



Los Angeles County
Metropolitan
Transportation
Authority

MINUTES

RAIL CONSTRUCTION CORPORATION (RCC) AUGUST 29, 1994 MEETING

818 West Seventh Street
Suite 300
Los Angeles, CA 90017

213.623.1194

MEMBERS PRESENT

- ROBERT KRUSE, CHAIRMAN
- JIM BROWDER
- ERNEST CAMACHO
- HAL CROYTS
- CARL RAGGIO
- MEL WILSON

STAFF PRESENT

- EDWARD McSPEDON, EXECUTIVE OFFICER, CONSTRUCTION & PRESIDENT, RCC
- RODNEY DAWSON, EVP, TECHNICAL OPERATIONS
- JOEL SANDBERG, VP/PROJECT MANAGER, METRO RED LINE, SEGMENT 2
- MICHAEL BACA, DIRECTOR, CONTRACTS MANAGEMENT
- DAVID SIEVERS, VP/PROJECT MANAGER, METRO GREEN LINE
- LARRY KELSEY, CONTRACTS MANAGER, METRO RED LINE, SEGMENT 2
- LINDA BOHLINGER, DEPUTY EXECUTIVE OFFICER, CAPITAL PLANNING
- ARTHUR SOHIKIAN, ADMINISTRATOR, FEDERAL AFFAIRS
- ENRIQUE VALENZUELA, ASST. DEPUTY DIR., LOCAL GOV'T. & PUBLIC AFFAIRS
- MELISSA SCHIAVO, ACTING RCC BOARD SECRETARY
- MERCY MENESES, ASSISTANT RCC BOARD SECRETARY

OTHERS

- RAUL PEREZ, MTA BOARD MEMBER
- AUGUSTIN ZUNIGA, COUNTY COUNSEL
- ANDY CARLSON, PRESIDENT, ROBERT E. McKEE, INC.
- TIM BROWN, ROBERT E. McKEE, INC.
- MARTY SPONG, O'BRIEN-KREITZBERG & ASSOCIATES
- STEVEN POLECHRONIS, FLUOR DANIEL, INC.

1. CALL TO ORDER

The meeting was called to order at 1:10 P.M.

2. APPROVAL OF MINUTES

The minutes of the August 15, 1994 meeting were approved as submitted.

3. CHAIRMAN'S REPORT

- Mr. Kruse stated that there has been a lot of media coverage of the Hollywood Boulevard incident and he expressed his appreciation of the staff's professional handling of the incident over the weekend.
- Mr. Kruse announced the new appointments for the RCC committee meetings. Mr. Cragin will be chairing the Change Order Committee meetings and Mr. Wilson will chair the Real Estate and Joint Development Committee meetings.
- An Engineering and Construction Committee Meeting will be held on Thursday morning to present a comprehensive report on the Hollywood Boulevard incident.

4. PRESIDENT'S REPORT

Mr. McSpedon reported the following:

- MTA staff is working to get the residents of 6531 Hollywood Boulevard back into the building. Workers have been checking, testing and repairing gas service in the building and it is hoped that the residents will be able to return today.
- Staff is working on quick turnarounds for reimbursements to business owners in the Hollywood Boulevard area to assist people for immediate out-of-pocket costs resulting from the closure of Hollywood Boulevard and disruption of water service in the area. Reimbursement checks should be ready later this afternoon.
- Mike Baca was one of two staff members who were requested by the New York Port Authority to assist them with preparations for their proposed \$2.5 billion Airport Access Rail Project. Mike went to New York last week to work with the Port Authority on the Project. Mr. Baca explained that they were studying the procurement procedures for the Project and he provided information, assistance and advice based upon MTA's experiences with similar issues.

- All RCC pending items were resolved at last week's MTA Board Meeting. The Hollywood/Highland Station construction contract was approved subject to resolution of the protest received from the second lowest bidder.
- Mr. Sievers presented a Safety Incentive Award check in the amount of \$193,320.00 to Robert E. McKee, Inc., contractor for the Metro Green Line Yard & Shop, a \$20 million contract. Their lost-time incident rate for the project-to-date is 2.7; the contract requirement for gaining 100% of the award is 4.9; and the national average is 6.1. Mr. Sievers introduced Mr. Carlson, President of McKee, Mr. Brown, Project Manager; and Mr. Spong, Resident Engineer from O'Brien-Kreitzberg, who managed the contract for MTA. Mr. Sievers also recognized Lou Hubaud, Director of Systems Safety, Dan Jackson, Director of Construction Safety, and Mr. Tom Spencer, Safety Representative for McKee.

5. PUBLIC COMMENT

- The Board heard comments from John Walsh.

STANDING INFORMATION REPORTS

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

The RCC Board received this status report.

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

The RCC Board received this status report.

