



**Rail
Construction
Corporation**



a Subsidiary of
the Los Angeles County
Transportation Commission

**RAIL CONSTRUCTION CORPORATION
MINUTES OF MEETING AUGUST 27, 1990**

MEMBERS PRESENT

DAVID E. ANDERSON, CHAIRMAN
ERNEST CAMACHO, VICE CHAIRMAN
HERBERT L. CARTER
ROBERT E. KRUSE
JAMES T. POTT

STAFF PRESENT

NEIL PETERSON, EXECUTIVE DIRECTOR, LACTC
EDWARD McSPEDON, PRESIDENT/CEO
AL SCALA, MANAGER OF CONTRACTS
JOHN ADAMS, ACTING PROJECT MANAGER - MOS-1
BARBARA NORRIS, SENIOR ADMINISTRATIVE SECRETARY

OTHERS

CULLY CARLSON, INDEPENDENT INVESTIGATION TEAM

CALL TO ORDER

APPROVAL OF MINUTES OF THE JULY 16 AND JULY 23, 1990 MEETINGS

Regarding the Metro Red Line, Contract A165 - 7th Street Streetscape, Mr. Pott questioned whether the Board directed staff to meet with the downtown merchants and the City for cost sharing on the 7th Street Streetscape. Upon reviewing the minutes the above-mentioned directive was given during the presentation of this item, but was not part of the recommendation. The Board approved the minutes of August 27, 1990, subject to the clarification.

CHAIRMAN'S REMARKS

Mr. Anderson thanked SCAG for the use of their Conference Room. He announced the opening of the Long Beach Loop scheduled for September 1 and encouraged all to attend.

Mr. Anderson reported on a delegation from Paris, France visiting the Commission on October 10. As part of the tour, the delegation will be visiting our rail facilities. Mr. Anderson asked if any Board Member would be able to meet with the group. Mr. Camacho stated that he will be available to participate.

Mr. Anderson stated that since the RCC meetings are fairly long, he would like to call a 10 minute break around 3:15 in order for the Board to make any urgent calls, etc.

PRESIDENT'S REPORT

Mr. McSpedon reported on the status of the Landscaping Contract, R23-T01-C355, stating that staff has received a variance from the City of Long Beach for night work. Mr. Scala stated that the bid opening is scheduled for September 6.

Mr. McSpedon also stated that the MOS-1, Contract A136, Station Finishes is also scheduled for bid opening on September 6. The two contracts are scheduled for the RCC's September 21 meeting.

Mr. McSpedon reported on the 7th Street Streetscape item that went to the RCC on August 13. At its August 22, 1990 meeting, the Commission approved a revised recommendation from staff as follows:

"Staff recommends that the Commission concur with the RCC's recommendation to authorize funding of the Streetscape Project in order to adhere to the construction schedule; and furthermore, that the Commission instruct staff to submit a grant application in the amount of \$306,000 to the Environmental Enhancement and Mitigation Program which was established in 1989 under AB 471 and funded through the passage of Proposition 111.

Mr. Pott agreed with the recommendation as long as the grant application did not delay the project.

Mr. McSpedon stated that the work is moving ahead as scheduled.

CONSENT CALENDAR

The Board approved the consent calendar with the following exception: Mr. Pott requested that Items 5B and 5C be pulled for discussion.

GOVERNMENT CODES CLAIMS

The Board recommended that the Commission formally reject the claims of: City of Los Angeles; James Wilson.

CONSENT CALENDAR DISCUSSION ITEMS

METRO BLUE LINE - CONTRACT H880. WHEEL TRUING - CONTRACT CLOSEOUT

Mr. Pott questioned the vast difference in amount between the contingency reserve and surplus returned to Project Reserve. Mr. McSpedon stated that at the July 25 LACTC meeting the budget amount was reconciled with the forecasted amount of the entire Blue Line project, this in turn brought the forecasted amount of this contract to \$810,000.00. The total amount expended is \$803,600.00 with a balance of \$6,400.00 to be returned to the Project Reserve.

Mr. McSpedon agreed with Mr. Pott that the term "Unexpended AFE" was not an appropriate way to describe the \$52,400.00 amount identified in the report given the current circumstances. This will be clarified in future reports.

The Board recommended that the Commission approve the acceptance of the subject contract 100% complete as of June 4, 1990, and authorize the recording of the Notice of Completion. Also, authorize the release of the contract balance of \$8,000.00 thirty (30) calendar days after the filing of the Notice of Completion.

