



**RAIL CONSTRUCTION CORPORATION  
MINUTES OF MEETING JULY 22, 1991**

**MEMBERS PRESENT**

ERNEST CAMACHO, CHAIRMAN  
ROBERT E. KRUSE, VICE CHAIRMAN  
DAVID E. ANDERSON  
JUDITH HOPKINSON  
DONALD McINTYRE  
JAMES T. POTT

**STAFF PRESENT**

EDWARD McSPEDON, PRESIDENT/CEO  
TOM TANKE, EXECUTIVE VICE PRESIDENT, TECHNICAL OPERATIONS  
JOHN ADAMS, VICE PRESIDENT, CONSTRUCTION  
JOHN MACK, MANAGER OF CONTRACT COMPLIANCE  
ROBERT WARREN, CONTRACT COMPLIANCE ANALYST  
ABDUL SESAY, RISK MANAGER  
WILL SANCHEZ, DIRECTOR, CONTRACTS  
LARRY KELSEY, CONTRACT ADMINISTRATOR  
BARBARA NORRIS, EXECUTIVE SECRETARY

**OTHER**

AUGUSTIN ZUNIGA, COUNTY COUNSEL

**1. CALL TO ORDER**

The meeting was called to order at 2:05 p.m.

**2. APPROVAL OF MINUTES**

The minutes were approved with the following correction:  
Page 6, Item 13, 4th sentence, correct to read "The Board directed Mr. Mack to meet with the Board's appropriate committee and the AGC for these temporary stop gap provisions." Delete last part of sentence "and not the final version"

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3. CHAIRMAN'S REMARKS

No remarks.

4. PRESIDENT'S REPORT

Mr. McSpedon reported the following:

- A permanent Project Manager has been hired for MOS-1.
- The first two Metro Red Line rail cars will be arriving at the Port of Houston in mid-August. A full-scale mock-up will arrive in Los Angeles on August 1.
- The first anniversary of the Blue Line service was celebrated the weekend of July 13.

5. METRO GREEN LINE, AWARD CONTRACT P1800, SPECIAL TRACKWORK, BETHLEHEM STEEL CORPORATION

Mr. McSpedon presented staff's report. At its June meeting the LACTC rejected all bids and directed staff to accelerate the re-advertising and award in order to return to the LACTC's July meeting. Mr. Anderson moved, Mr. Kruse seconded to recommend that the Commission authorize the Executive Director to award Contract P1800 to Bethlehem Steel Corporation, the lowest responsible, responsive bidder. The contract award will be for a total amount of \$5,578,208. A 5% reserve fund of \$278,910 is also recommended to cover the cost of changes and extra work, but will not be included in the contract. Motion approved.

6. METRO GREEN LINE, AWARD CONTRACT C0400, YARD & SHOPS, ROBERT E. MCKEE, INC.

The Board heard comments from the following:

- o Mr. Jeff Thomas, representing PCL Construction Services the initial second lowest bidder (determined non-responsive).
- o Mr. Moe G. Michail, representing United Engineering Technology, Inc. on its protest against some of the prime contractors that bid on the subject contract.

Mr. Sanchez addressed the Board on PCL's non-responsiveness stating that PCL failed to list prices for any of its proposed subcontractors as outlined in Section 1.4 of the Contract Compliance Manual. Staff was unable to determine whether PCL was responsive to the DBE requirements, but this was not the main reason for determining PCL non-responsive. Also, PCL did not provide sufficient information in its bid on how it planned to perform the abatement work.

Mr. Zuniga stated that although a subcontractor has no legal basis to protest a bid, information regarding DBE status and considerations in the contract documents from third-parties can be brought to the owner's attention for information.

The Board had further discussion on the DBE certification process and good faith efforts. Ms. Hopkinson moved, Mr. Pott seconded to recommend that the Commission authorize the Executive Director to award Contract C0400 to Robert E. McKee, Inc., the lowest responsible, responsive bidder, pending resolution of any and all protests that are timely tendered. The contract award will be for a total amount of \$19,320,000. A 15% reserve fund of \$2,222,000 is also recommended to cover the cost of changes and extra work, but will not be included in the contract.

Items 7 and 8 will be discussed later in the meeting.

9. DBE PROCEDURES

Mr. Mack reviewed staff's report with the Board stating that these revision are to serve as interim changes to Section 1.0 of the Contract Compliance Manual while staff is working on other substantive changes to the Manual. The subcommittee will review revisions and a final recommendation will be brought before the Board at the end of August or the first meeting in September.

Mr. Kruse stated his concern that the AGC has not had an opportunity to review the procedures and stressed that the subcommittee has to meet with an intensity that will produce a DBE program and the construction industry has to be involved.

Mr. Pott expressed his concern on the certification process, certification list, bonding capacity and good faith efforts, and asked that the subcommittee address these issues. Mr. Pott questioned not using the SCRTD certification list. Mr. Mack stated that on the MOS-1 and MOS-2 documents, the SCRTD list is accepted. Mr. Anderson suggested that since the SCRTD list is used on these major projects the procedures be modified to include language incorporating the SCRTD certification listing. The Board concurred.

Ms. Hopkinson moved, Mr. Kruse seconded to approve staff's recommendation on an interim basis effective until the first RCC meeting in September 1991. The recommendation is to approve the proposed revisions to Section 1.0 of the Contract Compliance Manual which sets forth the Disadvantaged Business Enterprise (DBE) Requirements with a modification to include referencing the acceptance of the SCRTD certification list on all projects. Motion approved with Mr. Pott voting no.

