



**San Gabriel Valley Council of Governments  
Capital Projects and Construction Committee  
Special Meeting Agenda  
Monday, May 14, 2018 12:00PM  
San Gabriel City Hall  
425 S. Mission Drive  
San Gabriel, CA 91776**

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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 Committee. 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 Committee on a single item, the Chair may impose a three-minute time limit on individual remarks at the beginning of the discussion.

San Gabriel 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-hour notice will help ensure availability.

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- I. Pledge of Allegiance
- II. Roll Call and Introductions
- III. Public Comment
- IV. Approval of the Capital Projects and Construction (Pages 1 – 3)      Action  
Committee Meeting Minutes of April 23, 2018
- V. Chairman’s Remarks
- VI. Board Member Comments
- VII. Chief Engineers Monthly Report      (Pages 4 – 5)      Information
- VIII. Project Construction Progress Reports      Information

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The SGVCOG’s Capital Project and Construction Committee 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 is no less than four (4) of its total voting membership. Actions taken by the Committee 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 Rivergrade Road office above during normal working hours.

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|-------|---|-----------------|--------------------|
| IX.   | Approval of the Project Definition Report for the At-Grade Crossing Safety Improvements Project in the City of Montebello   | (Pages 6 – 11)  | Action             |
| X.    | Approval of an Amendment to the Moffatt & Nichol Contract for Design Services for the Montebello Corridor Grade Separation Project  | (Pages 12 – 13) | Action             |
| XI.   | Approval of Sale of Excess Property located at 921 Fairway Drive, Walnut, CA for the Fairway Drive Grade Separation Project   | (Pages 14 – 15) | Action             |
| XII.  | Approval of an Increased Change Order Authorization for the Fairway Drive Grade Separation Project  | (Pages 16 – 17) | Action             |
| XIII. | Approval to Receive and File Closeout Update of Construction Contract with Griffith Company for the Nogales Street Grade Separation Project   | (Page 18)       | Action             |
| XIV.  | Approval to Receive and File Quarterly Financial, Audit, and Investment Reports   | (Pages 19 – 38) | Action             |
| XV.   | Closed Session: The Committee will adjourn to closed session in accordance with Government Code Section 54956.9 to discuss existing litigation:<br>Alameda Corridor-East Construction Authority on behalf of the San Gabriel Valley Council of Governments v R3K Partners, LLC, et. al<br><br>Los Angeles Superior Court Case No. BC 572601 |                 | Possible<br>Action |
| XVI.  | Adjournment   |                 | Action             |



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## **SGVCOG Capital Projects & Construction Committee April 23, 2018 Meeting Minutes**

Chairperson Costanzo called the meeting of the San Gabriel Valley Capital Projects and Construction Committee to order at 12:04pm at the San Gabriel City Hall Council Chambers.

1. **Pledge of Allegiance** –Vice Chairperson Victoria Martinez led the pledge of allegiance.

2. **Roll Call:** Mr. Christoffels called the roll.

In attendance was:

Juli Costanzo, San Gabriel, Chair

Jack Hadjinian, Montebello

Victoria Martinez, El Monte, Vice Chair

Barbara Messina, SGVCOG

**Staff:**

Mark Christoffels, Chief Engineer

Gregory Murphy, Burke, Williams & Sorensen, legal counsel

Deanna Stanley

Charles Tsang

Paul Hubler

Phil Balmeo

Ricky Choi

Victoria Butler

**Guests:**

John Burton, LA County Dept. Public Works

Charlie Nakamoto, Jacobs Engineering

Keith Gillfillan, Moffatt & Nichol

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

4. **Approval of the Capital Projects and Construction Committee Meeting Minutes of March 26, 2018** – A motion was made by member Hadjinian and seconded by member Messina to approve the March 26, 2018 Capital Projects and Construction Committee Meeting Minutes.

M/S/C/Hadjinian/Messina/Unanimous

5. **Chairman Remarks** – Chairperson Costanzo congratulated Pomona for being one of the host cities of the Ciclavia.

6. **Board Member Comments** – Vice Chair Martinez congratulated the San Gabriel Valley Council of Governments for the 2018 Ciclavia and their color run obstacle course. She also thanked staff for the Puente Avenue grade separation project ribbon cutting event. Member Hadjinian reminded the Committee that April 24<sup>th</sup> is the Armenian Genocide Remembrance Day.
7. **Chief Engineer's Monthly Report** – Mr. Christoffels shared his experience at the Puente Avenue grade separation witnessing emergency vehicles utilizing Puente Avenue while at the same time a train crossed on the railroad bridge. Paul Hubler reviewed highlights of the March legislative meetings. Member Sandoval arrived.

A video from Senator Josh Newman's office was shown that highlighted construction activities on the SR-60 Lemon Avenue project.

8. **Project Construction Progress Report** – Charles Tsang reviewed construction progress photos for the Fairway Drive grade separation project that included sewer line jack and bore backfill operations. He reviewed photos of the soon to be opened Lemon Avenue on/off ramps. Victoria Butler reviewed photos for the Fullerton Road grade separation project that including foundation retain wall construction, storm drain work and rebar installation. Phil Balmeo reviewed photos of the ribbon cutting ceremony held for the completed Puente Avenue grade separation project. He also reviewed construction progress photos for the San Gabriel Trench project that showed concrete slabs poured west of Ramona.
9. **Approval of Construction, Operations and Maintenance Agreement with Union Pacific Railroad and the City of Pico Rivera for the Durfee Avenue Grade Separation Project** – Mr. Christoffels indicated the Durfee Avenue project would be presented to the California Transportation Commission in June for consideration of allocation of Prop 1B funds and the construction and maintenance agreement needed execution prior to the meeting. He reminded the board that the agreement outlines the terms of each entity related to the project.

A motion was made to authorize the Chief Engineer to execute a Construction, Operation and Maintenance Agreement with Union Pacific Railroad and the City of Pico Rivera for the Durfee Avenue grade separation project.

M/S/C/Hadjinian/Messina/Unanimous

10. **Approval to Receive and File Quarterly Project Progress Reports** – Mr. Christoffels reviewed the quarterly progress reports. He indicated the final design is under way for the At-Grade safety improvements in Pomona with construction anticipated to begin in January 2020. He indicated the Fairway Drive construction is at 30% and expected to be complete by August 2021. He indicated the Lemon project would be completed by June 2018. He reported the Fullerton Road project construction is at 21% complete with expected completion December 2020 and the San Gabriel Trench project is at 90% completion and expected to be complete this summer. He indicated the projects in design include Montebello and Turnbull Canyon, both at 35%. Mr. Christoffels reviewed project cost estimates and funding sources.

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

M/S/C/Hadjinian/Martinez/Unanimous

11. **Approval to Receive and File Quarterly Environmental Mitigation Monitoring Reports**

–Mr. Christoffels reviewed the environmental mitigation monitoring reports and indicated the agency remains compliant. A motion was made to receive and file the quarterly environmental mitigation monitoring report.

M/S/C/Hadjinian/Martinez/Unanimous

12. **Adjournment** – The meeting was adjourned at 12:44PM. The members agreed the next meeting would be held on May 14, 2018.

X 

Deanna Stanley  
Clerk



Memo to: Capital Projects and Construction Committee Members & Alternates

From: Mark Christoffels  
Chief Engineer

Date: May 14, 2018

SUBJECT: Chief Engineer’s Monthly Report

The following are items of note since the last meeting:

**Lemon Avenue Project** – The long anticipated on/off ramps at Lemon Avenue on the SR-60 freeway opened on May 1<sup>st</sup> after 18 months of construction. Simultaneously, as planned, the eastbound off-ramp at Brea Canyon Road was permanently closed. This project will help mitigate traffic and serve as an alternative detour route during the closure of Fairway Drive for the construction of the Fairway Drive grade separation project.

**State Trade Corridor Funding** – California Transportation Commission staff has recommended the award of a total of \$78 million in grant funding for the ACE grade separation projects on Montebello Boulevard and Turnbull Canyon Road. The proposed grants are among a statewide list of projects included in the new Trade Corridor Enhancement Program (TCEP), funded with revenues from the SB 1 diesel fuel tax and from federal highway freight program funds. The Commission will consider the recommendations for adoption on May 16.

**Contracting** –The SGVCOG has delegated the Chief Engineer the authority to approve new contracts or change orders for previously approved contracts within certain limits, with a requirement that staff formally report such contract action. The following has been approved since the last Committee meeting:

Consultant/Vendor	Reason for Change	Change Amount	Total Contract Value
OHL USA, Inc.	Fairway Drive Grade Separation project: Change Order No. 7 – Value Engineering Sewer Siphon; MCI Protection for Shoofly; Adjustment of Allowance Item Unit Price	\$1,422,732	\$94,113,970
OHL USA, Inc.	Fairway Drive Grade Separation project: Change Order No. 8 – LACSD 39” Sewer Jack & Bore	\$1,194,094	\$95,308,064
Rimkus Consulting Group	P.O. 2018-03: Professional Engineering Inspection Services for San Gabriel Trench project	\$4,670	\$4,670

APSI CM	P.O. 2018-02A: Schedule Assessment Review for Puente Ave. grade separation project	\$36,000	\$36,000
Moffatt & Nichol	Extend Task Order #2 through August 31, 2018 for Montebello Corridor project	\$56,000	\$5,714,168
Jacobs Management Co.	Additional construction management services for San Gabriel Trench project	\$1,049,237	\$22,561,709
HNTB Corporation	Extend Task Order No. 1 term through December 31, 2018	\$0.00	\$1,908,209

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

- Distributed construction alert notices regarding the opening of the Lemon Avenue eastbound off-ramp and westbound on-ramp and the permanent closure of the Brea Canyon Road eastbound off-ramp for the Lemon Avenue Interchange project;
- Distributed construction alert notices regarding lane reductions on Walnut Grove Avenue at railroad crossing for road rehabilitation for the San Gabriel Trench project;
- Distributed construction alert notices regarding a 55-hour weekend closure of Del Mar Avenue between Agostino Road and the railroad bridge for pavement rehabilitation for the San Gabriel Trench project; and
- Conducted ongoing community outreach and support activities for the San Gabriel Trench, Puente Avenue, Fairway Drive and Fullerton Road grade separation projects.



MEMO TO: Capital Projects and Construction Committee Members & Alternates

FROM: Mark Christoffels  
Chief Engineer

DATE: May 14, 2018

SUBJECT: Approval of the Project Definition Report for the At-Grade Crossing Safety Improvements Project in the City of Montebello

**RECOMMENDATION:** Staff recommends approval of the attached Project Definition Report for at-grade crossing safety improvements at the Vail Avenue, Maple Avenue, and Greenwood Avenue crossings of the Union Pacific Railroad in the City of Montebello.

**BACKGROUND:** Our project management procedures call for the Capital Projects and Construction Committee to approve individual construction projects at certain important milestones. They are:

- Approval of a Project Definition Report, typically done at completion of preliminary engineering;
- Adoption of environmental impact findings and any mitigation;
- Approval of property requirements;
- Approval of plans, specifications, and estimates at completion of design; and,
- Approval of a proposed construction contract award.

