



MINUTES

Los Angeles County
Metropolitan
Transportation
Authority

RAIL CONSTRUCTION CORPORATION (RCC) SEPTEMBER 20, 1993 MEETING

818 West Seventh Street
Suite 300
Los Angeles, CA 90017

213.623.1194

MEMBERS PRESENT

ROBERT KRUSE, CHAIRMAN
ERNEST CAMACHO
ROBERT ARTHUR, ALTERNATE TO DEANE DANA
JIM BROWDER
DAVE ANDERSON
EVAN ANDERSON BRAUDE
RAUL PEREZ, ALTERNATE TO EVAN ANDERSON BRAUDE

STAFF PRESENT

EDWARD McSPEDON, EXECUTIVE OFFICER, CONSTRUCTION & PRESIDENT, RCC
JOEL SANDBERG, PROJECT MANAGER, METRO RED LINE, SEGMENT 2
CHARLES STARK, PROJECT MANAGER, METRO RED LINE, SEGMENTS 1 & 3
MARIAN CUMBERLANDER, INTERIM MANAGER, DBE GOAL SETTING
DAVE SIEVERS, PROJECT MANAGER, METRO GREEN LINE
JACK CLAYTER, MGR. RAIL & PLANNING, CONTRACT COMPLIANCE
ED RICHARDSON, DIRECTOR, THIRD PARTY COORDINATION
MIKE BACA, CONTRACT MANAGER, CONSULTANT SERVICES
RICK GONZALES, MANAGER, ENVIRONMENTAL AFFAIRS
BONNIE VERDIN, RCC BOARD SECRETARY
MERCY MENESES, ASSISTANT RCC BOARD SECRETARY

OTHERS

AUGUSTIN ZUNIGA, COUNTY COUNSEL
CHARLES SAFER, MTA CO-COUNSEL

Mr. Kruse introduced and welcomed Mr. Jim Browder, the newest member of the RCC Board of Directors.

1. CALL TO ORDER

The meeting was called to order at 1:15 P.M.

2. APPROVAL OF MINUTES

The minutes of the August 30, 1993 meeting were approved as submitted.

3. CHAIRMAN'S REMARKS

Mr. Kruse appointed Mr. Raggio and Mr. Perez to the RCC Board Change Order Committee.

Mr. Kruse stated that the RCC Board has traditionally been a professionally oriented management Board. The issues that the RCC deals with are generally engineering and other practical concerns. The RCC's method for bringing issues forward to the MTA Board, via forms and procedures, are logical to engineering and construction professionals. Mr. Kruse noted that recently the RCC has had some difficulty explaining some of these issues to the MTA Board. The format of some of the forms, explanations and reports which are logical to the RCC, are not necessarily that logical to the policy makers.

Mr. Kruse urged staff to work diligently with the Change Order Committee to consider the options for more clearly and thoroughly explaining to the MTA Board the RCC's change order methods because it is impossible to do so in the political arena.

4. PRESIDENT'S REMARKS

- Mr. McSpedon presented resolutions in recognition of RCC contract employees Clyde Garrison and John Miller who are both moving on to new endeavors.
- On Wednesday, September 22 an RCC Board Workshop on Consultant Selection Criteria, Procedures and Fee Structure will be held. MTA Board members have been invited to participate.
- At its meeting last week, the MTA:
 - 1) Deferred action on the recommendation by staff to initiate condemnation action of several properties owned by MCA.

- 2) On Contract B241, for the Vermont/Beverly Station on Metro Red Line, Segment 2, was partially and conditionally approved. The MTA Board authorized staff to proceed with the demolition work only and further instructed the MTA's CEO to withhold the Notice to Proceed on the remainder of the project pending the results of the investigation into the quality of tunnel construction on Metro Red Line, Segment 1.
 - 3) On Contract B252, for the Vermont/Santa Monica Station on Metro Red Line, Segment 2, MTA was unable to obtain the seven votes necessary to approve the RCC Board's recommendation to award to the second low bidder, Kiewit-Shea JV (low-bid firm was determined to be non-responsive by staff). There was significant discussion and many questions were raised that required highly detailed answers which were difficult to address in that forum. As a result, a special meeting has been scheduled on October 7 to allow staff additional time to explain this item and to provide an explanation of the construction bidding process.
- The MTA's CEO has authorized staff to provide to the MTA Board, and/or their staff's, a series of briefings on various management aspects of running the Rail Construction Program. The first three topics will likely be:
 - 1) Change Orders
 - 2) Consultant Contract Management
 - 3) Quality Assurance and Quality Control

Mr. McSpedon stated that there are probably 20-25 relevant areas of management that the RCC is responsible for and the goal is to provide a complete review of the systems and controls that the RCC has in place for each of these areas of responsibility. Mr. McSpedon stated that the first series of briefings will likely occur within approximately three weeks.

