

May 31, 2007



Mr. Paul Maxwell
Deputy Director, Projects
Contra Costa Transportation Authority
3478 Buskirk Ave., Suite 100
Pleasant Hill, CA 94523

**Reference: Nolte Associates, Inc. Consultant Services Agreement No. 185
(WC0046002)**

Subject: Annual Report for Fiscal Year 2007

Dear Mr. Maxwell:

Nolte is pleased to provide the attached annual report describing our program management services performed during fiscal year 2007 under CCTA Agreement No. 185. A summary of the services we have provided, by task, is included herein as Attachment A. A table showing expenditures, by task, is included as Attachment B.

Several of the projects on which Nolte supports the Authority have shown significant progress this year and we have been able to add value on multiple tasks. We continue to work closely with several staff members in the administrative and financial management of the Authority's programs and projects, as well as in the on-going effort to transition to Measure J and to leverage additional fund sources. This past year our services included submittal of invoices for reimbursement from outside fund sources for over \$8.75 M. We also provided support to the Authority's fiscal officer during the 2006 Financial Statements and Single Audit and various bond rating performance reports. We assisted in the hiring of several new CCTA staff members, as well as in updating the Authority's policies and procedures in key areas of the institution including human resource management, information technologies (IT), public outreach, strategic planning, project and programming fund management, and accounting processes.

In addition to the general services we provide, we continue to provide management services for projects such as the I-680 Auxiliary Lanes Project, which was successfully opened to traffic this year. Our team worked closely with all parties to support the contractor's aggressive delivery schedule. We also made significant progress in wrapping up the highway construction contracts on the SR4 Railroad to Loveridge Project and are aggressively working on the right of way transfer effort. We continue to provide extensive management services on two large, high-profile projects for the Authority—the Caldecott Tunnel and the State Route 4 Widening to 160 projects. Both projects have made significant progress this past year. We also are working with the Authority to deliver new Measure J projects on the I-680 and I-80 corridors.

NOLTE ASSOCIATES, INC.
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As shown on the attached budget summary report, we have expended 83% of our approved contract not-to-exceed amount and have approximately \$531,000 remaining— as of April 2007. This should be adequate to cover our remaining contract period to June 2007. We trust you will find this report accurately describes our services performed during fiscal year 2007.

Should you have any questions, please contact me at 925-279-4426.

Sincerely,

NOLTE ASSOCIATES, INC.



Trudy A. Presser
Project Manager

Enclosures: Attachment A - Nolte's FY 2007 Annual Report
Attachment B - Nolte's FY 2007 Budget Summary