



MINUTES

Los Angeles County
Metropolitan
Transportation
Authority

RAIL CONSTRUCTION CORPORATION (RCC) JULY 19, 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
ERNEST CAMACHO
JOHN MURRAY
RAUL PEREZ, ALTERNATE TO EVAN ANDERSON BRAUDE
CARL RAGGIO

STAFF PRESENT

EDWARD McSPEDON, EXECUTIVE OFFICER, CONSTRUCTION & PRESIDENT, RCC
LARRY KELSEY, CONTRACT MANAGER, METRO GREEN LINE
MIKE BACA, CONTRACT MANAGER, PROFESSIONAL SERVICES
VELMA MARSHALL, MANAGER, REAL ESTATE
BONNIE VERDIN, RCC BOARD SECRETARY
MERCY MENESES, ASSISTANT RCC BOARD SECRETARY

OTHERS

AUGUSTIN ZUNIGA, COUNTY COUNSEL
ERIC COLLETT, EMC

1. CALL TO ORDER

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

2. APPROVAL OF MINUTES

The minutes of the July 6, 1993 meeting were approved as submitted.

3. CHAIRMAN'S REMARKS

Mr. Kruse commended and thanked staff for working hard to keep the program on-schedule during this challenging time of the merger.

4. PRESIDENT'S REMARKS

Mr. McSpedon reported the following:

- The MTA is scheduled to consider the budget at its 7/28/93 meeting.

The MTA is also scheduled to consider staff's recommendation on Contract P2000, the L.A. Car procurement.

- Last week, Mayor Riordan made the following MTA Board representative appointments:

- Stan Sanders
- Mel Wilson
- Richard Alatorre
- Zev Yarovslovsky, Alternate to Mayor Riordan

- Item 19, Architectural Design Services for the Metro Pasadena Project, was prepared prospectively by staff in an effort to keep the Metro Pasadena Project on schedule. However, not all of the negotiations have proceeded as quickly as staff had planned. Consequently staff will modify its recommendation to award a contract to only one of the firms with whom negotiations are complete. The remaining award recommendations will be brought forward at a future meeting once negotiations are complete.
- The "Buy America" protest on Contract B710 is still unresolved. Staff continues to work closely with the FTA to see this matter to completion.
- The RCC Board previously approved Consent Calendar Item 9, for an amendment to the Construction Management contract on Metro Red Line, Segment 3, however, the MTA had some questions about the Jobs and Development Training Program and referred it back to staff for additional staff work. The Jobs Development and Training Program implementation

plan has now been incorporated into this contract and is ready for the Board's consideration.

Mr. Kruse commented that the Board is gaining confidence in staff's job accident reporting on construction projects. In addition, Mr. Kruse stated that staff has managed the technical problems experienced at Barnsdall Park quite well and commended staff for its efforts.

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 CONSTRUCTION/PROCUREMENT
CONTRACT CHANGES OVER \$200,000

The RCC Board received this status report.

CONSENT CALENDAR

Mr. Arthur moved, Mr. Murray seconded, to approve the consent calendar. Motion was approved.

7. METRO RED AND BLUE LINE PROJECTS - BID NO. C6130
INSTALLATION OF VARIABLE MESSAGE SIGNS (ADA)
NOTICE OF ADVERTISEMENT

The RCC Board authorized staff to proceed with the advertisement and solicitation of Invitation for Bid No. C6130.

8. METRO RED LINE, SEGMENT 3 - BID NO. C0303
HOLLYWOOD/HIGHLAND UTILITY REARRANGEMENT
NOTICE OF ADVERTISEMENT

The RCC Board authorized staff to proceed with the advertisement and solicitation of Invitation for Bid No. C0303.

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

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 CONSTRUCTION MANAGEMENT SERVICES	\$102,752,272

REGULAR CALENDAR

11. METRO RED LINE, SEGMENT 2 - CONTRACT B761
ILLUMINATED SIGNS AND EDGELIGHTS PROCUREMENT
RECOMMENDATION FOR AWARD

Mr. Kelsey provided a brief background on this item. Mr. Kelsey stated that the lowest bidder, Heath & Company, has requested relief from their bid bond because of clerical error in the calculation of their bid. Mr. Kelsey stated that staff is nonetheless recommending award to Heath & Company in order to protect the RCC's right to the bond. In addition, if Heath & Company refuses to execute the contract, as they indicated they would, staff requests permission to award the contract to Steiny & Company, the second lowest bidder. Mr. McSpedon noted that staff has not been able to confirm Heath & Company's clerical error.