CONSENT CALENDAR

Items 8, 10, 11, and 12 were pulled for discussion.

9. METRO RED LINE, SEGMENT 1 - CONTRACT NO. A650
PASSENGER VEHICLE
CONTRACTOR: BRED A COSTRUZIONI FERROVIARIE S.p.A
APPROVAL OF CHANGE ORDER NO. 57

This item was withdrawn from the agenda.

REGULAR CALENDAR

CONSENT CALENDAR - ITEMS OF DISCUSSION

8. METRO RAIL TRANSIT - CONTRACT NO. FM014
SYSTEMWIDE PROJECT MANAGEMENT OVERSIGHT
CONTRACTOR: FLUOR DANIEL, INC.
APPROVAL OF AMENDMENT NO. 8

Mr. Dawson provided background on this item.

Mr. Croyts asked why this item was not brought to the Board before now when the contract began in the 1994 calendar year. Mr. Baca replied that none of the work has begun at this point but staff is seeking funds for additional project management oversight work through the end of the year. Mr. Croyts asked how this work is coordinated on the project manager side to stay within the budget. Mr. Dawson explained that each project manager is responsible for the Project Management Assistance services for their particular project and they work within that authorized project budgets.

Mr. Croyts asked who is responsible for managing the Project Management Oversight budget. Mr. Dawson responded that the RCC Board and the CEO are responsible for this budget, which is set each calendar year, and that the nature of the work is selected by the oversight consultants themselves. Mr. McSpedon further explained that the project management assistance funds allow staff to tap into some specialized expertise when its needed for a short term so that highly specialized staff does not need to be retained on a full-time basis at the risk of being underutilized.

Mr. Croyts asked how the incentive fee works since this is a cost-plus contract with an incentive fee. Mr. Dawson replied that a report card is prepared with input from each of the project managers rating Fluor Daniel's performance in terms of the assistance they provided and how well the oversight services they provided are viewed. The incentive fee is from 0-13% and is based on the grade they received.

Mr. McSpedon introduced Mr. Steve Polechronis of Fluor Daniel. Mr. Kruse asked the Board Secretary to provide the Board members with Mr. Polechronis' phone number in case they have any questions in future.

Mr. Croyts moved, and Mr. Camacho seconded, to approve this item. Motion was approved, with Mr. Wilson abstaining.

The RCC Board recommended that the MTA authorize the Chief Executive Officer to execute Amendment No. 8 with FDI to obligate \$387,934 in funds to enable staff to task FDI for continued Project Management Assistance services during calendar year 1994.

10. METRO RED LINE, SEGMENT 2 - CONTRACT NO. B201
LINE SECTION, WILSHIRE/ALVARADO STATION
TO WISHIRE/VERMONT
CONTRACTOR: TUTOR/SALIBA-PERINI, A JV
APPROVAL OF CHANGE ORDER NO. 65

Mr. Kelsey provided the Board with a briefing on Items 10 and 11.

Mr. Croyts asked if there are site condition standards included in the contract that are used nationwide. Mr. Sandberg replied that a Geotechnical Design Summary Report (GDSR) was used on the Metro Red Line, Segment 2 contracts, which defines in detail what ground conditions are expected to be. Mr. Sandberg continued to explain that the engineering design consultant determined that there were occasional boulders of between two inches to two feet in size that would be encountered in the tunneling and that the Differing Site Committee established that boulders encountered by the contractor that exceed these dimensions would be considered a "differing site condition." In addition, Mr. Sandberg stated that the impact of encountering hard rock of this size is that it is larger than the regular digging machine can handle, so hydraulically powered "rock-splitters" must be brought in. During this period, the tunnel machines are standing by idle, and this change is to compensate the contractor for additional costs incurred for such things as idle equipment while the rock-splitting is going on.

Following further discussion, Mr. Browder requested that staff provide the Board with a report on how the geotechnical surveys are done. Mr. Sandberg suggested that this issue be addressed at a future Engineering and Construction Committee meeting. Mr. Kruse agreed that this would be important before the Board considers contracts for East Los Angeles or further in the Valley.

Mr. Browder moved, and Mr. Croyts seconded, to approve this item. Motion was approved, with Mr. Wilson abstaining.

The RCC Board recommended that the MTA Board authorize the Chief Executive Officer to execute Change Order B201-CO-65.00 for a total of \$348,249.00.

11. METRO RED LINE, SEGMENT 2 - CONTRACT NO. B221
WILSHIRE/NORMANDIE STATION AND LINE
CONTRACTOR: TUTOR/SALIBA-PERINI, A JV
APPROVAL OF CHANGE ORDER NO. 92

Mr. Camacho moved, and Mr. Croyts seconded, to approve this item. Motion was approved, with Mr. Wilson abstaining.

