



**RAIL CONSTRUCTION CORPORATION
MINUTES OF MEETING OCTOBER 21, 1991**

MEMBERS PRESENT

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

STAFF PRESENT

EDWARD McSPEDON, PRESIDENT/CEO
NEIL PETERSON, EXECUTIVE DIRECTOR, LACTC
DAVID SIEVERS, INTERIM PROJECT MANAGER, METRO GREEN LINE
WILL SANCHEZ, DIRECTOR OF CONTRACTS
JOEL SANDBERG, PROJECT MANAGER, METRO RED LINE, SEGMENT 2
BARBARA NORRIS, EXECUTIVE SECRETARY
BONNIE VERDIN, SECRETARY II

OTHER

NINA PHILLIPS, COUNTY COUNSEL
AUGUSTIN ZUNIGA, COUNTY COUNSEL

1. CALL TO ORDER

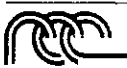
The meeting was called to order at 2:00 p.m.

2. APPROVAL OF MINUTES

The minutes of the October 7 meeting were approved as corrected:

Page 3, first line - correct to read.... Mr. Pott asked how staff is addressing the subsurface investigation.....


Page 3, third paragraph, fourth line - correct to read.....any unusual subsurface conditions in order to avoid any slippage in the schedule and unnecessary costs.....



**Rail
Construction
Corporation**

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Leading the Way to Greater Mobility

 a Subsidiary of
the Los Angeles County
Transportation Commission

3. PUBLIC COMMENTS

The Board heard comments on several issues, including safety on construction sites, from Mr. John Walsh .

4. CHAIRMAN'S REMARKS

Mr. Camacho reported on the Transportation Conference which is being co-hosted by the LACTC with Assemblyman Richard Katz. The Conference is scheduled for October 27-29 at the Sheraton Universal Hotel.

5. PRESIDENT'S REPORT

Mr. McSpedon reported on the following:

- The Miami Metropolitan Dade Transit Authority (MDTA) has approved a lease agreement for the railcars to be utilized on the Red Line. The first two married pairs should be shipped sometime early November.
- Contract H1200 has been challenged in a court action. The case was heard October 18. Mr. Zuniga stated that on October 21 the judge issued a written decision that upheld the fact that this is not a construction contract therefore did not approve or deny the writ of mandate.
- A subway tour for Board Members is being scheduled for early November
- Discussions with worldwide experts on mined stations are being held October 22.

CONSENT CALENDAR

Mr. Pott asked that Item 6 be removed and Mr. Camacho asked that Item 8 be removed from the Consent Calendar. Mr. Kruse moved, Mr. McIntyre seconded to approve Item 7. Motion approved.

7. METRO RED LINE, SEGMENT 1, CONTRACT E0017, HIGH-POINT SCHAER CLAIMS CONSTRUCTION CONSULTANT, AMENDMENT #4

The Board recommended that the Commission authorize the Executive Director to execute Amendment #4 to increase the base year by \$483,000 and approve the option year in the amount of \$1,015,000. Also, approve the necessary AFE increase of \$1,500,000.

REGULAR CALENDAR

CONSENT CALENDAR DISCUSSION ITEMS

6. METRO RED LINE, CONTRACT FM-014, SYSTEMWIDE PROJECT MANAGEMENT, FLUOR DANIEL, INC., AMENDMENT #1

Mr. Pott asked if this is a contract augmentation in dollars only or a contract extension to December 1992. Mr. McSpedon stated it is the former and the extension of the contract performance period is until December 31, 1991. Mr. Pott moved, Mr. Anderson seconded to recommend that the Commission authorize the executive Director to execute Amendment #1 in the amount of \$396,500. Motion approved.

8. CONTRACT T00-S0003, ECKERT, SEAMANS, CHERIN & MELLOTT FOR LEGAL SERVICES

Mr. McSpedon stated that the errors & omission (E&O) portion of this Amendment was referred to the RCC from the LACTC's subcommittee on Finance and Programming. Mr. McSpedon briefed the Board on the background of this contract.

Mr. McSpedon stated that a briefing on professional liability claims on the Blue Line will be scheduled to be presented to the Board in closed session at a future meeting.

Mr. Camacho asked that the Board be furnished information on what steps are being taken to incorporate DBE goals in this contract if it continues to be extended.

Mr. Pott moved, Mr. Anderson seconded to recommend that the Commission approved staff's recommendation with the understanding that the approval is only directed towards the E&O portion relating to the Rail Construction Corporation. Motion approved.