Mr. Kruse stated that there has been some recent discussion about having two general MTA meetings a month, with one meeting devoted exclusively to RCC items. Apparently one of the possible drawbacks is attaining full principal attendance. Mr. Kruse stated that he would be willing to sacrifice full principal attendance so that items would be poised and ready for a hopeful positive vote at the following meeting. Mr. Kruse stated that he would like to see this possibility explored further and asked MTA Board members Mr. Evan Anderson Braude and Mr. Robert Arthur to help steer this.

- Mr. McSpedon stated that some last minute corrections are necessary to Item #11 on the agenda. The following corrections were noted:
 - 1) Page 2, last sentence, second paragraph: there is a reference to addendum number 3. Addendum number 3 has no relevance to the issue at hand and should not have been cited.
 - 2) At the end of the last page, the following statement should have been included "Yet to be incorporated in the work are DBE subcontracts for concrete work, block walls, flagstone, veneer and paving which will be performed during station and park-and-ride completion. It is not anticipated that this change order will have an impact on the overall DBE participation on this contract."

Mr. McSpedon stated that if this item is approved by the RCC Board, a corrected report will be forwarded to the MTA Board.

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.

Mr. Tim Roberts, member of the public, requested an update on the de-watering of Contract B251. Mr. Kruse asked Mr. Sandberg to provide a status briefing on this issue.

Mr. Arthur inquired what can be done to assure the public that the subway will be safe in light of the discovery of the underground river. Mr. Sandberg stated that staff is confident that the tunnels have been designed for the environment and can handle any water that is present because extensive waterproofing is incorporated in the tunnels as they are constructed. Mr. Stark stated that there is a big difference between water flow during tunnel construction and that of a fully constructed facility. Mr. Stark cited Union Station, where the water table is very high, as an example. He noted that at Union Station, a completed facility where de-watering has stopped, the water table has risen back well above the track level yet there is very little water coming into the station. Mr. Stark added that Union Station is not

absolutely waterproof because every underground structure will have some water leakage.

Mr. Kruse requested that staff provide a comprehensive report on the issue of ground water in Hollywood at the next meeting.

CONSENT CALENDAR

Items 8, 10 & 11 were pulled for discussion.

Mr. Arthur moved, Mr. Camacho seconded, to approve remaining Consent Calendar Items 7, 9 & 12. Motion was approved.

7. METRO RAIL PROJECTS - CONTRACT NO. E0070
AUTHORIZATION TO AWARD A CONTRACT TO
HORTON LEES LIGHTING DESIGN, INC.
FOR DEVELOPMENT OF SYSTEMWIDE LIGHTING CRITERIA

The RCC Board recommended that the MTA authorize the EMC to award the below described contract for lighting design services.

Firm/Location	Scope of Services	Contract Price	DBE/WBE Goal	DBE/WBE Commitment
Horton Lees Lighting Design, Inc./ San Francisco, Ca	Development of systemwide lighting criteria	\$124,849	10%	100%

9. METRO RED LINE, SEGMENT 3 - CONTRACT NO. E0070
AUTHORIZATION TO AWARD A CONTRACT TO GEOTRANSIT
CONSULTANTS FOR GEOTECHNICAL ENGINEERING

The RCC Board recommended that the MTA authorize the EMC to award the contract described below for geotechnical engineering services.

Firm/Location	Scope of Services	Contract Price	DBE/WBE Goal	DBE/WBE Commitment
GeoTransit Consultants, A Teaming Partnership of: The Earth Technology Corp. Diaz-Yourman & Assoc. (DBE) Geotechnique Consultants (DBE) Bing Yen & Associates (DBE) Long Beach, CA	Preliminary Geotechnical Services which include site reconnaissance and permitting; field exploration; laboratory testing; and preparation of the Preliminary Geotechnical Report.	NOT TO EXCEED \$530,000	40%	50%

12. METRO GREEN LINE - CONTRACT NO. C0170
 ADA ELEVATOR CIVIL WORK
 NOTICE OF ADVERTISEMENT

The RCC Board authorized staff to proceed with the advertisement and solicitation for Contract No. C0170, ADA elevator civil work.

CONSENT CALENDAR ITEMS OF DISCUSSION

8. METRO RED LINE, SEGMENTS 2 & 3 - BID NO. B643
 CLOSED CIRCUIT TELEVISION PROCUREMENT
 NOTICE OF ADVERTISEMENT

Mr. Camacho inquired why the DBE goal of 10% is so low considering the extensive list of DBE firms interested in this procurement, as noted in the attachment to this report. Ms. Cumberlander stated that the goal of 10% was established because this is strictly for procurement of equipment. The 102 DBE firms listed are not manufacturers of the equipment, they are suppliers. Ms. Cumberlander stated that initially staff attempted to set the goal higher but it was subsequently determined to be unrealistic. Ms. Cumberlander noted that the installation of the equipment is not part of this procurement.

