

**Metro Gold Line Foothill Extension Construction Authority Board Meeting
Arcadia City Council Chambers
240 West Huntington Drive
Arcadia, California 91007
July 11, 2012
7:00 P.M.**

1. Call to Order:

Chairman Tessitor called the meeting to order at approximately 7:08 PM.

2. Roll Call:

Member	Appointing Entity	Present	Absent
Voting Members			
Doug Tessitor, <i>Chair</i>	City of Pasadena	X	
Sam Pedroza, <i>1st Vice Chair</i>	SGVCOG	X	
Ed Reyes	City of Los Angeles		X
Keith Hanks (via telephone)	City of South Pasadena	X	
John Fasana	LACMTA	X	
Non-Voting Members			
Lara Larramendi	Governor of California	X	
Bill Bogaard	City of Pasadena		X
Daniel Evans	City of South Pasadena	X	
Alternate Members			
Gerry Miller	City of Los Angeles	—	—

3. Pledge of Allegiance

Habib Balian led the Pledge of Allegiance.

4. Public Comments on Items On/Off Agenda

Chair Tessitor inquired if there was anyone who wished to provide public comment; seeing and hearing none, Chair Tessitor closed public comment.

5. CEO's Monthly Report

Mr. Balian presented a video to the Board which highlighted recent activities of the Construction Authority among which were various construction activities at the IFS site including the recent concrete pour, removal of the formwork and a site visit by Congresswoman Grace Napolitano. Mr. Balian indicated that work on the removal of the Colorado Street bridge in Arcadia was recently completed. Mr. Balian indicated that the survey work along the Phase 2A alignment continues as well as removal of the old rail on the alignment. Mr. Balian updated the Board on the successful Community Open Houses that were held in the cities of Arcadia, Duarte and Azusa. Mr. Balian reported that supporters of the project attended a recent Metro Board

meeting to voice concern over the proposed AB 1446 expenditure plan which does not provide additional funding for Phase 2B of the project.

Mr. Balian reviewed various items on the critical path schedule including the start of alignment construction in September 2012; M&O property remediation in October 2012; start of M&O Facility construction in November 2012, transfer of the IFS project to the D2 contractor in December 2012 and start of construction for the San Gabriel River bridge in March 2013.

Mr. Balian indicated that identification of property encroachments and acquisitions continue. Chairman Tessitor inquired about the real estate acquisition budget. Mr. Balian indicated that the Authority was on budget and would provide the Board with a more detailed report at a future meeting.

Mr. Balian reported that Parsons Brinkerhoff continues work on the technical reports for CEQA certification of Phase 2B and the DEIR will be distributed for review in August. Mr. Balian indicated that work continues on refining Phase 2B concept plans and advanced conceptual engineering. Mr. Balian indicated that the Construction Authority will work with Metro once the Phase 2B environmental process is completed in seeing non New Starts funding for Phase 2B.

Mr. Balian indicated that work continues on the DB3 contract for parking facilities. Board Member Hanks reported that the EIR for the Azusa – Foothill Transit Intermodal Parking facility was available at the City of Azusa website.

6. Consent Calendar

- a. Authorize CEO to Execute Amendment No. 2 to Amended and Restated Funding Agreement and Amendment No. 1 to Master Cooperative Agreement with Metro**
- b. Consideration of Project Management Plan**
- c. Authorize CEO to Approve Grant of Subsurface Easement to County Sanitation District No. 22 of Los Angeles County**
- d. Adopt the Overall Project Disadvantaged Business Enterprise (DBE) Goal for Federal Fiscal Years (FFY) 2013/15**

Chair Tessitor requested a motion to approve the Consent Calendar. Board Member Hanks requested that Agenda Item 6.d. be pulled for discussion. Board Member Pedroza made a motion to approve the remaining items on the Consent Calendar which was seconded by Board Member Hanks and the item was approved unanimously.

- d. Adopt the Overall Project Disadvantaged Business Enterprise (DBE) Goal for Federal Fiscal Years (FFY) 2013/15**

