

MINUTES

RAIL CONSTRUCTION CORPORATION (RCC)
APRIL 19, 1993 MEETING

MEMBERS PRESENT

ROBERT KRUSE, CHAIRMAN
DAVID ANDERSON
EVAN ANDERSON BRAUDE
BOB ARTHUR, ALTERNATE TO DEANE DANA
ERNEST CAMACHO
JOHN MURRAY
CARL RAGGIO

STAFF PRESENT

EDWARD McSPEDON, PRESIDENT/CEO
LOU HUBAUD, DIRECTOR, SAFETY AND SECURITY
JESSICA CUSICK, DIRECTOR, ART-FOR-RAIL
SHIELA WALKER, MANAGER, CONTRACT COMPLIANCE
MIKE BACA, MANAGER, PROFESSIONAL SERVICES CONTRACTS
GWEN WILLIAMS, MANAGER, CONTRACTS, VEHICLE ACQUISITION PROJECT
GIL SALDANA, PUBLIC AFFAIRS OFFICER
BONNIE VERDIN, BOARD SECRETARY
MERCY MENESES, ASSISTANT BOARD SECRETARY

OTHERS

AUGUSTIN ZUNIGA, COUNTY COUNSEL
CHARLES SAFER, MTA CO-COUNSEL
MARTY RUBIN, EMC

1. CALL TO ORDER

The meeting was called to order at 1:05 P.M.



2. APPROVAL OF MINUTES

The minutes of the April 5, 1993 meeting were approved as submitted.

3. CHAIRMAN'S REMARKS

- Mr. Kruse stated that staff has requested that Items 12 and 18 be withdrawn from the agenda. Board members should have received, via fax, Mr. McSpedon's explanation of problems with these two items which were discovered subsequent to mailout of the agenda. Mr. McSpedon's faxed memorandum included a set of recommendations for the Board to consider.

Mr. Camacho suggested that the Board consider staff's recommendation at the top of the meeting so as not to unnecessarily detain individuals interested in these items.

12. METRO RED LINE, SEGMENT 3 - CONTRACT NO. E0070
EMC - AUTHORIZATION TO NEGOTIATE WITH FIRMS FOR
STATION DESIGN SERVICES

Mr. McSpedon clarified for Mr. Murray that Item 18 was to have been mailed under separate cover but was never sent out because of concerns that arose. Mr. Kruse offered that, as he understands it, the recommendation on Item 18, as would have been forwarded to the Board, was predicated on information contained in Item 12.

Mr. Murray expressed concern over taking action on an item (Item 18) that hasn't even been reviewed by the Board. Mr. McSpedon stated that the recommendation on Item 18 was regarding design assignments for the Metro Pasadena Project. To some extent, a factor in the determination of the best qualified firms had to do with how "thinly spread" they were on other assignments. When Item 18 was drafted, there was the assumption that certain of the firms would be receiving awards through Item 12 which is a significant job and would affect their capacity to take on work through Item 18.

Mr. Murray questioned staff's ability to make a subjective assessment as to how "thinly spread" a professional firm may or may not be. Mr. McSpedon stated that he spent the better part of last Friday studying the selection process used on Item 12. Mr. McSpedon stated that it is his conclusion that improvements to the selection process need to be made. There was some consideration of the awards recommended through Item 12 that were included in the review and recom-

mendations made through Item 18. Mr. McSpedon stated that staff has not had a chance to examine the full impact Item 12 has on Item 18, but he recommends holding both these items to allow further review.

Mr. Murray inquired whether other contract awards on today's agenda, which also involve a selection process done by the EMC, should also be held back. Mr. McSpedon stated that he reviewed the items referenced by Mr. Murray. However, there do not appear to be any similar problems but it is clearly at the Board's discretion to hold any other items as it deems appropriate.

Mr. Murray expressed concern over not having been provided all of the information necessary to take any kind of action. Mr. Kruse explained to Mr. Murray that the rationale for withholding Item 18 focused primarily on procedural concerns brought to Mr. McSpedon's attention.

