



## Alameda Corridor-East Construction Authority

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### ACE Construction Authority Board of Directors Meeting December 18, 2017 Minutes

Chairperson Costanzo called the meeting of the Board of Directors of the Alameda Corridor-East Construction Authority to order at 11:08AM at the San Gabriel City Hall Council Chambers.

1. **Pledge of Allegiance** – Mark Christoffels led the pledge of allegiance.

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

In attendance was:

Juli Costanzo, San Gabriel, Chair

Victoria Martinez, El Monte, Vice Chair

Barbara Messina, SGVCOG

Jack Hadjinian, Montebello

Tim Sandoval, Pomona

Hilda Solis, Los Angeles County

**Staff:**

Mark Christoffels, CEO

Gregory Murphy, Burke, Williams & Sorensen, legal counsel

Deanna Stanley

Amy Hanson

Phil Balmeo

Victoria Butler

Paul Hubler

**Guests:**

Peter Duyshart, SGVCOG

Andres Roldan, AECOM

Charlie Guess, WSP

David Eanes, AECOM

John Burton, LAC DPW

George Malacolta, Jacobs

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

4. **Approval of November 27, 2017 Board meeting minutes** – A motion was made by Member Solis and seconded by Member Hadjinian to approve the November 27, 2017 regular Board meeting minutes.

M/S/C/Solis/Hadjinian/Unanimous

5. **Chairman Remarks** – Chairperson Costanzo reported the recent passing of Congresswoman Grace Napolitano’s husband Frank and requested the Board adjourn the meeting in his memory. Chairman Costanzo and the Board expressed birthday wishes to Mark Christoffels with a small birthday cake and presented staff a cake in appreciation of their work.
6. **Board Member Comments** – Member Hadjinian expressed concerns with the new policy of the ACE committee with regard to stipends. He indicated this would be discussed at the January SGVCOG meeting and asked for the Board’s participation. Members Messina, Sandoval, Solis and Vice Chair Martinez wished everyone happy holidays.
7. **Chief Executive Officer’s Report** – Mr. Christoffels reviewed the status of the SGVCOG/ACE integration. He indicated the required number of City approvals of the amended JPA agreement was expected this week at which point ACE would cease to exist. He indicated the SVCOCG will keep the acronym ACE that will now stand for Advanced Construction and Engineering. He reviewed the ACE committee selection process and confirmed the bylaws do not include stipend payments but indicated the bylaws may be amended by the Governing Board at the pleasure of the Board. He reminded the Board that the Executive Director recruitment is under way and is expected to conclude in February. Finally, he reviewed his recent presentation to the CTC.
8. **Construction Progress Reports** – Charles Tsang reviewed the highlights of the Lemon Avenue on/off ramp construction. He indicated the projected is anticipated to be complete in February. Victoria Butler reviewed the construction progress of the Fullerton Road grade separation project. She reviewed pump station excavation. Phil Balmeo reviewed Puente Avenue grade separation construction progress. He also reviewed San Gabriel Trench progress.
9. **Approval of Hearing on Amendment to Resolution of Necessity No. 13-13, 19700 Business Parkway, City of Industry** – Greg Murphy reminded the board that Resolution of Necessity No. 13-13 was adopted by the Board in October 2013 but an amendment is found to be necessary. He reviewed the three determinations the Board must find and indicated the public would have an opportunity to speak during the hearing. The Chairperson opened the hearing. Mr. Christoffels indicated the original adopted Resolution of Necessary, adopted in October 2013 addressed specific parcels but during construction it was discovered that several utility services would require relocations different from what was initially sought. He indicated the new easement would also require Majestic Realty to amends its right of way. Mr. Christoffels reviewed the sites of the utilities affected. Public comment period was opened and there were no comments. Public comment was closed. There were no board questions.

A motion was made to amend Resolution of Necessity No. 13-13 authorizing the amendment of eminent domain proceedings for property located at 19700 Business Parkway, City of Industry.

M/S/C/Solis/Sandoval/Unanimous

10. **Approval of Agreement with Majestic Realty for Removal of Rail Spurs for the Fairway Drive Grade Separation Project** – Mr. Christoffels explained the rail spurs were originally a part of four parcels affected by the Fairway Drive grade separation project and all owned in part or in full by Majestic Realty. The spur tracks were removed and placed out of service. He indicated three of the four wanted the spur tracks to be replaced and Majestic asked ACE to consider for the third parcel acquisition of the spur. Mr. Christoffels indicated the unusual circumstance resulted in staff relying on assistance from Caltrans to determine an appraised value for removal of the spur track. It was determined that elimination will offset the cost of the additional work of replacing the spur track that consisted of drainage, sewer and retaining wall construction with a value of \$444,252 which staff requested the Board's approval as a payment to Majestic Realty.

A motion was made to authorize the Chief Executive Officer to enter into an agreement with Majestic Realty Company in an amount not to exceed \$444,252 for the elimination of an existing rail spur connection on the Fairway Drive grade separation project.

M/S/C/Solis/Hadjinian/Unanimous

11. **Approval of Contract Amendment with WSP for Construction Management Services for the Lemon Avenue Betterment of the Fairway Drive Grade Separation Project** – Mr. Christoffels reminded the Board that in July 2016 the Board approved adding the SR-60 Lemon Avenue on/off ramp betterment to the Fairway Drive grade separation project. He reminded the Board that betterments are additions typically requested by the city and ACE would seek reimbursement for the additional work. Mr. Christoffels reported that contract for construction management services was amended to capture the additional costs required for the addition of Lemon but Caltrans requirement changes and resulting plan and schedule changes resulted in additional costs not captured in the original amendment. He indicated a contract amendment for \$451,714 would cover the estimated additional costs for the betterment changes for this project.

