

MINUTES



LOS ANGELES COUNTY TRANSPORTATION COMMISSION 403 West 8th St., Suite 500, Los Angeles, CA 90014 (213) 626-0370

LOS ANGELES COUNTY TRANSPORTATION COMMISSION

October 14, 1987

The regular Commission meeting was called to order by Chairman Bradley at 1:35 p.m. in the Board Room of the Department of Water and Power.

Members in attendance were:

Mayor Tom Bradley
Councilwoman Jacki Bacharach
Councilwoman Christine E. Reed
Councilman Michael Woo
Marcia Mednick
Blake Sanborn, alternate to Supervisor Schabarum
Walter King, alternate to Supervisor Hahn
Robert Geoghegan, alternate to Supervisor Edelman
Barna Szabo, alternate to Supervisor Dana
John La Follette, alternate to Supervisor Antonovich
Councilman Grabinski, alternate to Councilman Tuttle
Donald Watson, Ex-Officio for State of California

Staff members present:

Rick Richmond, Executive Director
Helen Parker, Deputy County Counsel, for David Kelsey
Kathy Torigoe, Executive Secretary
Carol Martin, Secretary

APPROVAL OF MINUTES

The minutes of September 23, 1987 were approved as submitted.

CHAIRMAN'S REMARKS

Chairman Bradley commented on the Governor's veto of AB 18. He discussed how closely the Commission had followed this issue and the need to continue to be receptive to ways to improve the transportation decision-making process. He also stated that he is scheduling a meeting of local officials to discuss follow-up on this issue.

COMMITTEE REPORTS

FINANCE REVIEW COMMITTEE

Mr. Sanborn reported on the FRC meeting of October 13, 1987, as follows:

Response to Board of Supervisors' Motion Requesting LACTC to Perform Certain Tasks

The FRC approved the staff report with the following clarifications:

- A. Enhance Task #1 of the Supervisors' motion to differentiate which state laws apply to SCRTD alone and which state laws apply to all public transit operators; and,
- B. Report to the FRC regarding the results of the tasks outlined in the Board of Supervisors' motion and develop a game plan on the implementation of the information gathered from this study.

Mr. Sanborn moved for approval which was seconded by Mrs. Reed. Hearing no objection, motion was carried.

Proposed UMTA Section 18(h) Rural Transit Assistance Program Grant Application

The FRC recommended that the Commission approve the submittal of a grant application for UMTA Section 18(h) funds to conduct a performance audit of social service transportation providers in the Santa Clarita Valley. The estimated cost of the proposal is \$35,000 to be paid with UMTA Section 18(h) Rural Transit Assistance Program funds.

Mr. Sanborn moved for approval which was seconded by Mrs. Reed. Hearing no objection, motion was carried.

As an information item, Mr. Sanborn reported that the FRC heard a presentation by Price Waterhouse on the final assessment of the SCRTD Performance Action Plan.

INTERGOVERNMENTAL RELATIONS COMMITTEE

Mrs. Reed reported on the IRC meeting of October 14 as follows:

Update on Reorganization Legislation

It was noted that AB 18 (Katz), a bill to reorganize transportation agencies in Los Angeles County, has been vetoed by the governor. Commissioners received a packet consisting of: 1) a policy statement of reorganization adopted by several local governmental entities in Los Angeles County; 2) principles regarding the reorganization of transportation agencies adopted by the Commission on March 12; and 3) a copy of SB 1068, the Commission-sponsored bill introduced by Senator Robert Beverly (R-Manhattan Beach). The IRC directed staff to review SB 1068 and draft recommendation on how the bill can be amended and for what administrative changes can be made to improve transportation programs and services in Los Angeles County.

Recap of 1987 State and Federal Legislative Agenda

A recap of the 1987 LACTC State and Federal Legislative Agenda was reviewed as an information item. Several LACTC legislative efforts were noted, including:

AB 457 (Assemblywoman Gwen Moore -D-LA) - A Commission-sponsored bill to fund the Smart Corridor Demonstration Project is now a two-year bill.