Attached for the Committee's consideration is a completed Project Definition Report for the proposed at-grade crossing safety improvements at the Vail Avenue, Maple Avenue, and Greenwood Avenue crossings of the Los Angeles Subdivision of the Union Pacific Railroad (UPRR) in the City of Montebello. The project will consist of the installation of four-quadrant gate systems, minor sidewalk installation, updated signage and striping as required, utility relocations or modifications if determined necessary during the final design, and associated UPRR work for the modified signal.

The project qualified for a California Environmental Quality Act (CEQA) Categorical Exemption (CE). A Notice of Exemption was filed for each crossing on November 2, 2017, satisfying CEQA requirements. No comments were received during the legal challenge period.

The Committee is not being requested to approve any right-of-way acquisition for this project, as preliminary engineering determined that right-of-way acquisition is not required.

**BUDGET IMPACTS:** Funding for this contract is available from Measure R funds.

Attachments



## **PROJECT DEFINITION REPORT**

### **AT-GRADE CROSSINGS SAFETY IMPROVEMENTS IN THE CITY OF MONTEBELLO (UPRR LOS ANGELES SUBDIVISION)**

#### **PROJECT DEFINITION**

The San Gabriel Valley Council of Governments (SGVCOG) in furtherance of the Alameda Corridor-East Project proposes to construct safety improvements at three existing at-grade crossings in the City of Montebello on the Los Angeles Subdivision of the Union Pacific Railroad (UPRR). The three crossings include Vail Avenue, Maple Avenue, and Greenwood Avenue.

At each crossing, four-quadrant gate systems will be installed. Each crossing currently has the necessary two entrance gates. The four-quadrant gate systems will discourage vehicles from driving around the entrance gates when lowered, improving the overall safety at the crossing. The four-quadrant gate systems require the installation of the exit gates at each of the three crossings. In addition, the entrance gates at Vail Avenue will be replaced to provide for an improved gate alignment to the railroad tracks.

Minor sidewalk improvements will be made to ensure there is adequate clearance for pedestrians around the gate arms. If required, signage and pavement markings will be updated to current standards for roadway crossings.

During the final design phase, UPRR will determine if the existing signal houses can be modified for the additional demand required of the proposed improvements or if they will need complete replacement. The 35% estimate assumes all three signal houses will need to be replaced.

A number of existing utilities within the UPRR right-of-way or public roadway may be impacted. It will be determined in the final design phase, in coordination with the owners and the UPRR, if any will require relocation or protection. A contingency has been provided in the 35% cost estimate for this work.

#### **DIVISION OF WORK**

The current plan is to construct the improvements at the three crossings using a single prime construction contractor for all project elements not performed by the UPRR or utility company

contractors. Specific details regarding responsibilities will be contained in a Construction, Operations, and Maintenance Agreement between the SGVCOG, City of Montebello, and UPRR and, if required, various utility company agreements.

Work to be done by the Contractor:

- Construct civil and other work associated with the new signals (i.e., sidewalk, conduits to signal houses, concrete pads for new signal houses, foundations for new signals, etc).
- Install updated signage and pavement markings if required.

Work to be done by Railroad (UPRR) Forces:

- Modify or install signal houses to accommodate existing and new signal equipment.
- Install new signals and wiring.

Work to be done by Utility Companies:

- Design and relocation of affected utilities.

## **OUTSTANDING ISSUES**

### **Right of Way:**

Based on the current plans, it has been determined that no private parcels will be impacted by this project. As the improvements will be constructed in the existing public or UPRR right-of-way and will not affect access to private properties, there are no anticipated business impacts or associated costs.

### **Utility Relocations:**

Investigations during the 35% design phase indicated that certain utilities may be affected by the project and may require relocation or protection. The design team will work with the respective utility agencies and the UPRR to find the most cost effective relocation or protection alternatives to accommodate the project improvements.

### **Construction Traffic Detours:**

Construction of the at-grade crossing improvements will require temporary partial or full closures of the streets. During the final design, the design team will coordinate with the City and UPRR to determine the construction phasing and traffic detour plans

to direct vehicles around these closures. Portions of the work will be dependent on UPRR work windows, which may include nighttime hours.

**Railroad Construction, Operations, and Maintenance (C&M) Agreement:**

This agreement is required to clearly define the construction, operations, and maintenance responsibilities for each party and describe the scope and estimated cost for work required to be done by UPRR for the project. This C&M agreement will be finalized and executed when a more defined construction scope and cost estimate becomes available.

**Project Estimate**

Based on recently completed 35% level plans, the following cost estimate has been developed. These costs reflect the known market conditions for construction bids, utility and railroad work. At this point no inflationary factors have been applied. An approximate 30% contingency is used for the current estimate, but will be reduced in the future as the plans are more fully developed and costs can be determined more accurately.

<u>Cost Category</u>	<u>Estimate</u>
Roadway	\$ 280,000
Track	\$ 3,077,000
Structures & Misc. Walls/Fences	\$ 0
Right-of-Way	0
Utilities	\$ 0 <sup>2</sup>
Soft costs <sup>1</sup>	\$ 2,600,000
Contingency	\$ 1,007,000
 Total Cost	 \$ 6,964,000

Footnotes:

- (1) These costs include design, right-of-way consultant support, construction management, program management, permits, railroad inspection, plan checking, and flagging, agency overhead and project management.
- (2) Contingency includes costs for potential utility relocations or modifications.

The overall project cost, currently estimated at \$ 6,964,000, remains within the existing project budget.

## **SCHEDULE**

Following is the anticipated schedule for the project. The biggest risk to the schedule is the timing of work to be accomplished by the UPRR. UPRR will need to perform certain design and construction signal work at each crossing and the availability of their staff during the design and construction phases could impact the schedule.

Environmental Approval (CEQA)	December 2017
Authorize contract for final design	May 2018
Complete design	April 2019
Award construction contract	July 2019
Complete construction	July 2020



MEMO TO: Capital Projects and Construction Committee Members & Alternates

FROM: Mark Christoffels  
Chief Engineer

DATE: May 14, 2018

SUBJECT: Approval of an Amendment to the Moffatt & Nichol Contract for Design Services for the Montebello Corridor Grade Separation Project

**RECOMMENDATION:** Staff recommends that the Committee authorize the Chief Engineer to execute an amendment to the Design & Engineering Services agreement with Moffatt & Nichol (M&N) and issue Task Order No. 3 for a not-to-exceed amount of \$531,300 for final engineering services for the At-Grade Crossing Safety Improvements Project in the City of Montebello for a new contract value of \$6,245,468.

**BACKGROUND:** At the July 2015 and September 2016 ACE Board meetings, the previous ACE Board approved a contract with M&N for conceptual design services (Phase 1) in the amount of \$1,994,792 and preliminary engineering services (Phase 2) in the amount of \$3,264,804 for the Montebello Corridor grade separation project. The Montebello Corridor included a grade separation at Montebello Boulevard, at-grade safety improvements at Vail Avenue, Maple Avenue and Greenwood Avenue and pedestrian overcrossing at Maple Avenue.

This initial work authorization was limited to conceptual and preliminary engineering activities. Moffatt & Nichol has now completed the preparation of the 35% preliminary engineering plans authorized in the original contract and has submitted a proposal to prepare the final plans for the At-Grade Crossing Safety Improvements Project.

The final work scope includes the following major tasks:

- Utilize a project management, quality control, and quality assurance plan for the design contract;
- Coordinate with SGVCOG, UPRR, City of Montebello, California Public Utilities Commission and other agencies and utilities to resolve design issues and obtain design approvals;
- Perform field surveys, data collection and review of existing information required to design the project, coordinate constructability review workshop;
- Prepare final plans, specifications, and cost estimates;
- Develop construction schedule and construction staging and detour plans;
- Provide project support and special studies as directed by SGVCOG staff.

This scope of work does not include M&N's final design costs for the Montebello grade separation project and the Maple Avenue pedestrian overcrossing. Both of which would be subject of future amendments and will be brought back to the Committee for consideration and approval.

Proposed costs for the above tasks have been compared with the estimates prepared by staff and any discrepancies have been resolved. Staff recently concluded design contract negotiations and is now recommending approval of a not-to-exceed task order amount of \$531,300 to complete Phase 3 (final engineering) for the At-Grade Crossing Safety Improvements Project for the City of Montebello.

M&N's scope of work is divided in phases; the history of this contract is as follows:

Phase	Executed Amount
1: Conceptual Design	\$2,176,364 <sup>1</sup>
2: Preliminary Engineering	\$3,537,804 <sup>2</sup>
3: Final Design for At-Grade Crossing Safety Improvements (This Request)	\$531,300
TOTAL	\$6,245,468

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 Chief Engineer's authorization will be brought back to the Committee for further consideration and approval.

The final plans are estimated to be completed within 10 months.

**BUDGET IMPACT:** Funding for this contract is available from Measure R funds.

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<sup>1</sup> Inclusive of \$181,572 authorized under CEO contingency.

<sup>2</sup> Inclusive of \$183,000 authorized under CEO contingency and \$90,000 ACE Board approved amount.



Memo to: Capital Projects and Construction Committee Members & Alternates

From: Mark Christoffels  
Chief Engineer

DATE: May 14, 2018

SUBJECT: Approval of Sale of Surplus Property located at 921 Fairway Drive, Walnut, CA for the Fairway Drive Grade Separation Project

**RECOMMENDATION:** Authorize the Chief Engineer to negotiate and execute an agreement for the sale of excess property from the Fairway Drive grade separation project to Merit Hill Capital Group for the property at 921 Fairway Drive, Walnut CA in the amount of \$16,025,000.

**BACKGROUND:** At the November 27, 2017 meeting, the Committee declared the parcel located at 921 Fairway Drive, Walnut, CA (ACE parcel No. 204B, Assessor Parcel No. 8760-007-027) as surplus and directed the Chief Executive Officer to determine the public/market interest of potential sale and proceed with the sale of the property if sufficient offers were received. The ACE Construction Authority acquired the above-referenced property as part of the Fairway Drive Grade Separation Project. Storage Equities, Inc. operating as Public Storage previously owned the property. The property is designed for warehouse/self-storage operations and office use and consists of a parcel 6.4 acres in size and improved with multiple mini warehouse buildings and a commercial strip mall.

In order to accommodate the grade separation at Fairway Drive, various easements were required along the frontage. During the acquisition process and subsequently during court proceedings the property owner expressed concern over the impact the street widening and the utility easements would have on the ingress and egress to the businesses. In a court settlement on April 9, 2015, ACE agreed to the full acquisition of the parcel and all associated improvements.

Since that date, ACE has modified the entrance to the facility and hired a third party to operate the storage business (renamed Fair-way Storage), as well as maintain tenants in the commercial strip mall. The intent was to maintain operations of the facility and the associated income stream during construction, and place the property on the market upon completion of the Project. Because of expressed interest by several parties in purchasing the property in its current condition, with the understanding that adjacent roadway construction is still several years from completion, and since the entire parcel is not required for the construction of the Project, and with the required easements scheduled to be recorded, ACE staff did not see a need to continue to retain the property and associated storage business and commercial tenants. The Committee agreed and declared the parcel as surplus authorizing staff to initiate the sale.