A motion was made to authorize the Chief Executive Officer to execute a contract amendment for construction management services with WSP for a not-to-exceed amount of \$451,714.

M/S/C/Hadjinian/Solis/Unanimous

12. **Approval of Contract Amendment with URS Corporation for Design Services for the Durfee Avenue Grade Separation Project** – Mr. Christoffels indicated the contract with URS initially executed covered lump sum items identified at the time with an expected release of final design scheduled. However, additional costs have incurred due to the extension in putting the project out for bid. Mr. Christoffels indicated the additional costs would be recovered during construction. There were no questions.

A motion was made to authorize the Chief Executive Officer to amend the contract with URS Corporation (URS) to add \$158,096 for additional services for the Durfee Avenue grade separation, for a new contract value of \$6,150,618.

M/S/C/Solis/Sandoval/Unanimous

13. **Adoption of Contract Amendment with AECOM for Construction Management Services for the Puente Avenue Grade Separation Project** – Mr. Christoffels indicated AECOM provides construction management services for the Puente Avenue project which has been affected by third party delays. He reviewed the details that include UPRR crew availability and reminded the Board that when delays occur re-phasing of work is done to ensure work can continue.

A motion was made to authorize the Chief Executive Officer to amend the contract with AECOM to add \$979,996 for additional services for the Puente Avenue grade separation project.

M/S/C/Solis/Martinez/Unanimous

14. **Approval of Amendment to the Waterline Relocation Agreement with Rowland Water District for the Fullerton Road Grade Separation Project** – Mr. Christoffels explained the relocation agreement with Rowland Water District which approved in an amount not to exceed \$1,565,771 in April, 2016 covered specific line relocations. He indicated during the relocation previously unidentified lines were discovered which caused additional relocation work to occur. He indicated the amount necessary to cover the costs of the additional work is \$669,127.

A motion was made to authorize the Chief Executive Officer to execute an amendment to the Waterline Relocation Agreement with Rowland Water District for the design, construction and inspection of private water facilities as part of the Fullerton Road grade separation project for a revised not-to-exceed amount of \$2,225,898.

M/S/C/Solis/Martinez/Unanimous

15. **Approval of Revised Retention Withholding Policy** – Mr. Christoffels reviewed the current retention policy and explained its purpose. He indicated new policies were to reduce the amount withheld from 10% to 5% unless the project is determined

to be complex and of sufficient size which the ACE Projects are. Projects in this category may continue to withhold 10%, however any projects not meeting the criteria would adhere to a 5% withholding.

A motion was made to Board find the ACE's grade separation projects to be of sufficient size and complexity to warrant 10% retention for construction contracts.

M/S/C/Sandoval/Solis/Unanimous

16. **Approval of Assignment of Funds for CalPERS Unfunded Termination Liability** – Mr. Christoffels reviewed the ACE fund balance and indicated ACE's financial auditors suggested ACE assign a portion of the fund balance to maintain an amount to be used for the termination liability of the CalPERS contract. This would release all liability of the SGVCOG and protect the benefits of the employees.

A motion was made to approve an assignment of a portion of the agency's fund balance to the Unfunded Termination Liability currently identified as \$6,347,036 in the most recent and available CalPERS valuation report, dated June 30, 2016.

M/S/C/Solis/Martinez/Unanimous

17. **Approval of Oppose Position on Measures to Repeal SB-1** – Paul Hubler, Director of Government and Community Relations reviewed the potential source of funding provided by SB-1. He reminded the Board that ACE has taken a support position on funding programs that could benefit the Project. He reported that an aggressive campaigns are underway to repeal SB-1 with signature collections to qualify for the ballot. Mr. Hubler reviewed rules for ballot measure advocacy for public agencies and assured the board that staff will comply with applicable rules and regulations. Member Hadjinian reported that the state gas tax jeopardized a recent proposed city sales tax measure in Montebello.

A motion was made to approve an oppose position on proposed statewide ballot measures to appeal Senate Bill 1 and reiterate support for Assembly Constitutional Amendment 5.

M/S/C/Solis/Sandoval/Unanimous

18. **Approval of 2018 Meeting Schedule** – The meeting schedule was discussed. The Board requested the June 4<sup>th</sup> meeting date changed to May 21<sup>st</sup>. A motion was made to adopt the revised 2018 meeting schedule.

M/S/C/Hadjinian/Solis/Unanimous

19. **Approval of Extension of Office Lease** – Mr. Christoffels indicated the lease for the ACE office is up in April and the current space accommodates the needs of the

staff. He indicated the staff was requesting approval to extend the office lease for a period of three years.

A motion was made to approve extension of the office lease at 4900 Rivergrade Road Suite A120 Irwindale for a period of three years.

M/S/C/Martinez/Messina/Unanimous

20. **Adjournment** – The next meeting would be held on Monday, January 22 at noon at San Gabriel City Hall. The Board meeting was adjourned at 12:06PM in memory of Frank Napolitano, spouse of Congresswoman Grace Napolitano.

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Deanna Stanley  
Clerk of the Board