



# **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 BOARD OF DIRECTORS**

### **REGULAR MEETING AGENDA**

**Monday, August 22, 2016 – 1:00 P.M.**

**Montebello City Hall**

**1600 W. Beverly Blvd.**

**Montebello, CA 90640**

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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.

Montebello City Hall 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 [dstanley@theaceproject.org](mailto:dstanley@theaceproject.org)  
Providing at least 72 hours notice will help ensure availability.

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- I. Pledge of Allegiance
  
- II. Roll Call and Introductions
  
- III. Public Comment
  
- IV. Approval of Regular Meeting Minutes of July 25, 2016 (Pages 1 – 5) Action
  
- V. Chairman’s Remarks
  
- VI. Board Member Comments
  
- VII. Chief Executive Officer’s Report (Pages 6 – 7) Information
  
- VIII. Project Construction Progress Reports Information

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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. 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.

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|-------|---|---------------|--------------------|
| IX.   | Approval of Contract Amendment for Design Services During Construction for Moffatt & Nichol for the Puente Avenue Grade Separation Project  | (Pages 8 – 9) | Action             |
| X.    | Presentation on Procurement Process   |               | Information        |
| XI.   | Approval of Salary Adjustment for Chief Executive Officer   | (Page 10)     | Action             |
| XII.  | Closed Session: The Board will adjourn to closed session in accordance with Government Code Section 54956.9 to discuss existing litigation:<br>Los Angeles Superior Court Case No. BC593901<br>Alameda Corridor-East Construction Authority vs<br>Sasan Shadravan<br>Property Address: 4759 Durfee Avenue Pico Rivera,<br>CA 90660-2037 |               | Possible<br>Action |
| XIII. | Adjournment   |               | Action             |



If you would like to receive the ACE Board agenda electronically, please email Amy Hanson at [ahanson@theaceproject.org](mailto:ahanson@theaceproject.org)



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## ACE Construction Authority Board of Directors Regular Meeting July 25, 2016 Minutes

Chairman Hadjinian called the meeting of the Board of Directors of the Alameda Corridor-East Construction Authority to order at 1:06PM at the Montebello Council Chambers.

1. **Pledge of Alliance** – Member Messina led the pledge of allegiance.

2. **Roll Call:** In attendance was:

Jack Hadjinian, Chair

Juli Costanzo, Vice Chair

Mark Radecki

Elliott Rothman

Barbara Messina

### **Staff:**

Mark Christoffels, CEO

Gregory Murphy, Burke, Williams & Sorensen, legal counsel

Deanna Stanley

Ricky Choi

Genichi Kanow

Phil Balmeo

Paul Hubler

Cecilia Cardenas

### **Guests:**

Charlie Nakamoto, Jacobs

Richard Rea, Senator Bob Huff

Darren Adrian, Kimley-Horn

Lisette Calleros, Avant-Garde Inc.

Romeo Firme, David Evans & Associates

John Burton, LA County Department of Public Works

Victoria Shin Park, Citadel CPM

Phil Hawkey, SGVCOG

3. **Public Comments** – There were no public comments.

4. **Approval of June 27, 2016 Special Meeting minutes** – A motion was made to approve the June 27, 2016 Regular meeting minutes.

M/S/C/Messina/Radecki/Unanimous

5. **Chairman Remarks** – Chairman Hadjinian announced that the Fullerton Road grade separation project groundbreaking ceremony has been rescheduled from August 19<sup>th</sup> to September 16<sup>th</sup>. The Chairman also thanked staff for tireless efforts reaching out to the community to provide information on project options in Montebello which resulted in the council approving a project.
6. **Board Member Comments** – Vice Chair Costanzo thanked Phil Balmeo for providing a tour of the San Gabriel Trench to the commission.

Member Antonovich arrived.

7. **Chief Executive Officer's Report** – Mr. Christoffels reported that ACE was unsuccessful for a FastLane grant and was awaiting a briefing with the USDOT. He reported that ACE recently underwent a peer review audit, as required by funding agencies and was found to be in compliance with audit standards. He also indicated that staff continued to work with CalPERS to seek the most efficient way to pay off the unfunded liability and any associated costs related to the termination of the CalPERS contract. He indicated this may be brought back to the Board in January during midyear budget review process.

Member Martinez arrived.