Mr. McSpedon offered to further clarify that Item 18 had not been prepared until Friday. Based on the concerns that he had with Item 12, Mr. McSpedon stated that he was not prepared to sign Item 18 because the recommendation, as developed by staff, was not finalized and further staffwork was necessary. Mr. McSpedon stated the the report was not mailed out because the evaluation simply had not been completed.

Mr. Camacho moved, Mr. Arthur seconded, to approve staff's recommendation as noted below. Motion was approved. Mr. Murray requested a full report of the issues related to the issues/concerns on these items.

The RCC Board recommended that:

- No action be taken on this item.
- Staff develop and present to the RCC Board Contracts Committee recommended revisions to the EMC's section designer proposal review and evaluation process.
- Staff and the EMC constitute a new evaluation panel and conduct a new review and ranking of all 51 proposals using the revised evaluation process as approved by the Contracts committee.
- Staff and the EMC review this Item 18 and make any revisions necessary and appropriate due to the revisions of Item 12.

18. METRO PASADENA PROJECT - CONTRACT NO. E0070
EMC - AUTHORIZATION TO NEGOTIATE WITH SECTION DESIGNER
FOR ARCHITECTURAL SERVICES OF 6 STATION PACKAGES

See Item 12 for disposition of this item.

The RCC Board recommended that:

- No action be taken on this item today.
- Staff and the EMC review this item and make any revisions necessary and appropriate due to the revision of Item #12.

4. PRESIDENT'S REMARKS

Mr. McSpedon reported the following:

- Today, 500-600 Los Angeles Unified School District students will be arriving by Metro Blue Line, Metro Red Line and Metrolink trains at the Children's Museum to see a Metro exhibit to commemorate the "Month of the Young Child".
- As previously mentioned, several weeks ago no bids were received for a demolition contract which, by design, was a small contract which had been isolated to attract small firms. Last week, bids for a second demolition contract were opened and five very competitive bids were received. This is an indicator that the RCC is making progress in promoting awareness and encouraging participation by small firms in the Metro Rail Program.
- Last week, the RCC gained possession of the Bank of America building at Vermont/Wilshire. This building is currently being prepared for demolition and is a key factor for helping to ensure the scheduled opening of the Metro Red Line, Segment 2 on Wilshire Boulevard.
- The elevators and escalators contract for Metro Red Line, Segments 2 & 3 (including an option for East Los Angeles) was combined into one large contract in order to increase the RCC's buying leverage. A number of very competitive bids have been received. A recommendation for the Board's consideration will be coming forward soon.
- Last weekend, the emergency preparedness plan for civil unrest was put into place. Fortunately, activation was not necessary but the exercise resulted in very positive results in terms of heightening our preparedness for emergencies.

Mr. Hubaud briefed the Board on the highlights of RCC's emergency preparedness plan.

- The Vendor Fair begins tomorrow with some opening events beginning this evening. There are 188 exhibitors and 3,000 attendees are expected.
- Mr. McSpedon presented an award to Los Angeles Fire Department (LAFD) Battalion Chief Richard Schiel in recognition of his hard work, dedication and commitment in working with the RCC's Fire and Life Safety Committee. In February 1993, Chief Schiel was promoted from Battalion Chief to Assistant Fire Chief and Los Angeles County Fire Marshall.

Mr. Kruse commended Chief Schiel and the Committee for administering this system on a project of extreme magnitude and rigorous safety rules.

STANDING INFORMATION REPORTS

5. FORECAST OF UNEXECUTED PROFESSIONAL SERVICES
CONTRACT CHANGES OVER \$200,000

The Board received this status report.

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

The RCC Board received this status report.

CONSENT CALENDAR

As previously noted, Items 12 and 18 were deferred to allow for further staffwork. In addition, Items 8, 9, and 10 were pulled for discussion. Item 17 was pulled to allow a request to speak.

