



MINUTES

Los Angeles County
Metropolitan
Transportation
Authority

RAIL CONSTRUCTION CORPORATION (RCC) JUNE 14, 1993 MEETING

818 West Seventh Street
Suite 300
Los Angeles, CA 90017

213.623.1194

MEMBERS PRESENT

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

STAFF PRESENT

EDWARD McSPEDON, EXECUTIVE OFFICER, CONSTRUCTION & PRESIDENT, RCC
LAURENCE WELDON, PROJECT MGR., VEHICLE ACQUISITION PROJECT
GWENDOLYN WILLIAMS, CONTRACT MGR., VEHICLE ACQUISITION PROJECT
AL THIEDE, VICE PRESIDENT, ENGINEERING
JAMES WILEY, DIRECTOR, REAL ESTATE
CHARLES STARK, PROJECT MGR., METRO RED LINE, SEGMENTS 1 & 3
LINDA McCAFFREY, CONTRACT MGR., METRO GREEN LINE
SHIELA WALKER, MANAGER, CONTRACT COMPLIANCE
BONNIE VERDIN, RCC BOARD SECRETARY
MERCY MENESES, ASSISTANT RCC BOARD SECRETARY

OTHERS

AUGUSTIN ZUNIGA, COUNTY COUNSEL
CHARLES SAFER, MTA CO-COUNSEL
MIKE LONG, OKA

1. CALL TO ORDER

The meeting was called to order at 1:10 p.m.

2. APPROVAL OF MINUTES

The minutes of the May 24, 1993 meeting were approved as submitted.

3. CHAIRMAN'S REMARKS

Mr. Kruse deferred to the President for his remarks.

4. PRESIDENT'S REMARKS

Mr. McSpedon reported the following:

- At its last meeting, the MTA withheld from taking action on Contract B710, Elevators and Escalators for Metro Red Line, Segment 2, pending the resolution of all protests. Six protests have been received, five of which have been resolved at staff level. Staff will be coming forward to the MTA with recommendations on these protests in the very near future. The outstanding protest lodged by the second low-bidder contends that the low-bidder did not meet the "Buy America" Federal requirements. This protest is currently pending review by the Federal Transportation Administration and staff is hopeful that a finding will be forthcoming prior to the 6/23 MTA meeting.
- Twelve proposals have been received on Contract P2020 (the follow-on research and development contract to capture additional ideas for new transit products above and beyond the L.A. Car contract). All four of the firms who proposed on Contract P2000 also proposed on this contract. Federal funding will eventually be sought once a final program concept is chosen.

STANDING INFORMATION REPORTS

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

The RCC Board received this status report.

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

The RCC Board received this status report.

CONSENT CALENDAR

Mr. Murray moved, Mr. Arthur seconded, to approve the Consent Calendar items 7-11. Motion was approved with Mr. Camacho abstaining from voting on Item 10.

7. METRO RED LINE, SEGMENT 2
VERMONT/HOLLYWOOD CORRIDOR TUNNEL REQUEST TO APPROVE
CEQA ADDENDUM TO SUBSEQUENT EIR

The RCC Board recommended that the MTA approve the Addendum and adopt the changes to the Metro Red Line, Segment 2 described therein.

8. METRO RED LINE, SEGMENT 3 - BID NO. C0328
UNIVERSAL CITY STATION SITE DEMOLITION
NOTICE OF ADVERTISEMENT

The RCC Board authorized staff to proceed with the advertisement and solicitation of Invitation for Bid No. C0328.

9. METRO RED LINE, SEGMENT 3 - CONTRACT NO. MC017
CONSTRUCTION MANAGEMENT SERVICES
NOTICE OF ADVERTISEMENT

The RCC Board authorized staff to proceed with the advertisement and solicitation of Contract No. MC017.

10. METRO PASADENA PROJECT - CONTRACT NO. E0070
ENGINEERING MANAGEMENT CONSULTANT
AUTHORIZATION TO NEGOTIATE WITH SECTION
DESIGNERS FOR ARCHITECTURAL SERVICES OF SIX STATION PACKAGES

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

11. METRO RAIL PROJECTS - CONTRACT NO. E0070
 ENGINEERING MANAGEMENT CONSULTANT
 PARSONS BRINCKERHOFF/DMJM
 AMENDMENT TO CONTRACT WORK ORDERS

The RCC Board recommended that the MTA authorize the Chief Executive Officer to execute the following increases in additional Authorization for Expenditures (AFE) to Contract No. E0070.