METRO BLUE LINE - CONTRACT H885. LRV WASH EQUIPMENT - CONTRACT CLOSEOUT

Mr. Pott's concern was addressed in the same manner as in the item above. The Board recommended that the Commission approve:

1. Acceptance of the subject contract 100% complete as of June 15, 1990, and authorize the recording of the Notice of Completion.
2. Authorize the release of the contract balance of \$448.27 thirty (30) calendar days after the filing of the Notice of Completion.
3. Approve the transfer of funds in the amount of \$275.00 from the Project Reserve.

METRO BLUE LINE - CONTRACT R01-S12-M001. DELOITTE/KELLOGG JOINT VENTURE (DKJV) APPROVAL OF AMENDMENT NO. 9

Mr. Pott requested further information on the specifics of the scope for the Project Management Oversight (PMO) Consultant (DKJV) and expressed concern that the responsibilities may be duplicated by the claims consultant or the construction manager (CM). Mr. McSpedon stated that the scope of services include responsibility for the Metro Blue Line, e.g., claims assistance and project management oversight and assistance together with certain aspects of these services provided to address critical systemwide and Metro Red Line issues. Mr. McSpedon also stated that the proposed "claims consultant" will only be handling the special case of the backlog of claims on the MOS-1 project. The CM's role on all projects is to try and resolve issues before they become a claim, after which additional independent resources will be brought to bear as necessary from the PMO.

Staff is currently procuring programwide PMO services and expects to present a recommendation for such to RCC October/November.

Mr. Carter asked whether the Commission has a dollar limit on amending contracts without resoliciting. Mr. McSpedon stated there is no specific dollar limit on amendments, but that the amendments are tied to a total scope of services which is initially defined and funded based upon the identifiable components of a broad scope of services which often extends over a multi-year period.

Mr. Pott suggested another option of using the annual budget reviews to adjust all professional services contracts, instead of periodically adding on additional work scope.

The Board recommended that the Commission authorize the Executive Director to execute Amendment No. 9 to the subject contract in the amount of \$1,006,800, bringing the not-to-exceed amount to \$8,129,028.

POLICY ON BETTERMENTS

Mr. McSpedon gave an overview of the Commission's current policy on betterments. Jerry Givens presented a status report on cost recovery projects, citing the betterments recovered, exchanges for betterments, etc. The Board had further discussion on the exact definition of betterments, the negotiation process and the dispute resolution process. RCC directed staff to return to the Board with a draft policy which establishes a strong stance on betterments. This policy should be explicit and state that the RCC will generally look unfavorably on betterments not included by the 85% design review. Further, the RCC should be willing to stop construction if it is the only way to avoid costly betterments.

RCC MEETING DATES

The Board reviewed the remainder of the calendar year, concurring that the scheduled Monday, September 24 meeting will be changed to Friday, September 21. Also, the Board agreed to have one meeting in December, which is scheduled for Monday, December 10.

A-130 RECONSTRUCTION INVESTIGATION STATUS

Cully Carlson reported on the status of the tunnel fire investigation. Mr. Carlson stated that a Preliminary Report is scheduled for an internal review beginning mid-September. The final report will contain all-inclusive findings. John Adams reported on the reconstruction effort underway. He reported that the southbound Vignes Street on-ramp is now open which brings the Hollywood Freeway back to full operation.

The collapsed portion of the tunnel has been completely reconstructed. Also, we have reached an agreement with Caltrans on a method to safely remove the temporary support system under the freeway, so we may move ahead with the completion of the tunnel work.

PUBLIC COMMENTS

The Board heard comments from Mr. John Walsh concerning the Metro Red Line tunnel fire.

REQUESTS FROM THE BOARD

Mr. Carter expressed his concern regarding the DBE/WBE program, stating that he will be meeting with staff to discuss his intent to enhance the staffing of the DBE program. Mr. Anderson requested that Mr. Carter return to the Board if a recommendation is reached.

Mr. Kruse requested, and the Board concurred, that in order to involve the construction industry in specification review and contract conditions analysis, staff is directed to establish a Blue Ribbon Committee, meeting monthly, composed of high-level RCC staff with authority to respond to suggestions, and construction firm representatives that have contracted with LACTC/SCRTD, or are interested in future contracts.

The industry side of the Committee is to be staffed by the Associated General Contractors and any other industry association interested in participating.

A meeting is to be called within 3 weeks and a report of that meeting given to the RCC Board in one month.

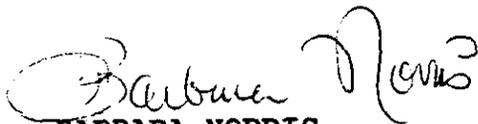
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EXECUTIVE SESSION

The Board adjourned to a closed session to discuss:

- Personnel matters
- Potential Litigation - A130

MEETING ADJOURNED.



BARBARA NORRIS
RCC Board Secretary

EMS:bn-c
(rcc/min-8.27)