

**Metro Gold Line Foothill Extension Construction Authority Board Meeting
Arcadia City Council Chambers
240 West Huntington Drive
Arcadia, California 91007**

**September 12, 2012
7:00 P.M.**

1. Call to Order:

Chairman Tessitor called the meeting to order at approximately 7:03 PM.

2. Roll Call:

Member	Appointing Entity	Present	Absent
<i>Voting Members</i>			
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	
<i>Non-Voting Members</i>			
Lara Larramendi	Governor of California	X	
Bill Bogaard	City of Pasadena		X
Daniel Evans	City of South Pasadena		X
<i>Alternate Members</i>			
Gerry Miller	City of Los Angeles	—	—
Denis Bertone	SGVCOG	—	—

3. Pledge of Allegiance

Lara Larramendi 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 on items on or off the Agenda, hearing and seeing 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 removal of falsework on the structure; demolition of old retaining walls; continued basket element fabrication for the bridge; and a site visit by Congressman Adam Schiff's office. Mr. Balian indicated that FTC continues work on utility and water line relocations and M&O abatement to several buildings. Mr. Balian indicated that

staff meet with the representatives of locally elected officials to update them on the status 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 DB2 contractor in December 2012; and start of construction for the San Gabriel River bridge in March 2013.

Mr. Balian also indicated that the Phase 2B DEIR is still being circulated for public comment and there will be two public meetings in September. Mr. Balian indicated that a completed document is anticipated for late this year.

Mr. Balian indicated that Metro is looking for letters of interest for Transportation Infrastructure Finance and Innovation Act (TIFIA) loans. Mr. Balian indicated that approximately \$10 billion dollars would be available across the country next year. Mr. Balian indicated that a local match or the ability to repay the loan is necessary and that the possibility of the transfer of unallocated highway funds to transit funds under Measure J may be a good match for this type of program. Mr. Balian indicated that there is a very strict schedule with regard to being shovel-ready in order to be considered under TIFIA. Mr. Balian indicated that NEPA clearance and a higher level of advanced conceptual engineering would be necessary. Mr. Balian indicated that an additional \$60M would be necessary for the Construction Authority to complete the items necessary for Phase 2B to be considered for the TIFIA program. Mr. Balian indicated the Metro and the Construction Authority would need to amend the Funding Agreement to provide the additional funds. Mr. Balian indicated that Metro would be discussing the TIFIA program at their upcoming Committee and Board meetings in September.

Board Member Fasana indicated the possible additional availability of funds would be welcomed not only for the Foothill Extension but by other projects as well. Board Member Fasana indicated that Metro is taking some steps to seek new funds outside Measure J and may be looking for additional support of Measure J.

Chairman Tessitor inquired if the recently passed federal legislation allowing for CEQA to "count" for NEPA would be helpful in this circumstance. Mr. Balian indicated that the State of California needs to identify an agency to assume this task and that the state agency appointing legislation is approximately two years away from being completed. Mr. Balian indicated that if TIFIA funds would be sought, then NEPA clearance would be necessary before the legislative solution is in place.

Board Member Larramendi indicated that it was her understanding that Caltrans would be the appropriate designated agency in the State since they have experience and staff that could assume the environmental responsibilities.

Lastly, Mr. Balian indicated that unfortunately there was an accident earlier in the week which resulted in a fatality by a driver who entered the IFS construction site in Arcadia traveling east-bound during the closure. Mr. Balian indicated that the driver lost control

of his car as he exited the freeway on Highland Avenue in Duarte. Mr. Balian indicated that there were no other injuries reported at the construction site. Mr. Balian indicated that all safety and closure protocols have been followed as provided by Caltrans and the California Highway Patrol.

6. Consent Calendar

a. Approval of Minutes of Special Board Meeting held August 22, 2012

Chair Tessitor requested a motion to approve the Consent Calendar. Board Member Reyes made a motion to approve the Consent Calendar which was seconded by Board Member Pedroza and then passed unanimously.

7. General Board Items

a. Receive and File Project Update: Significant Project Impact Areas

Mr. Balian introduced Chris Burner, Chief Project Officer, to provide the report. Mr. Burner indicated that the Foothill Extension Project will involve construction through existing neighborhoods and infrastructure which will potentially impact communities along the alignment. Mr. Burner indicated that the majority of the project is within the rail right-of-way and therefore impacts would likely be minor. Mr. Burner indicated that some elements of the Project will cause more impacts, such as grade crossings and certain bridges and that the Construction Authority is working with design-builders to minimize any potential impacts to communities. Mr. Burner then provided a summary of the various impacted locations broken down by city.