8. **Project Construction Progress Reports** – Genichi Kanow reviewed excavation and pump station construction for the Puente Avenue grade separation project. Mark Christoffels reviewed soil stabilization activities and retaining wall construction for the Fairway Drive project. Phil Balmeo reviewed Alhambra Wash Union Pacific Railroad bridge construction activities for the San Gabriel Trench project.
9. **Presentation of Safety and Infrastructure Improvements by Metrolink CEO Art Leahy** – Mr. Leahy presented the Board the benefits of Metrolink service. He indicated that it was the third largest commuter rail system in the nation. He reported Metrolink recently received its first 'clean' locomotive, upgrading its fleet of locomotives to become the first passenger rail in the nation to operate new locomotives with Tier 4 clean technology. He announced new community outreach efforts and lastly reminded the Board of Metrolink's continued support of the ACE Project.
10. **Approval of Modification to the Montebello Corridor Project** – Mr. Christoffels reviewed the elements of the Montebello Corridor Project. He indicated that as a result of community concerns of the effects to the Broguiere Dairy, the concept design was revised to provide the option of a pedestrian bridge at Maple rather than a grade separation. He indicated though vehicle counts were low at this location, pedestrian counts were very high. Chairman Hadjinian reminded the Board that the idea to revisit

options in the concept design was done within the scope of design and to address community concerns. He thanked staff for their efforts and reported that he believed the direction of the project's design would please those with most vocal concerns.

Mr. Christoffels reminded the Board that a modification to the program would also require approval by the San Gabriel Valley Council of Governments' Governing Board. A motion was made to approve a modification to the Montebello Corridor Project to construction of a pedestrian overcrossing at the Maple Avenue crossing in lieu of a roadway undercrossing.

M/S/C/Martinez /Radecki /Unanimous

11. **Approval of Betterment Agreement with the Cities of Industry and Diamond Bar for Improvements to State Route 60 Specifically, Construction of On/Off Ramps to Connect Lemon Avenue to the Freeway to be done in Conjunction with the Fairway Drive Grade Separation Project** – Mr. Christoffels indicated the project to build on/off ramps at Lemon Avenue on the 60 freeway has been repeatedly delayed after an initial completion date reported to be August, 2016. He reminded the Board that this project had not been advertised for bid and that the Cities of Diamond Bar and Industry approached ACE to take on this effort. He indicated this option to motorists would be viable during the construction of the Fairway project. He reported that a betterment agreement was proposed for ACE to build the Lemon Avenue on/off ramps with ACE to recover all costs from the Cities of Diamond Bar and Industry. He indicated the agreement must be approved by both cities and would be discussed on August 2 in Diamond Bar and August 11<sup>th</sup> in the City of Industry at their respective Council meetings. He indicated the execution of this betterment agreement would require a contract amendment to OHL, the construction contractors currently working on the Fairway Drive grade separation project.

A motion was made to authorize the Chief Executive Officer to execute a Betterment Agreement with the Cities of Diamond Bar and Industry for requested improvements to be done in conjunction with the Fairway Drive grade separation project.

M/S/C/Messina /Radecki /Unanimous

12. **Approval of Construction Contract Amendment with OHL USA, Inc. for the Construction of Cities of Industry and Diamond Bar requested Betterment to State Route 60 in Conjunction with the Fairway Drive Grade Separation Project** – Mr. Christoffels indicated that this amendment would allow the contractor, OHL to take on the additional work required by the betterment agreement with Diamond Bar and Industry for construction of on/off ramps on the 60 freeway at Lemon Avenue.

A motion was made to authorize the Chief Executive Officer to execute a construction

contract amendment with OHL USA for the construction of City-requested betterments in conjunction with the Fairway Drive grade separation project in an amount not-to-exceed \$18,200,000.

M/S/C/Martinez/Antonovich/Unanimous

13. **Approval of Distribution Pipe Relocation Work Payment Reconciliation for Southern California Gas Company for the Nogales Street Grade Separation Project** – Mr. Christoffels reported that the construction work was complete to relocate distribution gas facilities. He indicated the agreement with Southern California Gas Company calls for ACE to reimburse them for the relocation costs, with a final cost of \$555,667.12 due.

A motion was made to authorize the collectible utility relocation work reconciliation payment for Southern California Gas Company relocation of affected distribution gas facilities that were necessary for the Nogales Street grade separation project with a reimbursement amount not to exceed \$555,667.12 to cover the final total relocation costs.

M/S/C/Rothman/Messina/Unanimous

14. **Approval of Acceptance of Close-Out Contract with AECOM Technical Services, Inc. for Construction Management Services** – Mr. Christoffels announced that the contract with AECOM was for construction management services for a series of projects which began in 2002. He indicated the work has been completed and requested the board's approval to close out the contract. He indicated the DBE goal of 20% was met and the final contract amount was \$14,385,639.