	Previously Approved	Additional AFE Required (Amendment)	Amended AFE
Blue Line	\$ 0	\$ 0	\$ 0
Pasadena Line	15,000,000	278,833	15,278,833
*Red Line, Segment 1	186,970,940	2,748,512	189,719,460
*Red Line, Segment 2	136,550,508	1,606,132	138,156,640
*Red Line, Segment 3	35,957,000	0	35,957,000
**Green Line	65,684,609	0	65,684,609
**North Coast Extension	6,786,523	0	6,786,523
Systemwide	0	18,832,000	18,832,000
L.A. Car	0	12,570,001	12,570,001

* AFE includes contract value of MRTC & EMC
 ** AFE includes contract value of Transcal II & EMC

REGULAR CALENDAR

13. VEHICLE ACQUISITION PROJECTS - CONTRACT NO. P2000
 LOS ANGELES STANDARD LIGHT RAIL VEHICLE
 RECOMMENDATION FOR AWARD

Mr. Weldon and Ms. Williams provided a briefing on this item.

Ms. Williams confirmed for Mr. Camacho that all the firms have been deemed technically qualified to build this vehicle.

Mr. Arthur asked what the legal ramifications are if the Board recommends to award the contract to a firm other than Siemens Duewag. Mr. Kruse stated that to answer Mr. Arthur's question necessitates explaining a competitively negotiated procurement.

Mr. Zuniga stated that the Best and Final Offer (BAFO) was the document which staff relied upon as the basis for award to the highest scoring firm

based on RCC/MTA Board approved evaluation criteria. State and local law, Public Utilities Code, Section 130238, set forth the process for selection on a competitively negotiated procurement. This code states that deviation from the recommended award may occur if there is substantial basis and is to the advantage of the agency. Mr. Zuniga added that he understands that staff may eventually seek federal funds for this project, in which case the Federal Acquisition Regulations (FAR) will also have to be adhered to. FAR mandates that the established evaluation criteria be strictly followed unless substantial justification for deviation from the established criteria is demonstrated.

Mr. Weldon stated that the evaluation criteria was strictly followed. Mr. Weldon stated that the establishment of a local manufacturing plant was not part of the evaluation criteria although the recommended firm has proposed to establish a manufacturing plant in California.

Mr. Arthur inquired whether the other proposers also proposed local/state manufacturing/assembly sites. Ms. Williams stated that Bombardier proposed to commit to an assembly plant in Los Angeles County while Morrison Knudsen and Siemens Duewag each proposed to commit to assembly plants in California. Mr. McSpedon stated that it is important to remember that location of manufacturing and assembly sites was not part of the evaluation criteria. Ms. Williams stated that in 1990, the LACTC authorized staff to proceed with a negotiated procurement for the vehicles which spoke to a philosophy of considering factors other than cost.

Mr. Camacho stated that the L.A. Car Ad Hoc Committee approved the evaluation criteria based on data, namely budget information, that is now one-and-one-half years old. Mr. Camacho inquired whether it wouldn't be prudent to re-visit the cost weighting criteria, considering the agency's budget crisis. Mr. Camacho stated that given today's budget crisis, he cannot support the award of a contract to a firm whose proposal is \$18 million higher than the lowest bidder's. Mr. Camacho added that the budget information provided a year and a half ago is simply no longer valid. Ms. Williams stated that to change the weighting for cost would invalidate the entire procurement.

Mr. Kruse stated that while Mr. Camacho's concerns are valid, he doesn't believe that the Board has any authority to change the weighting for cost. Mr. Camacho stated that the Board can, however, take action to accept or reject staff's recommendation.

Mr. Raggio stated that this item not only impacts the Metro Green Line but all future lines that may be part of the 30-year plan. Jobs as well as disciplines are going to have to be evoked as a result and although it will cost more, this is an investment and there will be a return on this investment in the long run.

Mr. Braude stated that the MTA has not backed away from the decision originally made by the LACTC Board as far as he can tell. Until such time as the MTA instructs differently, Mr. Braude stated that he doesn't see how this Board can recommend that the MTA not approve this item because of a lack of funds. Mr. Braude added that until the full policy Board determines that funds do not exist, it probably isn't the RCC Board's prerogative to make any changes and this Board should proceed with this contract one way or another.

