



MINUTES

Los Angeles County
Metropolitan
Transportation
Authority

RAIL CONSTRUCTION CORPORATION (RCC) NOVEMBER 1, 1993 MEETING

818 West Seventh Street
Suite 300
Los Angeles, CA 90017

213.623.1194

MEMBERS PRESENT

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

STAFF PRESENT

EDWARD McSPEDON, EXECUTIVE OFFICER, CONSTRUCTION & PRESIDENT, RCC
MALCOLM INGRAM, DIRECTOR, QUALITY ASSURANCE
CHARLES STARK, PROJECT MANAGER, METRO RED LINE, SEGMENTS 1 & 3
LAURENCE WELDON, PROJECT MANAGER, METRO PASADENA PROJECT
DAN JACKSON, DIRECTOR, CONSTRUCTION SAFETY, RCC
JIM COHEN, DEPUTY DIRECTOR, CONSTRUCTION, METRO GREEN LINE
BONNIE VERDIN, RCC BOARD SECRETARY
MERCY MENESES, ASSISTANT RCC BOARD SECRETARY

OTHERS

AUGUSTIN ZUNIGA, COUNTY COUNSEL
DAVID QUAN, MTA CO-COUNSEL
STEVE POLECHRONIS, FLUOR DANIEL
JOE ZEITOUNI, FLUOR DANIEL

1. CALL TO ORDER

The meeting was called to order at 1:03 P.M.

2. APPROVAL OF MINUTES

The minutes of the October 11, 1993 meeting were approved as submitted.

3. CHAIRMAN'S REMARKS

Mr. Kruse reported that at its 10/27/93 meeting, the MTA approved all RCC items, with one exception. The MTA deferred the Ordinance item to the MTA's Executive Management Committee meeting on November 10 at 9 A.M. Mr. Kruse encouraged his fellow Board members to attend this meeting to heighten RCC Board dialogue with the Committee in its review of the Ordinance.

4. PRESIDENT'S REMARKS

Mr. McSpedon reported the following:

- Additional staff work is needed on Item 12 of the agenda and Mr. McSpedon requested that it be deferred to the 11/15 meeting.
- Last Friday, there was a ceremony commemorating the joining of the rails on the Metro Green Line. Now in place is a continuous track system from Norwalk to El Segundo.
- At the last RCC meeting, the Board authorized staff to proceed with the advertisement of a contract for ADA enhancements, specifically for some elevator work, on the Metro Green Line. Subsequent to the Board's action, Caltrans requested the addition of one additional elevator at Wilmington and Imperial. Mr. McSpedon stated that he did not think that the addition of this work warranted Board action but he recognized that the Board should nonetheless be advised of the change in scope.
- On October 25, a new daily tunneling record was set on Vermont Avenue. Four hundred and thirty two feet were excavated in one twenty-four hour day which also set a world record.
- Last Friday, annual federal PMO reports were released on the management of the three construction projects and the results were quite favorable. There were some action items which staff is currently working on, however, overall the reports reflected federal level confidence in the management of our projects. Mr. Kruse requested that copies be provided to the Board.

- A week ago, the refilling of MacArthur Park Lake began. The filling of the lake was completed today and is consistent with the agreement with the Dept. of Parks and Recreation to have this work completed by the end of October. The park isn't open to the public yet pending completion of other work by the City of Los Angeles. Mr. McSpedon stated that our security fencing is still in place.
- The Federal Transportation Administration has notified the RCC that it concurs with our recommendation to improve the system for detecting methane gas on Metro Red Line, Segments 2 and 3.
- The RCC Board forwarded to the MTA Board its recommendation to Award Contract No. B646 to the lowest bidding firm, AXYAL CORPORATION, contingent upon the successful DBE/WBE certification of one of AXYAL's Subcontractors. The firm did become certified and the MTA approved the award.
- Also at its 10/27 meeting, the MTA Board approved the award of Contract C0331, for the Universal City tunnel to North Hollywood, to Obayashi Corporation but imposed strict time lines for the completion of negotiations with MCA for possible station relocation.
- At the end of the 10/27 MTA meeting, the MTA Board directed the Chief Executive Officer to conduct a review of the Metro Pasadena Project Construction Management selection process. The RCC has not yet proceeded with a re-solicitation or re-evaluation of proposals pending this review.
- Mr. Ingram provided the Board with an overview and progress report on the RCC's Total Quality Management Program.
- Mr. McSpedon responded to several recent newspaper articles, some of which reported false or erroneous information, relating to water leakage in the tunnels. Mr. McSpedon also provided some background information on the subject of water leakage into the tunnels.
 - Contrary to what has been recently stated every contractor, including Obayashi Corporation, that has installed HDPE lining on our tunnels has experienced water leakage. There was one tunneling job done on Metro Red Line, Segment 1, Contract A146, wherein very little leakage occurred but this is because the tunnel is above the ground water table.