A motion was made to accept the construction management services with AECOM Technical Services (formerly known as Lim & Nascimento Engineering Corp.) for the work as being satisfactorily complete.

M/S/C/Costanzo/Martinez/Unanimous

15. **Approval of Acceptance of Close-Out Design Contract with AECOM USA, Inc. for the Baldwin Avenue Grade Separation Project** – Mr. Christoffels indicated the Baldwin project was completed last year and the contracts require board approval to be closed. He indicated the final cost of the design contract was \$3,516,101 and DBE participation at 17%, slightly below its 20% goal.

A motion was made to accept the design contract with AECOM for the Baldwin Avenue grade separation project as being satisfactorily complete.

M/S/C/Messina/Martinez/Unanimous

16. **Approval to Receive and File Quarterly Project Progress & Financial Reports** – Mr. Christoffels reviewed the quarterly progress schedule and costs. There were no questions.

A motion was made to receive and file the quarterly project progress and financial reports.


M/S/C/Messina /Costanzo/Unanimous

17. **Approval to Receive and File Environmental Mitigation Monitoring Reports** – Mr. Christoffels indicated the reports indicate that ACE continues to be in compliance with the requirements of the program.

A motion was made to receive and file the reports.

M/S/C/Rothman/Martinez/Unanimous

18. **Closed Session** – Legal Counsel announced the Board would adjourn to closed session in accordance with Government Code Section 54957 to discuss the performance of the Chief Executive Officer. The Board returned to open session and Mr. Murphy announced that the Board would discuss the salary of the Chief Executive Officer at the next regular meeting.
19. **Adjournment** – Chairman Hadjinian announced that the next Board meeting would be held on August 22<sup>nd</sup>. The meeting was adjourned at 2:09PM

X 

Deanna Stanley  
Clerk of the Board



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MEMO TO: ACE Construction Authority Board Members & Alternates

FROM: Mark Christoffels  
Chief Executive Officer

DATE: August 22, 2016

SUBJECT: CEO Report

The following are items of note since the last meeting:

**Lemon Avenue Betterment Agreement** – At the July ACE Board meeting you approved a betterment agreement with the Cities of Industry and Diamond Bar for ACE to construct on/off ramps on the 60 freeway. The City of Industry approved the agreement at their August 11 council meeting. Diamond Bar will review this item at their August 16 meeting.

**Fullerton Road Groundbreaking** – ACE Board members and alternates are requested to RSVP to attend the groundbreaking ceremony and luncheon for the Fullerton Road Grade Separation Project scheduled for Friday, September 16.

**COG Capital Projects** – The COG ACE/Large Capital Projects Ad Hoc Committee met for the first time earlier this month to consider whether the COG should be primarily a planning agency or whether it should also have the internal capacity to implement and build capital projects, with the ACE Project a notable example. Board Chair Hadjinian and Member Martinez are members of the ad hoc committee. The Committee will meet twice monthly with a schedule goal of early 2017 for a recommendation to the Governing Board.

**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. Since my last report I have approved the following:

<b>Consultant/Vendor</b>	<b>Reason for Change</b>	<b>Change Amount</b>	<b>Total Contract Value</b>
Walsh Construction Co.	Change Order No. 19 – Replace Pump Station Gates and Additional Shoring West of Rubio Wash	\$63,090	\$175,330,036.82



Moffatt & Nichol	Additional design services on Montebello Corridor grade separation project	\$125,000	\$2,193,775
RailPros	Extend conceptual design task order through November 30, 2016	\$0.00	\$685,010

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

- Distributed construction alert notices regarding lane closures on San Gabriel Boulevard and regarding Rubio Wash reconstruction work for the San Gabriel Trench project; and,
- Conducted ongoing community outreach and support activities for the San Gabriel Trench, Nogales Street, Puente Avenue, Fairway Drive and Fullerton Road grade separation projects.



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MEMO TO: ACE Construction Authority Board Members & Alternates

FROM: Mark Christoffels  
Chief Executive Officer

DATE: August 22, 2016

SUBJECT: Approval of Contract Amendment for Design Support Services During Construction for the Puente Avenue Grade Separation Project with Moffatt & Nichol

**RECOMMENDATION:** Staff recommends that the Board authorize the Chief Executive Officer to amend the contract with Moffatt & Nichol (M&N) to add \$215,700 for additional design support during construction of the Puente Avenue grade separation project, for a new total contract value of \$7,293,547.

