



Alameda Corridor-East Construction Authority

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

ACE Construction Authority Board of Directors Special Meeting January 23, 2017 Minutes

Chairman Hadjinian called the meeting of the Board of Directors of the Alameda Corridor-East Construction Authority to order at 1:03PM at the Montebello Council Chambers.

1. **Pledge of Alliance** – Javier Hernandez, Deputy to LA County Supervisor Hilda Solis led the pledge of allegiance.
2. **Roll Call:** Chairman Hadjinian welcomed new Board member Pomona Mayor Tim Sandoval.
In attendance was:
Jack Hadjinian, Chair
Juli Costanzo, Vice Chair
Tim Sandoval
Victoria Martinez
Hilda Solis

Staff:

Mark Christoffels, CEO
Gregory Murphy, Burke, Williams & Sorensen, legal counsel
Deanna Stanley
Amy Hanson
Cecilia Cardenas
Charles Tsang
Genichi Kanow
Paul Hubler
Phil Balmeo
Rachel Korkos
Ricky Choi
Victoria Butler

Guests:

Pat Somerville, HNTB
Tanja Brix, HNTB
Charlie Nakamoto
Hank Fung, Los Angeles County Public Works
Keith Gillfillan, Moffatt Nichol
Phil Hawkey, SGVCOG
Cindy Manan, OSM
Alan Sozio, Burke, Williams, Sorensen

3. **Public Comments** – Judy Mooradian, AM Disposal addressed the Board. Mrs. Mooradian indicated ACE purchased her property for the Pico Rivera grade separation project. She reported that she purchased an undeveloped property to relocate her business and under the terms of the agreement with ACE was due to vacate the Pico Rivera property by April 1. She

indicated that due to the unusual excessive rainfall, an act of God, development of the property has been delayed. She requested the Board direct staff to extend the deadline to June 1st. Legal counsel responded that there was an agreement in place but the staff would determine if the rain was an act of God.

4. **Approval of December 12, 2016 Special Meeting minutes** – A motion was made to approve the December 12, 2016 Special meeting minutes.
M/S/C/Messina/Costanzo/Unanimous
5. **Chairman Remarks** – Chairman Hadjinian expressed his appreciation for serving as Chair and thanked staff for their support. He reminded the Board of the Finance Committee meeting on Thursday, January 26 at 10AM at the ACE Office.
6. **Board Member Comments** – Board members Victoria Martinez and Juli Costanzo thanked Jack Hadjinian for his representing ACE and serving as Chair.
7. **Chief Executive Officer's Report** – Mr. Christoffels reported that a recently completed audit resulted in no findings. He requested Board consider action items moved up on the agenda due to time constraints of members.
8. **Election of Board Officers** – Legal counsel reviewed the procedure for the election of officers. Chairman Hadjinian opened nominations for Chairman. Member Solis nominated for Juli Costanzo to serve as Chair which was seconded by Chairman Hadjinian. There were no other nominations. The nomination for Chair was closed. The Board unanimously approved
Juli Costanzo as Chair.

Chairperson Juli Costanzo opened the nominations for Vice Chair. Member Hadjinian nominated Victoria Martinez to serve as Vice Chair which was seconded by Chairperson Costanzo. There were no other nominations. The nominations for Vice Chair was closed. The Board unanimously approved Victoria Martinez to serve as Vice Chair.

9. **Approval of Budget Amendment** – Mr. Christoffels reviewed the agency's financial obligations to CalPERS for employee retirement benefits. He indicated the ACE employees were covered under a contract with CalPERS through the San Gabriel Valley Council of Governments. He indicated ACE was taking a proactive approach to reduce or eliminate its unfunded liability as well as making additional payments toward termination of the contract. He reminded the Board that these were eligible reimbursement expenses and that increasing the additional payments would affect the existing approved fiscal year budget. He reminded the Board that budget preparation was in April/May and the increased payments began in Summer. He reminded the Board that ACE budget amendments must also be approved by the San Gabriel Valley Council of Governments Governing Board. There were no questions.

A motion was made to approve an amendment to the approved Fiscal Year 2016-2017 budget to increase the retirement expense line item from \$786,500 to \$1,347,100 to pay down ACE's current estimated CalPERS termination liability.

M/S/C/Hadjinian/Martinez/Unanimous

10. **Approval of Award of Contract for Design and Engineering Services with HNTB Corporation for the Turnbull Canyon Grade Separation Project** – Mr. Christoffels reminded the Board that the Turnbull Canyon Grade Separation project was the last project in the ACE Program. The Board approved the selection of HNTB and authorized negotiations. He indicated negotiations have concluded and the scope of work was outlined in the staff report. He reminded the Board that design was approved at various stages of completion and if approved, this would carry the design of the project to 35%. There were no questions.

