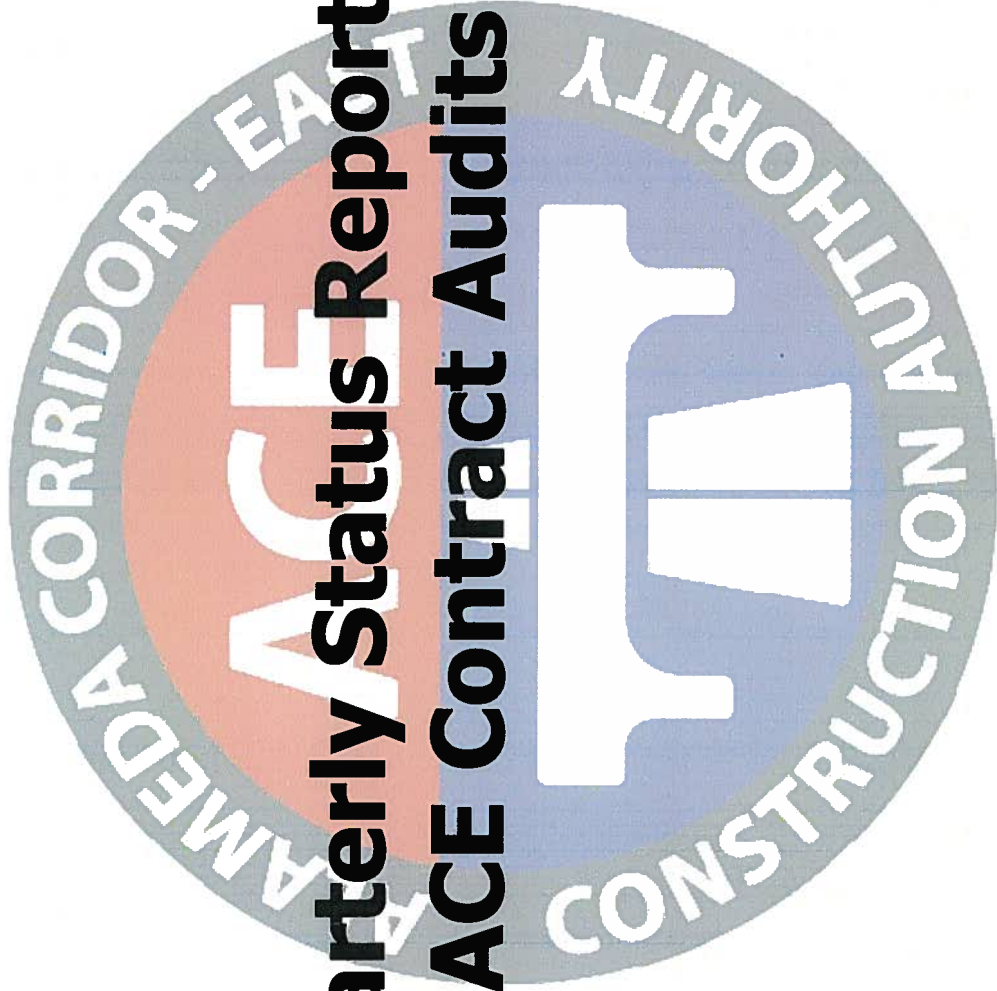
**ACE Construction Authority Offices
4900 Rivergrade Road Suite A120 – Board Conference Room
Irwindale, CA 91706**

Members of the public may comment on any item on the agenda
The San Gabriel Valley Corporate Center (4900 Rivergrade Road)
is accessible to persons using wheelchairs and with other disabilities. Informational material
will be available in large print. Assistive listening devices, materials in other alternate formats,
American Sign Language interpreters and other accommodations will be made available upon request.
Requests should be made to Deanna Stanley at 626-962-9292 ext. 142 or deannas@theaceproject.org
Providing at least 72 hours notice will help ensure availability.

