September 19, 2006

TO: Each Supervisor

FROM: Donald L. Wolfe
Director of Public Works

ALAMEDA CORRIDOR–EAST CONSTRUCTION AUTHORITY
REGULAR BOARD MEETING–AUGUST 28, 2006

On August 28, 2006, my staff attended the regular Board meeting of the Alameda Corridor–East Construction Authority (ACE). A copy of the agenda and adopted minutes of the July 24, 2006, regular Board meeting are attached. The following items were discussed at the meeting, which are of interest to the County.

Agenda Item VI– The Chief Executive Officer reported on the progress of construction activities for the Ramona Boulevard Grade Separation project, Temple Avenue Train Diversion project, East End/Reservoir Grade Separation project, and Brea Canyon Grade Separation project.

Agenda Item VII– The Board adopted staff's recommendation to award the construction contract for the Sunset Avenue Grade Separation project to Atkinson Contractors, LP (Atkinson), the low bidder, in an amount not to exceed $41,938,421.50.

In accordance with the revised Federal Race Neutral Disadvantaged Business Enterprise (DBE) program, there was a DBE Availability Advisory of ten percent for this contract. Atkinson is not required to submit its anticipated DBE participation until the contract is awarded. Construction is expected to start in October 2006, and it will take approximately three years to complete.

Agenda Item IX– Staff provided the Board, for informational purposes, an analysis of Proposition 90 that has been placed on the November 2006 Election Ballot. This measure would amend the California Constitution pertaining to the use of eminent domain by State and local agencies. This measure would require government agencies
to pay property owners for economic losses resulting from new laws and rules, and it would limit government authority to take ownership of private property. Proposition 90 would have significant impact on the cost and/or time of implementing ACE projects.

The next Board meeting will be held on September 25, 2006, at 2 p.m., at the Irwindale City Hall Council Chambers.

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Attach.

cc: Chief Administrative Office
    Executive Office
REGULAR MEETING AGENDA

Monday, August 28, 2006 – 2:00 P.M.
Irwindale City Hall – Council Chambers
5050 Irwindale Avenue
Irwindale, CA 91706

I. Roll Call and Introductions
II. Pledge of Allegiance
III. Approval of Minutes of Meeting of July 24, 2006 (Pages 1-3)
IV. Public Comment
V. Chairman’s Remarks
VI. Chief Executive Officer’s Report (Pages 4-16)
VII. Approval of Sunset Avenue Grade Separation Construction Contract (Pages 17-18)
VIII. Approval of SGVCOG Bylaw Amendments (Pages 19-20)
IX. State Eminent Domain Ballot Measure (Prop. 90) (Pages 21-22)
X. Compensation of Chief Executive Officer
XI. Real Estate Program Update
XII. Closed Session for a Conference with Real Property Negotiators: The Board will adjourn to closed session in accordance with Government Code 54956.8 to discuss:
   Property address: 11126 Ramona Blvd., El Monte, CA 91731
   Agency Negotiator: Mark Mendoza, Paragon Partners
   Negotiating Parties: ACE Construction Authority & David Kang
   Under Negotiation: Price & Terms
XIII. Adjournment

The ACE Construction Authority is currently 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.
The Chair called the meeting to order at the Irwindale City Hall at 2:00 PM.

1. In attendance were:
   Ernest Gutierrez, Chair, El Monte
   George Hunter, Pomona
   Phil Marcellin, Industry
   Bob Bagwell, Montebello
   David Gutierrez, San Gabriel
   Steve Johnson, La Verne, SGVCOG
   Gloria Molina, Los Angeles County

   Staff
   Rick Richmond, Chief Executive Officer
   Joe Silvey, Legal Counsel
   Sharon Neely, staff
   Bruce Armistead, staff
   Lou Cluster, staff
   Cynthia Ambrose, staff
   Girish Roy, staff
   Deanna Stanley, staff

   Guests
   Preston Kelly, Jacobs Engineering
   David Varnam, Congressman Gary Miller
   Manuel Saucedo, Senator Nell Soto
   Nicole Shehenian, Congresswoman Hilda Solis

2. Pledge of Allegiance
   Member Hunter led the pledge of allegiance.

3. Approval of Minutes of June 26, 2006
   A motion was made to approve the meeting minutes of June 26, 2006.
   M/S/C: Hunter/Marcelln/Unanimous

4. Public Comments
   There were no public comments.

5. Chairman's Report
   Chairman Gutierrez announced that a letter was sent to the Federal Surface
   Transportation Policy and Revenue Study Commission regarding the recently
   established SAFETEA-LU legislation asking consideration to holding a hearing in
Southern California. The Chairman also reported that the San Gabriel Valley Council of Governments is still revising the By-laws and the ACE Board will review the sections that affect the Authority at its next meeting.