Mr. Camacho asked for clarification of the statement contained in the report that says that also included in this procurement is the preparation of an installation program for implementation by others. Mr. Sandberg stated that the installation of the communication equipment will be provided for in Contract B648.

Mr. Camacho asked what the significance is of the list of 102 DBE firms noted in this report. Ms. Cumberlander stated that the list of DBE represents firms that were outreached by the DBE analyst. Mr. Camacho stated that

surely significantly more than 10% of the equipment could be provided by some of the interested firms listed.

Following much further discussion, Mr. Camacho inquired if this item is on a critical path. Mr. Sandberg stated that it is not.

Mr. Camacho moved, Mr. Arthur seconded, to have staff re-evaluate the DBE goal and to return back before the Board.

Mr. Kruse inquired whether this procurement is for off-the-shelf equipment versus high technology equipment. Mr. Sandberg stated that basically it is off-the-shelf.

Motion was approved.

10. METRO GREEN LINE - CONTRACT NO. C0501
SYSTEM FACILITY SITES
REQUEST FOR ADDITIONAL AFE FUNDS

Mr. Arthur inquired why staff didn't foresee this work as being necessary. Mr. Arthur stated he cannot understand why an additional half-million dollars is necessary. Mr. Sievers stated that originally there was a 10% contingency on this contract. However, the contingency has nearly been depleted because of a number of changes which were necessary due to changing field conditions such as weather which caused delays to the previous contractors. Mr. Sievers stated at this time, staff foresees additional potential other changes to this contract although the specific changes have not been identified. Mr. Sievers added that this request for additional AFE funds is merely a precautionary move.

Mr. Arthur stated that considering the climate at the MTA Board with regard to change orders, combined with the fact that in this case the changes haven't even been identified, he did not think it was prudent for the Board to approve this request.

Mr. Kruse noted that at the last RCC meeting, the Board deferred this item pending refinement of Attachment A. Mr. McSpedon inquired whether the Board was satisfied with the revised version of Attachment A for use in future items. Mr. Kruse stated that although the form is better, there appears to be merit to Mr. Arthur's view that the request for additional AFE should not be approved.

Mr. McSpedon stated that a possible alternative would be for staff to seek Board approval for an incremental amount each time a change order is

negotiated. The drawback would be that very small change orders would need Board approval to get funds authorized to pay for the changes.

Mr. Anderson stated that he also has difficulty supporting this item. Mr. Anderson added that he was under the impression that a contractor is responsible for weather conditions and he personally finds AFE for weather conditions is inappropriate. Mr. Anderson stated that he would rather approve an increase in AFE as the changes actually occur. Mr. Sievers stated that staff was trying to be proactive but will accept having to return for Board approval as the changes are identified.

Mr. Anderson requested that this item be pulled and that the Board take no action until staff identifies the changes. Mr. Kruse agreed and suggested that the process of this item be referred to the upcoming Change Order workshop.

Mr. McSpedon stated that if the Board concurs, he would like to continue using the modified version of Attachment A in future items. Mr. Kruse agreed that the form is acceptable.

11. METRO GREEN LINE - CONTRACT NO. C0100
I-105 TO COMPTON BOULEVARD
APPROVAL OF CHANGE ORDER NO. 073

At Mr. Arthur's request, Mr. McSpedon reiterated the changes to this report described via the President's Report.

Mr. Camacho inquired why only 5.3% of the 10.4% goal has been met to date. Mr. Sievers stated that it is anticipated that the contractor will meet the balance of the goal for work at the end of the project.

Mr. Camacho stated that he certainly hopes that DBE goals are being monitored to ensure compliance with established goals. Mr. Sievers stated that goals are tracked. Mr. McSpedon stated that this has been a long term problem for this agency to monitor and track goals. He added that although this is a Contract Compliance function, the RCC has been working closely with that department to help them establish an effective tracking tool and monitoring system. Mr. Clayter stated that a unit has been established to monitor all contracts for goal compliance; he has been assigned to exclusively monitor that function.

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

The RCC Board recommended that the MTA authorize the Chief Executive Officer to approve Change Order 073 for:

- 1) An additional \$214,154 to the current contract value of \$63,773,802.48 which increases the total contract value to \$63,987,956.48 but is within the original authorized AFE amount of \$68,800,000.
- 2) No extension of contract time.

REGULAR CALENDAR

14. MASTER COOPERATIVE AGREEMENT AND WORK ORDER BUDGET AUTHORIZATION PROCESS

Mr. McSpedon provided some background on this item.