- I. Roll Call and Introductions
- II. Public Comment
- III. Status Report on ACE Contract Audits (Pages 1-3)
- IV. Review of Quarterly Progress Reports (Pages 4-14)
- V. Update on Working Capital Financing Program (Pages 15-17)
- VI. Adjournment

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.

Quarterly Status Report on ACE Contract Audits



Contract Audit Status Report (4/1/12 to 6/30/12)

Contract Audits Completed This Quarter

Contractor/Project	Audit Period	Value
Athalye Consulting Engineering	Post-award	\$2,886,566
Del Richardson & Associates	7/1/08 – 12/31/11	\$376,909
Parsons Transportation Group	Post-award	\$3,232,307
PB Americas, Inc. – Sunset (Closeout)	12/19/09 – 10/03/11	\$1,473,444

Contract Audit Status Report (4/1/12 to 6/30/12)

Summary of Audit Findings

Contractor/Project	Questioned Costs	To Be Resolved
Athalye Consulting Engineering	\$376,448	\$0
Del Richardson & Associates	\$0	\$0
Parsons Transportation Group	(\$162,865)	\$0
PB Americas, Inc. – Sunset (Closeout)	\$0	\$0
Total	\$213,583	\$0

Contract Audit Status Report (Through 6/30/12)

Auditor	Completed Audits Quarter/Total	Amount Recovered This Qtr	Amount Recovered Total	Audits To Be Done
MTA (5/01-6/06)	0 / 130	\$0	\$427,520	0
ACE (4/08-Present)	4 / 95	\$213,583	\$2,251,761	9*
Total	4 / 225	\$213,583	\$2,679,281	9

	Previous Quarter	Add: This Quarter	Less: Completed	To Be Done *
Audits needed to bring CPFF contracts up to 2008	1	0	0	1
Audits needed to get through 2011 costs	5	0	1	4
For Close-out	3	0	1	2
New contracts subject to audit	4	0	2	2
Total (ACE)	13	0	4	9