The Gann Limit - It was noted that staff is reviewing two initiatives, now seeking signatures for the June 1988 ballot, which would designate the state gas tax and other transportation-related fees as user fees. This designation would exempt these monies from the Gann expenditure limit.

AB 1586 - A Commission-sponsored bill introduced by Assemblyman Robert Campbell (D-Richmond), to permit public school pupils to ride general paratransit vehicles to and from school and school-related activities, was signed into law.

AB 2430 - This bill by Assemblyman Charles Calderon would increase the TDA funding cap for SCAG. The Commission will continue to seek amendments to the measure similar to the SCAG-related amendments in AB 18.

SB 684 - The Commission opposed this measure by Senator Alan Robbins which would impose a two-year moratorium on Metro Rail construction in the San Fernando Valley and a ten-year ban on the construction of at-grade or elevated light rail in a specified area of the San Fernando Valley. This a two-year bill.

H.R. 2 - It was noted that H.R. 2, the legislation reauthorizing the federal highway and transit programs was approved earlier this year.

Update on Chaptered State Transportation Legislation

A review of all chaptered state transportation legislation considered by the Commission in 1987 was presented as an information item. Bills noted include: AB 677 (Katz), the anti-gridlock legislation, supported by the Commission; AB 1257 (Polanco), a bill mandating Caltrans to study the problem of urban truck traffic during peak hours; SB 142 (Deddeh) a measure permitting counties to increase the sales tax, upon voter approval, for transportation purposes; and, SB 151, a measure reorganizing the SCAQMD, which included an LACTC amendment calling for the District to consult with the region's transportation commissions prior to promulgating regulations restricting truck traffic.

Mrs. Mednick indicated that the discussion of SB 498 should be corrected to note that three areas in Los Angeles County receive Article 8 funds. The discussion omitted the Antelope Valley as a recipient of the monies.

Mr. Watson explained the processing for purchasing special signage for renamed state freeways.

RAIL CONSTRUCTION COMMITTEE

Mrs. Bacharach reported on the RCC meeting of October 9, as follows:

Award Contract C258 - Trackwork Installation

This is the contract that was tabled at the last Commission meeting.

Mr. Richmond explained that the proposed award of the trackwork contract to Herzog Contracting Corporation was tabled at the meeting with a request that staff report back on three general areas of concern: 1) the legitimacy of the proposed DBE/WBE subcontractors in the Herzog bid, 2) the record of compliance of labor law on the part of Herzog Corp., and 3) the Commission's procedures in determining adequacy in compliance under DBE/WBE goals.

Presentation on the trackwork contract bid issues were made by the following persons:

Clyde Garrison, Deputy Project Manager, Construction Operations of Transcal, described the performance to date on the LACTC railroad relocation contract by McGrath Construction and O'Keefe Engineering, proposed subcontractors to Herzog on the trackwork contract.

Charles Ream, Partner of Deloitte, Haskins & Sells, described the review made by his firm of the status of McGrath and O'Keefe as independent DBE and WBE firms, respectively.

Pamela Simmons, LACTC Affirmative Action Officer, described the procedures used to certify DBE and WBE firms and determine compliance with goals.

Robert Inouye, LACTC Labor Compliance Administrator, described procedures used to evaluate labor law compliance by contractors, before and after bid and award of contracts.

Darold Pieper, Special Counsel to LACTC, described Herzog's record of compliance with or violation of labor law standards on other contracts.

Questions were asked by the Commissioners on each of the above presentations with discussion following.

The following persons also appeared before the Commission:

John Richardson, Executive Director of Labor Research Group: Mr. Richardson spoke against the proposed contract award to Herzog on the grounds that Herzog has violated state labor laws, that their proposed subcontractors may not be bona fide particularly under federal guidelines, and that the award will result in local jobs being lost based on Herzog's practice of hiring out-of-town workers.