- On October 10, 1993, the *L.A. Times* reported that the allowable water leakage rates are 1/10 gallon/100 ft./hour. In actuality, the allowable rate is 1/10 gallon/100 ft./minute or some 60 times greater than was stated in the press.

Mr. McSpedon stated that there has been a marked reduction in the amount of water leakage being experienced on Metro Red Line, Segment 2 in comparison to the experience on Segment 1. This is primarily attributable to the design waterproofing enhancements and improved quality assurance procedure which the staff developed and the Board approved in 1991 and 1992. There is still some minor leakage being experienced on Segment 2, but this is not an uncommon phenomenon in tunnels.

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

Except for Item 12, which staff requested be pulled from the agenda, no items were pulled for discussion.

Mr. Camacho moved, Mr. Braude seconded, to approve Consent Calendar Items 7, 8, 9, 10, 11, & 13. Motion was approved.

7. METRO RED LINE, SEGMENT 2 - BID NO. B648A
COMMUNICATION INSTALLATION - WILSHIRE CORRIDOR
NOTICE OF ADVERTISEMENT

The RCC Board authorized staff to proceed with the advertisement and solicitation of Invitation for Bid No. B648A.

8. METRO RED LINE SEGMENT 2 - HOLLYWOOD/VINE STATION (B281) REQUEST TO APPROVE CEQA ADDENDUM TO SUBSEQUENT EIR

The RCC Board authorized recommended that the MTA Board approve the Addendum.

9. METRO RED LINE, SEGMENT 2 - CONTRACT NO. B745 AIR HANDLING EQUIPMENT REQUEST FOR INCREASE IN AUTHORIZATION FOR EXPENDITURE

The RCC Board recommended that the MTA Board authorize the Chief Executive Officer to approve an increase to the AFE in the amount of \$949,213.38 for a revised total with AFE of \$4,075,106.38

10. METRO RED LINE, SEGMENT 3 - BID NO. C0358 NORTH HOLLYWOOD DEMOLITION, PHASE I NOTICE OF ADVERTISEMENT

The RCC Board authorized staff to proceed with the advertisement and solicitation for Bid No. C0358.

11. METRO RED LINE, SEGMENT 3 (EASTSIDE EXTENSION) CONTRACT NO. E0070, AWARD OF CONTRACT WORK ORDER

The RCC Board recommended that the MTA Board authorize the Chief Executive Officer to increase the Authorization for Expenditure (AFE) to Contract No. E0070 by \$6,766,511. As expressed in Attachment A, the cost negotiated with the EMC to provide the PE services as described below are fair and reasonable.

	AFE Required for Preliminary Eng.	AFE Required for Final Design	Total AFE Required
Red Line Segment 3	\$6,766,511	TBD during PE Phase	TBD during PE Phase

12. METRO GREEN LINE - CONTRACT P2020 LIGHT RAIL VEHICLES - 15 CARS APPROVAL OF CHANGE ORDER NO. 01

This item was pulled from the agenda.

13. METRO GREEN LINE - CONTRACT NO. C0610
EL SEGUNDO TRACKWORK INSTALLATION
CHANGE ORDER NO. 05

The RCC Board recommended that the MTA award Change Order No. 05:

- a) A time extension of 67 calendar days which extends the final contract milestone completion date, but will not impact the approved ROD;
- b) An additional \$1,581,000 to the current contract value of \$10,354,570 which increases the total contract value to \$11,935,570; and
- c) An increase to the Authorization for Expenditure of \$344,292.