ACE Construction Authority

FY 2012 Fourth Quarter

Project Reports

As of June 30, 2012



EXHIBIT I - ACE REVENUE BY SOURCE
As of June 30, 2012

Grant		Authorized	Adjustments	Note	Net Authorized	Allocated To Projects	Surplus
Federal							
TEA - 21	Sect 0491	6,500,000	(402,000)	a	6,098,000	6,098,000	-
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)	b	8,989,740	8,989,740	-
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	-
STP FY 2010		500,000	(85)	b	499,915	499,915	-
AAA FY2009		950,000	-	c	950,000	-	950,000
AAA FY2010		1,348,770	-	c	1,348,770	-	1,348,770
SAFETEA-LU FY 05	Sect 1701	2,528,000	(255,185)	d	2,272,815	2,272,815	-
SAFETEA-LU FY 06	Sect 1701	2,528,000	(254,883)	d	2,273,117	2,273,117	-
SAFETEA-LU FY 07	Sect 1701	2,528,000	(252,029)	d	2,275,971	2,275,971	-
SAFETEA-LU FY 08	Sect 1701	2,528,000	(252,029)	d	2,275,971	2,275,971	-
SAFETEA-LU FY 09	Sect 1701	2,528,000	(251,136)	d	2,276,864	2,149,863	127,001
SAFETEA-LU FY 05	Sect 1934	3,000,000	(280,077)	d	2,719,923	2,719,923	-
SAFETEA-LU FY 06	Sect 1934	6,000,000	(560,154)	d	5,439,846	5,439,846	-
SAFETEA-LU FY 07	Sect 1934	7,500,000	(700,192)	d	6,799,808	6,799,808	-
SAFETEA-LU FY 08	Sect 1934	7,500,000	(700,192)	d	6,799,808	6,799,808	-
SAFETEA-LU FY 09	Sect 1934	6,000,000	(560,154)	d	5,439,846	3,130,775	2,309,071
SAFETEA-LU FY 05	Sect 1301	3,125,000	(247,763)	d	2,877,237	2,877,237	-
SAFETEA-LU FY 06	Sect 1301	6,250,000	(495,526)	d	5,754,474	5,754,474	-
SAFETEA-LU FY 07	Sect 1301	7,812,500	(619,407)	d	7,193,093	7,193,093	-
SAFETEA-LU FY 08	Sect 1301	7,812,500	(619,407)	d	7,193,093	7,193,093	-
SAFETEA-LU FY 09	Sect 1301	6,250,000	(495,526)	d	5,754,474	1,705,000	4,049,474
FRA		2,544,100	-		2,544,100	2,544,100	-
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	245,438,517	(7,947,866)		237,490,651	228,701,351	8,789,300
State							
ITIP		39,000,000	(18,426)	e	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)	f	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	-
TCIF (Baldwin)		37,638,000	-		37,638,000	37,638,000	-
	Subtotal	593,838,000	(19,718,426)		574,119,574	574,119,574	-
Local							
MTA 1 (FY 98-02)	C 25%	37,500,000	(23,360,000)	g	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)	h	102,345,000	21,305,550	81,039,450
MTA 6 (Nogales-LA)	C 25%	28,849,000	-		28,849,000	28,849,000	-
MTA 7 (Phase II)	Measure R	140,044,400	-	i	140,044,400	140,044,400	-
	Subtotal	462,122,200	(33,338,000)		428,784,200	347,744,750	81,039,450
Other Sources							
Railroad (UPRR/Metrolink)		31,921,000	-	j	31,921,000	8,900,000	23,021,000
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	37,792,227	23,709,750
TOTAL GRANTS		1,362,900,694	(61,004,292)		1,301,896,402	1,188,357,902	113,538,500
Other Income							
Property Rental Income		73,263	-		73,263	-	73,263
Net Investment Income		-	-		-	-	-
	Subtotal	73,263	-		73,263	-	73,263
TOTAL ACE Construction		1,362,973,957	(61,004,292)		1,301,969,665	1,188,357,902	113,611,763

Notes:

- Transferred by LA County to ACE for the Nogales-LA project.
- Federal budgetary reduction.
- Appropriation for ACE still to be determined by SCAG.
- Based on Caltrans updated OA, appropriations reduced by 10% instead of 15%.
- \$18K for Ramona lapsed in June 2008 prior to project closeout.
- \$19.7 million programmed to other entities (yet to be allocated by State).
- Allocated to City of LA.
- Adjustment made by MTA based on 17% of total project cost.
- Of the \$400M Measure R funds for the ACE program, \$42M has an executed MOU and \$98.044M is being requested for Phase II projects.
- 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 \$14.597M has been received.