Mr. Anderson moved, Mr. Murray seconded, to approve the remaining consent calendar items. Motion approved.

7. METRO RED LINE, SEGMENTS 1 - CONTRACT NO. A147/157
PERSHING SQUARE, CIVIC CENTER STATIONS
CONTRACT CLOSE-OUT

The RCC Board recommended that the MTA:

- Approve the acceptance of the subject contract completion of March 15, 1993.
- Authorize the filing of the Notice of Completion.
- Assess \$6,870 for failure to submit Monthly Employment Utilization Reports (MEUR).

- TOTAL \$6,870 to be assessed for Civic Center and Pershing Square Stage II from the current retention value of \$1,395,015.11. The balance will be released after all claims have been satisfied.

11. METRO RED LINE, SEGMENT 1 - CONTRACT NO. A745
AIR HANDLING EQUIPMENT (PROCUREMENT ONLY)
CONTRACT CLOSE-OUT

The RCC Board recommended that the MTA:

- Approve the acceptance of the subject contract completion of January 27, 1993.
- Authorize the filing of the Notice of Completion.

13. METRO RED LINE, SEGMENT 3 (EAST & WEST EXTENSION)
CONTRACT NO. EN027 - ENVIRONMENTAL ENGINEERING SERVICES
RECOMMENDATION FOR AWARD

The RCC Board recommended that the MTA execute a contract with Enviro-Rail, and obligate funds in the amount of \$1,255,000 as presented below for completion of Metro Red Line, Segment 3 (West) Environmental Engineering Services:

<u>PROJECT</u>	<u>PROPOSED CONTRACT VALUE</u>
Metro Red Line, Seg. 3 (West)	\$1,255,000
Metro Red Line, Seg. 3 (East)	\$ 0
Total	\$1,255,000

14. METRO PASADENA AND GREEN LINE PROJECTS
CONTRACT NO. EN026 - ENVIRONMENTAL ENGINEERING SERVICES
RECOMMENDATION FOR AWARD

The RCC Board recommended that the MTA execute a contract with Tetra Tech and obligate funds in the amount of \$1,075,000 as presented below for Environmental Engineering Services on the Metro Pasadena Line and portions of the Metro Green Line that are now under construction. Project funding for this contract is as follows:

<u>PROJECT</u>	<u>PROPOSED CONTRACT VALUE</u>
Metro Pasadena Line	\$1,050,000
Metro Green Line	\$ 25,000
Total	\$1,075,000

15. METRO PASADENA AND GREEN LINE PROJECTS
 CONTRACT NO. EN031 - WASTE HANDLING SERVICES
RECOMMENDATION FOR AWARD

The RCC Board recommended that the MTA execute a contract with Metcalf & Eddy and obligate funds in the amount of \$765,000 as presented below for Waste Handling Services on the Metro Pasadena Line and portions of the Metro Green Line that are now under construction. Project funding for this contract is as follows:

<u>PROJECT</u>	<u>PROPOSED CONTRACT VALUE</u>
Metro Pasadena Line	\$750,000
Metro Green Line	\$ 15,000
Total	\$765,000

16. METRO RED LINE, SEGMENT 3 (EAST AND WEST EXTENSION)
 CONTRACT NO. EN032 - WASTE HANDLING SERVICES
 RECOMMENDATION FOR AWARD

The RCC Board recommended that the MTA execute a contract with IT Corporation and obligate funds in the amount of \$2,720,000 as presented below for completion of the Metro Red Line, Segment 3 (West) Waste Handling Services:

<u>PROJECT</u>	<u>PROPOSED CONTRACT VALUE</u>
Metro Red Line, Seg. 3 (West)	\$2,720,000
Metro Red Line, Seg. 3 (East)	\$ 0
Total	\$2,720,000

19. METRO RAIL NETWORK - CONTRACT NO. E0070
 EMC - AUTHORIZATION TO AWARD A CONTRACT TO SECTION DESIGNER OF THE MIDWAY YARD AND SHOP

The RCC Board recommended that the MTA authorize the EMC to award a contract to AGC Environments for Section Design services for the Midway Yard & Shops.