6. Chief Executive Officer's Report
Mr. Richmond referenced his report beginning on page 7 of the agenda. He indicated the quarterly environmental mitigation reports were included and there were no issues of any significance this quarter. He also indicated that on July 20 six bids were received for the construction of the Sunset Avenue grade separation and staff was reviewing the bid packages for responsiveness with no obvious errors noted to date. He indicated staff would present a recommendation for award at the August meeting. Lou Cluster, Senior Project Manager reviewed progress photos of the Ramona Blvd. grade separation project. George Nomura, Bechtel Program Manager, reviewed the program management activities for the past month. There were no questions.

7. Approval of Sale of Excess Property at Nogales St. & Valley Blvd. to CGM Development, Inc.
Mr. Richmond reviewed the history and the process of the sale of the excess property at Nogales and Valley. He indicated the property was advertised for sale and discussions have been underway with a developer of medical offices for the asking price. Member Molina indicated her preference for affordable housing and asked Mr. Richmond to better clarify the process. Ms. Molina indicated she would not support staff's recommendation.
A motion was made to authorize the Chief Executive Officer to execute all necessary documents for the sale of 5.05 acres of surplus property at Nogales and Valley in the City of West Covina to CGM West Covina, LLC for $5,145,000. M/S/C: Marcellin/E Gutierrez/Molina Nayel Approved

8. Quarterly Project Status Report
Mr. Richmond reviewed the costs, schedule and accomplishments of the past quarter. Mr. Richmond indicated there was an increase of $7.9 million from last quarter due to Temple Avenue 4th track additional costs ($3.3M); Brea Canyon Road utility relocation, design support during construction and right-of-way ($1.5M) and Sunset Avenue right of way and assumption of normal railroad contribution ($3.1M). He reviewed the construction progress at Reservoir which included the completion of the UPRR bridge; mass excavation and construction of First Street abutments and continued work on the pump station. Ramona Metrolink shoofly completed; work started on the pump station and bridge excavations as well as construction continued on the retaining wall. Temple Avenue SR-57 pier protection continued and soundwall installations at Lanterman Development Center continued. The construction package for the Sunset Ave grade separation was re-bid. Lastly, utility relocations were
underway at Brea Canyon Road. Schedule delays were discussed. Chairman Gutierrez indicated a concern from delays in utility relocation at Ramona Blvd. He suggested a meeting with AT&T be set up to discuss the matter.

9. Quarterly Financial Status Report
Chip Conway reviewed the budget versus accrued actuals for the project. He reviewed the cash expenditures and expenditures versus receipts by project. Mr. Conway also reviewed the investments.

10. Community Outreach Presentation
Sharon Neely reviewed the elements of the community outreach program. She highlighted the goals of the program emphasizing the importance of keeping the community informed. She reviewed the various means of distributing construction information to affected residences and businesses. She outlined the successes of the safety and business programs. She also reviewed the pre-construction video surveying of properties for reference in the event of claims. Ms. Neely reminded the Board that project fact sheets were updated quarterly and were also available on the website in several languages.

11. Compensation of Chief Executive Officer
Chairman Gutierrez indicated this item would be held over to the next Board meeting.

12. Closed Session
Mr. Silvey announced the Board would adjourn to closed session in accordance with Government Code Section 54956.8 to discuss real property negotiations for two properties: 127 N. California Avenue in the City of Industry and 21035 Washington Avenue in the City of Diamond Bar.

The Board reconvened from closed session and Mr. Silvey announced there was no action taken which needed to be reported.

13. Adjournment
A motion was made to adjourn at 2:57PM.
MEMO TO: ACE Construction Authority Board Members & Alternates

FROM: Rick Richmond
Chief Executive Officer

DATE: August 28, 2006

SUBJECT: CEO Report

The following are items of note since the last meeting:

**Southern California Leadership Council Goods Movement Meeting** – At the initiative of the Los Angeles Economic Development Corporation (LAEDC), a group of business leaders has formed the Southern California leadership council for purposes of supporting economic development and job creation. Goods movement is one of their emphasis areas. Staff participated. At an August 17 meeting convened by the Leadership Council to discuss how the California Public Utilities Commission, utilities and the railroads could work together to streamline the implementation of goods movement projects, specifically grade separations. I reviewed our experience and suggested ways the process could be improved.

**Senator Feinstein Goods Movement Meetings** – The Senator’s staff convened a third meeting in early August with key stakeholders to discuss what could be done at the federal level to enhance goods movement and congestion relief. It is anticipated that a list of recommendations will be finalized for a meeting with the Senator. Staff will provide an update as warranted.

**DBE Program Update** – ACE Construction Authority participated in the California Construction Expo 2006 at the Los Angeles Convention Center on August 17, 2006 to promote project awareness. The event was well attended, with more than 1,200 participants.