Board Member Hanks reported that Construction Committee reviewed this item and that the 2.3 percentage of participation presented in the report seemed low. Board Member Hanks indicated that the DBE percentage was arrived at by the appropriate methodology and procedure to arrive at the percentage. Board Member Fasana indicated that as a member of the Construction Committee he was also concerned with the low percentage and the perception that it would provide. Board Member Fasana indicated that Metro had just released its Board report with a proposed DBE goal of 14.2 percent. Board Member Fasana recognized that there were two different methodology used in arriving at the percentages for each agency. Board Member Hanks directed the Boards attention to the Methodology language in the Board Report and indicated that that the proper and necessary process was followed to arrive at the DBE percentage. Mr. Balian indicated that an outside consultant was used to arrive at the DBE percentage as required by the FTA protocol. Board Member Larramendi indicated that she would like to explore if a higher percentage could be established prior to the August 1st deadline. Board Member Hanks indicated that establishing a higher number outside of the process and methodology may not be prudent but agreed that efforts should be made to reach a higher number if possible. Board Member Fasana indicated that he would be supportive of staff working with the contractors to obtain the best percentage possible but would not be able to support the current percentage before the Board. Chairman Tessitor inquired of staff what the ramifications of changing the percentage would mean to the project. Mr. Balian indicated that federal dollars may be at risk and that by not adhering to the FTA methodology protocol might not be a wise move. Mr. Balian indicated to the Board that over the past three years, the Construction Authority has an average of 13.5% DEB participation. Chairman Tessitor indicated that following the FTA guidelines must be adhered to so as to be a possible recipient of federal funds but also recognized that the Construction Authority should encourage reaching a higher participation rate. Board Member Larramendi indicated that contractors sometimes are not willing to go beyond what is required and would like to have a higher goal without risking possible federal funding. General Counsel Estrada indicated that straying from the FTA guidelines would not be prudent and that encouraging the contractors to use maximum efforts to reach a higher goal may satisfy some of the concerns being expressed. Board Member Hanks inquired if DBE enforcement language was in place to encourage the contractors to use best-efforts to reach the best possible participation rate. Mr. Purcell, Chief Contracting Officer, indicated that language would be placed in the DB3 contract to address the DBE goal and the Construction Authority's expectations. Board Member Larramendi inquired if the Construction Authority would provide DBE contact lists to the contractors. Mr. Purcell indicated that the Construction Authority would provide the information to the DB3 contractors. Board Member Tessitor indicated that he would not be willing to establish an inflated number outside of the FTA methodology but is supportive of encouraging the contractors to achieve a higher participation rate. Mr. Balian indicated that establishing a high goal would also have additional budget impacts. Board Member Hanks indicated that by approving the item today, there would be a 45-day review by the public

for feedback. Mr. Balian indicated that if there were no significant feedback that the items would not come back to the Board. Mr. Balian indicated that if the Board wished, the outside consultant could report to the Board on the methodology at the next meeting. Board Member Pedroza inquired that if there was significant feedback during the public review process would there be an opportunity to revise the percentage. Mr. Balian indicated if there were significant feedback then the item would be brought back to the Board for consideration. Board Member Hanks requested that staff provide a presentation on the process that will be implemented and adhered to for DBE goal implementation. Board Member Fasana requested that the methodology be sent to the Board and inquired if delaying a decision on this item until the next Board meeting would have any impacts. Mr. Crandal Jue, Chief Financial Officer and Grants Administrator, indicated that a delay would exceed the grace period from the FTA and may jeopardize federal funds for the project. Board Member indicated that the Board should adopt the percentage today and if there is public feedback, then there would be an opportunity to address it again. Chairman Tessitor indicated that if the word minimum was inserted prior to the percentage with additional language added to incentivize contractors to achieve a higher percentage. Mr. Balian indicated that the language could be incorporated.

Board Member Hanks made a motion that the Board adopt the recommendation of staff and if significant feedback from the public is received during the 45-day period and after the presentation by staff on enforcement and methodology, the Board may consider a revision to the percentage. Chair Tessitor conducted a roll call vote of the item. Board Members Tessitor, Pedroza and Hanks voted affirmatively and Board Member Fasana voted against. The item was approved by a vote of three to one.

7. General Board Items

a. Receive and File Report on Project Update: BNSF Track Staging

Mr. Balian introduced Chris Burner, Chief Project Officer, to provide the report. Mr. Burner indicated that a portion of Foothill Extension ROW east of San Gabriel River through Azusa contains freight tracks on which BNSF operates freight service. Mr. Burner indicated that this portion of ROW is referred to as the "Shared Corridor". Mr. Burner indicated that the Shared Corridor will need to accommodate three tracks in the future for Foothill Extension Project (one freight track and two light rail tracks). Mr. Burner indicated that BNSF's freight track is positioned in the center portion of the ROW and must subsequently be moved south to accommodate additional tracks. Mr. Burner indicated that the alignment design-build contractor, FTC, created a phasing plan for relocation of freight track. Mr. Burner indicated that the phasing plan has been coordinated with BNSF and SCRRA. Mr. Burner indicated that the plan involves five phases which are: Phase 1: Initial track demolition and new bridge construction; Phase 2: Mid-block and siding trackwork; Phase 3: Grade-crossing relocations; Phase 4: Miller Yard, tailtrack and mainline track

completion; and Phase 5: Bridge transfer. Mr. Burner presented detailed staging plans for the Board's information. Mr. Burner also indicated that Grade crossings will be completed one at a time in west-to-east fashion to minimize traffic impacts and must continue to accommodate freight service.

Board Member Pedroza inquired about the schedule for this project. Mr. Burner indicated that it would begin in September/October and would continue for approximately 1 year.