20. METRO PASADENA PROJECT - MASTER COOPERATIVE AGREEMENT WITH CALTRANS FOR THE METRO PASADENA PROJECT

The RCC Board recommended that the MTA execute the Master Cooperative Agreement negotiated with Caltrans.

21. METRO PASADENA PROJECT - UTILITY COOPERATIVE AGREEMENT WITH AMERICAN CABLEVISION

The RCC Board recommended that the MTA execute the Utility Cooperative Agreement negotiated with American Cablevision.

CONSENT CALENDAR - ITEMS OF DISCUSSION

8. METRO RED LINE, SEGMENT 1 - CONTRACT NO. A630
TRACTION POWER SUBSTATION EQUIPMENT
CONTRACT CLOSE-OUT

Mr. Braude expressed concern over the number and size of change orders contained in many of these contract close-outs, particularly as noted in Items 8, 9 & 10.

Mr. McSpedon stated that, generally speaking, there is a common feeling that the percentage of cost growth on Metro Red Line, Segment 1 contracts was high. These contract close-outs reflect these project overruns.

Mr. McSpedon further stated that many changes have been made on Segment 2 which have had, and will continue to have, a significant effect in reducing the amount of cost growth for all future contracts. Mr. McSpedon stated new Board members may very well benefit from a briefing from staff on the changes implemented.

Mr. Kruse added that these contract close-outs do not bring forward the detail behind the change orders, although each change order has previously been finely reviewed and subsequently approved by the Board. Mr. Braude stated that he accepts that valuable lessons may have been learned from the Segment 1 experience, but made it clear that in the future he will look very closely at all change orders.

Mr. Braude noted that in Item 8, the contractor was penalized for having only marginally having missed the 25.52% DBE goal committed to by the contractor, even though the LACTC had established a 20% goal. Mr. McSpedon stated that this is a tool that is used to encourage contractors to meet the contractual goals. However, Mr. McSpedon stated that the real objective is to find ways to help a contractor meet its goals since the penalty assessment fees collected do not reach the small minority firms. Mr. Murray invited Mr. Braude to join the Board's committee that addresses a whole gamut of minority participation issues such as the one raised by Mr. Braude.

Mr. Raggio inquired why the DBE goals are not rounded off. Ms. Walker stated it would not be a problem to round off these goal calculations and acknowledged that it is not customary to have two percentage points.

Mr. Anderson moved, Mr. Murray seconded, to approve the remaining consent calendar items, except Item 17 which was pulled to allow for public comment.

The RCC Board recommended that the MTA:

- Approve the acceptance of the subject contract completion of April 28, 1992.

- Authorize the filing of the Notice of Completion.
- Assess \$2,325 for DBE deficiency.
- TOTAL \$2,235 to be withheld from the current retention value of \$56,355. The balance will be released after all claims have been satisfied.

9. METRO RED LINE, SEGMENT 1 - CONTRACT NO. A710
ESCALATORS AND ELEVATORS (PROCUREMENT AND INSTALLATION)
CONTRACT CLOSE-OUT

See Item 8 for a detailed disposition of this item.

The RCC Board recommended that the MTA:

- Approve the acceptance of the subject contract completion of December 28, 1992.
- Authorize the filing of the Notice of Completion.

10. METRO RED LINE, SEGMENT 1 - CONTRACT NO. A732
WHEEL TRUING MACHINE
CONTRACT CLOSE-OUT

See Item 8 for detailed disposition of this item.

The RCC Board recommended that the MTA:

- Approve the acceptance of the subject contract completion of March 12, 1993.
- Authorize the filing of the Notice of Completion.

17. METRO PASADENA PROJECT - CONTRACT NO. E0070
EMC - AUTHORIZATION TO NEGOTIATE WITH THE SECTION
DESIGNER FOR THE DEL MAR TO WALNUT STREET LINE SECTION

The Board heard comments from Frank Wein, Vice President, Parson DeLeuw, Inc.