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

1. Distribute more than 6,600 construction alert notices in English, Spanish and Chinese to emergency service responders, schools, Metrolink commuters as well as to affected businesses and residents regarding weekend road closure and lane restrictions for the Brea Canyon Road grade separation project;
2. Distribute construction alert notices in English and Spanish to residents and businesses regarding excavation, haul routes and pile-drilling for the Ramona Boulevard grade separation project;

3. Brief Walnut Unified School District officials and parents regarding weekend road closure and lane restrictions for the Brea Canyon Road grade separation project and coordinate distribution of notices and safety kits at seven area schools;

4. Distribute media advisory in English, Spanish and Chinese regarding weekend road closure and lane restrictions for the Brea Canyon Road grade separation project;

5. Conduct ongoing business support program and community outreach activities for the Brea Canyon Road, Reservoir Street/East End Avenue, Ramona Boulevard and Temple Avenue projects.

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. Below is a list of such contract actions since the last report that have not been separately approved by the Board.

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Reason for Change</th>
<th>Previous Value</th>
<th>Change Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>EVA Signal Corporation</td>
<td>Additional work needed to pothole utilities during repair of signal cable damaged by UPRR</td>
<td>$1,050,743</td>
<td>$1,000</td>
</tr>
</tbody>
</table>

Construction Progress Reports — Attached are construction progress reports on East End Ave., Reservoir St., Ramona Ave. and Temple Ave. projects.

Program Management Monthly Report - The Bechtel/Korve program management support activities for the last month is attached.
<table>
<thead>
<tr>
<th>Project Milestone Summary</th>
<th>Estimated Start</th>
<th>Estimated Completion</th>
<th>% Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td>Install Storm Drain System</td>
<td>May 2005</td>
<td>October 2007</td>
<td>66%</td>
</tr>
<tr>
<td>Install Water Line</td>
<td>September 2005</td>
<td>November 2007</td>
<td>21%</td>
</tr>
<tr>
<td>Prepare Shoofly</td>
<td>July 2005</td>
<td>December 2006</td>
<td>68%</td>
</tr>
<tr>
<td>Construct UPRR bridge foundations</td>
<td>October 2006</td>
<td>October 2006</td>
<td>27%</td>
</tr>
<tr>
<td>Construct UPRR bridge superstructure</td>
<td>May 2005</td>
<td>June 2007</td>
<td>27%</td>
</tr>
<tr>
<td>Construct Future UPRR bridge foundations</td>
<td>June 2007</td>
<td>September 2007</td>
<td></td>
</tr>
<tr>
<td>Construct Metrolink bridge foundations</td>
<td>September 2006</td>
<td>November 2006</td>
<td></td>
</tr>
<tr>
<td>Construct Metrolink bridge superstructure</td>
<td>September 2005</td>
<td>June 2007</td>
<td>48%</td>
</tr>
<tr>
<td>Build Pump Station</td>
<td>December 2005</td>
<td>April 2007</td>
<td>27%</td>
</tr>
<tr>
<td>Construct Retaining Walls</td>
<td>August 2005</td>
<td>November 2007</td>
<td>19%</td>
</tr>
<tr>
<td>Ramona Blvd. Civil Work</td>
<td>April 2005</td>
<td>February 2008</td>
<td>32%</td>
</tr>
<tr>
<td>Open to public</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete Landscaping/Irrigation</td>
<td>December 2006</td>
<td>February 2008</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial Summary</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Contract Value</td>
<td>$ 17,721,474.85</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C.O.s Approved This Month</td>
<td>$ 989,895.13</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C.O.s Approved to Date</td>
<td>$ 1,404,679.82</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Contract Value</td>
<td>$ 19,126,154.67</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Earned to Date</td>
<td>$6,032,997.53</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
RAMONA BOULEVARD GRADE SEPARATION PROJECT

Pump Station Shoring Tie-back Installation (3rd Row)

Stage 2 work continues on abandonment of the underground fiber optic telephone lines, scheduled to complete by September 18, 2006.

Stage 3 work continues with retaining walls 3 & 4 drainage and backfilling operations from Sta 306+35 to 309+84.

Pump station work continues with excavation and shoring installation. This work is scheduled to complete August 4, 2006.

Mass Excavation – West of Railroad Tracks

Contractor | Brutoco Construction
---|---
Contract Award | December 2004
Completion | February 2008
Original Contract | $17,721,475
Change Orders | $1,404,680
Total Contract | $18,136,260
Earned to Date | $6,032,998

Current Stage of Work

Stage 2 Abandon U/G Phone Lines

Stage 3 RW 3&4 Drainage & Backfill
Pump Station Excavation

July 2006
ALAMEDA CORRIDOR EAST
PROJECT STATUS REPORT
TEMPLE AVENUE TRAIN DIVERSION PROJECT

For the Month: July, 2006

Scope:
For 3rd Mainline Construct 3 new railroad bridges and 1 new traffic bridge; widen 3 existing railroad bridges; grade for new track bed and modifications of existing track beds; construct sound walls, retaining walls, and pier protection walls; install utilities or modify existing utilities; rehabilitate existing LDC well; and, construct new Audiology Clinic for Lanterman Developmental Center.
For 4th Mainline Construct 1 new traffic bridge; grade for new track bed; retaining walls, and pier protection walls; and modify existing utilities.