11. METRO GREEN LINE, AWARD CONTRACT 01900 - VEHICLES
- &
12. METRO GREEN LINE, AWARD CONTRACT H1100 - AUTOMATIC TRAIN CONTROL SYSTEM

Mr. Camacho stated that due to information received on potential litigation on these issues after the agenda was published, the Board will adjourn to a closed session to discuss these issues.

The Board returned to open session.

Continuation of Items 11 & 12

11. METRO GREEN LINE, AWARD CONTRACT 01900 - VEHICLES
&
12. METRO GREEN LINE, AWARD CONTRACT H1100 - AUTOMATIC TRAIN CONTROL SYSTEM

The Board heard comments from the following:

Mr. Tom Smith, President/CEO, Morrison-Knudsen Rail Systems Group - Expressed disagreement with RCC staff's recommendation on Contract P1900

Mr. George Kieffer, Attorney for Morrison-Knudsen, spoke on the bidding process

Mr. Camacho reported on letters received from the El Segundo Employers Association, Sumitomo Corp. of America, several cities in the corridor - City of Torrance, Hawthorne, Redondo Beach and many more stating their concerns on this issue.

Mr. Clinton Smith, City of Hawthorne stated he would not speak as long as the letter from the City of Hawthorne is entered into the record.

Carl Jacobson, Mayor of El Segundo, spoke in favor of keeping the Green Line automated.

Mr. Camacho stated that the Board would hear speakers on Item #12.

Michael Pracht, Union Switch & Signal addressed the Board and asked that the Board reconsider delaying and award Metro Green Line Contract H1100 today.

Robert Glines, Manager Mass Transit Business Development, General Railway Signal Corp. addressed the Board indicating their concerns of negotiating with only one company on Metro Green Line Contract H1100.

Mr. McSpedon reported on staff's decision asking for termination of procurement for Contracts P1900 and H1100 stating that the prices received for both contracts substantially exceed the budget established for the Green Line project. Therefore, staff is looking at alternatives that are available to the Board and Commission that would keep the Green Line within budget and schedule and result in transportation service that would fulfill the needs of the riders on the corridor. Staff's determination is that the only option is to reconsider the automated technology on the Green Line. The automated technology itself does not provide a higher level of service, it strictly allows service to be provided at a lower incremental operating cost. A non-automated solution can provide the same level of service to the rider although at a

higher incremental cost. Based on the prices received for the two contracts it is difficult to justify the capital investment for the reduction in operating cost. It is a better investment to pay the additional operating cost to provide a high frequency service than to award these contracts.

The Board discussed in length the options of not having an automated train control system at this time, but have the ingredients there for a future automated system; standardizing the vehicle as to where it can be converted to automation by additional computers, etc.

Mr. Bill Frandsen addressed the Board on the technical aspects of considering these two issues.

After considerable discussion on the options, Ms. Hopkinson moved, Mr. Kruse seconded to recommend the following to the Commission:

1. The RCC Board has determined that the proposals received for Contracts P1900 and H1100 are substantially in excess of the Capital budget.
2. The P1900 procurement documents to date have several matters that are unclear, inconsistent with current procedures, or do not meet the needs of the Program. The RCC Board does not believe that a contract award can be made on P1900 at this time.
3. The H1100 procurement is in conformance with procedures and requirements, and could be awarded based on the proposals/prices in hand at this time.
4. The RCC Board recommends that either of two options is viable at this time as follows:
 - A. Should the LACTC desire to retain the automation feature of the Metro Green Line, and provide the additional required funds;
 - a) The budget for Metro Green Line be increased to accommodate the increased costs of P1900 and H1100 from \$886 million to \$974 million.
 - b) Undertake an additional Request for Best and Final Offers for P1900 to correct potential deficiencies in the procurement documents, and to include certain items such as local assembly.
 - c) Continue to hold open the proposals/prices for H1100 until P1900 is ready to award and award both contracts simultaneously.

- B. Should LACTC elect to reduce the cost to comply with the current Capital budget, the RCC Board recommends that it:
- a) Issue an additional Request for Best and Final Offers for P1900 to provide for non-automated technology but with a vehicle similar to that of this procurement and which would allow for the Green Line to be automated at a later date; correct potential deficiencies in the procurement documents; and to include certain items such as local assembly.
 - b) Terminate procurement effort for Contract H1100 and initiate a new procurement effort for non-automated train control system with provision for future automation.
 - c) In parallel, prepare a new specification for a standard non-automated light rail vehicle.

Ms. Hopkinson also asked that a committee work with staff on the restructure and the evaluations and that the evaluation ranking and percentages be agreed upon and publicized as part of the re-BAFO.

Motion approved.