Members of the Commission questioned Mr. Richardson.

Alexander B. Cvitan of Reich, Adell & Crust, representing the International Union of Operating Engineers, Local 12 and Southern California District Council of Laborers: Mr. Cvitan spoke against the proposed award on the grounds that Herzog was not the lowest responsible bidder based on their failure to divulge past labor law violation citations.

Ivan Potts affiliated with Laborers Local 507 of Long Beach: Mr. Potts objected to the proposed award to Herzog based on the degree to which their bid was under the engineer's estimate, which indicates something is wrong with their bid. Mr. Potts also questioned the need to proceed with the trackwork contract at this point.

George Kieffer of Manatt, Phelps, Rothenberg & Phillips, representing Herzog Contracting Corporation and Ted Franco, Project Manager for Herzog: Mr. Kieffer responded to the issues raised concerning prior labor law citations of Herzog.

Commissioners questioned Mr. Kieffer and Mr. Franco.

Veronica Rouse, a private citizen from Compton: Ms. Rouse complained about the difficulties of local residents getting hired on the railroad relocation work currently being done by Herzog.

Members of the Commission questioned Ms. Rouse.

Mrs. Bacharach reported that on October 9, the RCC discussed at length the allegations made recently about Herzog Contracting Corporation and its subcontractors. The Committee continues to recommend that the Commission authorize the Executive Director to award a contract to Herzog Contracting Corporation in a lump sum of \$12,971,500 for the Trackwork Installation Contract No. R01-T08-C258. A 10% contract reserve fund of \$1,297,150 is also recommended to cover the cost of changes and/or extra work outside the contract scope if required. The award is contingent on resolution of any bid protests. This is below the engineer's estimate and also \$5 million below the second lowest bidder.

Mrs. Bacharach moved for approval of the Committee's recommendation which was seconded by Mrs. Reed.

Questions were asked of staff reviewing the performance of Herzog in hiring minorities and local residents for the contract. Much discussion followed. Chairman Bradley

) admonished the Executive Director to be sure that affirmative action and anti-discrimination laws are being aggressively pursued by staff.

Mrs. Bacharach indicated that the RCC will reconsider the current guidelines and practices in this area.

Vote on Mrs. Bacharach's motion was taken by a show of hands.

Yes: Sanborn, King, La Follette, Bacharach, Reed,
Grabinski, Mednick

No: Geoghegan, Szabo, Woo, Bradley

The motion passed.

Mr. Grabinski recommended that a letter be sent to the City of Compton requesting their help in making sure that employment applications for this contract are properly processed.

Mr. Richmond indicated that he will report back on how the application process is being handled as part of the RCC briefing mentioned earlier.

Mrs. Reed asked staff to agendize the issue of local residency requirements for workers on Commission-funded construction so that the Commission can discuss this and consider a formal policy.

Mrs. Bacharach suggested an open committee meeting or a committee meeting in conjunction with a Commission meeting to review all of the related issues being discussed today. Chairman Bradley asked Commissioner Reed to chair the meeting at this time because he has a conflict of interest on the following item upon advice of legal counsel.

Award Contract for Century - El Segundo Design Services

) Mrs. Bacharach reported that the Committee had asked that the decision on the Century - El Segundo design services be held over to this meeting. After the last Commission meeting, the Rail Committee members met with the staff evaluation team and the project managers of Bechtel and Transcal. At the October 9 RCC meeting, the Committee approved the selection of Bechtel Civil, Inc. to complete the final design of the Century Freeway - El Segundo Rail Project, Contract No. R23-S11-E2301. They also authorized the Executive Director to negotiate a detailed scope of services and contract amount with Bechtel Civil, Inc. for this work to be subsequently approved by the Commission.

Mrs. Bacharach moved to approve the RCC's recommendation which was seconded by Mrs. Mednick.