Costructor:
Yeager Skanska, Inc.

Construction:
Parsons Brinckerhoff Construction Services, Inc. (PBCS)

Contract Award:
January, 2005

Notice Proceeded:
May 2, 2005

Anticipated Completion:
August 29, 2007

Reservoir Schedule Summary

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Estimated Start</th>
<th>Estimated Completion</th>
<th>% Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td>SPADRA FARM EMBANKMENT &amp; BRIDGES</td>
<td>May, 2005</td>
<td>April, 2006</td>
<td>97%</td>
</tr>
<tr>
<td>LA SUBDIVISION EMBANKMENT</td>
<td>October, 2005</td>
<td>March, 2006</td>
<td>80%</td>
</tr>
<tr>
<td>LA SUBDIVISION STRUCTURES</td>
<td>October, 2005</td>
<td>August 2007</td>
<td>20%</td>
</tr>
<tr>
<td>LANTERMAN AUDIOLOGY LAB</td>
<td>May, 2005</td>
<td>August, 2006</td>
<td>98%</td>
</tr>
<tr>
<td>ALHAMBRA Sub Passing Siding</td>
<td>May, 2005</td>
<td>DELETING*</td>
<td>10%</td>
</tr>
<tr>
<td>4TH TRACK CN 10 STRUCTURES</td>
<td>August, 2006</td>
<td>August 2007</td>
<td>0%</td>
</tr>
<tr>
<td>4TH TRACK CN 10 EMBANKMENT</td>
<td>August, 2006</td>
<td>August 2007</td>
<td>2%</td>
</tr>
</tbody>
</table>

Financial Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
<th>% Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Contract Value</td>
<td>$24,389,743</td>
<td></td>
</tr>
<tr>
<td>C.O.s Approved This Month</td>
<td>$4,274,561</td>
<td>74%</td>
</tr>
<tr>
<td>C.O.s Approved to Date</td>
<td>$1,149,819</td>
<td></td>
</tr>
<tr>
<td>Current Contract Value</td>
<td>$29,814,123</td>
<td></td>
</tr>
<tr>
<td>Current Paid to Date</td>
<td>$1,9752,486</td>
<td>74%</td>
</tr>
</tbody>
</table>
TEMPLE AVENUE TRAIN DIVERSION PROJECT

CONTRACTOR: YEAGER-SKANSHA

Contract Award  
Limited NTP: JANUARY 2005  
NTP: MARCH 2005  
Completion: MAY 2, 2005  
Revised Completion: AUGUST 29, 2007

Original Contract Value: $24,389,743
Change Orders This Month: $4,274,561
Amended Contract Value: $29,814,123
Earned to Date: $19,752,486

PROGRESS SUMMARY
- Spadra Farm Embankment & Bridges: 97%
- LA Subdivision Embankment: 80%
- LA Subdivision Structures: 20%
- Lanterman Audiology Lab: 98%
- Alhambra Sub Passing: Deleting
- 4th Track CN 10 Structures: 0%
- 4th Track CN 10 Embankment: 2%

SAFETY AND SECURITY ISSUES:
Safety:
- Time Lost Injury Status: None Reported
- Incidents This Month: None Reported

Security: LDC asked that gates remain closed.

Initial Event Reports:
Nothing to report

WORK ACCOMPLISHED THIS MONTH
- Continue Concrete Drain Ditch Next to Retaining Retain Wall 1
- Continue SR-57 Pier Protection & Retain Wall. (On hold Caltrans permit issue; resolved)
- Continue Storm Drain Culvert Under SR 71
- Continue Culvert 29.59 Extension (Humane)

Extending Box Culvert Located West of Humane Way
# ALAMEDA CORRIDOR EAST

## PROJECT STATUS REPORT

### EAST END/ RESERVOIR GRADE SEPARATIONS

For the Month: **July, 2006**

<table>
<thead>
<tr>
<th><strong>Scope:</strong></th>
<th>Construct two railroad and two roadway bridges to grade separate the East End and Reservoir roadways from the railroad.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Contractor:</strong></td>
<td>Ortiz Enterprises, Inc.</td>
</tr>
<tr>
<td><strong>Construction Manager:</strong></td>
<td>Parsons Brinckerhoff Construction Services, Inc. (PBCS)</td>
</tr>
<tr>
<td><strong>Contract Award:</strong></td>
<td>March, 2004</td>
</tr>
<tr>
<td><strong>Notice to Proceed:</strong></td>
<td>June, 2004</td>
</tr>
</tbody>
</table>
| **Estimated Completion:** | Reservoir – December 2006
East End – April, 2008 |