13. METRO GREEN LINE, AWARD CONTRACT H1400, OVERHEAD CONTACT SYSTEM

Mr. Sievers presented staff's report. Mr. Kruse moved, Mr. McIntyre seconded to recommend that the Executive Director award Contract H1400, Metro Green Line Overhead Contact System, to the lowest responsive and responsible bidder, Mass Electric Construction Company, pending resolution to any and all protests that are filed in a timely manner, and receipt of the required bonds. Motion approved.

14. CONTRACT E0070 - ENGINEERING MANAGEMENT CONSULTANT - PB/DMJM

Mr. Sanchez presented staff's report. Mr. McIntyre moved, Mr. Anderson seconded to recommend that the Commission approve selection of Parsons, Brinckerhoff, Quade and Douglas, Inc. (PB) in joint venture with Daniel, Mann, Johnson and Mendenhall (DMJM), (PB/DMJM) and its subcontractors and authorize RCC Staff to negotiate terms and conditions for engineering management services on all future rail projects. Upon Commission approval, staff will issue a limited Notice to Proceed letter contract in an amount not to exceed \$5,000,000 to PB/DMJM to begin work on the Pasadena Line pursuant to the terms and conditions of RFQ #E0070 subject to negotiations. Motion approved.

15. METRO RED LINE, SEGMENT 1 & 2, CONTRACT #2297/E0002, METRO RAIL TRANSIT CONSULTANTS (MRTC), AMENDMENT #6

Mr. Pott moved, Mr. Anderson seconded to recommend that the Commission authorized the Executive Director to execute Amendment #6 with MRTC in the additional amount of \$2,000,000 for Segment 1, \$6,569,000 for Segment 2, and extend the period of performance through December 31, 1991. Motion approved.

16. METRO RED LINE, CONSOLIDATED TUNNELING AND SOIL REMOVAL SITE AT BARNSDALL PARK

The Board heard comments from the following:

Dr. Abraham J. Falick, Coalition for Rapid Transit.
Mr. John Walsh, Hollywood Project Area Committee.

Jim Sowell reviewed with the Board the Draft Environmental and Initial Study on the consolidated tunneling and soil removal site at Barnsdall Park.

17. METRO RED LINE, VERMONT/SUNSET STATION, DESIGN SUSPENSION

The Board agreed to allow redesign of the station to proceed on the basis of direction given by the LACTC/RCC Joint Development Ad Hoc Committee at its November meeting.

Mr. Kruse moved, Mr. McIntyre seconded to recommend authorizing the RCC President to extend the holding of the station design another 30 days, from November 1 to December 1, 1991, to allow adequate time for the LACTC/RCC Joint Development Ad Hoc Committee to deliberate on the joint development potential and decide if any change to station the entrance is required. Motion approved.

18. RCC ANNUAL REPORT

In accordance with the bylaws of the Rail Construction Corporation the Board approved a motion to transmit the first Annual Report to the LACTC for the 1990-1991 fiscal year.

19. BOARD MEMBERS REQUEST FOR FUTURE ITEMS

Mr. Pott again requested that the following items be considered at the next RCC meeting:

- Professional Operations Committee
- DBE Modifications

20. UPDATE ON RE-ORGANIZATION

Mr. Peterson briefed the Board on the plan for re-organization stating that both the LACTC and the SCRTD Sub-Committees will be meeting on a weekly basis to come up with a consensus on actions to be taken to their perspective Boards in November

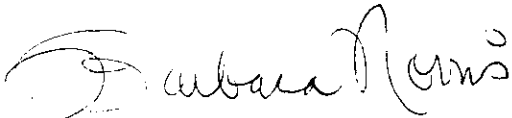
prior to a Joint LACTC/SCRTD Meeting in December. This action is to meet the requirements of the Re-Organization Bill which states we must have a plan for a consolidated agency before the Legislation in January.

Ms. Hopkinson asked Mr. Peterson about the budget process discussed at previous meetings regarding the method of allocation, in effect the RCC administrative portion of the budget be separated and sent to the Board for use in recommending a RCC budget. Ms. Hopkinson stated that information was given at the RCC F&B subcommittee meeting, but was not detailed enough to support making a recommendation on the RCC budget to the LACTC. Mr. Peterson stated that he hopes to have this information for the Board in a few weeks.

EXECUTIVE SESSION

The Board adjourned to an Executive Session to discuss the following:

Real Estate Matters - G.C. #54956.8
Metro Green Line, Parcels AS506, AS523, AS524, AS532 -
Southern California Edison Company.



BARBARA NORRIS
Board Secretary

BN-C(min-10.21)