The Board heard comments from Michael Minchella, Attorney for Heath & Company.

Mr. Kruse stated that normally clerical error is not difficult to prove and he asked Mr. Zuniga to elaborate. Mr. Zuniga stated that Mr. Kruse is quite correct in that clerical error is generally easily apparent, such as a transposi-

tion of numbers or misplacement of a decimal point. Mr. Zuniga stated that the clerical error claimed by Heath & Company is not easily ascertainable and appears to be internal to the bid documentation developed by Heath & Company.

Mr. Kelsey stated that staff has repeatedly requested that Heath & Company provide proof of the alleged clerical error. To date, all that has been received from Heath is a letter explaining how the error occurred but no concrete evidence of clerical error has been provided.

Following much further discussion, Mr. Arthur moved, Mr. Murray seconded, to defer taking action on this item pending further staff work to conclusively determine the validity of Heath & Company's claim of clerical error in its bid. Motion was approved.

The Board heard comments from Jose G. Roma, Federal Sign Co.

12. METRO RED LINE, SEGMENT 2 - CONTRACT B795
UNINTERRUPTIBLE POWER SUPPLY (UPS)
RECOMMENDATION TO REJECT ALL BIDS AND RE-ADVERTISE

Mr. Kelsey provided a briefing on this item.

Mr. Raggio moved to approve this item. Mr. Murray seconded Mr. Raggio's motion with the proviso that Risk Management provide a brief written analysis of the implications of waiving performance bonds on procurement type contracts.

Mr. Anderson inquired whether the procurement of railcars will be subject to the bid bond waiver. Mr. Kelsey stated that there is no intent to waive bid bonds for railcar procurements. Mr. Anderson requested that staff report back with a strict definition of the types of procurements targeted for Performance Bond waivers.

Mr. Anderson stated that one of the bidders had a number of questions on the technical specifications for this contract. Mr. Anderson inquired whether staff has carefully considered these questions. Mr. Kelsey stated that all questions and comments received from bidders are carefully considered and responded to and bid documents are modified if deemed warranted based on bidder input.

Mr. Raggio amended his motion to include:

- (1) Mr. Murray's request for a brief narrative on the implications of waiving performance bonds on procurement type contracts; and
- (2) Mr. Anderson's request that staff define "procurement type contracts."

Motion was approved.

The RCC Board recommended that the MTA:

- 1) Reject all bids.
- 2) Waive the Performance Bond requirement from this and all future procurement type contracts allowing project management the option to exercise the requirement if a procurement risk dictates.

If the MTA approves these recommendations, the RCC Board authorizes staff to proceed with the re-advertisement of Contract B795 accordingly.

13. METRO RED LINE - CONTRACT NO. E0070
APPROVAL OF CONTRACT AWARD TO
WAGNER ENGINEERING & SURVEY, INC.
FOR SURVEY SERVICES ON METRO RED LINE, SEGMENT 3

Mr. Baca provided a briefing on this item.

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

Mr. Murray questioned the fact that Robert Bein, William Frost & Associates, subconsultant to the prime consultant, is not a DBE firm. Mr. Baca stated that Wagner Engineering & Survey, Inc. is a DBE and accounts for the full 40% DBE participation on this contract.

Motion was approved.

The RCC Board recommended that the MTA authorize the EMC to award a contract to WAGNER ENGINEERING & SURVEY, INC. for survey services on Metro Red Line, Segment 3.

14. METRO RED LINE - CONTRACT NO. E0070
APPROVAL OF CONTRACT AWARD TO
LAW/CRANDALL, INC.
FOR GEOTECHNICAL ENGINEERING
METRO RED LINE, SEGMENT 3 - MID-CITY SEGMENT

Mr. Baca provided a briefing on this item.

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

The RCC Board recommended that the MTA authorize the EMC to award a contract to LAW/CRANDALL, INC. for geotechnical engineering services on Metro Red Line, Segment 3 - Mid-City Segment.

15. METRO BLUE LINE
AUTHORIZATION TO PROVIDE A RIGHT OF ACCESS USAGE TO
ADJACENT PROPERTY OWNER OVER MTA ROAD
AT METRO BLUE LINE YARD SITE

Mr. McSpedon provided a brief background on this item.