## Reservoir Schedule Summary

<table>
<thead>
<tr>
<th>Project</th>
<th>Estimated Start</th>
<th>Estimated Completion</th>
<th>% Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reservoir utility</td>
<td>June 2004</td>
<td>July 2006</td>
<td>99%</td>
</tr>
<tr>
<td>Close Reservoir/construct shoofly grade</td>
<td>September 2004</td>
<td>September 2004</td>
<td>100%</td>
</tr>
<tr>
<td>UPRR shoofly construction</td>
<td>September 2004</td>
<td>January 2005</td>
<td>100%</td>
</tr>
<tr>
<td>Railroad bridge construction</td>
<td>February 2005</td>
<td>February 2006</td>
<td>100%</td>
</tr>
<tr>
<td>Lower streets/construct retaining walls</td>
<td>August 2005</td>
<td>December 2006</td>
<td>55%</td>
</tr>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt; Street bridge construction</td>
<td>March 2006</td>
<td>October 2006</td>
<td>25%</td>
</tr>
<tr>
<td>Open 1&lt;sup&gt;st&lt;/sup&gt; Street to traffic</td>
<td>January 2007</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Open Reservoir Street to traffic</td>
<td>December 2006</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## East End Schedule Summary

<table>
<thead>
<tr>
<th>Project</th>
<th>Estimated Start</th>
<th>Estimated Completion</th>
<th>% Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td>East End utility relocations</td>
<td>June 2005</td>
<td>June 2007</td>
<td>5%</td>
</tr>
<tr>
<td>Shoofly construction for East End</td>
<td>September 2005</td>
<td>December 2006</td>
<td>25%</td>
</tr>
</tbody>
</table>

## Financial Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Contract Value</td>
<td>$30,208,600</td>
</tr>
<tr>
<td>C.O.s Approved This Month</td>
<td>$103,044</td>
</tr>
<tr>
<td>C.O.s Approved thru This Month</td>
<td>$1,418,512</td>
</tr>
<tr>
<td>Current Contract Value</td>
<td>$31,627,112</td>
</tr>
<tr>
<td>Invoiced to Date (% of revised contract)</td>
<td>$13,649,790</td>
</tr>
</tbody>
</table>
EAST END / RESERVOIR GRADE SEPARATION PROJECT

Contractor: Ortiz

Contract Award: March 2004
NTP: June 2004
Milestone to Reopen Reservoir: December 2006
Original Completion: August 2007
Revised Completion: April 2008
Original Contract Value: $30,208,600
Change Orders This Month: $0
Amended Contract Value: $31,524,067
Earned to Date: $12,744,592

Progress Summary:
- Reservoir contract utility relocations: 99%
- Reservoir Railroad Bridge: 100%
- Roadway Excavation: 90%
- Price Street Retain Walls: 100%
- Reservoir & Lift Station Retain Walls: 55%
- 1st Street Bridge @ Reservoir: 25%

Safety and Security Issues:

Safety:
- Time lost injury status: None
- Incidents this month: None

Security:
- Nothing to report
- Initial event reports: Nothing to report

Work Accomplished This Month:
- Continue construction reservoir roadway retaining walls
- Continue lift station walls construction
- Completed SD system in Reservoir & Monterey
- Start roadway grading
- Crush and spread roadway base
- Start 1st Street bridge Deck

Upcoming Work Next Month:
- Continue 1st Street deck
- Continue roadway & lift station roadway construction

Utilities: SCE install underground conduit, no relocation until east side of street lowered
Verizon conduit installed, no cabling until 12/06
No contractor work.

Roadway Retaining Wall East of Lift Station
LIFT STATION STORM MANHOLE
MONTHLY PROGRESS REPORT
ALAMEDA CORRIDOR-EAST PROGRAM MANAGEMENT SERVICES
PERIOD ENDING 7/31/06

This report summarizes activities undertaken between July 1 and July 31, 2006.

OVERVIEW:

Work is proceeding on project implementation on several fronts, with an emphasis on:

- IRRIS system is being monitored and evaluated. Remedial work for EVA train detection sensors and system to conform to specifications is in process. Testing of the first remedial site work was completed successfully. Remedial work for the remaining sites are continuing.
- Sunset Avenue Grade Separation Project – Continuing right-of-way acquisitions for the project. Continued utility relocation coordination with the agencies. Completed utility relocation for fiber optic lines. Construction contract bids were opened on July 20, 2006. The ACE Board is expected to approve the award of the contract to Atkinson Contractors, LP on August 28, 2006.
- Brea Canyon Road Grade Separation Project – Continued utility relocation coordination with the agencies. Walnut Valley Water District and the Gas Company continued relocation of their facilities and expected to be completed by mid August 2006. Full NTP was given to Griffith Company on July 5, 2006. Griffith Company completed construction of temporary parking for Shea and Hartleib properties, completed sound wall on Shea property and grading for the shoofly area.
- At the Ramona Boulevard grade separation project SBC continued relocation of their underground copper and fiber communication lines. The contractor continued deep excavation for the pumphouse and tie-backs for excavation shoring.
- For the East End and Reservoir contract, the railroad is operating on the completed UPRR bridge at Reservoir. Roadway excavation and retaining walls at Reservoir is continuing. Utility work at East End Avenue is in progress. Continued construction of 1st Street bridge over Reservoir Street.
- At the Nogales Street underpass project contract closeout and final quantity change orders are being negotiated. Sale of excess property to a private developer is being negotiated concurrent with municipal planning review of development proposals.
- The Temple Ave Train Diversion construction completed SR-57 pier protection work and storm drain box culvert at SR-71. Continued with installation soundwalls along Lanterman Development Center. Continued utility encasement work at various locations. The Audiology building construction is nearing completion at the Lanterman Development Center. Design is progressing for the UPRR 4th Track construction and negotiations have been completed for the first set of associated changes with Yeager-Skanska. A new construction contract for remaining civil related 4th Track work is scheduled for advertisement of bids in the fall of 2006.
- Continued coordination and review of the Ramona, Reservoir, Brea Canyon and Sunset Avenue project construction interface schedules with UPRR.
- Community outreach activities continued for various projects.

BUDGET/SCHEDULE
Work is currently proceeding within schedule and budget.
COMPLETED AND ONGOING WORK ACTIVITIES

PROGRAM MANAGEMENT SCOPE

I. General Program Management & Administration Service:

A. Management and Administration
   - Provided direction to PM team for accomplishment of tasks.
   - Maintained progress on tasks.
   - Submitted monthly invoice.
   - Prepared various cost and budget reports.
   - Updated detailed project schedule.

B. Procurement
   - Continued review and processing of active contract changes and documentation for the Temple Train Diversion, Reservoir St., Ramona Blvd and Nogales grade separation projects.
   - Bid opening occurred for the Sunset Avenue Project construction on July 20, 2006. The bids were evaluated and contract award is scheduled for August 2006.
   - On the Brea Canyon Project full NTP was issued on July 5, 2006.
   - Began preparation of bid documents for the Temple 4\textsuperscript{th} Track project.

C. Quality Control Program/Value Engineering
   - No activities

D. Utility Program Management
   - Ongoing planning and coordination with major utility companies.
   - Continued utility relocations for the Brea Canyon Grade Separation Project.
   - Continued with relocation of utilities for the Sunset Avenue Project.
   - Continued with relocation of utilities for the East End/Reservoir Project.

E. Environmental Program
   - Continued Mitigation Monitoring and Reporting Programs.
   - IS/EA draft report for San Gabriel Rail lowering project completed. Currently being edited based on Caltrans/FHWA comments.

F. Permitting Support
   - Planning for permits from regulatory agencies.
   - A petition to modify ACE’s CPUC authority to build the Sunset Avenue project was filed to include adding a bridge and drill track grade crossing at Orange Avenue. Final grade crossing designs are under review by CPUC staff, the project team and UPRR.
   - CPUC’s approved ACE’s second amendment to its authorization for the Brea Canyon Road project, which further detailed grade crossing operations at the temporary Metrolink access road during shoofly track cutovers.

G. Public Outreach
   - Distribute construction alert notices in English and Chinese regarding commencement of Brea Canyon Road grade separation project and coordinate briefings for affected businesses and property owners.
   - Distribute construction alert notices regarding utility undergrounding work on Currier Road and regarding property demolition work for the Brea Canyon Road grade separation project.
• Distribute construction alert notices in English and Spanish regarding extension of road closure for Reservoir Street grade separation project.
• Support for Temple Avenue train diversion project construction coordination meeting with Pomona Valley Historical Society representative.
• Conclude pre-construction property condition survey for Brea Canyon Road grade separation project.
• Conduct ongoing business support program and community outreach activities for the Brea Canyon Road, Reservoir Street/East End Avenue, Ramona Boulevard and Temple Avenue projects.

II. Project Management Services

• Ongoing project coordination with involved agencies/jurisdictions/UPRR.
• Providing technical direction to B-K sub consultants.