Board Member Hanks requested that Mr. Burner contact the City of Azusa staff to arrange for the same presentation to the Azusa City Council.

Item received and filed.

b. Resolution declaring public necessity and allowing the prime contractor selected pursuant to RFP C1150 (Intermodal Parking Facilities and Enhancements Design-Build Project) to identify and contract with subcontractors who were not included in the prime contractors' original proposals

Mr. Balian provided the report. Mr. Balian indicated that the Resolution would permit the eventual DB3 prime contractor to enter into certain subcontracts for work under the contract, without having designated a subcontractor for such work in the original proposal. Board Member Fasana inquired what percentage of the work in the contract would go to subcontractors. Mr. Purcell indicated that the percentage would depend on the prime contractor and their proposals. Mr. Burner indicated the amount can vary from a small number to a large number.

Chair Tessitor requested a motion to approve the Resolution. Board Member Fasana made a motion to approve the item which was seconded by Board Member Pedroza and the item was approved unanimously.

c. Consideration of AB 1446 (Feuer)

Mr. Balian provided the report. Mr. Balian indicated that the Senate Committee on Governance and Finance approved the item last week and now the bill moves to the Senate Appropriations Committee on August 6th. Mr. Balian indicated that a proposal to modify the legislation with the "Fasana Motion" which would allow for transfer of funds within a sub-region between highway and transit funds would be considered by both Metro and the Senate Appropriation Committee and then the bill would go back both houses for approval and then to the Governor for signature. Board Member Fasana indicated that the SGVCOG's Transportation Committee would be discussing the item and making a possible recommendation to the Governing Board to support AB 1446 if language is modified as explained by Mr. Balian. Board Member Fasana reviewed the various funds that may be available within the sub-region. Board Member Fasana indicated that SGVCOG members may

add language to the recommendation with identifies potential funding to be transferred within the sub-region for ACE and the Gold Line Phase 2B. Board Member Pedroza indicated his concern with Metro incorporating the language into the ordinance.

Item received and filed.

d. Receive and File: Monthly Project Status Report

Mr. Balian introduced Chris Burner to provide the report. Mr. Burner indicated that IBI Group has developed advanced conceptual engineering of all parking facilities for Phase 2A. Mr. Burner indicated that staff has completed acquisition of NTP Phase 1 properties. Mr. Burner reported that various other activities in Phase 2A which included: release of Industry Review Draft for the Intermodal Parking Facilities and Enhancements Project, RFP C1150 (DB3); short-listing of three firms for C1150 Project; DB2 contractor, FTC, began rail demolition and completed demolition of Colorado Bridge; and receipt of various submittals from the C1135 (DB2) contractor.

Mr. Burner indicated that during the next three to four months staff will complete superstructure and construction of baskets and punch list items; continue management of the Alignment contract, including evaluation of design and project management submittals; complete acquisition of NTP Phase 2 properties; complete advanced conceptual engineering of all parking facilities and issue an RFP for Parking Facilities Contract (DB3).

Mr. Burner also reviewed a detailed IFS Project schedule.

Item received and filed.

8. General Counsel's Report

None.

9. Board Member Comments

Mr. Hanks thanked Mr. Balian for the recent Project Update to the City Council of Azusa.

10. Closed Session

General Counsel Estrada reviewed the various items that would be considered in Closed Session and indicated that there would be no reportable action. Chair Tessitor recessed the Board into Closed Session at approximately 8:43 PM.

A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR.....G.C. 54956.8

- (i) Property: 8513-012-043
Agency Negotiator: Habib F. Balian and Regina Danner, Esq.
Negotiating Parties: Model Engine Company of America
Under Negotiation: Price and terms
- (ii) Property: 8528-015-049
Agency Negotiator: Habib F. Balian and Regina Danner, Esq.
Negotiating Parties: Ye Family Investments
Under Negotiation: Price and terms
- (iii) Property: 8528-011-020
Agency Negotiator: Habib F. Balian and Regina Danner, Esq.
Negotiating Parties: Hydraulic Unit Inc. (GE)
Under Negotiation: Price and terms
- (iv) Property: (1) 8528-015-918; (2) 8528-015-919;
(3) 8528-015-920
Agency Negotiator: Habib F. Balian and Wes Beverlin, Esq.
Negotiating Parties: Successor of the Monrovia Redevelopment Agency
Under Negotiation: Price and terms

B. CONFERENCE WITH LEGAL COUNSEL:..... G.C. 54956.9(a)
Pending Litigation

- (i) Metro Gold Line Foothill Extension Construction Authority v.
City of Monrovia, Monrovia Redevelopment Agency, et. al.
Case No. BC47600

C. Conference with Legal Counsel:.....G.C. 54956.9(c)
Initiation of Litigation

One Case

11. Adjournment

The Board Meeting was adjourned at approximately 10:30 pm.