Consistent with ACE right-of-way guidelines and the Caltrans right-of-way manual, ACE made all of the surplus property available to “priority purchasers” consisting of governmental and public agencies for a 60-day period at fair market value. No governmental or other public agencies expressed an interest in the surplus property. The property was subsequently listed through a national brokerage firm specializing in these types of commercial properties. Nine bids were received ranging from \$14.5 million to just over \$16 million. The highest bid received is from the Merit Hill Capital Group at \$16,025,000. This amount is within 1% of the appraised value and the offer has been accepted. This will be an all cash sale with a 40 day due diligence/contingency period and a 15 day period to close escrow following expiration of the due diligence/contingency period.

**BUDGET IMPACT:** Proceeds from the sale of surplus properties will be used to fund increased project costs on the Fairway Grade Separation Project. It should be noted that with the sale of this property at this price as well as the interim income received from operating the business on the property, the agency will have been able to fully recover the settlement costs incurred for the acquisition of property as stipulated by the court.



Memo to: Capital Projects and Construction Committee Members & Alternates

From: Mark Christoffels  
Chief Engineer

DATE: May 14, 2018

SUBJECT: Approval of an Increased Change Order Authorization for the Fairway Grade Separation Project

**RECOMMENDATION:** Staff recommends that the Committee increase the Chief Engineer's change order authorization to 25% (\$22,500,000) for the Fairway Grade Separation Project.

**BACKGROUND:** At the October 2014 meeting, the former ACE Board authorized the award of a contract to OHL USA, Inc. (OHL) for construction of the Fairway Drive (Los Angeles Subdivision) grade separation project in bid amount of \$71,985,353. To help mitigate traffic detour impacts resulting from the construction of the Fairway Drive grade separation project by ACE, the Cities of Industry and Diamond Bar requested to have ACE construct new ramps at Lemon Avenue and State Route 60 in conjunction with the ongoing Fairway Drive grade separation construction. The requested improvements were estimated at \$18,200,000 and would be paid for by the City of Industry and the City of Diamond Bar as outlined in a Betterment Agreement between ACE and the two cities. In July 2016, the former ACE Board approved a Contract Amendment adding the requested work and adjusting the total contract amount by \$18,200,000 for a total contract of \$90,193,211.80<sup>1</sup>.

As construction has progressed, several significant changes to the project were required for both the original Fairway Grade Separation work as well as the additional Lemon Avenue Ramp work. The original authorized 10% contingency was needed to fund these changes. The project still has a few significant challenges that most likely will result in additional costs. These include soil modifications required to minimize settlement of earth fill within the future track area, significant ground water removal during excavation for utilities and roadways, and construction of railroad shooflys and associated shoring needed for construction safety. The requested increase in contingency authority will allow staff to maintain progress on the project and avoid any potential delays related to these activities.

**BUDGET IMPACT:** In anticipation of these potential cost increases, the overall project budget was increased last summer with concurrence from the former ACE Board Finance Committee. These revised budget figures have been reflected in the ACE Program financial reporting since then. This means that the request before the Committee will not have a financial impact on any of the other projects in ACE's program, and will simply

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<sup>1</sup> Including Change Order No. 1 in the amount of \$7,858.80.

provide the mechanism for the Chief Engineer to authorize expenditures as required. In addition, it should be noted that the project costs associated with this additional authorization will be funded from a combination of betterment work reimbursements from the cities of Industry and Diamond Bar, the proceeds from the authorized sale of the Fairway Storage property, and from the net proceeds from operating the Fairway Storage property over the past few years, essentially having no impact to our grant funding.



MEMO TO: Capital Projects and Construction Committee Members & Alternates

FROM: Mark Christoffels  
Chief Engineer

DATE: May 14, 2018

SUBJECT: Receive and File: Closeout Update of Construction Contract with Griffith Company for the Nogales Street (L. A. Sub.) Grade Separation Project

**RECOMMENDATION:** Receive and file the closeout update of construction contract with Griffith Company for the Nogales Street (L.A. Sub.) grade separation project.

**BACKGROUND:** At the March 2017 ACE Board meeting, the Board authorized approval of closeout process with Griffith Company for the construction of the Nogales Street (L.A. Sub.) grade separation project in the City of Industry.

The Nogales Street (L.A. Sub.) grade separation was substantially completed and opened up to traffic on June 2016. As reported at the March meeting, there were punch list items that still needed to be completed by the contractor. One of the items of work was the installation of the sewer lateral at the Anderson property for a relocated connection to the LA County Sanitation District sewer. This work has been completed and all assigned work to Griffith is now complete.

The City of Industry has accepted all construction work.

This project was completed within the contingency authority provided to the Chief Executive Officer by ACE’s Administrative code. The final estimated construction contract amounts are as follows:

	Estimated Construction Contract Amount (March 2017)	Final Construction Contract Amount
Original Contract Value	\$47,365,888.00	47,365,888.00
Change Orders (1-12)	\$4,128,357.63	\$4,224,804.52
Final Contract Value	\$51,494,245.63	\$51,590,692.52
Change Order Percentage	8.72%	8.92%

The total Change Orders as reported in this report includes \$96,446.89 in costs that were not anticipated when the Board directed the closeout process. This increase constitutes 0.2% of the Griffith contract and is within the CEO’s authority.

**BUDGET IMPACT:** The project was completed within the approved budget.



Memo to: Capital Projects and Construction Committee Members & Alternates

From: Mark Christoffels  
Chief Engineer

Date: May 14, 2018

SUBJECT: Receive and File Quarterly Financial, Audit, and Investment Reports

**RECOMMENDATION:** Receive and file a report on the ACE Project Quarterly Financial, Audit, and Investment Reports for the period from January 1, 2018 through March 31, 2018

**BACKGROUND:** The ACE Project is required to produce quarterly financial reports to update revenues, project budgets, expenditure forecasts, grant reimbursements, audits, investments, and project schedules. In the past, these reports were presented to the ACE Finance Committee, which was eliminated in the restructuring of the ACE Project under the San Gabriel Valley Council of Governments. Staff will continue to bring the details of these reports to the Capital Projects and Construction Committee.

Attached are exhibits that provide required reporting information and below is a summary of any changes from the prior quarter.

**Exhibit I – ACE Revenue by Source**

This exhibit details all funding authorized, allocated to projects, and remaining unallocated (surplus) since the inception of the ACE Project. During this review period, there were no additional allocations, and the current un-programmed fund balance is \$11.5 million. Current project estimates indicate up to \$14 million may be needed to complete current projects in or going into construction, as well as an additional \$50 million to fully fund our last project, Turnbull Canyon Road Grade Separation. Grant funding in addition to the current \$11.5 million fund balance will be needed to close this funding gap. The SGVCOG has received a recommendation from California Transportation Commission staff for TCEP grants totaling \$78 million and has a pending grant application at the federal level (INFRA).

**Exhibit II – ACE Project Funding by Source**

The funding allocation for the entire ACE Project is distributed among projects in this Exhibit based on the available revenues identified in Exhibit I. Funding allocations are adjusted either up or down quarterly to reflect updated project cost estimates as the project design is further developed, right of way acquisition costs become known as appraisals are made and purchase agreements executed, and finally when construction bids are received. In addition, funding sources may need to be changed due to modification on ACE's grant funding agreements with Caltrans and the MTA. Project allocation changes are shown on the summary sheet at the end of Exhibit II.

### **Exhibit III – ACE Project Allocations vs. Estimate at Completion**

This Exhibit tracks project allocations as compared to the estimated cost to complete for each project, along with other data. The current report shows that if the current ACE projects were to be completed based on what we know today, there would be an approximate \$14.6 million deficit. This deficit will need to be funded with the current \$11.5 million fund balance as well as additional grant funding which staff is pursuing both at the federal and state level. As the projects are bid out, or those in design are further developed, the cost estimates will be refined and the needed allocations adjusted based on ACE's available balance of grant funds.

### **Exhibit IV – Expenditure Forecasts**

This is a cash flow forecast for active projects. The spreadsheets show full-anticipated project costs regardless of whether the project is currently in design, right of way, or a construction phase. This allows staff to keep track of the overall program status and determine what remaining funds are available for future projects. The reasons for any changes shown in the Estimated at Completion (EAC) column are noted with footnotes at the bottom of the spreadsheet. This quarter there were no cost changes to report.

### **Exhibit V – ACE Expenditures vs. Reimbursements**

This exhibit captures the reimbursement status for all active or completed projects as of March 31, 2018. Since the ACE Project must borrow funds to make current payments to its vendors, consultants, and contractors, and then seek reimbursement from its granting agencies, minimizing the time for reimbursements is a key component to avoid incurring significant interest costs on ACE borrowed funds. ACE's policy is to try to bill and receive reimbursements within 30 days. As noted in this exhibit, as of March 31, 2018, ACE was current on all of its requested grant reimbursements except for \$6.5 million in receivables that were over 30 days. This amount is reflective of outstanding reimbursement invoices from Cities of Industry and Diamond Bar. As of the date of this report these payments now have been made.

### **Exhibit VI – Project Schedules**

This exhibit reflects current estimated schedules for different phases of active projects.

### **Exhibit VII – Treasury/Banking Investments**

This exhibit has two components – a statement of net assets as of March 31, 2018 and an accounting of all banking and investments. The exhibit shows that if the ACE Project were to conclude all operations as of this date, it would have assets over liabilities of \$6,767,861 after paying off its current liabilities including the CalPERS liabilities. In an agreement with CalPERS, ACE is currently paying down its unfunded and termination liabilities through additional payments made each month. CalPERS current published unfunded and termination liability numbers (shown on Exhibit VII) do not yet reflect all payments so our actual liability is much less than currently stated. In addition this exhibit shows that all of the ACE Project's banking and investments remain in compliance with the SGVCOG investment policy.

ACE's revenue is primarily based on grant funding which is allocated on a reimbursement basis. In order to meet its financial obligations under the contracts issued, ACE must obtain working capital through borrowing and cash on hand. ACE Project staff have been working hard to keep receivables (essentially grant reimbursements) at less than 30 days. A benefit of reducing aging receivables is that ACE's cost of borrowing is substantially reduced because we are able to maintain a healthy balance in short-term investments. For the months of January, February, and March 2018, the cost of borrowing was \$231,235 and the interest income on short-term investments was \$185,135 for a net interest expense of \$46,100 on a \$45m loan.

### **Exhibit VIII – ACE Contract Audits**

The ACE Project conducts audits on the agency's professional services contracts to verify that billable rates are being billed correctly. When discrepancies are discovered, ACE will withhold disputed amounts from future progress or final retention payments on these contracts. The attached summarize the activities by the ACE Project audit team during the 3<sup>rd</sup> quarter of fiscal year 2018. During this period ACE no significant charges from our consultants were found to be unsupported by their documentation. The attached also shows 4 audits were completed during this period and that there are 23 additional audits currently pending.