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

Mr. Anderson questioned whether this item required RCC Board approval. Although he expressed comfort with voting affirmatively on this item, Mr. Anderson stated that he perceived this to be an operational issue. Mr. Anderson requested that in the future similar items be referred to the Operations Committee rather than RCC.

Mr. McSpedon noted that the Executive Officer of Operations did sign-off on this item.

The RCC Board recommended that the MTA authorize the Chief Executive Officer to provide a right of access usage to the adjacent property owner over the MTA road to Metro Blue Line Yard site.

16. APPROVAL AND AUTHORIZATION TO ESTABLISH
NEW REAL ESTATE APPRAISAL PANEL

Ms. Marshall provided a briefing on this item.

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

The RCC Board recommended that the MTA authorize staff to establish a panel of Real Estate, Goodwill, and Fixture (Machinery) and Equipment appraisers qualified to bid on specific real estate appraisal projects.

17. METRO RAIL PROJECTS - CONTRACT NO. E0350
LTK ENGINEERING SERVICES - L.A. CAR
RECOMMENDATION FOR AWARD

Mr. Baca provided a briefing on this item.

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

Mr. Arthur inquired whether RCC Board action on this item shouldn't be held over to a future meeting until the MTA has acted on Contract P2000, the L.A. Car item. Mr. McSpedon stated that the MTA Board Secretary has instructions from the MTA Board Chairman to clearly note on the MTA agenda that this item should be considered for action only if Contract P2000 is approved. Mr. Arthur expressed comfort with this approach.

The Board heard comments from John Walsh.

Motion was approved.

The RCC Board recommended that the MTA award and authorize the Chief Executive Officer to execute Contract No. E0350 with LTK for Management/Administration Transit Vehicle Procurement.

The commitment request for this contract is as follows:

TOTAL NOT-TO-EXCEED AMOUNT: \$6,881,975

18. METRO PASADENA PROJECT - CONTRACT NO. E0070
AUTHORIZATION TO AWARD CONTRACTS TO
SPECIALTY CONSULTANTS FOR LANDSCAPE DESIGN

Mr. Baca provided a brief background on this item.

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

The RCC Board recommended that the MTA authorize the EMC to award contracts as listed in the report for Specialty Consultants for Landscape Design on the Metro Pasadena Project.

19. METRO PASADENA PROJECT - CONTRACT NO. E0070
AUTHORIZATION TO AWARD CONTRACTS TO SECTION
DESIGNERS FOR ARCHITECTURAL SERVICES

Mr. McSpedon stated that there was a change since this item was sent to the Board. Staff had anticipated that the EMC would have nearly completed negotiations with all five of the recommended firms. However, today, staff is only ready to recommend award to La Canada Design Group. Staff would like to return to the Board with recommendation to the other four firms at a later time.

Mr. Collet provided a brief background on this item.

Following further brief discussion, the Board opted to defer taking action on this entire item until all negotiations are complete.

20. METRO PASADENA PROJECT - CONTRACT NO. E0070
AUTHORIZATION TO AWARD A CONTRACT TO SECTION
DESIGNER OF THE 3RD LINE SEGMENT

Mr. Baca provided a briefing on this item.

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

The RCC Board recommended that the MTA authorize the EMC to award a contract to HNTB CORPORATION for Section Designer services for the 3rd Line Segment.

21. PUBLIC COMMENT

The Board heard additional comments from John Walsh.

22. BOARD MEMBER REQUEST FOR FUTURE ITEMS

There were no Board member requests.

CLOSED SESSION

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

Real Estate - G.C. #54956.8

- Parcel No. C3754 (Spectrum Investment Co., Budget Rent-A-Car, Leonard & Company, Inc.)
- Parcel No. C3759 (Henry Hu and Myriam Hu)
- Parcel No. C3762 (E. Wayne Copeland)
- Parcel No. C3764 (Hannah R. Gordon, Trustee of the Hannah R. Gordon Living Trust)
- Parcel No. C3770 (Elizabeth Banasky and the Herrington Family Trust)

Litigation Settlement - G.C. #45956.9 (a)

- Case No. BC043810 (Bank of America)

ADJOURNMENT

The meeting adjourned at 2 p.m.

Submitted by:



BONNIE VERDIN
RCC Board Secretary
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