Exhibit III

ACE Projects Allocation vs. Actual Summary

As of June 30, 2012

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
Start-up/Misc		\$	\$	\$	\$	\$	\$	\$	\$	\$	
Active Projects											
1	Baldwin Avenue	23,994	64,765	80,453	-	-	80,453	37,245	80,665	(212)	Active
2	Durfee Road	N/A	N/A	4,011	-	-	4,011	-	4,011	-	PE only
3	Fairway Drive (LA)	N/A	N/A	58,040	-	-	58,040	2,617	106,073	(48,033)	Active
4	Fullerton Road	N/A	N/A	9,326	-	-	9,326	-	9,326	-	PE only
5	Hamilton Blvd.	N/A	N/A	6,926	-	-	6,926	-	6,926	-	PE only
6	Nogales South (LA)	24,307	N/A	97,550	-	-	97,550	26,529	98,455	(905)	Active
7	Puente Avenue	N/A	N/A	40,647	-	-	40,647	2,994	78,601	(37,954)	Active
8	San Gabriel Trench	198,205	N/A	399,599	2,925	-	402,524	50,180	498,485	(98,886)	Active
9	Sunset Avenue	22,259	70,502	87,328	6,434	-	93,762	87,329	87,359	(31)	Active
10	Temple Avenue	35,985	80,272	94,997	-	7,900	94,997	88,237	92,120	2,877	Active
11	Brea Canyon	26,571	64,401	67,396	6,507	-	73,903	67,394	67,396	-	Closed
12	East End/Reservoir	56,571	69,180	79,200	-	-	79,200	78,960	79,012	188	Closed
13	Jump Start/Crossing Safety/IRRIIS	61,000	35,200	34,141	-	-	34,141	34,142	34,142	-	Closed
14	Nogales North (Alh)	39,636	54,599	49,698	100	-	49,798	49,698	49,698	-	Closed
15	Ramona Blvd.	14,489	47,102	51,350	1,741	1,000	53,091	51,350	51,350	-	Closed
	Subtotal	\$ 503,017	\$ 486,021	\$ 1,170,650	\$ 17,707	\$ 8,900	\$ 1,188,358	\$ 584,729	\$ 1,343,619	\$ (182,956)	
Inactive Projects											
16	Montebello Blvd.										
17	Rose Hills Road										
18	Turnbull Canyon Road										
19	Fairway Drive (Alh)										
	Estimated Total Project Cost	\$ 950,000	\$ 1,400,000								
	Net Authorized	\$ 1,301,969,665									
	Allocated	1,188,357,902									
	Available	\$113,611,763									

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

Exhibit IV Expenditure Forecast (Active Projects)

As of June 30, 2012
(\$ millions)

ITD	Actual 2012	Budget		Estimate ^A		Forecast		EAC ^B		
		2011	2012	2013	2014	2015	2016	Q3 FY12	Change	Q4 FY12
Active Projects										
	35.5	1.7	9.4	9.4	22.2	11.9	80.5	0.2 ^C	80.7	
Baldwin				4.0				4.0 ^D	4.0	
Durfee Road				5.3	32.5	39.8	5.9	100.2 ^E	106.1	
Fairway Drive (LA)	0.7	1.9	5.3	9.3				9.3 ^D	9.3	
Fullerton Road				6.9				6.9 ^D	6.9	
Hamilton Blvd.				16.9	15.7	22.0	17.5	1.0 ^F	98.5	
Nogales (LA)	17.3	9.1	16.9	14.5	18.7	22.8	20.0	72.7 ^E	78.6	
Puente Ave	0.6	2.0	14.5	16.5	20.8	146.2	265.3	0.0	498.5	
San Gabriel Trench	41.7	8.0	16.5	0.1				0.1 ^G	87.4	
Sunset	86.0	1.3	0.1	3.8				0.0	92.1	
Temple	88.2	0.1	3.8							
Completed Projects										
Brea Cyn	67.4								67.4	
Crossing Safety/IRRIS	34.1								34.1	
East End/Reservoir	79.0								79.0	
Nogales (Alh)	49.7								49.7	
Ramona	51.3								51.3	
Inactive Projects										
Fairway Dr (Alh)										
Greenwood Ave.										
Turnbull Canyon Rd										
Total	551.5	24.1	66.5	86.7	109.9	242.7	328.7	194.4	1,343.7	

Note: Project forecasts include indirect cost.

^A 2013 estimate includes mid-year adjustments
^B EAC includes 2013 estimate
^C \$200k ROW legal
^D Preliminary design only

^E Full project cost estimate
^F \$1m ROW legal, utilities and program management
^G \$100k indirects