**FY2018 3<sup>rd</sup> Quarter  
Project Reports  
As of March 31, 2018**

**EXHIBIT I - ACE REVENUE BY SOURCE**  
As of March 31, 2018

Grant		Authorized	Adjustments	Note	Net Authorized	Allocated To Projects	Surplus	Allocated Inc/(Decr)
<b>Federal</b>								
TEA - 21	Sect 0491	4,655,048	(402,000)	a	4,253,048	4,253,048	-	
TEA - 21	Sect 1017	2,205,000	(141,317)	b	2,063,683	2,063,683	-	
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 FY 2010		1,349,000	(230)	b	1,348,770	1,348,770	-	
SAFETEA-LU FY 05	Sect 1701	2,528,000	(255,185)	c	2,272,815	2,272,815	-	
SAFETEA-LU FY 06	Sect 1701	2,528,000	(254,883)	c	2,273,117	2,273,117	-	
SAFETEA-LU FY 07	Sect 1701	2,528,000	(252,029)	c	2,275,971	2,275,971	-	
SAFETEA-LU FY 08	Sect 1701	2,528,000	(252,029)	c	2,275,971	2,275,971	-	
SAFETEA-LU FY 09	Sect 1701	2,528,000	(251,136)	c	2,276,864	2,276,864	-	
SAFETEA-LU FY 05	Sect 1934	3,000,000	(280,077)	c	2,719,923	2,719,923	-	
SAFETEA-LU FY 06	Sect 1934	6,000,000	(560,154)	c	5,439,846	5,439,846	-	
SAFETEA-LU FY 07	Sect 1934	7,500,000	(700,192)	c	6,799,808	6,799,808	-	
SAFETEA-LU FY 08	Sect 1934	7,500,000	(700,192)	c	6,799,808	6,799,808	-	
SAFETEA-LU FY 09	Sect 1934	6,000,000	(564,181)	c	5,435,819	5,435,819	-	(4,027)
SAFETEA-LU FY 05	Sect 1301	3,125,000	(247,763)	c	2,877,237	2,877,237	-	
SAFETEA-LU FY 06	Sect 1301	6,250,000	(495,526)	c	5,754,474	5,754,474	-	
SAFETEA-LU FY 07	Sect 1301	7,812,500	(619,407)	c	7,193,093	7,193,093	-	
SAFETEA-LU FY 08	Sect 1301	7,812,500	(619,407)	c	7,193,093	7,193,093	-	
SAFETEA-LU FY 09	Sect 1301	6,250,000	(951,578)	c	5,298,422	5,298,422	-	(456,052)
FRA		2,544,100	-		2,544,100	2,544,100	-	
PUC (Section 130)		10,000,000	-		10,000,000	10,000,000	-	
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	252,643,795	(8,413,159)		244,230,636	244,230,636	-	(460,079)
<b>State</b>								
ITIP		39,000,000	(18,426)	d	38,981,574	38,981,574	-	
PUC (Section 190)		10,000,000	-		10,000,000	10,000,000	-	
TCRP		150,000,000	(19,700,000)	e	130,300,000	130,300,000	-	
Prop 1B-HRCSA (Nogales-LA/Fullerton/Durfee)		46,612,000	-		46,612,000	46,612,000	-	
TCIF (SGT/Baldwin/Fairway/Puente/Durfee)		422,196,000	-		422,196,000	422,196,000	-	
	Subtotal	667,808,000	(19,718,426)		648,089,574	648,089,574	-	-
<b>Local</b>								
MTA 1 (FY 98-02)	C 25%	37,500,000	(23,360,000)	f	14,140,000	14,140,000	-	
MTA 2 (FY 03-05)	C 10%	1,857,000	-		1,857,000	1,857,000	-	
MTA 2 (FY 03-05)	C 25%	13,178,000	-		13,178,000	13,178,000	-	
MTA 2 (FY 03-05)	AB 3090	9,308,000	-		9,308,000	9,308,000	-	
MTA 2 (FY 03-05)	STIP-RIP	5,496,000	-		5,496,000	5,496,000	-	
MTA 3 (FY 06-09)	C 25%	85,000,000	-		85,000,000	85,000,000	-	
MTA 4 (FY 09-15)	C 25%-Remaining	28,566,800	-		28,566,800	28,566,800	-	
MTA 5 (FY 09-15)	C 25%-Supplemental	112,324,000	-		112,324,000	112,324,000	-	
MTA 6 (Nogales-LA)	C 25%	28,849,000	-		28,849,000	28,849,000	-	
MTA 7 (Phase II)	Measure R	400,000,000	-	g	400,000,000	400,000,000	-	
	Subtotal	722,078,800	(23,360,000)		698,718,800	698,718,800	-	-
<b>Other Sources</b>								
Railroad (UPRR/Metrolink)		40,551,669	(4,183,500)	h	36,368,169	24,858,433	11,509,736	(2,560,500)
Cities/LA County (Nogales-LA)		9,915,303	-		9,915,303	9,915,303	-	
Betterments (Cities/Metrolink)		54,527,807	-		54,527,807	54,527,807	-	
MWD (Brea Canyon)		2,207,402	-		2,207,402	2,207,402	-	
Property Sale		7,186,277	(4,184,700)	i	3,001,577	3,001,577	-	3,692,265
	Subtotal	114,388,458	(8,368,200)		106,020,258	94,510,522	11,509,736	1,131,765
<b>TOTAL GRANTS</b>		<b>1,756,919,053</b>	<b>(59,859,785)</b>		<b>1,697,059,268</b>	<b>1,685,549,532</b>	<b>11,509,736</b>	<b>671,686</b>
<b>Other Income</b>								
Property Rental Income		139,316	-		139,316	-	139,316	
Recovered Costs		142,288	-	j	142,288	-	142,288	
	Subtotal	281,604	-		281,604	-	281,604	-
<b>TOTAL ACE Construction</b>		<b>1,757,200,657</b>	<b>(59,859,785)</b>		<b>1,697,340,872</b>	<b>1,685,549,532</b>	<b>11,791,340</b>	<b>671,686</b>

**Notes:**

- a) Transferred by LA County to ACE for the Nogales-LA project.
- b) Federal budgetary reduction.
- c) Based on Caltrans updated OA, appropriations reduced by 10% instead of 15%.
- d) \$18K for Ramona lapsed in June 2008 prior to project closeout.
- e) \$19.7 million programmed to other entities (yet to be allocated by State).
- f) Allocated to City of LA.
- g) Of the \$400M Measure R funds, \$135M has executed MOU.
- h) Based on individual projects, UPRR paid 1/2 before and 1/2 after construction phase.  
Due to phasing of construction, only \$27.753M has been received. \$4.184M adjustment is for Temple project.
- i) Sale of Nogales(Alh) property used to reduce expenditures billed to Caltrans.
- j) Costs recovered after a project had been closed.

EXHIBIT II - ACE PROJECTS FUNDING BY SOURCE

As of March 31, 2018

(\$ 000's)

Project	Task	ced #	All																	
			TEA-21	NCPD/STP	SAFETEA	ITIP	ISTEA/CMQ	FRA/PUC	TCRP	Prop 1B	MTA 1	MTA 2	MTA 3	MTA 4	MTA 5	MTA 6	MTA 7	Railroad	Prop Sale	Cities/Better
212	At-Grade Crossing Design ROW Constr	n/a	4,463	-	-	-	-	-	-	-	-	-	-	100	-	4,363	-	-	-	-
		n/a	1,075	-	-	-	-	-	-	-	-	-	-	1,075	-	-	-	-	-	-
		n/a	17,378	-	-	-	-	-	-	-	-	-	-	-	-	17,378	-	-	-	-
	At-Grade Crossing Total		22,916	-	-	-	-	-	-	-	-	-	-	1,175	-	21,741	-	-	-	-
102	Baldwin Design ROW Constr	(017)	5,390	3,013	-	753	-	-	-	-	495	696	432	-	-	-	-	-	-	-
		(028)	37,237	-	21,008	-	-	-	-	-	9,382	2,500	4,347	-	-	-	-	-	-	-
		(017)	27,738	-	-	-	-	27,738	-	-	-	-	-	-	-	-	-	-	-	-
	Baldwin Total		70,365	3,013	21,008	753	-	27,738	-	-	9,877	3,196	4,779	-	-	-	-	-	-	-
208	Durfee Design ROW Constr	(039)	9,740	-	6,984	-	-	-	-	-	-	-	2,756	-	-	-	-	-	-	-
		n/a	32,466	1,349	3,556	-	-	-	-	-	-	-	10,847	-	13,820	-	2,894	-	-	-
		n/a	48,937	-	6,697	-	-	5,326	-	-	-	-	-	-	35,896	-	1,017	-	-	-
	Durfee Total		91,142	1,349	17,237	-	-	5,326	-	-	-	-	13,603	-	49,716	-	3,911	-	-	-
204	Fairway-LA Design ROW Constr Lemon	(036)	8,231	-	-	-	-	-	-	-	60	-	8,171	-	-	-	-	-	-	-
		n/a	31,603	n/a	-	-	-	-	-	-	-	-	657	-	30,946	-	-	-	-	-
		n/a	99,523	-	-	-	-	71,000	-	-	-	-	-	-	18,607	-	-	-	-	9,916
		n/a	19,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19,000
	Fairway-LA Total		158,357	-	-	-	-	71,000	-	-	60	-	8,828	-	49,553	-	-	-	-	28,916
207	Fullerton Design ROW Constr	n/a	10,698	-	-	-	-	-	-	-	-	-	1,970	-	8,728	-	-	-	-	-
		n/a	27,061	-	-	-	-	-	-	-	-	-	17,739	-	9,322	-	-	-	-	-
		n/a	114,625	-	-	-	-	53,366	-	-	-	-	8,001	-	40,912	-	4,508	-	-	7,838
	Fullerton Total		152,383	-	-	-	-	53,366	-	-	-	-	27,709	-	58,962	-	4,508	-	-	7,838
205	Hamilton Design ROW Constr	n/a	1,767	-	-	-	-	-	-	-	-	-	1,242	-	525	-	-	-	-	-
		n/a	22	-	-	-	-	-	-	-	-	-	22	-	-	-	-	-	-	-
		n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Hamilton Total		1,789	-	-	-	-	-	-	-	-	-	1,264	-	525	-	-	-	-	-
209	Montebello Design ROW Constr	n/a	13,530	-	-	-	-	-	-	-	-	-	5,530	-	8,000	-	-	-	-	-
		n/a	29,660	-	-	-	-	-	-	-	-	-	911	-	28,749	-	-	-	-	-
		n/a	103,213	-	-	-	-	-	-	-	-	-	-	-	103,213	-	-	-	-	-
	Montebello Total		146,403	-	-	-	-	-	-	-	-	-	6,441	-	139,961	-	-	-	-	-
250	Nogales-LA Design ROW Constr	(032)	4,706	932	-	-	-	-	-	-	-	-	-	1,766	-	-	-	-	-	2,008
		(035)	51,624	-	6,936	1,109	-	-	-	-	-	-	-	6,877	27,083	-	2,883	-	1,329	5,407
		(032)	64,759	3,321	570	9,535	-	25,600	-	-	-	-	-	-	-	-	-	-	1,946	1,004
	Nogales-LA Total		121,088	4,253	570	9,535	-	25,600	-	-	-	-	6,877	28,849	-	2,883	-	3,275	8,419	-
202	Puente Design ROW Constr	(034)	9,413	-	(0)	-	-	-	-	-	84	-	9,329	-	-	-	-	-	-	-
		n/a	30,768	-	-	-	-	-	-	-	-	-	9,683	-	21,085	-	-	-	-	-
		(040)	57,196	-	-	-	-	48,000	-	-	-	-	984	-	8,212	-	-	-	-	-
	Puente Total		97,377	-	(0)	-	-	48,000	-	-	84	-	19,996	-	29,297	-	-	-	-	-
201	SG Trench Design ROW Constr	(030)	33,458	120	1,881	11,913	-	-	3	27	3,006	1,365	-	-	15,144	-	-	-	-	2
		n/a	33,273	n/a	500	-	-	-	-	-	-	-	-	-	26,856	-	-	-	-	2,185
		(038)	246,026	-	-	-	-	237,778	-	-	-	-	-	-	5,323	-	-	-	-	2,925
	SG Trench Total		312,758	120	2,381	11,913	-	237,778	3	27	3,006	1,365	-	-	42,000	-	-	-	-	5,110
109	Temple Design ROW Constr	(009)	7,267	4,680	-	-	-	-	1,168	151	978	288	-	-	-	-	-	-	-	-
		(009)	12,941	7,768	-	-	-	-	969	1,370	2,260	-	-	-	-	-	-	-	-	574
		(009)	75,425	32,932	3,884	-	-	1,387	-	33	7,589	13,505	5,764	-	6,382	-	-	-	-	-
	Temple Total		95,633	45,380	3,884	-	-	1,387	2,169	9,110	16,743	4,238	5,764	-	6,958	-	-	-	-	-
210	Turnbull Cyn Design ROW Constr	n/a	10,000	-	-	-	-	-	-	-	-	-	1,755	-	8,245	-	-	-	-	-
		n/a	106	-	-	-	-	-	-	-	-	-	106	-	-	-	-	-	-	-
		n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Turnbull Cyn Total		10,106	-	-	-	-	-	-	-	-	-	1,861	-	8,245	-	-	-	-	-

