

MINUTES



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

APPROVED WITH CORRECTIONS
SEE MEETING OF 10/19/88

RAIL CONSTRUCTION COMMITTEE MINUTES OF MEETING SEPTEMBER 15, 1988

MEMBERS PRESENT

JACKI BACHARACH
MARCIA MEDNICK
MICHAEL WOO
WALTER KING
RAY GRABINSKI

STAFF PRESENT

PAUL TAYLOR, ACTING EXECUTIVE DIRECTOR
ED McSPEDON, DIRECTOR, DESIGN AND CONSTRUCTION
AL SCALA, MANAGER, CONTRACTS

OTHERS

DAROLD PIEPER, SPECIAL COUNSEL
JOHN BRUTON, CONSULTANT

CALL TO ORDER

APPROVAL OF MINUTES

The Committee approved the minutes of the September 15, 1988 meeting, with the following corrections:

Page 7, third paragraph, second sentence, change to read:
....Ms. Mednick also asked how the bus lines would feed into the rail stations.

Page 7, last paragraph, second sentence, change to read:
..... The Committee asked about the turnover rate of people moving in and out of the LB/LA corridor area that is being marketed, and would this marketing effort be cost-effective if there is a high turnover rate.

Page 8, second paragraph, change to readThe Committee approved the program concept and authorized staff to hire a public arts administrator to develop a plan and return to the Committee for approval.

REPORT ON THIRD-PARTY ACTIONS AND CONTRACT CHANGE NOTICES

Ed McSpedon presented staff's report (outline attached).

Walter King stated he understood that LACTC had already received the letter from the County on LACTC's proposal for Florence Station. Mr. McSpedon responded that we were still waiting for County reply to our proposal. Mr. Taylor stated that the County needed to provide us with a response.

Regarding the potential change order to the 7th & Flower station contract, Jacki Bacharach asked if staff was going to wait for the Committee to meet next month for approval or will staff go forward and come back to the Committee for ratification. Mr. McSpedon stated that staff would meet with the District to come to an agreement among the two staffs on a plan to accelerate the SCRTD work. Then staff will meet with the the contractor to negotiate the cost for implementing the plan. When we get the cost from the contractor and have reached an agreement, we will then return to the Committee with a recommendation on whether we go forward or not--and if we decide to go forward, ask for the Committee's concurrence.

CLAIM OF JOYCE R. VALDEZ

The Committee recommended that the Commission reject the claim of Joyce R. Valdez, and stated that we have forwarded this claim to SCRTD.

Mr. McSpedon requested that the Legal Services Contract item be heard by the Committee before the Deloitte/Kellogg Joint Venture item. The Committee concurred.

LEGAL SERVICES CONTRACT FOR FY 89-90 - RICHARDS, WATSON & GERSHON

Richard Stanger presented staff's report. Jacki Bacharach stated that she could understand general counsel and litigation/defense being charged to general transit but that real estate litigation is project specific. Mr. Stanger responded that although this is true, many of the decisions we make are strategic and policy decisions, not specific to the project. They often transcend the project issues involved. The Committee stated that acquisitions of property should be charged to the specific project. Mr. McSpedon stated the price of the land is charged against the project, but the legal services for litigating some condemnation cases should not jeopardize the project budget.

After further discussion on keeping the Committee abreast of the real estate acquisitions, especially condemnation cases, the Committee requested that a legal services workshop be held to inform the Committee on procedures, strategies, etc. related to real estate acquisitions.

The Committee recommended (Marcia Mednick abstaining) that the Commission approve the following increase to the contract with Richards, Watson & Gershon for legal services through June 30, 1990:

o	general counsel	\$ 945,000
o	real estate litigation	1,876,000
o	litigation/defense	1,729,000
	Total	<u>\$4,550,000</u>

These services will be charged to the general Transit Development budget.

AMENDMENT TO PROFESSIONAL SERVICES CONTRACT - DELOITTE/KELLOGG
JOINT VENTURE

Al Scala presented staff's recommendation. He stated that although we are raising the budget, \$1,000,000 that has been expended previously by DKJV was used for things not directly related to the LB/LA project (i.e., the Policies and Procedures Manual) and is now being reallocated to the overall Transit Development division budget. The \$1,779,800 is to be used for the period 1988-91. Mr. McSpedon stated that now that our project accounting system is more sophisticated, we are going back and charging tasks to the appropriate line items. After further discussion on the reallocation of funds, the Committee requested that the annual report should reflect these adjustments, and the report brought up-to-date annually.