REGULAR CALENDAR

15. METRO RAIL PROJECTS - CONTRACT NO. MR030
OWNER CONTROLLED INSURANCE PROGRAM (OCIP)
RECOMMENDATION FOR AWARD

It was noted that the RCC Board's Insurance Committee previously reviewed and concurred with staff's recommendation.

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

The RCC Board recommended that the MTA Board authorize the Chief Executive Officer to:

1. Approve Johnson & Higgins of California/Cumbre, Inc. as the Metro Pasadena Line broker-of-record and OCIP administrator.
2. Authorize an expenditure in the amount of \$15,800,000 for the provision of OCIP premiums for the Metro Pasadena Line. This amount is net of estimated workers' compensation dividends for good loss experience.
3. Authorize an amount of \$1,240,000 as remuneration to Johnson & Higgins of California/Cumbre, Inc. for its primary brokerage and OCIP administration services for a three year period with two optional years starting at approximately 1/1/94. This remuneration will be in lieu of commission.

4. Authorize \$6,500,000 to fund anticipated general liability and builders' risk claims and claim administration charges for losses within the OCIP's deductibles.
5. Authorize the Risk Manager to participate with the Johnson & Higgins in the negotiations with excess insurers and reinsurers in London on behalf of the placement of the excess liability and railroad protective liability coverage necessary for the Pasadena Line OCIP.
6. Approve a total commitment request (AFE) in the amount of \$23,540,000 as follows.

Total Contract Award	\$23,540,000
10% Contract Reserve Fund (excluded from award amount)	\$0
TOTAL COMMITMENT REQUEST (AFE)	\$23,540,000

7. Authorize the Risk Manager to negotiate with Johnson & Higgins of California/Cumbre, Inc. to formulate a mutually acceptable program of OCIP administrator control and compliance mechanisms which would be part of the contract requirements and might include the following:
 - a. **Premium payments** will be made directly to the insurers, where possible.
 - b. **Premium audits** will be conducted to ensure accurate and timely accounting of exposure bases used to determine premiums.
 - c. **The technical resources** of the OCIP administrator will be used in an advisory capacity for safety matters pertaining to the projects.
 - d. **Standard reports** will be required of the OCIP administrator on a regular, timely basis.

16. **SAFETY TRAINING PROGRAM**

An in-depth briefing on the Safety Training Program was provided by Mr. Polechronis, Mr. Zeitouni and Mr. Jackson.

Mr. Anderson inquired how many of the 2500 participants are craft level personnel. Mr. Jackson stated that approximately 75% of the participants are craft level personnel.

Mr. Robert Kruse commented that he is impressed with RCC's customized safety training program and noted that RCC has clearly paved its way up to the forefront of the industry.

17. PROCUREMENT OF STANDARD LIGHT RAIL VEHICLE
CONTRACT NO. P2000

Mr. Weldon provided a status briefing on this item.

Mr. Kruse commented that at some point the schedule will become critical and increases to the cost of the project will begin to mount.

Staff was directed to provide the Board with another update on this issue with emphasis on the long-term financial impacts.

18. METRO GREEN LINE STATUS REPORT

Mr. Cohen provided an in-depth briefing on the status of the Green Line project which included a slide and video show.

Referring to the slide show presentation and some of the information boards used, Mr. Anderson cautioned staff to be clear in its dissemination of information that the airport extension is not a part of the Metro Green Line Project opening scheduled for May, 1995.

The Board requested that copies of the video be provided to the Board as well as all of the cities along the alignment.

19. PUBLIC COMMENT

The RCC Board heard comments from John Walsh.

20. BOARD MEMBER REQUEST FOR FUTURE ITEMS

There were no requests future items.

CLOSED SESSION

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

●Contract No. MC005 (MBL - Professional Liability Claims)

ADJOURNMENT

The meeting adjourned at 2:40 P.M.

Submitted by:

A handwritten signature in cursive script that reads "Bonnie Verdin".

BONNIE VERDIN
RCC Board Secretary

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