EXHIBIT II - ACE PROJECTS FUNDING BY SOURCE

As of March 31, 2018

(\$ 000's)

Project	Task	Fed #	All																	
			TEA-21	NCPD/STP	SAFETEA	ITIP	ISTEA/CMQ	FRA/PLUC	TCRP	Prop 1B	MTA 1	MTA 2	MTA 3	MTA 4	MTA 5	MTA 6	MTA 7	Railroad	Prop Sale	Cities/Better
101	Ramona		4,355	3,560	-	-	-	-	-	-	-	795	-	-	-	-	-	-	-	-
	Design	(002)	8,156	2,400	-	-	-	-	-	-	-	215	5,494	48	-	-	-	-	-	-
	ROW	(002)	40,580	16,684	4,158	5,533	-	-	-	-	8,083	2,324	1,680	-	-	-	1,000	-	-	1,119
	Constr	(002)	53,091	22,644	4,158	5,533	-	-	-	1,010	13,577	2,372	1,680	-	-	-	1,000	-	-	1,119
	Ramona Total		4,034	2,560	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
105	Nogales-AH		17,231	12,970	2,397	3,407	-	-	-	700	1,940	-	-	-	-	-	-	-	-	(4,185)
	Design	(005)	28,534	1,841	-	21,580	-	-	-	382	225	-	-	-	-	-	-	-	-	100
	ROW	(005)	49,798	17,372	2,397	26,460	-	-	-	1,082	2,166	-	-	-	-	-	-	-	-	100
	Constr	(005)	4,739	-	-	-	-	-	-	-	-	339	-	-	-	-	-	-	-	-
	Design	(200)	3,326	100	-	1,673	-	-	-	-	-	565	888	-	-	-	-	-	-	-
	ROW	(206)	85,797	-	-	-	-	-	-	-	-	14,607	16,691	345	-	-	-	-	-	-
	Constr	TCRP	93,862	100	-	1,673	-	-	52,220	-	-	15,511	16,691	1,232	-	-	-	-	-	6,434
	Sunset Total		4,295	1,952	1,240	952	-	-	-	97	54	-	-	-	-	-	-	-	-	6,434
110	East End		4,478	3,131	-	1,347	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Design	(003)	3,620	2,896	-	600	-	-	-	122	2	-	-	-	-	-	-	-	-	-
	ROW	(210)	9,431	5,718	-	2,255	-	-	-	286	919	253	-	-	-	-	-	-	-	-
	Design	(010)	57,176	-	-	407	-	-	46,780	-	433	9,557	-	-	-	-	-	-	-	-
	Constr	TCRP	79,000	13,657	1,240	5,561	-	-	46,780	122	818	10,530	253	-	-	-	-	-	-	-
	EE/Reservoir Total		4,556	1,191	-	410	-	-	2,500	-	-	455	-	-	-	-	-	-	-	-
111	Brea Canyon		12,881	-	1,485	5,521	-	-	5,000	21,007	-	3,875	2,000	-	-	-	-	-	-	8,715
	Design	(019)	56,466	-	-	-	-	-	5,000	21,007	-	21,745	-	-	-	-	-	-	-	8,715
	ROW	(027)	73,903	1,191	1,485	5,521	410	-	5,000	25,507	-	26,075	-	-	-	-	-	-	-	8,715
	Constr	TCRP	8,057	6,072	-	265	-	-	-	1,541	-	179	-	-	-	-	-	-	-	-
	Design	(001)	3,582	2,866	-	-	-	-	-	612	239	(134)	-	-	-	-	-	-	-	-
	ROW	(001)	11,639	8,938	-	265	-	-	-	2,153	239	45	-	-	-	-	-	-	-	-
	Constr	(001)	242	240	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-
	Design	(006)	158	160	-	-	-	-	-	-	(2)	-	-	-	-	-	-	-	-	-
	ROW	(006)	2,670	1,978	-	-	-	-	-	515	96	81	-	-	-	-	-	-	-	-
	Constr	(015)	4,832	3,863	-	-	-	-	-	517	94	81	-	-	-	-	-	-	-	-
	Constr	(015)	2,936	2,164	-	-	-	-	-	888	38	43	-	-	-	-	-	-	-	-
	Design	(006)	3,553	2,845	-	-	-	-	-	374	167	231	-	-	-	-	-	-	-	-
	ROW	(008)	4,991	3,992	-	-	-	-	-	96	615	(2)	-	-	-	-	-	-	-	-
	Constr	(014)	3,520	2,502	-	-	-	-	-	1,000	(1)	-	-	-	-	-	-	-	-	-
	Constr	(021)	34,141	26,282	-	265	-	-	-	4,028	2,880	686	-	-	-	-	-	-	-	-
	JS/Safety/IRIS Total		1,664,113	134,053	17,464	66,886	38,982	13,283	22,544	130,300	468,808	84,800	27,567	108,585	28,849	400,000	15,349	3,002	-	66,651
	Total Projects		21,436	-	-	-	-	-	-	-	-	5,726	1,261	200	1,000	3,739	-	-	-	9,510
	Start-up/Misc	MTA	1,685,550	134,053	17,464	66,886	38,982	13,283	22,544	130,300	468,808	85,000	28,567	112,324	28,849	400,000	24,858	3,002	-	66,651
	Total ACE		1,685,550	134,053	17,464	66,886	38,982	13,283	22,544	130,300	468,808	85,000	28,567	112,324	28,849	400,000	24,858	3,002	-	66,651
	Net Authorized		1,685,550	134,053	17,464	66,886	38,982	13,283	22,544	130,300	468,808	85,000	28,567	112,324	28,849	400,000	24,858	3,002	-	66,651
	Allocated to Projects		11,510	(0)	0	(0)	0	(0)	(0)	(0)	(0)	0	0	0	0	0	0	0	0	0
	Surplus / (Shortfall)		282	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Net Income		11,792	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Surplus / (Shortfall)		11,792	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

MTA 1 : MOUNTAIN STATES  
 MTA 2 : MOUNTAIN STATES  
 MTA 3-5 : AMENDMENTS TO MOUNTAIN STATES  
 MTA 6 : MOUNTAIN STATES (Nogales-LA)  
 MTA 7 : MOUNTAIN STATES (Measure R-Phase II)

**Exhibit II - ACE PROJECTS FUNDING BY SOURCE**  
**Changes in Funding on Active Projects**  
**As of March 31, 2018**  
**(\$ 000's)**

Project	Task	12/31/2017	SAFETEA-LU	TCIF	102-3M MTA 5	28,849M MTA 6	Meas R MTA 7	Railroad	Prop Sale	3/31/2018	Comments
At-Grade Crossing	Design	4,463								4,463	
	ROW	1,075								1,075	
	Constr	17,378			(2,299)		2,299			17,378	Swapped Prop C with Meas R
At-Grade Crossing Total		22,916								22,916	
Durfee	Design	9,046			694					9,740	
	ROW	32,624			(158)					32,466	
	Constr	49,473	2,814				(4,368)		1,017	48,936	Based on current budget Based on current budget SAFETEA-LU from Nogales project
Durfee Total		91,143								91,142	
Fairway-LA	Design	8,231								8,231	
	ROW	31,603								31,603	
	Constr	99,523								99,523	
Lemon		19,000								19,000	
Fairway-LA Total		158,357								158,357	
Fullerton	Design	10,698								10,698	
	ROW	26,625				435				27,060	
	Constr	115,061		(2,767)		2,331				114,625	Based on current budget Moved Prop C to other projects
Fullerton Total		152,384								152,383	
Montebello	Design	13,530			907		(907)			13,530	
	ROW	29,660			(345)		345			29,660	Allocated Prop C Swapped Prop C with Meas R
	Constr	103,348					(135)			103,213	Reduced Meas R
Montebello Total		146,538								146,403	
Nogales-LA	Design	4,706								4,706	
	ROW	50,295						1,329	51,624	51,624	
	Constr	66,087	(3,275)					1,946	64,758	64,758	For anticipated ROW settlements SAFETEA-LU for de-obligation
Nogales-LA Total		121,088								121,088	
Puente	Design	9,413								9,413	
	ROW	30,828				(60)				30,768	
	Constr	57,136				60				57,196	Based on current budget Based on current budget
Puente Total		97,377								97,377	
SG Trench	Design	33,458								33,458	
	ROW	33,273								33,273	
	Constr	246,026								246,026	
SG Trench Total		312,757								312,757	
Temple	Design	7,267								7,267	
	ROW	12,939						2		12,941	
	Constr	75,427			3,968		(2,562)		(600)	76,233	
Temple Total		95,633								96,441	
Turnbull Cyn	Design	10,000								10,000	
	ROW	106								106	
	Constr	10,106								10,106	
Turnbull Cyn Total		15,089								15,089	
Start-up/Admin	N/A										
NET CHANGE			(461)					(2,560)	3,692	671	