The Committee recommended that the Commission authorize the Acting Executive Director to execute Amendment No. 4 for Contract R01-S12-MQ01, Project Management Oversight, for a not-to-exceed amount of \$1,779,800 with Deloitte/Kellogg Joint Venture subject to satisfactory consummation of contract negotiations. This will increase the total contract price from \$3,782,568 to \$5,562,368. In addition, it is requested that the Commission authorize a contingency amount of \$1,279,700 to cover Claims Mitigation and Project Management Assistance.

AWARD CONTRACT NO. R01-S12-MC006 - VEHICLE LEASING

Al Scala presented staff's recommendation. The Committee asked why only one bid was received. Mr. Scala responded that one firm stated they knew Enterprise was bidding and felt they couldn't beat Enterprise's bid; two stated that they weren't in the insurance business and didn't like having to provide insurance; ~~one firm couldn't guarantee their prices could be firm for the~~ period indicated. The Committee asked about reconsidering the insurance provision in the leasing of vehicles and stated that staff should evaluate whether its cost-effective to have the insurance included in the leasing and also whether the vehicles should be purchased instead of leased. Mr. Scala stated that the analysis done showed that leasing the cars was more cost-effective than purchasing. The Contracts department also conducted a price analysis of the Enterprise bid and determined the price to be fair and reasonable.

The Committee recommended that the Commission authorize the Acting Executive Director to award Contract R01-S12-MC006 TO Enterprise Rent-a-Car/Leasing, the only responsive and responsible bidder. The contract award will be for a total contract price of \$198,679.50. A 20% contract reserve fund of \$39,735.90 is also recommended to cover the cost of changes, but will not be included in the contract award amount. Award is contingent upon resolution of any bid protest timely-filed.

CHANGE ORDER NO. 135 FOR CONTRACT R01-T01-C2125

Al Scala presented staff's report. The Committee recommended the Commission approve Change Order #135 in the amount of \$356,940 to increase the current contract amount from \$45,445,324 to \$45,802,264. The funding will be transferred from the Project Reserve.

OVERVIEW OF NORWALK/EL SEGUNDO CONSTRUCTION MANAGEMENT SERVICES;
VEHICLE DESIGN SERVICES

Al Scala presented staff's report to the Committee. The Committee asked that staff involve the Committee in the interviews for the CM and Vehicle Design Services. Mr. McSpedon stated that since TransCal II's joint venture partners cannot bid on the CM contract, they asked in the design services contract with TransCal II that one of the prime joint venture members (North Pacific Construction Managers) be made a subcontractor and thus be eligible to compete for the Construction Management contract. There was further discussion on the status of the extra vehicles purchased on the LB/LA line since the Norwalk/El Segundo line will be automated and the vehicles have different specs. After considering several options of leasing and selling the vehicles it was determined that it would be more cost-effective to retain all the vehicles since we will be adding more vehicles to the LB/LA line through the years.

SECURITY ENHANCEMENT PROGRAM GRANT APPLICATION

At the last meeting the Committee asked staff to return with additional information on the grant application, specifically the liability and the federal requirements, especially the 13(c) labor protective provisions. Mr. Bruton addressed the Committee on these concerns plus cost of the program; operating cost; SCRTD concerns and what kind of a commitment LACTC can obtain from the private sector.

The Committee asked if SCRTD is being kept informed on this application. Mr. Bruton responded that we are coordinating with SCRTD and they were represented at the last meeting. He stated that they would also be apprised of the outcome of today's meeting. The Committee directed staff to move forward with the safety security grant application.

The Committee discussed the next meeting and scheduled it for October 13, 1988 at 3:00 p.m.

Mr. King read a letter to the Committee from Supervisor Hahn urging expeditious completion of the Long Beach-Los Angeles rail transit project and pledging his full support of that objective.

CLOSED SESSION: REVIEW OF PENDING CONSTRUCTION CLAIMS AND REAL ESTATE MATTERS: AS501 - CHEVRON, USA

The Committee asked for a closed session to review pending construction claims and real estate matters.

ADJOURNMENT

Attachment