**BACKGROUND:** On December 16, 2013, the Board approved a contract amendment in the amount of \$990,891 for design support during construction for the Puente Avenue grade separation project with M&N, the designer of record. Staff and the consultant based this amount on an anticipated number of contractor questions or requested changes that the design firm would have to respond to. It also included an estimated number of contractor drawings and equipment specifications that would have to be reviewed and approved. Finally, it included staff time for site inspections and attendance at construction and stakeholder meetings.

The construction of this project is at 40% and staff now realizes that the assumptions made regarding the estimated number of inquiries and submittals from the contractor, as well as the other construction related tasks for the design firm were underestimated. The tables shown below reflect the original budget vs. actual:

1. Process Request for Information (RFIs) and Request for Clarification (RFCs). Additional request under this component is \$145,086.

Task	Original Budget	Actual (thru June 2016)
Number of RFIs/RFCs Processed	85	106

The following are design support related tasks that have been undertaken by M&N, which required more time to complete than originally anticipated at the time the Board approved the design support amendment:

- Verizon was not able to relocate their conduits in a timely manner which required evaluating Valley Bridge plan mitigations
- Modified landscaping and fencing plans as requested by a business affected by the project.

- Revised detour plans as per L.A. County’s request.
  - Modified traffic handling plans, easements and utility (San Gabriel Valley Water Company) plans at two parcels affected by the project.
  - Conducted multiple reviews of various submittals received from the contractor and its subcontractors.
2. Conduct Project Management, Coordination, Meetings and Site Visits. Additional request under this component is \$69,595.

Task	Original Budget	Actual (thru June 2016)
Number Meetings Attended	67	74

3. Other Direct Costs - Additional request under this component is at \$1,019.

Based on staff’s experience to date with the contractor, it is estimated that approximately \$215,700 will be required for design support services for the remaining duration of the construction project, which is anticipated to be completed in May 2018.

Moffatt & Nichol’s scope of work was divided by phases; the history of this contract is as follows:

Phase/Task Order	Executed/Requested Amount
1: Preliminary Engineering	\$ 1,818,136
2: Final Design	\$ 4,274,321
3: Design Support	\$ 985,390 <sup>1</sup>
Additional Design Support (this Amendment)	\$ 215,700
<b>TOTAL</b>	<b>\$ 7,293,547</b>

<sup>1</sup>: Difference (\$5,501) between Board approved and executed task order is due to audit.

The current recommended amendment to provide these services is approximately 16% of the design cost for this project. The average post design construction support services for ACE completed projects is 18%, therefore, this cost is below ACE’s past history for these type of services.

This authorization would also allow a 10% contingency allowance in accordance with normal agency procedures. Any contract amount changes from the above figure due to contract change orders during final design that exceed the CEO’s authorization will be brought back to the Board for further consideration and approval.

**BUDGET IMPACT:** Budgeted funds for this contract amendment is available from State funds allocated to the project.



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MEMO TO: ACE Construction Authority Board Members and Alternates

FROM: Gregory M. Murphy  
General Counsel

DATE: August 22, 2016

SUBJECT: Chief Executive Officer Compensation

**RECOMMENDATION:** The Board of Directors discuss and determine a salary adjustment for the Chief Executive Officer with an effective date of September 1, 2016. The Chief Executive Officer has requested a salary adjustment for this review period of 2%.

**BACKGROUND:** At the Board of Directors meeting on July 25, 2016, the Board discussed in closed session the annual performance review of the Chief Executive Officer, Mr. Mark Christoffels. Mr. Christoffels has requested that the Board consider a pay increase of 2%. As the Board considers its options with respect to the Chief Executive Officer salary, the following facts may be relevant:

- After discussions of the 2014 and 2015 performance reviews of the Chief Executive Officer period, the Board approved a 2% salary increase for the Chief Executive Officer for each of those years.
- The fiscal year 2016/17 annual budget which was approved in June 2016 by the Board included a 3% agency-wide merit pool for staff salary increases.
- The Board is generally aware of the ongoing activities of ACE and in particular of the number of grade separation projects running concurrently and the additional work ACE has taken on under the Chief Executive Officer's direction.

While the Board's discussion about the Chief Executive Officer's salary requires reciting the general rationale for any increase, the Brown Act prohibits disclosing specifics of the Board's closed session discussion on July 25. If any Board Member has questions about today's discussion, Counsel is available to assist.

**BUDGET IMPACT:** Up to a threshold, funds for a Chief Executive Officer salary increase have been included in the Fiscal Year 2016/17 budget. If the Board's proposed increase exceeds that threshold, a budget adjustment would be necessary.