# Exhibit III

## ACE Projects Allocation vs. Actual Summary

As of March 31, 2018

(\$ 000's)

Project	Cost Estimate (1997)	Cost Estimate (2006)	(Exhibit II) Total Allocated to Projects	ITD Expenditures (Exhibit V)	Estimate at ** Completion Exhibit IV	Variance (Allocated vs. Estimate at Completion)	Status
Start-up/Misc			\$ 21,436	\$ 19,904			
<b>ACE Projects</b>							
1 At-Grade Crossing Safety Improvements	N/A	N/A	\$ 22,916	\$ 2,091	\$ 22,916	\$ -	Active
2 Durfee Road	N/A	N/A	91,143	27,383	91,143	-	Active
3 Fairway Drive (LA)	N/A	N/A	158,357	95,155	178,916	(20,559)	Active
4 Fullerton Road	N/A	N/A	152,383	57,555	152,384	(1)	Active
5 Montebello Corridor	N/A	N/A	146,403	6,389	160,045	(13,642)	Active
6 Nogales South (LA)	24,307	N/A	121,088	117,587	120,772	316	Active
7 Puente Avenue	N/A	N/A	97,377	81,051	97,377	-	Active
8 San Gabriel Trench	198,205	N/A	312,758	271,733	293,671	19,087	Active
9 Temple Avenue	35,985	80,272	95,633	94,681	94,825	808	Active
10 Turnbull Canyon Road	N/A	N/A	10,106	1,105	10,000	106	Preliminary
11 Baldwin Avenue	23,994	64,765	70,365	70,365	70,365	-	Closed
12 Brea Canyon	26,571	64,401	73,903	73,459	73,903	-	Closed
13 Crossing Safety/JRRIS	61,000	35,200	34,141	34,343	34,141	-	Closed
14 East End/Reservoir	56,571	69,180	79,000	78,960	79,000	-	Closed
15 Hamilton Blvd.	N/A	N/A	1,789	1,789	1,789	-	Closed
16 Nogales North (Alh)	39,636	54,599	49,798	49,797	49,798	-	Closed
17 Ramona Blvd.	14,489	47,102	53,091	53,091	53,091	-	Closed
18 Sunset Avenue	22,259	70,502	93,862	93,794	93,862	-	Closed
<b>Subtotal</b>	<b>\$ 503,017</b>	<b>\$ 486,021</b>	<b>1,685,550</b>	<b>\$ 1,230,231</b>	<b>\$ 1,677,998</b>	<b>\$ (13,885)</b>	
<b>Estimated Total Project Cost</b>	<b>\$ 950,000</b>	<b>\$ 1,400,000</b>					
<b>Net Authorized Allocated Available</b>	<b>\$ 1,697,059,268</b>	<b>1,685,549,532</b>					
			<b>\$ 11,509,736</b>				

\*\* Excludes Start-up/Misc of \$21.436M to agree with Exhibit-IV EAC.

## Exhibit IV Expenditure Forecast (Active Projects)

As of March 31, 2018  
(\$ millions)

ITD	Budget		Estimate <sup>A</sup>		Forecast			EAC <sup>C</sup>	
	2017	2018	2018	2019	2020	2021	2022 <sup>B</sup>	Q2 FY18	Q3 FY18
<b>Active Projects</b>									
At-Grade Crossing Safety	1.5	1.8	0.8	1.4	9.9	9.0	0.3	22.9	22.9
Durfee Road	23.5	16.3	4.4	14.0	26.4	21.5	1.3	91.1	91.1
Fairway Drive (LA)	77.4	45.8	28.3	28.8	21.4	20.0	3.0	178.9	178.9
Fullerton Road	50.7	25.8	11.8	33.9	30.2	25.8		152.4	152.4
Montebello Corridor	4.6	5.8	2.7	23.3	29.9	30.3	69.2	160.0	160.0
Nogales (LA)	117.0	1.7	0.8	3.0				120.8	120.8
Puente Ave	70.1	21.1	14.1	13.2				97.4	97.4
San Gabriel Trench	256.3	22.9	18.6	18.8				293.7	293.7
Temple	94.0	0.9	0.7	0.1				94.8	94.8
Turnbull Canyon Rd	0.7	1.8	1.0	4.0	4.3			10.0	10.0
<b>Completed Projects</b>									
Baldwin	70.4							70.4	70.4
Brea Cyn	73.4							73.9	73.9
Crossing Safety/IRRIS	34.2							34.2	34.2
East End/Reservoir	79.0							79.0	79.0
Hamilton Blvd.	1.8							1.8	1.8
Nogales (Alh)	49.6							49.8	49.8
Ramona	53.1							53.1	53.1
Sunset	93.8							93.8	93.8
<b>Total</b>	<b>1,151.1</b>	<b>143.9</b>	<b>83.2</b>	<b>140.5</b>	<b>122.1</b>	<b>106.6</b>	<b>73.8</b>	<b>1,678.0</b>	<b>1,678.0</b>

<sup>A</sup> Note: Project forecasts include indirect cost.

<sup>B</sup> 2018 estimate includes mid-year adjustments

<sup>C</sup> Includes costs beyond FY 2022

<sup>D</sup> EAC includes 2018 estimate

# Exhibit V

## ACE Expenditures vs. Reimbursements

As of March 31, 2018

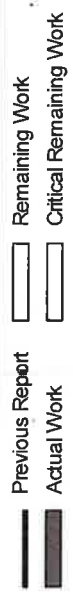
Reimbursement Status (\$ 000)										
Projects	ITD Expenditures	Received	Current / 30 Days or less	Aged Receivable	To Be Billed	MTA Retention				
At Grade Crossing	\$ 2,091	\$ 1,899	-	-	\$ 190	\$ 2				
Durfee	27,383	26,557	-	-	771	55				
Fairway Drive	81,302	78,484	-	-	2,696	122				
Fairway-Lemon Betterment	13,853	6,672	2,401	4,777	3	-				
Fullerton	57,555	54,547	-	-	2,715	293				
Montebello	6,389	6,125	-	-	255	10				
Nogales (LA)	117,587	111,104	-	1,732	4,291	460				
Puente Ave.	81,051	79,385	-	-	1,612	55				
SG Trench	271,733	269,253	2,395	-	72	13				
Temple	94,681	94,457	-	-	5	219				
Turnbull Cyn.	1,105	988	-	-	79	38				
Baldwin	70,365	70,363	-	-	-	2				
Brea Canyon	73,459	73,459	-	-	-	-				
Crossing Safety / IRRIS	34,343	34,343	-	-	-	-				
EE/Reservoir	78,960	78,960	-	-	-	-				
Hamilton	1,789	1,789	-	-	-	-				
Nogales (AH)	49,797	49,797	-	-	-	-				
Ramona	53,091	53,091	-	-	-	-				
Sunset	93,794	93,794	-	-	-	-				
<b>Sub-total Projects</b>	<b>1,210,326</b>	<b>1,185,066</b>	<b>4,796</b>	<b>6,509</b>	<b>12,688</b>	<b>1,266</b>				
Project Administration	19,904	19,849	-	-	55	-				
<b>Total ACE</b>	<b>\$ 1,230,230</b>	<b>\$ 1,204,915</b>	<b>\$ 4,796</b>	<b>\$ 6,509</b>	<b>\$ 12,743</b>	<b>\$ 1,266</b>				

# Exhibit VI Project Schedules As of 03/30/18

Activity Name	FY2018				FY2019				FY2020				FY2021				FY2022				
	F01	F02	F03	F04	F01	F02	F03	F04	F01	F02	F03	F04	F01	F02	F03	F04	F01	F02	F03	F04	
<b>ACTIVE PROJECTS</b>																					
<b>At-Grade Crossing Safety</b>																					
Design																					
Construction																					
Closeout (Extends beyond reporting period)																					
<b>Durfee Avenue</b>																					
ROW Acquisition																					
Design																					
Construction																					
Caltrans Closeout (Extends beyond reporting period)																					
<b>Fairway Drive (LA)</b>																					
ROW Acquisition (Completed)																					
Design (Completed)																					
Construction (Extends beyond reporting period)																					
Caltrans Closeout (Occurs after reporting period)																					
<b>Fullerton Road</b>																					
ROW Acquisition (Completed)																					
Design (Completed)																					
Construction																					
Caltrans Closeout (Occurs after reporting period)																					
<b>Montebello Corridor</b>																					
Design																					
ROW Acquisition																					
Construction (Extends beyond reporting period)																					
Caltrans Closeout (Occurs after reporting period)																					
<b>Nogales (LA)</b>																					
Design (Completed)																					
ROW Acquisition (Completed)																					
Construction (Completed)																					
Caltrans Closeout																					
<b>Puente Avenue</b>																					
ROW Acquisition (Completed)																					
Design (Completed)																					
Construction																					
Caltrans Closeout																					

# Exhibit VI Project Schedules As of 03/30/18

Activity Name	FY2018				FY2019				FY2020				FY2021				FY2022			
	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4
<b>San Gabriel Trench</b>																				
Design (Completed)																				
ROW Acquisition (Completed)																				
Construction																				
Caltrans Closeout																				
<b>Turbull Canyon</b>																				
Design																				
ROW Acquisition																				
Construction (Extends beyond reporting period)																				
Caltrans Closeout (Occurs after reporting period)																				
<b>COMPLETED AND CLOSED</b>																				
<b>No Projnum</b>																				
Nogales Street (Alh)																				
Ramona Blvd																				
Brea Canyon Blvd																				
Crossing Safety/IRRIS																				
East End/Reservoir																				
Sunset Avenue																				
Temple Ave																				
Hamilton Blvd																				
Baldwin Ave																				