Board Member Fasana inquired if construction at a grade crossing intersection would close the entire intersection and if city staff had been informed. Mr. Burner indicated that they would due to utility relocation, installation of track and other work that spans the entire grade crossing intersection. Mr. Burner indicated that the typical grade crossing closure is 4-6 weeks. Mr. Burner also indicated that each city has or will have approved the traffic plans related to the impacted areas and staff hold bi-weekly coordination meetings with all Phase 2A cities.

Item received and filed.

b. Consideration of Project Labor Agreement for RFP C1150 Intermodal Parking Facilities and Enhancements Design-Build Project

Mr. Balian indicated that the DB3 contract for Phase 2A parking facilities was currently out for procurement and that three firms had been shortlisted. Mr. Balian indicated that staff was working on an amendment to be issued to the DB3 RFP. Mr. Balian indicated that the Board had requested additional information about the possibility of a Project Labor Agreements (PLA) with regard to the DB3 contract. Mr. Balian indicated that the Construction Authority

had worked with GCAP Services to perform an analysis on the matter. Mr. Balian introduced Mitch Purcell, Chief Contracting Officers and In-House Legal Counsel, to provide the report.

Mr. Purcell indicated at the prior Board meeting, a general discussion took place regarding PLAs and Board Members Fasana and Hanks requested that a more detailed analysis regarding PLAs and local-hiring be undertaken. Mr. Purcell indicated that currently 94% of subcontracted work is local hire and 98% of SBE subcontracted work is local hire. Mr. Purcell presented a table with a comparison of various requirements/activities in the DB3 contract as indicated in the table below.

Requirement / Activity	DB3- Without PLA	DB3- With PLA
Utilize Local Unions	√	√
Pay Prevailing Wage Rates for county where work resides	√	√
Requiring Local Prime Contractors from Market Area	No	No
Pay Union Dues for all Construction workers	Only union workers	√
Create 6,900+ Local Jobs	√	√
Outreach to DBEs (federally funded projects)	√	√
Outreach to SBEs (all projects)	√	√
Contract Default for failure to comply w/ DBE/SBE Program	√	√
Risk of strike on Contractor	√	√
Fair Wage Requirements	√	√
Risk of Strike by Performing Unions	√ (risk on contractor)	None
No Discrimination allowed	√	√
SBEs from Market area	√	√
Project Cost Increase for PLA	Bid Increase:	\$720,000 to \$1,080,000
	Admin Increase:	\$75,000 to \$200,000
	TOTAL:	<u>\$795,000 to \$1,280,000</u>

Mr. Purcell indicated that in addition, the Board requested that staff review Metro and City Los Angeles policies with regard to PLAs. Mr. Purcell indicated that Metro's PLA policy specifically excludes any local hire provisions for federally-funded contracts. Mr. Purcell indicated that the City of Los Angeles' PLA policy is less clear with regard to federally funded contracts and local hiring. Mr. Purcell indicated the City of Los Angeles' federal contracts with the Federal Highway Administration (FHWA) do not allow for local hiring provisions.

Board Member Fasana inquired that with regard to the \$6 million in federal funds that are part of the DB3 contract, if those federal funds cause the entire contract to not allow for local hire provisions. Mr. Purcell agreed with the statement. Mr. Purcell indicated that non-federal contracts with PLA provisions would need to undertake a national economic and zip-code analysis study to

locate local hires, which may be or may not be local or even within the state.

Board Member Reyes inquired if enterprise zones may provide an exception. Mr. Purcell indicated that it was his understanding that due to the federal dollar component of the contract they would not be. Mr. Purcell indicated that enterprise zone generally provided tax incentives for business start-ups or to remain in a certain location.

Board Member Fasana indicated his disappointment for not having the flexibility to undertake local hiring.

Chair Tessitor indicated that based upon the information provided that a PLA was not a viable option with regard to the DB3 contract.

Mr. Purcell indicated that the Construction Authority has made its best efforts in all contracts to encourage as much local and SBE hiring as possible.