Mr. Kruse stated that as he understands it, the RCC Board has the prerogative to accept or reject staff's recommendation but can not adjust the contract after the Request for Proposals (RFP) have been received and asked Counsel to comment. Mr. Zuniga stated that the RFP and the BAFO are set and unalterable at this time.

Mr. Braude questioned Counsel as to what the Board's decisionary latitude is. Mr. Zuniga stated that the Board has no latitude to dismiss any of the established criteria. The Board could, however, recommend that the MTA invalidate the entire procedure. The options for the Board are either to accept staff's recommendation or, based on some finding, modify staff's recommendation by choosing one of the other bidders. Mr. Zuniga cautioned that to deviate from the FAR requirements, however, may jeopardize the project from qualifying for federal funds.

Mr. Arthur asked whether there would be any delay in the procurement of the cars if federal funds are applied for. Ms. Williams stated that there should be no delay as the thrust of any federal funds would be for the Advanced Products Program.

Ms. Williams confirmed for Mr. Arthur that staff is satisfied with the recommended firm's subcontractor DBE content.

Mr. Murray asked whether a new selection process would need to be undertaken if the Board: 1) challenges the way staff arrived at the selection of the recommended firm or; 2) in any way recommends to change the evaluation criteria. Mr. Zuniga stated that in either case, the Board would need to establish a finding for recommending against staff's recommenda-

tion. To get to that point, it may be that a recommendation to re-BAFO or some other measure be necessary.

Mr. Murray inquired whether, based on the assumption that the Board did not entirely agree with staff's recommendation, a re-BAFO would be necessary if further or current information around the previously established criteria is requested. Mr. Murray further inquired if the entire selection would need to be re-initiated if the Board were to request or recommend different scoring or different criteria. Lastly, Mr. Murray inquired if the only instance in which a re-BAFO would be appropriate would be to BAFO around the existing criteria, weighting and scoring. Mr. Zuniga stated that he believed this to be correct.

The Board heard comments from:

- Tom Smith, Morrison-Knudsen
- Gunter Ernst, Siemens Duewag Corporation
- Gary Hallman, Bombardier
- Steve Yslas, Northrop

Mr. Kruse thanked all four proposers who bid on the project. Mr. Kruse added that a great deal of work was done by the policy Board, the former LACTC Board. In addition, the MTA L.A. Car Ad Hoc Committee has reviewed the established standards for this procurement. Mr. Kruse stated that there certainly are other considerations, such as budget, but a policy was established and staff has merely followed that policy.

Following further brief discussion, Mr. Braude moved, Mr. Raggio seconded, to approve this item. Motion was approved with Mr. Camacho voting no.

The RCC Board recommended that the MTA:

1. Make the finding that Siemens Duewag Corporation's Best and Final Offer (BAFO) is the most advantageous to the Los Angeles County Metropolitan Transportation Authority because of their achievement of the highest score based on the Board approved evaluation criteria, and;
2. Execute a contract with Siemens Duewag Corporation and authorize the expenditure in the amount of \$215,416,040 for the provision of seventy-two (72) Light Rail Vehicles for the light rail lines in Los Angeles County and two (2) Prototype Vehicles to support advanced products development for the transportation industry.

Total Contract Award	\$205,416,040
Advanced Products Funding	10,000,000
10% Reserve Fund	21,541,604
Total Commitment Request (Authorization for Expenditure)	\$236,957,644

Excluded from Award and Contract Amounts:	
Option for 13 additional Standard LRV's	\$ 30,762,264
Option for upgrade 34 Standard LRV's to Driverless	\$ 10,612,608

Firm	Total Contract Value	DBE*/MBE Commitment	Contract Terms
Siemens Duewag	\$215,416,040	20.90% (Base) 5.40% (Advanced Products)	Five Years

14. METRO RAIL PROJECTS - CONTACT NO. E0070
 ENGINEERING MANAGEMENT CONSULTANT
 AUTHORIZATION TO NEGOTIATE WITH FIRM FOR
 SYSTEMWIDE SIGNAGE AND GRAPHICS DESIGN SERVICES

Mr. Thiede stated that staff was instructed to re-work this item based on several concerns raised by Mr. Patsaouras. One of Mr. Patsaouras's concerns was whether the MTA possesses the internal capability of doing this work. Mr. Thiede stated the entire MTA staff, including the EMC, has been queried and he is satisfied that the agency does not possess the capability of doing this work in-house. Another concern raised by Mr. Patsaouras was whether this contract would in any way duplicate consultant efforts that are being carried out under the auspices of the marketing and communication departments. Mr. Thiede stated that upon thorough evaluation of this, it was determined that there is no duplication.