# Exhibit VII

## Treasury / Banking Investments

As of March 31, 2018

	<u>03.31.2018</u>	<u>Change</u>	<u>12.31.2017</u>
<b><u>Cash on hand</u></b>			
Operating Account	\$ 2,975,584	\$ 376,317	\$ 2,599,267
Money Market Account (2)	10,140,171	5,315,871	4,824,300
Money Market (UPRR Contributions)	7,715,275	5,003,134	2,712,141
<b>Total cash on hand</b>	<u>20,831,030</u>	<u>10,695,323</u>	<u>10,135,707</u>
<b><u>Investments</u></b>			
LAIF	1,606,352	4,862	1,601,490
CBT - Fixed Income at cost	26,446,746	145,174	26,301,572
<b>Total investments</b>	<u>28,053,098</u>	<u>150,036</u>	<u>27,903,062</u>
<b><u>Current - 30 days or less</u></b>	<u>4,796,307</u>	<u>(5,575,424)</u>	<u>10,371,731</u>
<b><u>Aged Receivable</u></b>	<u>6,509,275</u>	<u>1,129,937</u>	<u>5,379,338</u>
<b><u>To Be Billed</u></b>	<u>12,743,477</u>	<u>(5,689,650)</u>	<u>18,433,127</u>
<b><u>MTA Retention</u></b>	<u>1,266,316</u>	<u>246,965</u>	<u>1,019,351</u>
<b>Total Exhibit V</b>	<u>25,315,374</u>	<u>(9,888,172)</u>	<u>35,203,546</u>
Other receivables, prepaids and deferred costs	<u>3,802,547</u>	<u>(2,608,585)</u>	<u>6,411,132</u>
<b>Total Cash, Cash Equivalents &amp; Receivables</b>	<u>78,002,048</u>	<u>(1,651,399)</u>	<u>79,653,447</u>
<b><u>Liabilities</u></b>			
Payables & other Accruals	1,201,581	(6,743)	1,208,324
Unearned revenues	18,685,570 (a.)	(990,044)	19,675,614
MTA Working Capital Loan	45,000,000	-	45,000,000
<b>Total liabilities</b>	<u>64,887,151</u>	<u>(996,787)</u>	<u>65,883,938</u>
<b>Fund balance</b>			
Resources net of actual liabilities	<u>13,114,897</u>	<u>(654,612)</u>	<u>13,769,509</u>
Less estimated:			
CalPERS - Hypothetical termination liability	6,347,036 (b.)	-	6,347,036
<b>Resources net of estimated liabilities</b>	<u>6,767,861</u>	<u>(654,612) (c.)</u>	<u>7,422,473</u>

- a.) Represents surplus property appraised value, net proceeds from sale of ROW surplus properties, advanced UPRR funding, disallowed retention, and Betterment funds billed in advance to City of Industry for Fairway Drive and Fullerton projects.
- b.) Updated based on CalPERS's annual valuation report as of June 30, 2016.
- c.) Decrease is due to Temple 4th track current fiscal year expenditures applied to UPRR contributions received in prior year, and unrealized decrease in market value of fixed cost portfolio securities.

# Exhibit VII

## Treasury / Banking Investments

As of March 31, 2018

Deposit/ Investment Amount 03.31.18	% of Invest- ments	Bank Deposits	Maximum Maturity	Maximum Percent of Portfolio	Maximum Investment in One Issuer
		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 New York Mellon in eligible securities. The CBB deposits accounts are:			
\$ 2,975,584		Checking Account			
17,855,446		Money Market Accounts (3) *			
20,831,030		Total Deposits			
		<b>Permitted Investments **</b>			
\$ 10,435,882	37.20%	Government Securities (3.74 - 5.00 years)	5 years	50%	15% <=
7,512,751	26.78%	Corporate Bonds (4.21 - 4.99 years)	5 years	30%	10% <=
2,424,130	8.64%	Gov't Mortgages (4.13 - 4.80 years)	5 years	15%	None stated
1,164,564	4.15%	Municipals (1.42 - 5.03 years)	None stated	None stated	None stated
3,533,429	12.60%	CDs (2.95 - 5.01 years)	5 years	30%	10% <=
1,375,990	4.90%	Cash and Cash Equivalents	None stated	None stated	None stated
\$ 26,446,746	94.27%	Subtotal Investments - Book value *			
1,606,352	5.73%	State's Local Agency Investment Fund	None stated	None stated	None stated
28,053,098	100.00%	Total Investments			
\$ 48,884,128		<b>Total</b>			

# Fixed Income Investments Portfolio

## March 31, 2018

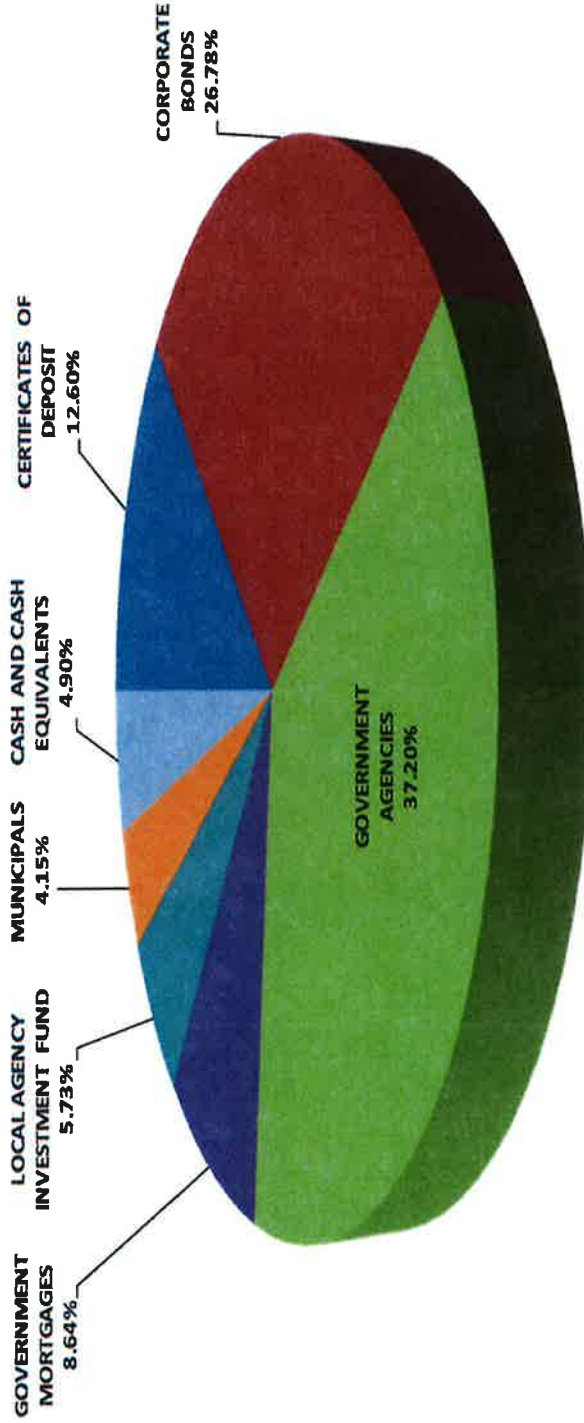
Cusip	Name	Coupon	Maturity	Yield to Maturity	Purchase Date	Maturity Date	Current Price	Par Value	Market Value	Current Book Value	
3130A88N9	Federal Home Loan Bank	1.64		2.246	6/14/2016	6/14/2021	97.147	100,000	97,147	100,000	
3130A88T6	Federal Home Loan Bank	1.48		2.255	7/28/2016	7/13/2021	96.380	200,000	192,760	200,000	
3130A93S4	Federal Home Loan Bank	1.70		2.407	10/12/2016	10/12/2021	96.587	600,000	580,122	600,000	
3130A93S6	Federal Home Loan Bank	1.80		2.429	11/30/2016	11/26/2021	97.059	300,000	291,177	299,727	
3133E7Z91	Federal Farm Credit Bank	1.62		2.218	4/12/2016	4/12/2021	97.182	500,000	485,910	499,545	
3134G93Q8	Freddie Mac	1.68		2.659	8/25/2016	8/25/2021	95.443	400,000	381,772	400,000	
3134G93L7	Freddie Mac	1.60		2.284	8/25/2016	8/25/2021	96.783	700,000	677,481	700,000	
3134GAE00	Freddie Mac	1.50		2.274	3/30/2016	3/30/2021	96.707	1,000,000	967,070	999,480	
3134GAHK3	Freddie Mac	1.60		2.424	9/30/2016	9/30/2021	96.141	800,000	769,128	799,480	
3134GARB2	Freddie Mac	1.60		2.551	10/27/2016	10/27/2021	95.558	300,000	286,674	300,000	
3134GAZR8	Freddie Mac	2.05		2.640	12/30/2016	12/30/2021	97.352	200,000	194,504	200,000	
3134GBUJ9	Freddie Mac	2.15		2.783	6/29/2017	6/29/2022	97.063	500,000	485,315	500,000	
3134GB3D2	Freddie Mac	2.20		2.631	11/29/2017	11/29/2022	98.186	500,000	490,930	500,000	
3134GB7F3	Freddie Mac	2.50		2.795	12/29/2017	12/29/2022	98.632	400,000	394,528	400,000	
3135G0N66	Fannie Mae	1.40		2.159	8/25/2016	8/25/2021	96.420	400,000	385,680	400,000	
3135G1C98	Fannie Mae	1.42		1.861	5/11/2016	4/13/2021	98.413	150,000	147,620	150,899	
3135G35G6	Fannie Mae	1.55		2.293	9/23/2016	9/23/2021	96.506	900,000	865,060	999,720	
3135G37C4	Fannie Mae	1.60		2.378	9/30/2016	9/30/2021	96.353	200,000	192,640	200,000	
3135G4GF4	Fannie Mae	1.55		2.335	10/31/2016	10/28/2021	96.320	200,000	192,640	200,000	
3135G3XZ3	Fannie Mae	1.50		2.265	7/28/2016	7/28/2021	96.399	300,000	286,197	300,000	
3135G4EV1	Fannie Mae	1.63		2.533	10/28/2016	10/28/2021	95.760	250,000	239,400	249,686	
3135G3C78	Fannie Mae	1.55		2.257	7/28/2016	7/28/2021	96.674	200,000	193,348	200,000	
880591EL2	Tenn Valley Authority DTD	3.88		2.939	9/19/2016	2/15/2021	103.846	500,000	519,230	537,647	
<b>37.20% Government Securities (3.74 - 5.00 years)</b>											
06740KHJ9	Barclays Bank/Delaware	1.60		1.660	7/18/2014	7/23/2018	99.769	10,400,000	10,093,870	10,435,882	
87184YML5	Synchrony Bank DTD	1.50		2.332	6/29/2016	6/29/2021	96.329	250,000	240,821	250,000	
05580AFA7	BMW Bank North America	1.20		1.906	9/13/2016	8/26/2021	97.977	250,000	244,942	249,463	
02006LMA2	Ally Bank Medium	1.30		1.977	9/15/2016	9/16/2021	98.036	250,000	245,090	250,000	
140420QF0	Capital One Bank USA	2.20		2.335	7/7/2015	10/16/2021	99.251	150,000	161,780	163,462	
02587DWK0	American Expr Centurion	2.20		2.367	7/1/2015	11/29/2021	99.303	170,000	168,815	170,624	
05580AC25	BMW Bk North America DTD	1.65		2.441	10/8/2015	9/30/2020	98.875	250,000	247,168	250,950	
140420F21	Capital One Bank Medium	2.20		2.412	9/14/2016	9/14/2021	96.427	250,000	241,088	250,000	
140420Y63	Capital One Bank Medium	2.306		2.306	5/4/2016	5/4/2021	96.680	250,000	241,701	250,415	
949763AW6	Wells Fargo Bank	1.30		1.980	9/14/2016	9/16/2021	98.026	200,000	245,064	250,000	
619165GX5	Morton Community Bank	1.60		2.268	12/16/2016	16/16/2020	98.764	200,000	195,528	200,000	
14042RAR2	Capital One NA Medium	2.20		2.438	10/8/2016	10/7/2020	98.866	200,000	197,772	199,230	
254672W20	Discover Bank DTD	1.85		2.421	12/14/2016	12/14/2020	97.835	200,000	195,669	200,000	
949748W3	Wells Fargo Bank CD	1.75		2.390	6/17/2016	6/17/2021	97.000	250,000	242,459	251,561	
949763AZ9	Wells Fargo Bank	1.65		2.417	9/14/2016	9/14/2021	96.408	250,000	241,031	250,000	
36157QTF4	GE Capital Retail Bank	2.00		2.066	11/22/2013	11/23/2018	99.688	250,000	249,221	248,725	
<b>12.60% CDs (2.95 - 5.01 years)</b>											
437076BB7	Home Depot	2.25		2.264	11/7/2013	9/10/2018	99.934	3,533,000	3,457,950	3,533,444	
40428HPJ5	HSBC USA INC	2.63		2.629	12/4/2013	9/24/2018	99.984	1,000,000	999,340	1,002,195	
713448SN7	PepsiCo Inc	4.50		3.786	1/29/2015	1/15/2020	103.202	100,000	999,840	1,002,929	
911312AMB	United Parcel Service DTD	3.13		2.943	6/10/2016	1/15/2021	100.778	185,000	186,439	186,439	
440452AE0	Hormel Foods Corp	4.13		3.250	1/31/2016	4/15/2021	103.415	500,000	517,075	530,099	
14912LSU0	Caterpillar Financial Serv Corp	1.70		2.621	9/9/2016	8/9/2021	95.778	1,748,000	1,672,284	1,738,545	
02655WBG5	American Honda Finance	1.70		2.623	9/15/2016	9/9/2021	95.714	1,400,000	1,339,936	1,392,034	
06406RAA5	Bank of NY Mellon Corp	2.60		3.073	10/18/2017	2/7/2022	98.103	1,011,000	981,181	1,042,303	
166764AT7	Chevron	2.60		3.072	7/26/2017	3/3/2022	97.986	370,000	362,548	373,320	
244199SE4	Deere & Co	2.60		3.128	7/26/2017	6/8/2022	97.630	150,000	146,445	152,779	
<b>26.74% Corporate Bonds (4.21 - 4.99 years)</b>											
31381NM83	Federal Nat'l Mlge Assn#FN485783	3.84		3.716	12/10/2015	9/1/2020	100.532	152,211	153,021	162,057	
31381C5P7	Fannie Mae Pool #48054	3.627		3.627	11/21/2013	6/1/2018	99.846	444,098	443,413	480,875	
31381SDV1	Fannie Mae Pool #469116 DTD	2.94		2.975	4/29/2013	10/1/2018	99.847	613,899	612,960	648,335	
31407RTU8	Fannie Mae Pool #838563	5.00		4.606	4/29/2018	10/1/2020	101.561	55,470	56,336	58,893	
3137A6B27	Freddie Mac	4.33		3.400	10/25/2020	10/3/2019	103.571	155,458	161,009	171,733	
3137A8PP7	Freddie Mac	4.19		3.311	9/7/2016	12/25/2020	103.483	321,608	332,809	355,226	
3137A8FH9	Freddie Mac	3.99		3.230	9/7/2016	6/25/2021	103.351	456,000	512,619	547,013	
<b>8.64% Govt Mortgages (4.13 - 4.80 years)</b>											
010831M6	Alameda County JPA	5.00		4.473	11/21/2013	12/1/2018	101.493	2,236,744	2,272,166	2,424,130	
758148SY0	Reed Calif Union School District	4.00		3.804	11/18/2013	8/1/2018	100.839	440,000	450,349	455,993	
91412GS71	Univ of California	1.61		2.035	12/13/2017	5/15/2019	99.408	310,000	252,098	259,656	
13066YT22	California State Dept of Water Resources PW	2.00		2.773	1/22/2018	5/11/2022	96.903	150,000	308,165	308,698	
<b>4.15% Municipals (1.42 - 5.03 years)</b>											
31607A208	Fidelity Prime Mon Mar-lins	1.00		1.000	10/7/2015	10/7/2015	100.519	1,150,000	1,155,966	1,164,564	
	Cash	1.00					100.000	1,350,577	1,350,577	1,350,577	
		1.00					100.000	25,413	25,413	25,413	
<b>4.90% Cash and Cash Equivalents</b>									<b>1,375,990</b>	<b>1,375,990</b>	
<b>TOTAL (Dollars)</b>									<b>\$ 26,158,733</b>	<b>\$ 25,674,931</b>	<b>\$ 26,446,746</b>