Item received and filed.

c. Consideration of AB 1446 (Feuer)

Mr. Balian provided the report. Mr. Balian indicated that AB 1446 is awaiting action by the Governor who has until the end of September to sign or veto the legislation.

Board Member Fasana inquired if the JPA took a position in opposition to AB 1446 and if it was clear that the JPA is not the Construction Authority Board. Board Member Pedroza indicated that it was made clear to all the JPA cities that their position is independent and separate from the Construction Authority Board.

Board Member Fasana indicated that if the TIFIA funding was a real possibility that the Board may want to consider taking a position on AB 1446/Measure J. Chair Tessitor indicated until such time that a concrete and enforceable agreement was in place with regard to the TIFIA funds and additional Phase 2B funding, the matter did not need to be considered yet.

Mr. Balian indicated that unless the Construction Authority is allowed to move forward with advanced conceptual engineering and NEPA clearance which would require Metro to provide approximately \$60 million in additional funds, the TIFIA loan is a long-shot.

Chair Tessitor indicated that until Metro demonstrates a commitment to moving the project forward beyond Azusa to Claremont and Montclair, there is no reason to consider the matter and that it should not be tied to the passage of Measure J when there is a possibility of applying for TIFIA funds. Chair Tessitor indicated that the Construction Authority has consistently showed support for all LA County projects and that those which are ready should be

moved forward as quickly as possible.

Chair Tessitor indicated that there is no reason to take action on the item until the Governor either sign's or vetoes AB 1446.

Item received and filed.

d. Consideration of Resolution for Change of Meeting Location and Time

Mr. Balian provided the report. Mr. Balian indicated that the Joint Powers Authority Board and Technical Advisory Committee have recently decided to place an item on their upcoming respective agendas to consider moving their meetings to the Construction Authority offices from the Arcadia Police Department and that some Construction Authority Board members had expressed a desire to discuss a possible move from the Arcadia City Council Chambers to the Construction Authority.

Board Member Fasana indicated that his only concern is that space for the public be adequately provided. Mr. Balian indicated that the normal meeting location would be upstairs in the Construction Authority offices, but if additional space was needed, the meeting could be quickly and easily relocated to a conference room which had additional sitting.

Chairman Tessitor inquired if the Board would like to keep the meeting time at 7:00 pm or consider an alternate start time. Board Member Fasana indicated his desire not to change the start time of 7:00 pm. Board Member Reyes indicated that it would be easier to attend a 7:00 pm meeting than an earlier time.

Chair Tessitor requested a motion to adopt the Resolution to change the meeting location from the Arcadia City Council Chambers to the Metro Gold Line Foothill Extension Construction Authority office with a start time remaining unchanged at 7:00 pm. Board Member Fasana made a motion to adopt the resolution which was seconded by Board Member Pedroza and passed unanimously.

8. General Counsel's Report

None.

9. Board Member Comments

None.

10. Closed Session

Interim General Counsel Danner reviewed the various items that would be considered in Closed Session and indicated that there would not be any reportable action. Chair

Tessitor recessed the Board into Closed Session at approximately 8:02 PM.

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

- (i) Property: 8605-003-902
Agency Negotiator: Habib F. Balian and Regina Danner, Esq.
Negotiating Parties: Totten Properties, LLC.
Under Negotiation: Price and terms
- (ii) 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
- (iii) Property: 8608-017-013
Agency Negotiator: Habib F. Balian and Regina Danner, Esq.
Negotiating Parties: Ralph & Shirley Contreras
Under Negotiation: Price and terms
- (iv) Property: (1) 8533-009-021, (2) 8533-009-023;
(3) 8533-011-052
Agency Negotiator: Habib F. Balian and Regina Danner, Esq.
Negotiating Parties: MillerCoors, LLC
Under Negotiation: Price and terms
- (v) Property: 8528-015-049
Agency Negotiator: Habib F. Balian and Regina Danner, Esq.
Negotiating Parties: Ye Family Investments, LLC
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
- (ii) Metro Gold Line Foothill Extension Construction Authority v. Monterey Edith,
LLC
Case No. KC064507

C. CONFERENCE WITH LEGAL COUNSEL:..... G.C. 54956.9(c)
Initiation of Litigation

- (i) One Case

11. Adjournment

The Board Meeting was adjourned at approximately 8:27 pm.