Mr. Kruse inquired how the coordination, in a changing organization, will be handled. Mr. McSpedon stated that because the organization still has not totally adjusted yet, in order to deal with this issue effectively, a meeting of all the heads of the affected departments took place. A task force was established and Marketing was assigned to lead the task force. Mr. McSpedon stated that because this work cuts across such a broad range of areas of MTA interest, this item was reviewed by the Executive Management Committee last Wednesday. The Committee took no action at that

time and requested that this item be re-calendared for consideration at the Committee's 7/14 meeting.

Mr. Arthur expressed concern with the Board taking action on this item until the Executive Management Committee has had an opportunity to consider this item.

Following further discussion Mr. Anderson moved, Mr. Camacho seconded, to approve this item with the provision that this item first be approved by the MTA Executive Management Committee before going to the full MTA Board for consideration. Motion was approved.

The RCC Board recommended that the MTA authorize the EMC to negotiate with Sussman/Prejza & Company to provide Systemwide Signage and Graphics/Design Services for the MTA.

15. METRO RAIL TRANSIT PROJECTS
 AUTHORIZATION TO CONTRACT WITH PRIVATE CONSULTANTS TO
 PROVIDE RELOCATION ASSISTANCE SERVICES

Mr. Wiley provided a brief background on this item.

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

The RCC Board recommended that the MTA authorize the Chief Executive Officer to enter into contracts with the following relocation consultants:

RELOCATION CONSULTANT	(Federally Shared Funds) CONTRACT AMT	(Local Funds) CONTRACT AMT	<u>TOTAL</u>
Community Relocation	\$100,000	\$50,000	\$150,000
Pacific Relocation	\$100,000	\$50,000	\$150,000
Wildan & Associates	\$100,000	\$50,000	\$150,000
Del Richardson & Associates	\$100,000	\$50,000	\$150,000

16. METRO RED LINE, SEGMENT 3
AUTHORIZATION TO CONTRACT WITH PRIVATE CONSULTANTS TO
PROVIDE APPRAISAL AND ACQUISITION SERVICES

Mr. Wiley provided a brief background on this item.

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

The RCC Board recommended that the MTA authorize the Chief Executive Officer to enter into a contract with the following private consultant for appraisal and acquisition services:

<u>Relocation Consultant</u>	<u>Address</u>	<u>Contract Amount</u>
Meza and Madrid Development, Inc.	9915 Rose Street Bellflower, CA	\$217,000

17. METRO RED LINE, SEGMENT 3 - CONTRACT NO. 3369
CONSTRUCTION MANAGEMENT SERVICES
NORTH HOLLYWOOD EXTENSION
AMENDMENT NO. 17

Mr. Stark provided a briefing on this item.

Mr. Anderson requested further information on the Job Development and Training Program cost estimate. Mr. Stark stated that although the cost for the program has been estimated, staff has yet to determine the source of these funds. Mr. McSpedon added that this project was budgeted prior to the advent of the Job Development and Training Program. Consequently, no funds were included in the Segment 3 budget for the program to be implemented on this contract.

Mr. Raggio stated that the MTA will have to recognize that the cost to implement the program is over and above what has been budgeted for the project and will have to decide how the cost of implementing the program will be achieved.

Following further discussion, Mr. Murray moved, Mr. Raggio seconded, to approve this item with an amendment directing staff to identify the potential funding sources for the \$2,341,558 cost for Job Development and Training

Program and to return with recommended means for adding this scope of work and cost to the project. Motion was approved.

The RCC Board recommended that the MTA authorize the Chief Executive Officer to execute Amendment No. 17 to Contract No. 3369 for the addition of Segment 3 Construction Management Services for the North Hollywood Extension and an increase of \$102,752,272, which will bring the new Contract value to \$351,609,314.

The recommended \$102,752,272 is budgeted as follows:

Category	
Direct Labor	\$ 78,051,949
Other Direct Costs/General Condition Items/Fee	\$ 24,700,323
Total Segment 3 - North Hollywood CM Services	\$102,752,272

18. METRO GREEN LINE - CONTRACT NO. C0090
 ANCILLARY CONSTRUCTION AND MAINTENANCE
 RECOMMENDATION FOR AWARD

Mr. McSpedon introduced Ms. McCaffrey who provided some background on this item.

