



**RAIL CONSTRUCTION CORPORATION (RCC)
MINUTES OF SEPTEMBER 22, 1992
CHANGE ORDER PROCESS WORKSHOP**

MEMBERS PRESENT

ROBERT KRUSE, CHAIRMAN
ERNEST CAMACHO
DON McINTYRE
JOHN W. MURRAY
MAS NAGAMI

STAFF PRESENT

EDWARD McSPEDON, PRESIDENT/CEO
CHARLES STARK, PROJECT MANAGER, METRO RED LINE, SEGMENTS 1 & 2
DAVE SIEVERS, PROJECT MANAGER, METRO GREEN LINE
JOEL SANDBERG, PROJECT MANAGER, METRO RED LINE, SEGMENT 2
WILL SANCHEZ, DIRECTOR, CONTRACTS
JEFFREY CHRISTIANSEN, VICE PRESIDENT, PROGRAM MANAGEMENT
LOUISA SIMPSON, MANAGER, CONFIGURATION MANAGEMENT
DENNIS PARTRIDGE, CONFIGURATION SPECIALIST
JOHN ADAMS, VICE PRESIDENT, RAIL CONSTRUCTION
MIKE BACA, MANAGER, PROFESSIONAL SERVICES CONTRACTS
BONNIE VERDIN, BOARD SECRETARY
MERCY MENESES, ASSISTANT BOARD SECRETARY

OTHER

AUGUSTIN ZUNIGA, COUNTY COUNSEL
RAY JUDSON, RALPH M. PARSONS CORP.
VLADIMIR KHAZAK, OKA
RON WELLS, DILLINGHAM CONSTRUCTION
ED PUTZ, LONG BEACH CITY PUBLIC WORKS
BOB HORII, LOS ANGELES CITY ENGINEER'S OFFICE
GARY HARTLEY, L.A. COUNTY DEPT. OF PUBLIC WORKS
JACK HALLIN, CALTRANS
TAD TEFERI, CALTRANS
GEORGE MORSCHAUSER, PARSONS DILLINGHAM
MARILYN MORTON, PARSONS DILLINGHAM

1. CALL TO ORDER

The meeting was called to order at 3:10 p.m.

2. REVIEW OF CONSTRUCTION CHANGE ORDER AND CONSULTANT CHANGE REQUEST APPROVAL PROCESS

Mr. Christiansen, Ms. Simpson and Mr. Kelsey provided a review of the RCC's construction change order and consultant change request approval process.

3. DISCUSSION OF STAFF ACTIVITIES.

Ms. Simpson provided an overview of RCC staff activities.

4. DISCUSSION OF CURRENT PROBLEMS

A discussion of some of RCC's current problems/challenges was led by Mr. Sanchez and Mr. Kelsey.

5. GROUP DISCUSSION

The group engaged in a round-table-type discussion with guests providing their agency experiences and input.

6. RECOMMENDATIONS/PATH FORWARD

To reduce the volume and cost of construction/procurement contract changes, RCC staff will consider the following recommendation/suggestions:

- Incorporate allowance for owner-directed changes in bid
- Require multiple quotes for subcontracted work
- Allow for work to be deleted and inserted in a future contract where appropriate
- Include a standard overhead for processing changes in bid (could be proportional to change cost)
- Require contractors to include changes on the critical path schedule
- Get subcontractor buy-in to partnering and Disputes Review Board
- Reserve the right to re-bid significant quantity changes
- Perform risk analysis on major issues
- Provide options for systems contracts
- License technology

To reduce the volume and cost of consultant contract amendments, RCC staff will consider use of annual or bi-annual negotiation and adjustment of contracts. In addition, staff will consider using the term "Additional Service Agreement (ASA)" rather than "Change".

ADJOURNMENT

The meeting adjourned at 5:35 p.m.



Bonnie Verdin
Board Secretary

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