Mr. Rubin addressed the issues raised by Mr. Wein regarding the EMC's selection process.

Mr. Arthur moved, Mr. Anderson seconded, to approve this item. Motion approved.

The RCC Board authorized the EMC to proceed with negotiations for Section Designer services.

REGULAR CALENDAR

22. HEARING - REQUEST FOR SUBCONTRACTOR SUBSTITUTION
METRO GREEN LINE - CONTRACT NO. H0831

The hearing was opened by Mr. Zuniga.

Ms. Rose Moore, Contract Administrator, for Harris Corporation, the Prime Contractor, presented evidence to the Board in support of the substitution request.

Mr. Clarence Brussard, Management Consultant and Mr. Clayton Webb, President of Automated Systems and Controls (ASC), the Subcontractor, presented evidence to the Board showing cause to deny the substitution request.

Mr. Camacho asked Mr. Zuniga, County Counsel, whether there exists a rule or regulation which requires a prime contractor to notify a subcontractor of intent to substitute due to unsatisfactory work. Mr. Zuniga stated that "normal practice" in a standard contractual relationship dictates that a subcontractor be notified in writing of such an intent.

Mr. Murray commended Mr. Webb for coming forward to defend his firm, ASC, particularly because any future work with this prime contractor may be jeopardized. Mr. Murray stated that there needs to be more than just some nominal evidence in support of ASC's substitution and this simply was not done by Harris Corp.

After the considering evidence presented by both parties, Mr. Camacho moved, Mr. Murray seconded, to deny the request for the subconsultant substitution. Motion was approved.

The RCC Board recommended that the MTA deny the request by the Prime Contractor, Harris Corporation, for Substitution of Subcontractor, Automated Systems and Controls (ASC) as there appeared to be substantial evidence that ASC did perform satisfactorily in accordance with the plans and specifications of Contract H0831.

Mr. Camacho stated that he hopes to see that the contractual relationship between Harris Corporation and ASC will continue to operate in a harmonious fashion despite the differences between the two companies.

Mr. Zuniga closed the hearing.

24. METRO GREEN LINE - ART FOR RAIL TRANSIT (A-R-T)
RECOMMENDATION FOR AWARD

Ms. Cusick provided a briefing on this item.

Ms. Cusick confirmed for Mr. Anderson that policy dictates that one-half of 1% of a project's construction costs can be

allocated for the art program. Mr. Anderson inquired if monies within the Metro Green Line's budget for art are still available. Ms. Cusick stated that staff is still well within one-half of 1% of the originally budgeted construction costs plus the credits she is expecting for benches, trash cans, canopies, etc. Mr. Anderson requested that, at some point in the near future, staff prepare a report to the Board detailing the credit amount deemed due by RCC to the art program for work on the Metro Green Line.

Mr. Anderson moved, Mr. Arthur seconded, to approve this item. Motion was approved.

The RCC Board recommended that the MTA approve funding of the attached list of artists' contracts and authorize RCC staff to amend and/or award the contracts in the amounts listed for the art works on the Metro Green Line stations.

25. VEHICLE ACQUISITION PROJECT - CONTRACT NO. P2030
NEW TECHNOLOGY CONCEPTS/PRODUCTS - APPROVAL OF
PROCUREMENT APPROACH AND NOTICE OF ADVERTISEMENT

Mr. McSpedon stated that this item is a follow-on contract, in part, to the L.A. Car contract which provides an element related to research and development with applications of aerospace technology to surface transit.

Ms. Williams provided a briefing on this item.

Mr. Raggio asked who will conduct the evaluation of proposals. Ms. Williams stated that an evaluation team of "high tech" industry representatives and staff will review the proposals.

Mr. Camacho moved, Mr. Anderson seconded, to approve this item. Motion was approved.