TECHNICAL SCOPE

Right-of-Way Program and Technical Services
• Negotiations ongoing on one (1) Reservoir Street property, one (1) Temple Avenue train property and one (1) Ramona Boulevard property. Acquisition completed for two (2) Ramona Blvd. properties.
• Processing relocation assistance for two (2) businesses located at the Ramona Boulevard Grade Separation Project.
• Continued property management of one (1) East End Avenue property, six (6) Nogales Street properties, eleven (11) Reservoir Street properties and four (4) Ramona Boulevard properties.
• Offers to purchase packages for Brea Canyon Road and Sunset Ave. projects completed. Negotiations ongoing for all parcels.
• Provided support in obtaining easement rights needed for utility relocation on Nogales Street, Reservoir Street, East End Avenue and Ramona Boulevard projects. Resolution of Necessity for two (2) Sunset Ave. properties and four (4) Brea Canyon properties approved August 22, 2005. Litigation support ongoing.
• Processing the disposition of one (1) Nogales Street surplus property.
• Evaluated the potential inconvenience during construction activities to residents adjacent to Brea Canyon Road project.
• Responded to property owner inquiries regarding the ACE Project at Ramona Boulevard, East End Avenue, Nogales Street, Reservoir Street, Temple Avenue Train Diversion, Brea Canyon Road, and Sunset Avenue.
• Continued liaison with Caltrans Local Programs personnel.

Railroad and Shoo-fly Design
• Continued coordination with UPRR for the Brea Canyon and Sunset Avenue projects.

Surveying and Mapping Program
• Currently working the Plats and Legal descriptions for the required property at Ramona Grade Separation Project.
• Developing Plat Maps and legal descriptions for the required properties at Brea Canyon and Sunset Avenue project files.

NEXT PERIOD

Continue development of all scheduled activities.
MEMO TO: ACE Construction Authority Board Members and Alternates

FROM: Rick Richmond
Chief Executive Officer

DATE: August 28, 2006

SUBJECT: Approval to Award Sunset Avenue Grade Separation Construction Contract to Atkinson Contractors, LP

RECOMMENDATION: Staff recommends that the Board authorize the award of a contract to Atkinson Contractors, LP (Atkinson) for construction of the Sunset Avenue grade separation project in an amount not to exceed $41,938,421.50.

BACKGROUND: At its March 2005 meeting, the Board approved the Plans, Specifications and Estimates for the Sunset Avenue grade separation project. Subsequently, at its July 2005 meeting, the Board approved a design change to incorporate a grade separation of Orange Avenue as requested and funded by the City of Industry. At the September 2005 meeting, the Board approved the revised plans and specifications and authorized staff to solicit bids for the grade separation construction contract. That project bid in January, 2006. In February 2006, the Board approved staff's recommendation to reject all bids and re-bid the project with the use of a design alternative for retaining wall construction of either the T-wall system (as bid) or cast-in-place walls. In April 2006, the Board approved the revised plans and specifications and authorized staff to re-solicit bids for the construction of the grade separation project.

The revised Sunset Avenue grade separation will reconstruct the UPRR Alhambra Subdivision tracks as an overpass with two double-track railroad bridges (Sunset and Orange Avenues) with embankment and retaining walls, a drill track with modifications to industry spurs, a single-track shoofly during construction, and modifications to existing streets, private driveways, and utility relocations along the UPRR right-of-way.

On July 20, 2006, we received the following bids:
1. Atkinson Contractors, LP  $41,938,421.50
2. SEMA Construction, Inc.  $42,311,395.10
3. Yeager Skanska Inc.  $42,650,251.00
4. Griffith Company  $44,910,273.83
5. Steve P. Rados, Inc  $45,678,773.80
6. Balfour Beatty Construction, Inc.  $47,942,750.00

All bids were reviewed and determined to be accurate and official bid results were issued on July 28, 2006.

Low Bid Evaluation
Atkinson’s bid appears to be complete and responsive. Atkinson’s bid was 6.7% less than the engineer’s estimate. Atkinson appears to be qualified to perform the work specified in the contract. The protest period elapsed on August 4, 2006.

In accordance with the revised federal Race Neutral Disadvantaged Business Enterprise (DBE) Program, there was a DBE Availability Advisory of 10% for this contract. In accordance with the Race Neutral program, Atkinson is not required to submit its anticipated DBE participation until contract award. Staff will provide a report on the participation at the next meeting.

Schedule:
Limited Notice to Proceed: October 2006 (approximate)
Completion: 1100 calendar days after NTP

BUDGET IMPACT: Funds for the anticipated costs are available from TEA-21, SAFETEA-LU, TCRP and MTA funds.
Memo To: ACE Construction Authority Board Members & Alternates

From: Rick Richmond
Chief Executive Officer

Date: August 28, 2006

Subject: Proposed San Gabriel Valley Council of Governments (SGVCOG) Bylaw Amendments

RECOMMENDATION: Staff recommends that the Board support the proposed SGVCOG bylaw amendments affecting the ACE Construction Authority.

BACKGROUND: The SGVCOG has been considering a number of changes to its bylaws over the past few months, some of which pertain to the ACE Construction Authority.

The proposed changes affecting ACE that have already been made are:

- the description of the duties of the SGVCOG Treasurer and Auditor has been expanded, including general oversight of the designation of the ACE personnel responsible for financial functions;

- establishment of a new SGVCOG Finance Committee which will oversee the annual ACE financial audit and, by inference, ACE financial matters; The members of the Finance Committee do not have to be elected officials;

- enumeration of the duties of the ACE Chief Executive Officer.