Mr. McSpedon stated that RCC projects involve constructing facilities in other jurisdictions and impacting other facilities owned and/or operated by other entities. These might include political/civic jurisdictions or cities, city owned property and city owned rights-of-way on city streets, etc. In addition, our work often affects facilities owned by others such as utility companies, railroads, private and public utilities. In order to deal with these entities effectively Master Cooperative Agreements (MCA) are used, which is a nationally used process, with each of the jurisdictions and the entities with whom we are going to need to do business with. Typically any work necessary is done on a sole source basis because the work can only be done by the entity affected. For example, there may be a gas main line to move, which only the Southern Gas Company can move. Similarly, if a street needs to be widened in the City of Long Beach, obviously only the City of Long Beach can do the work so the RCC must negotiate with the City of Long Beach.

Mr. McSpedon stated that once an agreement is in place, a process and budget are established. Within the budget individual tasks that need to be done to effect the completion of the projects is done case-by-case through a vehicle called a work order. Some are done annually, such as with the City of Los Angeles, but others arise spontaneously. Mr. McSpedon stated that in some cases these are easily foreseeable and in some cases they are difficult to anticipate.

Mr. McSpedon stated that the issue that has come up recently is the MTA Board's role in the individual work order approvals. To date, the MTA Board has been approving the budgets for the overall work order program as well

as the Master Cooperative Agreements. Mr. McSpedon noted that commencing with the Master Cooperative Agreement reached with the City of Pasadena, the RCC began a practice of fixing a budget to each MCA. Once the budget is exhausted, Board approval will be necessary to authorize any further work.

Mr. McSpedon stated that essentially there has been a request for additional MTA Board oversight which represents a request for a change in policy. Mr. McSpedon stated that staff has developed various suggestions and recommendations for consideration.

Mr. Anderson stated that he would be interested in seeing only the unusual or significant items as opposed to every single routine-type utility relocation. Mr. McSpedon stated that the proposed look-ahead report may include only work orders of a certain magnitude, skipping trivial items, although he believes there are some MTA Board members who are interested in seeing every item.

Mr. Kruse referred this item to the Change Order workshop. Mr. Kruse affirmed for Mr. Anderson that once this item is reviewed at the workshop a final recommendation will be presented to the Board.

Mr. McSpedon stated that work orders are action items within a Master Cooperative Agreement that issue task orders to authorize payment for the work. Mr. McSpedon stated that the goal is to try to find some ground that gives the policy makers a level of comfort without unduly compromising the ability to get the job done.

15. METRO RAIL PROJECTS - REQUEST FOR ESTABLISHMENT
OF AUTHORIZED FUNDING EXPENDITURES FOR
CONTAMINATED SOILS AT LANDFILL FACILITIES

Mr. Baca provided a briefing on this item.

Mr. Kruse inquired what the cost per unit is for the disposal/handling of contaminants. Mr. Baca stated that he did not have this information readily available but would provide this data to the Board at a later time.

Mr. Arthur inquired if the Puente Hills Landfill, a County of Los Angeles owned and operated facility, was considered for this work. Mr. Gonzales stated that this facility does not accept the kind of contaminated materials that the RCC will need to dispose of.

Mr. Kruse inquired if a contract was negotiated with each of the landfills listed in this report and what rates were negotiated. Mr. Baca stated that

landfill rates are regulated by federal and local law. Mr. Baca added that the rates are subject to change from year to year and that the RCC is not privy to forecasts in rate increases. Although the rate for the next year is known, this rate is not fixed for the five-year life of this contract. Mr. Kruse expressed surprise that the landfill fees are regulated and stated that he was under the impression that pricing could be negotiated. Mr. Gonzales stated negotiation of price is possible if the quantities of contaminants are known, but since the quantities aren't known, this is not possible. Mr. Kruse stated that surely pricing can be negotiated based on *estimated* quantities. Mr. Baca stated that firm pricing may still be difficult to negotiate if the regulators raise the prices. Mr. Kruse inquired who regulates the pricing. Mr. Gonzales stated that the landfill facility and its water quality control board set the prices.

Following further brief discussion, Mr. McSpedon noted that it is apparent that further staff work is necessary and suggested that this item be deferred. Mr. Kruse concurred and suggested that this item be reviewed by the Engineering/Construction Committee before it returns to the full Board.

16. PUBLIC COMMENT

There were no requests to speak at this time.

17. BOARD MEMBER REQUEST FOR FUTURE ITEMS

There were no requests for future items.

Mr. McSpedon noted that the Glenn Anderson Freeway will officially open on October 14, 1993.

ADJOURNMENT

The meeting adjourned at 2:47 P.M.

Submitted by:



BONNIE VERDIN
RCC Board Secretary

{a:\wp51\brdmtgs\092093.min}