Exhibit V

ACE Expenditures vs. Reimbursements

As of June 30, 2012

Projects	Reimbursement Status (\$ 000)						Indirect Costs Requiring Caltrans Approval	Unreim- burseable
	ITD Expenditures	Received	Billed/Not Received	To Be Billed	MTA Retention	1		
Baldwin	\$ 37,245	\$ 36,419	\$ 383	\$ 96	\$ 347	-	-	
Fairway Drive	2,617	2,188	-	414	15	-	-	
Nogales (LA)	26,529	23,156	1,958	1,343	72	-	-	
Puente Ave.	2,994	2,443	-	541	10	-	-	
SG Trench	50,180	46,371	3,149	476	185	-	-	
Sunset	87,329	85,490	1,457	211	171	-	-	
Temple	88,237	87,534	31	45	626	-	-	
Brea Canyon	67,394	67,077	28	-	289	-	-	
Crossing Safety / IRRIS	34,142	33,789	15	-	338	-	-	
EE/Reservoir	78,960	78,710	14	-	235	-	-	
Nogales (AH)	49,698	49,641	3	-	55	-	-	
Ramona	51,350	51,374	94	(292)	174	-	-	
Uncollected Indirect Exp. '08-'11	-	-	-	-	-	335	-	
Sub-total Projects	576,674	564,191	7,133	2,834	2,517	335	-	
Project Administration	8,055	7,981	-	74	-	-	(191)	
Total ACE	\$ 584,729	\$ 572,172	\$ 7,133	\$ 2,908	\$ 2,517	\$ 335	\$ (191)	

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 June 30, 2012

Activity Name	FY2012				FY2013				FY2014				FY2015				FY2016			
	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4
ACTIVE PROJECTS																				
Baldwin																				
Design (Completed)																				
ROW Acquisition																				
Construction																				
Caltrans Closeout																				
Fairway Drive (LA)																				
Design (Starts before reporting period)																				
ROW Acquisition																				
Construction																				
Caltrans Closeout (Occurs after reporting period)																				
Nogales (LA)																				
Design (Completed)																				
ROW Acquisition																				
Construction																				
Caltrans Closeout																				
Puente Avenue																				
Design (Starts before reporting period)																				
ROW Acquisition																				
Construction																				
Caltrans Closeout (Occurs beyond reporting period)																				
San Gabriel Trench																				
Design (Completed)																				
ROW Acquisition (Completed)																				
Construction																				
Caltrans Closeout (Extends beyond reporting period)																				
Temple																				
Design (Completed)																				
ROW Acquisition (Completed)																				
Construction (Completed)																				
Caltrans Closeout																				
COMPLETED AND CLOSED																				
No Projnum																				
Nogales (Alt) (Occurs before reporting period)																				
Brea Canyon (Occurs before reporting period)																				
Ramona (Occurs before reporting period)																				
Crossing Safety/IRIS (Occurs before reporting period)																				

Exhibit VI Project Schedules

As of June 30, 2012

Activity Name	FY2012				FY2013				FY2014				FY2015				FY2016			
	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4
East End/Reservoir																				
Sunset																				
ADOPTED PHASE II PROJECTS																				
No Projnum																				
Fullerton Road																				
Greenwood Avenue																				
Hamilton Blvd.																				
Fairway Drive (Alh)																				
Turnbull Canyon																				
Durfee Avenue																				

Previous Report
 Actual Work
 Remaining Work
 Critical Remaining Work

Exhibit VII

Treasury / Banking Investments

As of June 30, 2012

Operating Account	\$ 791,288
Money Market Account	1,132,618 *
Money Market (UPRR Contributions)	2,369,167
Total cash on hand	<u>4,293,074</u>

Investments

LAIF	1,564,638
CBB - US Treasuries	10,342,352
Total investments	<u>11,906,990</u>

Billed / Not Received To Be Billed

MTA Retention	7,133,186
Indirect Expenses ('08 - '09)	2,907,999
Total Cash & Receivables	<u>29,092,972</u>

Outstanding Debt (Commercial Paper) Resources In Excess of Debt

	20,000,000
Total	<u>\$ 9,092,972</u>

* Note: Excludes \$2,261,613 of recovered project costs and advanced construction funds