A motion was made to authorize the Chief Executive Officer to execute a design services contract with HNTB Corporation and issue Task Order No. 1 for preliminary design for \$1,818,209 for the Turnbull Canyon Grade Separation Project.

M/S/C/Solis/Sandoval/Unanimous

11. **Approval of Sewer Relocation Agreement with Los Angeles County Sanitation District No. 2 for the Durfee Avenue Grade Separation Project** – Mr. Christoffels reminded the Board that all ACE projects have significant levels of excavation and almost all meet third party utilities at some point of construction. He indicated that ACE must enter into agreements with various underground utilities including LA County for storm drains and sewer lines impacted by the project. He indicated the design identified affected relocations necessary of sewer lines and the agreement outlines details including rights, reimbursement details and general provisions.
There were no questions.

A motion was made to authorize the Chief Executive Officer to execute a Sewer Relocation Agreement with County Sanitation District No. 2 of Los Angeles County for the design, construction and inspection of sewer facilities as part of the Durfee Avenue grade separation project.

M/S/C/Martinez/Hadjinian/Unanimous

15. **Receive and File Quarterly Project Progress and Financial Reports** – Mr. Christoffels reviewed the active projects schedules. He reviewed the project cost estimates for active and completed projects and indicated a cost increase was reflected in the Fairway project due to the addition of Lemon Avenue betterment. He reviewed the sources of funds committed to the program and stated this quarter the remaining funds unallocated is \$5.307 million. He reminded the Board that the Turnbull Canyon Road project is the remaining project in the ACE

Program which does not have construction funding.

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

M/S/C/Solis/Hadjinian/Unanimous

16. **Receive and File Quarterly Mitigated Monitoring Reports** – Mr. Christoffels reported that each project has a mitigated monitoring plan whereby ACE commits to monitor various elements during construction such as noise, vibration and general construction conditions. He reminded the Board that staff reports on their efforts each quarter and ACE continues to comply with the measures set.

A motion was made to receive and file the quarterly mitigation monitoring reports.

M/S/C/Martinez/Sandoval/Unanimous

17. **Approval of Support Position for TCIF Provisions of AB 1 (Fraiser), SB1 (Beall) and Governor's Budget Proposal** – Paul Hubler reviewed the provisions of AB1 and SB1, transportation funding proposals which provide new revenues through fuel tax. He indicated the Governor's office also has released the State budget with \$2.5 billion of new funding. He reviewed the expanded grant program for local projects for active transportation. He reported the plan also calls for reforms and efficiencies at Caltrans to streamline project delivery.

A motion was made to approve a support position for the Trade Corridors Improvement Fund provisions of Assembly Bill 1, Senate Bill 1 and of the 2017-2018 State Budget proposed by Governor Brown.

M/S/C/Solis/Hadjinian/Unanimous

18. **Closed Session** – Legal Counsel indicated the Board would adjourn to closed session in accordance with Government Code Section 549568 to discuss real property negotiations, negotiating parties ACE and Industry Realty Holdings, IHOP/Jack in the Box and in accordance with Government Code Section 54956.9 to discuss four cases in litigation – LA Superior Court Case No BC 582076 ACE versus Fullerton 60 Holdings LLC et al and LA Superior Court Case Nos. BC 629037 and BC 62903 ACE versus Rowland Ranch Properties, et al, and LA Superior Court Case No. BC 593901 ACE versus Sasan Shadravan et al.

The Board returned to open session and legal counsel announced the following actions:

With regard to LA Superior Court Cases BC 629037 and 62903, ACE v Rowland Ranch, the Board unanimously gave direction to staff to negotiate a settlement on specified terms as to specified matters at issue. If settlement is reached, the agreement will be made available to

the public at ACE's office at execution. Regarding La Superior Court Case No. 582076 ACE v Fullerton Holdings the Board unanimously gave direction to staff to execute a settlement agreement on specified terms. Following court approval of the settlement, the agreement will be made available to the public at ACE's office. Regarding real property negotiations with Industry Holdings the Board gave unanimous direction to staff to negotiate and execute an agreement with a designed price and terms. If agreement is reached between ACE and the property owner on the terms, the document will be made public in ACE's office upon execution.

Legal counsel reported that member Solis was not in attendance during closed session discussions.

17. **Adjournment** – The meeting was adjourned at 2:10PM and the Chairperson reminded the Board that with past practice the meeting would be held in the City of its Chair, therefore the February Board meeting would be held in the City of San Gabriel.

X 

Deanna Stanley
Clerk of the Board