



RAIL CONSTRUCTION CORPORATION (RCC)
MINUTES OF AUGUST 31, 1992 MEETING

MEMBERS PRESENT

ROBERT KRUSE, CHAIRMAN
JUDITH HOPKINSON, VICE CHAIR
DAVID ANDERSON
DONALD McINTYRE
JOHN W. MURRAY
MAS NAGAMI

STAFF PRESENT

EDWARD McSPEDON, PRESIDENT/CEO
FRANK FLORES, PROGRAM MANAGER, CAPITAL PLANNING
MICHAEL BACA, MANAGER, CONTRACTS
ELAINE STEWART, DIRECTOR, PUBLIC AFFAIRS
HERMAN HAGEN, MANAGER, PUBLIC AFFAIRS
BONNIE VERDIN, BOARD SECRETARY
MERCY MENESES, ASSISTANT BOARD SECRETARY

OTHER

AUGUSTIN ZUNIGA, COUNTY COUNSEL
STEVEN POLECHRONIS, FLUOR DANIEL

1. CALL TO ORDER

The meeting was called to order at 2:35 p.m.

2. APPROVAL OF MINUTES

The minutes of the August 17, 1992 meeting were approved as submitted.

3. CHAIRMAN'S REMARKS

Mr. Kruse stated that RCC's program is becoming more and more dynamic and to proactively meet some of the challenges ahead, he requested a Board workshop to discuss:

1. Change Orders
2. Re-organization issues

The workshop was scheduled for September 22, 1992, at 3 p.m.

4. PRESIDENT'S REPORT

Mr. McSpedon reported the following:

- On 8/26, the Commission approved Contract B745, Air Handling Equipment for Metro Red Line, Segment 2, but requested regular status reports on all change orders as there was some concern about the acceptance of too low a bid that may, in fact, escalate.

In addition, with regard to Contract B740, Ventilation Equipment for Metro Red Line, Segment 2, a protest was received, reviewed and dismissed for lack of merit prior to the time for the Commission to consider this item for action at their meeting. The Commission approved the award.

The Commission also reviewed the Metro Red Line, Segment 3 Acceleration - Staff Augmentation item. This item was referred to the Merger Steering Committee for review.

- Last week, a public hearing on the Grant Application for Metro Red Line, Segment 3 was held. The key milestones in fulfilling all the federal requirements to get the grant were announced.

Mr. Flores provided a briefing on this item.

There was some discussion relative to the fact that the acceptance of federal grant funds may limit the LACTC to federal MBE standards if a waiver can not be obtained.

Mr. Kruse requested that the Board's Minority Participation Subcommittee meet with staff in the near future to discuss this issue as well as other related issues.

CONSENT CALENDAR

With regard to Item #9, Mr. Anderson asked staff to clarify the amount of the amendment as there appeared to be a miscalculation of numbers in the background section of the report. Mr. Baca acknowledged that the report contained a typographical error and clarified that \$48,500 is the correct amount of the amendment.

Ms. Hopkinson moved, Mr. Murray seconded to approve the Consent Calendar. It was further moved that Item #7 be approved as interim policy until the Board has had an opportunity to work with staff to finalize the policy. Motion approved.

5. TRAVEL REQUEST - ROBERT KRUSE, CHAIRMAN
ANNUAL APTA MEETING, SAN DIEGO, CA - OCTOBER, 1992

The RCC Board approved Mr. Kruse's request to travel to San Diego, California to attend APTA's Annual Meeting, October 18-22, 1992.

6. STATUS OF UNEXECUTED CONSTRUCTION/PROCUREMENT
CONTRACT CHANGES OVER \$200,000

The RCC Board recommended that the Commission receive the above captioned status report.

7. CHANGE CONTROL POLICY: PROFESSIONAL SERVICES CONTRACTS
LACTC NOTIFICATION AND APPROVAL OF RCC
CONSULTANT CHANGE REQUESTS

The RCC Board recommended that the Commission adopt and approve the policy and procedure statement developed by staff. These will serve as interim policy and procedures until finalized by staff with the Board's input.

8. METRO BLUE LINE - CONTRACT C0140
LANDSCAPING, REQUEST TO ADVERTISE

The RCC Board authorized staff to proceed with the advertising and solicitation for the Watts Urban Greenways project, Contract No. C0140, Landscaping.

9. METRO RAIL TRANSIT - CONTRACT NO. M001
KELLOGG CORPORATION, PROJECT MANAGEMENT ASSISTANCE
AMENDMENT NO. 16

The RCC Board recommended that the Commission authorize the Executive Director to execute Amendment No. 16 with Kellogg Corporation in the amount of \$48,500.

The recommended \$48,500 is budgeted as follows:

Red Line Segment 1	\$31,250
Blue Line	6,250
Safety Review and Audit (Systemwide)	11,000
Total	\$48,500

REGULAR CALENDAR

11. TRANSPORTATION OCCUPATIONS PROGRAM (TOP) STATUS REPORT

Ms. Stewart provided a briefing on the status of this program.

Mr. Murray asked what the status of the Foundation is. Ms. Stewart stated that the Foundation does have legal status but that since a Board of Directors has not yet been appointed, the Foundation is not operational at this time.

Ms. Stewart clarified for the Board that Ms. Beatrice Lee, RCC Public Affairs Officer, is assisted by Ms. Stewart, Mr. Hagen and administrative support.

Mr. Murray asked Ms. Stewart to explain why the TOP program could not be administered by an LACTC group, other than RCC's Public Affairs, that may currently have the necessary additional resources to handle an expansion of the program. Ms. Stewart stated that a major advantage for it remaining with RCC's Public Affairs is that it is close to the construction element, to our school construction safety program and also to the resources, such as the faculty that work with students. Ms. Stewart further stated that administratively, however, the program could very well fit in other places where other educational activities are taking place although she is unaware of staff that is currently available to expand the program in terms of the resources that are needed.

Mr. McSpedon stated that there remains much discussion as to how to handle the program's future needs. The purpose of staff's presentation today was to identify opportunities for the program's expansion but not to request added resources at this time. Perhaps the LACTC/SCRTD merger will produce resources within SCRTD.

12. FLUOR DANIEL, INC.
SEMI-ANNUAL STATUS REPORT TO THE BOARD OF DIRECTORS

Mr. Polechronis provided a briefing.

Mr. Kruse stated that he would like these future reports to more directly point out the program's problems as well as successes. Mr. McSpedon stated that this reporting process to the Board should be as meaningful as possible and welcomes this type of Board feedback so that the report can be tailored accordingly.

Ms. Hopkinson stated that she would like Fluor Daniel to assess RCC's program more in the form of an audit. Mr. Anderson agreed with Ms. Hopkinson and further stated that Fluor Daniel has a dual role; that of an auditor and a partner.

Mr. McSpedon and Mr. Polechronis indicated that these Board comments and suggestions will be incorporated into the next report.

The Board heard comments from Mr. Bob D'Amato.

13. PUBLIC COMMENT

The Board heard comments from:

- Mr. John Walsh
- Mr. Bob D'Amato

14. BOARD MEMBER REQUEST FOR FUTURE ITEMS

Mr. Kruse requested that LACTC staff provide the Board with a status briefing of the Commission's MBE/DBE program.

EXECUTIVE SESSION

The Board adjourned to an Executive Session to discuss:

- Potential Litigation - G.C. #54956.9 (b)
- Contract MC005
 - Union Station

ADJOURNMENT

The meeting adjourned at 3:50 p.m.



Bonnie Verdin
Board Secretary

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