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

The RCC Board recommended that the MTA authorize the Chief Executive Officer to execute Contract No. C0090 with MORRISON-KNUDSEN CORPORATION, the lowest priced responsive and responsible bidder. Award is contingent on receipt of bonds, and resolution of any protest filed in a timely manner.

Total Contract Award	\$3,829,910
10% Contract Reserve Fund (Excluded from Award Amount)	382,991
Total Commitment Request (AFE)	\$4,212,901

19. METRO GREEN LINE - CONTRACT NO. C0100
I-105 TO COMPTON BLVD., STEVEN P. RADOS, INC.
CHANGE ORDER NO. 068

Mr. McSpedon provided some brief background on this item and introduced Mr. Long who provided a more detailed presentation.

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

The RCC Board recommended that the MTA authorize the Chief Executive Officer to approve Change Order No. 068 for:

- a) A time extension of 108 days which extends the final contract milestone completion date, but will not impact the approved ROD, and:
- b) An additional \$3,200,000 to the current contract value of \$60,575,406.48 which increases the total contract value, including issued Work Authorizations Change Notices of \$148,213, to \$63,923,619.91 but is within the current AFE amount of \$68,800,000 (See Attachment A).

20. METRO BLUE LINE - CONTRACT NO. C7220
STATION PARKING LOT IMPROVEMENTS (ADA)
DEL AMO, WARDLOW AND WILLOW STREET STATIONS
RECOMMENDATION FOR AWARD

Mr. Thiede provided a brief background on this item.

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

The RCC Board recommended that the MTA authorize the Chief Executive Officer to execute Contract No. C7220, Station Parking Lot Improvements, Del Amo, Wardlow and Willow Street Stations, (ADA), with Terra-Cal Construction, Inc., it being evaluated as the lowest priced, responsive and responsible bidder.

The Commitment request for this contract is as follows:

Total Base Contract Award Amount	\$517,433
Option (if exercised by change order)	68,182
	\$585,625
10% Contract Reserve Fund	<u>\$ 58,563</u>
TOTAL CONTRACT COMMITMENT REQUEST (excluded from award amount)	\$644,188

Written comments were received from Antonio Allah.

21. METRO RED LINE, SEGMENT 2 - CONTRACT B268
VERMONT/SUNSET DEMOLITION
RECOMMENDATION FOR AWARD

Mr. Murray moved, Mr. Camacho seconded, to approve this item.

Mr. Arthur inquired why the engineer's estimate is so low. Staff best able to answer Mr. Arthur's question was unavailable.

The Board heard comments from:

- Mr. Thomas, Thomas Land Clearing
- Mr. Jenkins, Black Foundation

There was some discussion about whether or not Thomas Land Clearing is a certified MBE. Ms. Walker stated that staff has received a third party challenge but a staff investigation gives every indication that Thomas Land Clearing is a certifiable firm.

Motion was approved.

The RCC Board recommended that the Chief Executive Officer execute Contract No. B268 with Thomas Land Clearing, the lowest-priced, responsive and responsible bidder.

Total Contract Award	\$88,000
10% Contract Reserve Fund (excluded from award amount)	\$ 8,800
TOTAL COMMITMENT REQUEST	\$96,800

22. PUBLIC COMMENT

The Board heard comments from:

- Willie A. Thomas
- Lee Jenkins, Black Foundation

23. BOARD MEMBER REQUEST FOR FUTURE ITEMS

There were no Board member requests for future items.

CLOSED SESSION

Mr. Zuniga declared that the following items are subjects for discussion in Closed Session:

Potential Litigation - G.C. #54956.9 (b)

- Contract No. C0501 (Amaroso Corporation)

Pending Litigation - G.C. #54956.9

- Case No. BC067368 (Granite Construction)
- Case No. BC076330 (Tutor Saliba/Perrini)
- Case No. BC065741 (Tutor Saliba/S.J. Groves)

Real Estate - G. C. ##54956.8

- Parcel No. B2-120 (Shatto Investors, Inc.)
- Parcel No. B2-213 (Mr. & Mrs. Buckley Marshall dba Laundryland)
- Parcel No. B2-171 & B2-173 (Franchise Realty Interstate Corp., an Illinois Corp., and a Subsidiary of McDonald's Corp.)

ADJOURNMENT

The meeting adjourned at 3:30 p.m.

Submitted by:

Bonnie Verdin

BONNIE VERDIN
RCC Board Secretary

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