The following persons had requested to speak before the Commission:

Carl Goepfert, Proposed Project Manager for Bechtel Team, highlighted the results of Bechtel's presentation to the Staff Evaluation Committee and introduced the proposed team of Bechtel staff and subcontractors.

Bryan Allen had requested to speak but later declined.

Tom M. Wilson, Designated Project Manager for DeLeuw Cather & Co. for this project, highlighted his presentation to the Rail Construction Committee at its meeting and asked for the Commission's consideration for this project.

Martin Rubin, Chairman of the Board for Transcal, a joint venture, made a presentation to the Commission.

Mr. King offered a substitute motion that Transcal be selected as the team to be considered by the Commission which was seconded by Mr. Grabinski.

Discussion followed on the type of contract and the average unit cost for each proposal.

Mr. Richmond also clarified for the record in terms of requirement for local subcontractors. In accordance with the wishes of this Commission earlier this year, on all professional services contracts after February or March, staff has indicated that the DBE/WBE goal for any given contract be filled with local firms. This is possible since the law for such negotiated contracts is different from competitive bid laws.

Comments were made by each Commissioner concerning the proposers.

A roll call was taken on the substitute motion by Mr. King to award the contract to Transcal:

Yes: Sanborn, King, Geoghegan, Szabo, Reed, Grabinski,

No: La Follette, Bacharach, Mednick

Abstain: Bradley

Left early: Woo

Substitute motion passed 6-3.

The chair was returned to Mayor Bradley.

Contract Change Orders:

Change Orders 1 & 10 for Contract C2125 -- Mid-Corridor Railroad Relocation and Related Work

The RCC recommended the Commission:

1. Authorize the deletion of insurance costs from Contract C2125 in the credit amount of \$1,643,000 and approve the enrollment of Herzog Contracting under the Commission's Owner-Controlled Insurance Program.
2. Approve Change Order #1 in the amount of \$1,643,000 to decrease the total contract amount from \$43,895,387 to \$42,252,387.
3. Authorize staff to include the modifications made by the City and County of Los Angeles, the Southern Pacific Railroad Company, the California Public Utilities Commission, and other third parties in Contract C2125, as identified in Change Order #10.
4. Approve Change Order #10 in the amount of \$903,901 to increase the total contract amount from \$42,252,387 to \$43,156,288.

Mrs. Bacharach moved for approval of RCC's recommendation which was seconded by Mr. King. Hearing no objection, the motion was carried.

Contract P0822 -- Concrete Ties

The RCC recommended the Commission authorize and approve Change Order #2 in the credit amount of \$962,798.

Mrs. Bacharach moved for approval of this recommendation which was seconded by Mr. King. Hearing no objection, the motion was carried.

Contract C216 -- Water Line Relocation

The RCC recommended the Commission increase the Authorization for Expenditure for Contract C216 in the amount of \$26,340. This will provide a total authorization amount of \$1,475,240 which will enable staff to process the final four change orders preparatory to the closeout of this contract.

Mrs. Bacharach moved for approval of the Committee's recommendation which was seconded by Mr. King. Hearing no objection, motion was carried.

Acquisition of Parcel AS291 - Southern Pacific Transportation Company and Grant of Utility Easement A000052 - L.A. County Flood Control District

The RCC asked for a closed session to consider acquisition of Parcel AS291 and grant of Utility Easement A000052.

RAPID TRANSIT COMMITTEE

The next meeting is scheduled for October 23.

STREETS AND HIGHWAYS COMMITTEE

Mrs. Mednick reported that the S&HC discussed several issues of interest to the Commission at their October 7 meeting:

Citizen Members

Now that the Highway Plan is complete, the Committee's three citizen members will no longer be serving on the Committee. A luncheon and special presentation is planned for November 18.

Status Report on FAU Fund Expenditures

Staff will be sending letters to 27 cities requesting that they take action to prevent lapsing of \$6.7 million of Federal-Aid Urban Funds.