The RCC Board recommended that the MTA approve the procurement approach and authorize staff to proceed with the advertisement and solicitation of Contract No. P2030.

26. METRO RAIL PROJECTS - CONTRACT NO. E0070
EMC, AUTHORIZATION TO NEGOTIATE WITH FIRM TO MANAGE/
ADMINISTER TRANSIT VEHICLE PROCUREMENT FOR THE MTA
STANDARD LIGHT RAIL VEHICLE ACQUISITION (P2000)

Mr. Baca provided a briefing on this item.

Mr. Camacho moved, Mr. Anderson seconded, to approve this item. Motion approved.

The RCC Board authorized the EMC to proceed with negotiations with LTK to manage/administer Transit Vehicle Procurement for the MTA Standard Light Rail Vehicle Acquisition (Contract P2000).

27. METRO RED LINE - HOLLYWOOD MITIGATION - APPOINTMENT OF MEMBERS TO THE CITIZEN COMMITTEE ON METRO CONSTRUCTION

Mr. Saldana provided a briefing on this item.

Mr. Raggio moved, Mr. Murray seconded, to approve this item. Motion was approved.

The RCC Board authorized appointment of the attached list of 15 nominees as members of the Citizens Committee on Metro Construction, consistent with the Hollywood Construction Impact Program (HCIP).

28. METRO RAIL PROJECTS - CONTRACT NO. MC020
CONSTRUCTION MANAGEMENT
RECOMMENDATION FOR AWARD

Mr. Baca provided a briefing on this item.

Mr. Murray thanked staff for its responsiveness in appropriately handling this item.

Mr. Murray moved, Mr. Camacho seconded to approve this item. Motion was approved.

The RCC Board recommended that the MTA approve the following plan for issuance of work:

- That the MTA approve the process to issue work under the following plan, and future requirements will rotate based on the approved plan.
- That the MTA authorize the execution of Contract No. MC020 for Metro Blue Line Edgepavers to Robert E. McKee and Associates Inc.,
- That the MTA approve funding for Contract Work Order (CWO) No. 1, to R.E. McKee and Associates, Inc., in the amount not-to-exceed \$278,548 and a contingency of \$27,888 for a total authorization for expenditure of \$306,769.
- That the MTA authorize the execution of Contract No. MC021 for Metro Red Line Edgepavers to Anil Verma and Associates, Inc.
- That the MTA approve funding for Contract Work Order (CWO) No. 2, to Anil Verma and Associates, Inc., in the amount not-to-exceed \$145,685 and a contingency of \$14,568 for a total authorization for expenditure of \$160,253.
- That the MTA authorize the execution of Contract No. MC022 to Kabler Construction Services for the next contract work order requirement. Kabler Construction Services will be required to submit a cost proposal for

the CWO, and if proposed costs are within 20% of RCC's Engineer's Estimate, staff will request RCC Board and the MTA approval to start negotiations for the contract not-to-exceed amount.

29. PUBLIC COMMENT

The Board heard comments from:

Mr. Wayne SanFilippo, HNTB Corporation
Ms. Joy Chen, HNTB Corporation
Mr. Paul C. Tay, Los Angeles Department of Transportation
Mr. Antonio Allah, Y•Not Industries, Inc.

30. BOARD MEMBER REQUEST FOR FUTURE ITEMS

There were no requests for future items.

EXECUTIVE SESSION

The Board adjourned to Executive Session to discuss:

Real Estate - G.C.#54956.8

- Parcel No. B2-186/B2-191
(Midway Motors, Inc. & Hankey Investment Company)
- Parcel No. B2-234
(Walter G. Danielson and Title Ins. & Trust Co. Trustees)
- Parcel No. C3-750, C3-752, C3-757
(Marcia Griffin Lucas, et. al.)
- Parcel No. C3-754
(Spectrum Invest. Co., Budget Rent-A-Car, Leonard & Co.)

ADJOURNMENT

The meeting adjourned at 4:00 p.m.



BONNIE VERDIN
Board Secretary
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