Under consideration at the SGVCOG’s September meeting will be one further bylaw amendment pertaining to ACE. It enumerates the responsibilities of the ACE Construction Authority which are not addressed in the current bylaws. It does so by referencing the responsibilities already listed in the SGVCOG Joint Powers Agreement (designing, constructing, contracting, hiring employees, purchasing property, obtaining insurance, and related activities necessary to build the ACE Project), and adding other basic responsibilities for administering the agency. A copy of the proposed bylaw amendment is attached.

From ACE’s perspective, the amended bylaws already adopted and those proposed do not materially affect the responsibilities or authorities of the ACE Board or staff. The increased emphasis on financial oversight in general will probably result in more active SGVCOG review of the ACE financial reporting.
Summary of Duties and Responsibilities of ACE Board

The following would be added to Article IX A:

"The responsibilities and duties of the ACE Construction Authority, subject to limitations of applicable law, the Agreement and these Bylaws, shall include:

1. All of the powers of the ACE Construction Authority provided in Section 27 of the Agreement, except as may be expressly delegated to others pursuant to the provisions of the Agreement, these Bylaws, or by the direction of the Governing Board.

2. Conducting the affairs of the ACE Construction Authority.

3. Appointing, fixing the compensation of and removing a Chief Executive Officer and conducting an annual performance review of the Chief Executive Officer.

4. Annually reviewing and approving a proposed budget and work plan submitted by the Chief Executive Officer."
Memo To: ACE Construction Authority Board Members & Alternates

From: Rick Richmond
Chief Executive Officer

Date: August 28, 2006

Subject: State Eminent Domain Ballot Measure (Proposition 90)

As you know, there will be a measure on the November ballot amending the portion of the California Constitution pertaining to the use of eminent domain (Proposition 90). The initiative tries to distinguish between the use of eminent domain for public use projects -- which would continue -- versus public purpose projects where property "...transfers to non-governmental owners on economic development or tax revenue enhancement grounds ..." which would not be allowed if the proposition passes. The proposition also includes a number of changes in the "mechanics" of how the eminent domain process would work.

Staff is very confident that our past uses of eminent domain to implement the ACE Project have met the "public use" test proposed by Proposition 90 and will continue to do so should it pass. However, the procedural changes included in Proposition 90 can be expected to have significant impact on the time and/or cost of implementing the ACE Project.

The following provisions of Proposition 90 are liable to have the most impact on the ACE Project.

This analysis is being provided for informational purposes only.

1. **Breadth of Coverage** – While most people think of eminent domain in the context of full acquisition of parcels, the vast majority of our acquisitions are for property interests, such utility or construction easements or, in some cases, leases. To date, with seven grade separations in construction, we have identified the need to acquire 19 full parcels and 41 easements. The proposition makes no distinction between these different types of property acquisition, which have vastly different impacts on private property owners.

2. **Disposition of Unused Property** – The proposition requires any property acquired through eminent domain which is not needed for the public use be offered back to the prior owner at fair market value. This would presumably trump current state law which requires that we make excess property available for the specified
public uses of education, open space, recreation or affordable housing. Also, there will be practical problems in complying with this provision. A case in point is our excess property in the Nogales project. The property we are now in the process of selling was acquired as five separate parcels, one of which was acquired through eminent domain. Instead of disposing of a marketable consolidated parcel, potentially for a legislated public use, we would have been required to offer the property on a piecemeal basis, with little prospect of effective future use of the separate parcels.

3. **Jury Trial to Establish Public Use** – Currently a property owner can challenge whether a taking is subject to eminent domain in a hearing before a judge. The establishment of just compensation, if it goes to trial, is typically heard by a jury. The proposition adds the opportunity to contest the use of eminent domain before a jury, adding significant time and cost to the process.

4. **Definition of Just Compensation** – The proposition states that just compensation shall include “... all reasonable costs and expenses actually incurred....” Currently, property sellers’ attorneys received a portion (typically 30-40%) of whatever proceeds are negotiated or adjudicated in an eminent domain case in excess of the agency’s offer. This imposes discipline on the seller’s and their attorney’s side since their cost of prolonged and expensive negotiation/litigation will come out of the proceeds of the sale. With the proposition there will be little motivation for the seller or their attorney to seek timely or reasonable settlement, or control their costs, since juries will be encouraged to simply add incurred attorney fees and other expenses to whatever property value is established.

5. **Effective Date** – If passed, the proposition will apply to any eminent domain acquisition not finally adjudicated as of election day. Thus, these provisions will apply to now active cases, which number six, as well as future acquisitions where the onerous aspects of this proposition could be taken into account before deciding to pursue eminent domain. It is not possible to estimate our cost exposure on pending cases, but it clearly will run in the hundreds of thousands of dollars.

If you have any questions on the above, we would be happy to try to answer them.