Status of State Highway Projects

During Fiscal Year 1986-87, Caltrans advertised 77% of the projects scheduled for funding in Los Angeles County, while the statewide average was only 58%.

Other Information Items

The S&HC also discussed the "Smart" Corridor, the FHWA HOV Policy, and the status of "On the Road to the Year 2000".

BRIEFING BY CALTRANS ON EARTHQUAKE DAMAGE TO LOCAL FREEWAYS

Briefing was held over to the next meeting.

RESOLUTIONS OF NECESSITY IN EMINENT DOMAIN ACTIONS: LACTC vs. 3M Business Products Sales, LASC Case No. C622534; and LACTC vs. Citibank, LASC Case No. C657681

Mr. Richmond explained that special counsel and staff have recommended clarification to the language of the two previously-adopted Resolutions of Necessity.

It was recommended that the Commission adopt this motion:

1. That staff be directed to amend Section 3 of Resolution No. 17 nunc pro tunc, as presented in the staff report; and,
2. That staff be directed to amend Section 3 of the resolution authorizing eminent domain in the 3M case nunc pro tunc, as presented in the staff report.

Staff and special counsel recommended that the resolution authorizing eminent domain to acquire the property in LACTC vs. 3M, LASC Case No. 622534, be amended to clarify that the property interest to be acquired is the fee simple interest in the property described in the resolution, as was stated in the October 22, 1986 staff report and in the eminent domain complaint that was subsequently filed. The resolution, thus amended, will more clearly reflect the action that was taken on October 22, 1986.

Mr. G. Steven Anderson of O'Neill, Huxtable & Abelson, representing Minnesota Mining Manufacturing, appeared before the Commission to object to the recommendation by special counsel and staff.

Mr. Quinn Barrow of Richards, Watson & Gershon (special counsel) explained the reason for the proposed amendments.

Mrs. Bacharach moved for approval which was seconded.

A roll call vote was taken:

Yes: King, Geoghegan, Szabo, Bacharach, Reed,
Grabinski, Mednick, Bradley

No: None

Abstain: La Follette

Left Early: Sanborn, Woo

EXECUTIVE DIRECTOR'S REPORT

A. Proposed Changes in November and December LACTC Meeting Dates:

After some discussion, it was decided that one meeting will be held in November, and the meeting dates for December will be considered at the November 18 meeting.

B. Commissioner Travel Request:

Commissioner Mednick has expressed an interest in attending the 2nd National H.O.V. Lane & Transitway Conference scheduled for October 25-28, 1987 in Houston, Texas. Commission's approval was requested.

Mrs. Bacharach moved approval which was seconded by Mr. King. Hearing no objection, motion was carried.

C. Transportation Seminar:

Supervisor Antonovich is holding a Transportation Seminar Day on October 19, 1987 at 1:00 p.m. in the Hall of Administration, Board of Supervisors' Hearing Room.

EXECUTIVE SESSION

At 5:40 p.m., the Commission adjourned into an executive session pursuant to Government Code Section 54956.8 - Real Property Transaction to discuss the following parcels:

<u>Parcel No.</u>	<u>Owner</u>
R01-R21-AS291 (located on Long Beach Avenue between 14th and 16th Streets)	Southern Pacific Transportation Co.

<u>Utility Parcel No.</u>	<u>Owner</u>
A000052 (located at LB-LA R/W in Compton)	Los Angeles County Flood Control District

At 5:45 p.m., the Commission reconvened.

PUBLIC COMMENT

Mr. Sheldon Walter commented that California Rail 2000 Conference is being held on November 13 & 14 in Sacramento.

Mr. Greg Robert commented on improving the bus route information program by cities of Culver City and Santa Monica and RTD.

Mr. Bryan Allen commented on a technology study for the I-105 (Century-El Segundo) project.

NOTICE OF MEETINGS

The notice of meetings was received and filed.

ADJOURNMENT

Meeting was adjourned at 6:00 p.m.

Rick Richmond
RICK RICHMOND
Executive Director

RR:kyt