The RCC Board recommended that the MTA Board authorize the Chief Executive Officer to execute Change Order No. B221-CO-92.00 for a value of \$494,624.00.

12. METRO RED LINE, SEGMENT 2 - CONTRACT NO. B231
WILSHIRE/WESTERN STATION AND CROSSOVER - RAIN DELAY
CONTRACTOR: TUTOR/SALIBA-PERINI, A JV
APPROVAL OF CHANGE NOTICE NO. 87

Mr. Kelsey gave a briefing on this item.

Mr. Croyts moved, and Mr. Browder seconded, to approve this item. Motion was approved, with Mr. Wilson abstaining.

The RCC Board recommended that the MTA Board authorize the Chief Executive Officer to execute Change Order No. B231-CO-87.00, which increases the Contract value by \$324,000 and extends the Contract duration by twenty-three (23) calendar days to the Revenue Operations Date.

14. METRO RAIL FEDERAL FUNDING STATUS AND FINANCIAL BRIEFING

Ms. Bohlinger and Mr. Sohikian gave presentations on this item.

Ms. Bohlinger stated that MTA staff has been negotiating the Metro Red Line, Segment 3 Eastside Extension Full Funding Grant Agreement for the last six months. There has been a stand-off for the last two months on the extension from Union Station to First and Lorena, a 3.7-mile, 4-station segment. Today staff met with the FTA to restart negotiations, and a completed document must be presented to the FTA by mid-October.

Mr. Wilson asked why there was a stalemate with the FTA. Ms. Bohlinger replied that the FTA did not want to give Los Angeles any additional national money to complete the segment. In addition, the FTA wanted staff to redesign the project so it would not be necessary to increase the budget. A significant change in the alignment of the project would have necessitated another environmental review, which would cause a significant delay. Mr. Wilson asked if this has any impact on the overall request for funds for the entire MOS-3 project. Ms. Bohlinger responded that it does because North Hollywood is now under construction and the MTA is getting annual funding for that; Mid-City has been delayed but this funding cannot be used for any other segment because we have to keep the three extensions intact. It is critical for the MTA to get closure on the East Side and get enough money so that we can afford to do the local match.

Mr. Sohikian gave an explanation of where the MTA is in the congressional process for our funding for federal fiscal year '95, which begins on October 1, 1994. Mr. Sohikian stated that yearly requests are made to Congress and the MTA has received a mark of \$165 million from the House, which is 26% of the nation's new-start funding, and we received a mark of \$165 million from the Senate, which reflects 28% of the available federal funds in the Senate version of the appropriations bill. The Conference Committee is scheduled to reconcile both versions of this bill in the third week of September, for final passage by September 30, 1994.

**15. STATION NAMING POLICY - SECONDARY SIGNAGE
METRO GREEN LINE DOUGLAS STREET STATION**

Mr. McSpedon explained that a year ago the Board recommended to the MTA a station naming policy which placed primary emphasis on geographical locations so that the stations have names that make it easier for the riders to navigate the system. However, the option was made available for secondary signage to identify specific points of interest or locales, which would be decided on a case-by-case basis.

Mr. Valenzuela further explained that Continental Development Corporation (CDC) has asked for secondary signage for the Douglas Street Station on the Metro Green Line to state "Serving Continental Park," an industrial park with a capacity for housing 8,000 workers.

Mr. Croyts asked if the City of El Segundo has been notified of CDC's request. Mr. Valenzuela replied that previous discussions have taken place regarding the policy, but not this particular sign. Mr. McSpedon asked staff to ensure that the City of El Segundo has no objections to the secondary signage before staff takes this item to the MTA Board.

Mr. Raggio moved to approve this item with the caveat that the "S" in "Serving: Continental Park" be capitalized. Mr. Browder seconded the motion. Motion was approved, with Mr. Wilson abstaining.

The RCC Board recommended that the MTA Board approve the installation of secondary signage at the Douglas Station. The request for secondary signage is in conformance with existing NTA signage policy. However, in order not to confuse the transit rider who may not be familiar with the area, the signage will announce "Serving Continental Park". The primary station signage remains as Douglas Street/Rosecrans Avenue. The secondary sign will be placed in a prominent location.

16. BOARD MEMBER REQUEST FOR FUTURE ITEMS

There were no requests for future items at this meeting.

Before adjourning, Mr. Zuniga stated that the following item has been added to the Closed Session agenda under G.C. #54956.9 (a) under Pending Litigation. The RCC Board will be meeting with Counsel to review Case #G.C. 006821: Hamilton vs. Parsons Constructors, Inc., et al. This item has been added to the agenda because the need to discuss the issue arose after the posting of the agenda and it is necessary to provide guidance to counsel.

ADJOURNMENT

The meeting adjourned at 2:20 P.M.

Submitted by:



MELISSA SCHIAVO
Acting RCC Board Secretary

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