10. OWNER CONTROLLED INSURANCE PROGRAM (OCIP)

Mr. McSpedon addressed the Board on the Study performed by Warren, McVeigh & Griffin, Inc. on LACTC's Owner Controlled Insurance Program which was distributed to the Board at the beginning of the meeting. The report includes a number of issues and recommendations on improvements and enhancements to the program. Mr. McSpedon suggested that the Board have an opportunity to review the OCIP report, submit their comments and input. Staff will then return to the Board with formal recommendations at the next RCC meeting.

Mr. Sesay and Mr. Ronald Rakich, Vice President, Warren, McVeigh & Griffin, Inc., briefly reviewed the report and recommendations with the Board.

The Board asked that staff send the recommendations to the Board with ample time to review before the next meeting.

11. METRO RED LINE, SEGMENT 2 - VERMONT/SUNSET STATION BRIEFING

Mr. Sandberg briefed the Board on the action taken by the Joint Development Ad Hoc Committee regarding the schedule and cost impacts of any delay that might occur in considering joint development of the station.

Due to the action taken by the Joint Development Committee, and since this item came up after the RCC Agenda was published, Mr. McIntyre moved, Mr. Pott seconded that this time be changed from an information item to an action item. Motion carried unanimously.

Ms. Hopkinson moved, Mr. McIntyre seconded to recommend that a letter from the RCC Chairman to the LACTC Chairman be sent and forwarded to the LACTC Commissioners at its July 24 meeting which states that the RCC concurs in the evaluation that the Vermont/Sunset Station is an opportunity site for joint development. Also, that the Master Plan and feasibility analysis currently underway be received by the Board prior to November 1, and that the design of the station be placed on hold until that time. The cost implication for redesign of the station entrance is a minimum of \$270,000 to \$430,000 and that the associated design cost be budgeted in a separate budget and not part of the existing project. Depending on the impact of the reconfiguration of the station entrance on construction, the costs could be significantly higher. Mr. Anderson added that the recommendation for design cost come back through the RCC to the LACTC. Motion carried.

12. PUBLIC COMMENT

The Board heard comments from Mr. John Walsh, URLA.

13. BOARD MEMBERS REQUEST FOR FUTURE ITEMS

Mr. Pott inquired on the North Coast Line. The Board scheduled a workshop to discuss this issue on August 5 at 3:00 p.m.

Mr. Pott distributed his notes on Facilities in stations.

14. METRO RED LINE. SEGMENT 2 - CONTRACT B211. WILSHIRE/VERMONT STATION

Mr. McSpedon stated that this item was added to the Agenda in the event that staff recommended to reverse the original recommendation based on the pending protest, this would enable the Board to make a recommendation to the LACTC's July 24 meeting. Mr. Kelsey stated that the evaluation team met and reviewed the findings with Counsel and determined to go forth with the original recommendation to the Commission.

7. METRO RED LINE. SEGMENT 1 - AWARD CONTRACT A776. RERAILING EQUIPMENT

Mr. McSpedon presented staff's report. Mr. Anderson asked about the Engineer's Estimate. Mr. McSpedon stated that in this type of contract an Engineer's Estimate is impractical. The only way to price this type of specialized procurement is to review what was paid before on similar procurements (conduct a "price analysis"). This is how the price was determined to be reasonable on both Contract A776 and Contract A736.

Mr. Pott moved, Ms. Hopkinson seconded to recommend that the Commission authorize the Executive Director to award Contract A776 in the amount of \$98,656.00 to Railquip, Inc., the lowest responsive and responsible bidder. Also, 10% reserve fund of \$9,865.60 is recommended to cover the cost of changes and extra work. The Board also recommends that the Commission approve an AFE in the amount of \$108,521.60. Motion approved.

8. METRO RED LINE. SEGMENT 1 - AWARD CONTRACT A736. PORTABLE PASSENGER VEHICLE JACKS

Mr. Pott moved, Ms. Hopkinson seconded to recommend that the Commission authorize the Executive Director to award Contract A736 in the amount of \$128,984.00 to SEFAC Lift & Equipment Corporation, the lowest responsive and responsible bidder. Also, 10% reserve fund of \$12,898.40 is recommended to cover the cost of changes and extra work. The Board also recommends that the Commission approve an AFE in the amount of \$141,882.40. Motion approved.

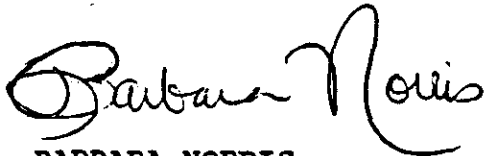
15. EXECUTIVE SESSION

The Board adjourned to an Executive Session to discuss Real Estate Matters on:

o Real Estate Matters, Metro Green Line

- Metro Green Line: Parcels AS506, AS503, AS524, AS532 T-Y Nursery, Inc.
- Metro Red Line: Parcel B2-188 Charles Bruckner
- Metro Blue Line: Parcel AS578-9 Manfredo C. Pentzke; Parcel AS580 & AS582 Lorenzo Flores; Parcels AS581, AS583, AS584 Evangelistic Fellows Church; Parcel AS585 Francisco & Lucina Alfaro; AS586 Rosimble & Bertha Rodriguez; Parcel AS587 & AS588 Manfredo C. Pentzke; AS589 & AS590 John H. Bigelow; AS591 Edward A. Bigelow, et al; AS592 Laddie Charles & Dolores Leopold; AS599 County of Los Angeles

ADJOURNMENT



BARBARA NORRIS  
Executive Secretary

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