# Fixed Income Investments at 03-31-2018 - Summary



Alameda Corridor - East Construction Authority  
Office of ACE Construction Authority Finance Director/Treasurer

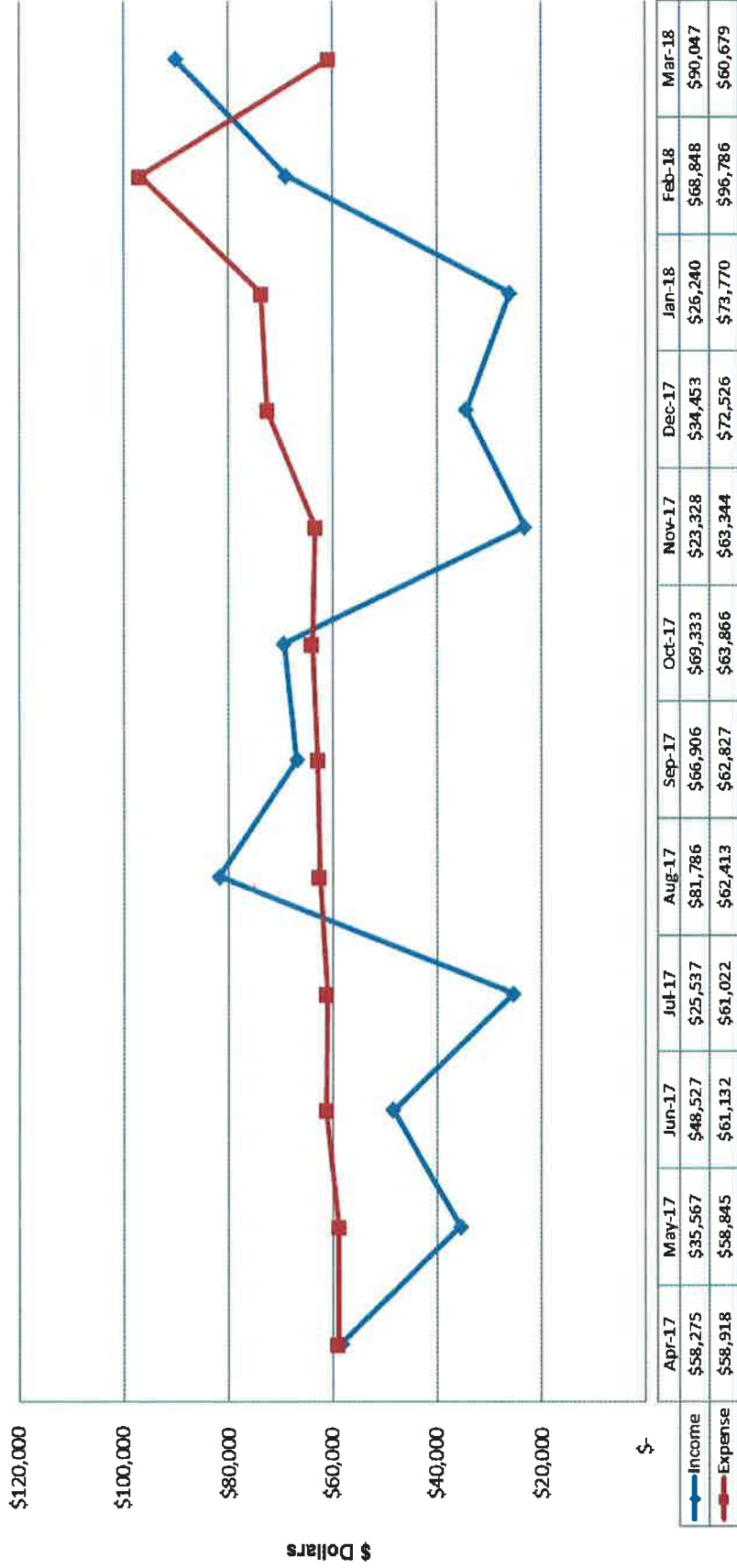
ASSET ALLOCATION	Current Par Value	Current Book Value	Market Value	Mkt/Book
Assets (Dollars)				
CERTIFICATES OF DEPOSIT	3,533,000	3,533,429	3,457,950	97.86%
CORPORATE BONDS	7,462,000	7,512,751	7,318,991	97.42%
GOVERNMENT AGENCIES	10,400,000	10,435,882	10,093,870	96.72%
GOVERNMENT MORTGAGES	2,238,744	2,424,130	2,272,165	93.73%
LOCAL AGENCY INVESTMENT FUND	1,606,352	1,606,352	1,606,352	100.00%
MUNICIPALS	1,150,000	1,164,564	1,155,966	99.26%
CASH AND CASH EQUIVALENTS	1,375,990	1,375,990	1,375,990	100.00%
<b>Totals (Dollars)</b>	<b>27,766,085</b>	<b>28,053,098</b>	<b>27,281,283</b>	<b>97.25%</b>



**Fixed Income Composition by Book Value**

**Par Value:** Or face value is the amount of money redeemed to the bondholder once the bonds matures  
**Book Value :** Is the par value or face value plus any unamortized premiums or less any unamortized discounts.  
**Market Value:** Is the current price at which the bond is trading  
**Mkt/Book:** Measures the market value over the book value of a bond.

# ACE Constuction Authority Cost of Borrowing



# Contract Audit Status Report (1/1/18 to 3/31/18)

## Contract Audits Completed This Quarter

Contractor	Project	Audit Period	Value	Questioned Costs
HDR Engineering	Temple	Close-out	\$91,344	\$0
Kimley Horn (sub to Biggs Cardosa)	Fullerton	Post-award	\$539,636	\$0
Lee Andrews Group	Various	1/1/14-12/31/15	\$1,725,208	(\$22,680)
PreScience Corp	Durfee	Post-award	\$235,979	\$1,084
<b>Total</b>				<b>(\$21,596)</b>

# Contract Audit Status Report (Through 3/31/18)

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 / 189	(\$21,596)	\$4,438,104	23*
<b>Total</b>	<b>4 / 319</b>	<b>(\$21,596)</b>	<b>\$4,865,624</b>	<b>23</b>

	Previous Quarter	Add/(Deduct) This Quarter	Less: Completed	To Be Done *
	Audits needed to get through 2017 costs For Close-out	4	8	1
New contracts subject to audit	3	3	1	5
Internal Audit	3	4	2	5
	2	0	0	2
<b>Total (ACE)</b>	<b>12</b>	<b>15</b>	<b>4</b>	<b>23</b>

Audits needed to get through 2017 costs For Close-out  
 New contracts subject to audit  
 Internal Audit  
 Total (ACE)