Exhibit VII Compliance with Banking / Investment Policy

As of June 30, 2012

SGVCOG Authorized Investments Ref. #	Bayerische Landesbank Permitted Investment Ref. #	Deposit/ Investment Amount 06-30-12	Bank Deposits 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:	Maximum Maturity	Maximum Percent of Portfolio	Maximum Investment in One Issuer
		\$ 791,288	Checking Account			
		5,763,399	Money Market Accounts (2) *			
		6,554,687	Total Deposits			
1	1	10,342,352	Permitted Investments U.S. Treasury Obligations	None Stated	None Stated	None Stated
5	11	1,564,638	State's Local Agency Investment Fund	None Stated	None Stated	None Stated
		11,906,990	Total Investments			
		\$ 18,461,677	Total			

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

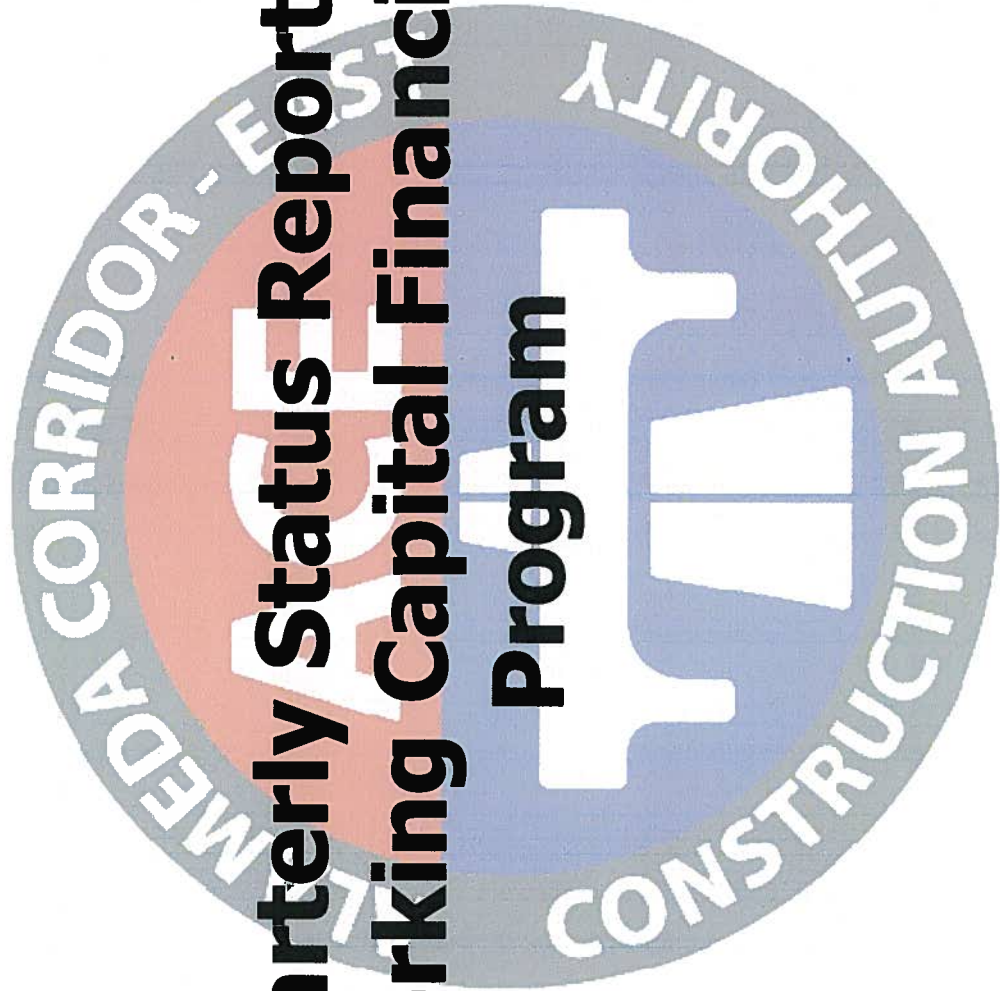
SGVCOG

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 \$2,261,613 of grant reimbursement for close out projects

Quarterly Status Report on Working Capital Financing Program



ACE Construction Authority 24 month Rolling Investment Return

