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**MINUTES/PROCEEDINGS  
LOS ANGELES COUNTY  
METROPOLITAN TRANSPORTATION AUTHORITY**

**REGULAR BOARD MEETING  
BOARD OF DIRECTORS**

**MTA Headquarters  
3rd Floor - Board Room  
One Gateway Plaza  
Los Angeles**

**December 18, 1997**

**Called to order at 9:40 a.m.**

**Directors/Alternates Present:**

Jaime de la Vega  
Yvonne Brathwaite Burke/Michael Bohlke, First Vice Chair  
James Cragin/George Nakano, Second Vice Chair  
Richard Alatorre/Nate Holden  
Michael Antonovich/Nick Patsaouras  
Hal Bernson  
John Fasana/Beatrice La Pisto-Kirtley  
Don Knabe/Robert Arthur  
Jose Legaspi/Jackie Goldberg  
Gloria Molina  
Jenny Oropeza  
Zev Yaroslavsky/Robert Abernethy  
Larry Zarian/Jan Heidt  
Tony V. Harris, Ex Officio

Interim Chief Executive Officer - Julian Burke  
Board Secretary - Georgia Hamilton  
Inspector General - Arthur Sinai  
General Counsel - County Counsel

1. **APPROVED** Consent Calendar Items 15 - 20, 22 and 23 and Consent Calendar Addendum Items A through G ( See page 12) Item #21 was pulled for discussion.

Directors voting - Bernson, Burke, Nakano, Knabe, Fasana, Oropeza, Yaroslavsky, Zarian, de la Vega  
Conflicts: Item #17 - Knabe, Fasana, Abernathy, Yaroslavsky

2. **APPROVED minutes** of Special Board Meeting held November 13, 1997.

Directors Voting: Bernson, Burke, Cragin, Fasana, Oropeza, Yaroslavsky, Zarian, de la Vega, Fasana, Antonovich

Alternate Jackie Goldberg requested to address the Board. Ms. Goldberg thanked the Board of Directors for the opportunity to serve, and for the \$18M in Mitigation programs the Board of Directors made possible for her district.

3. Chief Executive Officer's Report:

Being the last Board day of the calendar year, J. Burke, CEO thanked the employees for their support and extended holiday greetings. Mr. Burke also expressed that, thus far, it has been a learning process for him trying to understand the agency and how it operates. He stated that he looks forward to next year.

The Board of Directors on motion of J. Burke, CEO adopted and presented a resolution to Rae James, departing as Executive Officer, Customer Services & Communication.

## NON-CONSENT ITEMS

4. **CONSIDERED BERNSON** motion to authorize staff to work with the Department of Transportation (DOT) to determine which **Smart Shuttle routes** can be restructured to accommodate ridership on major bus corridors in which service has been proposed for cancellation by the MTA and report back in 30 days;

Director Bernson offered an **amendment** to his original motion to take out the word "weekend" and restore service on the cancelled lines until such time as alternative transportation can be provided for people with no other options.

Ellen Levine commented that the changes have already been implemented and restoring the service would take at least a week and there would be considerable costs associated with that action. She added that the changes were not made on a whim. Staff worked with the Bus Riders' Union and every attempt was made to minimize the impact on riders. Several Directors voiced disagreement with any action that would "turn back the clock". Director Bernson then withdrew the portion of his amendment calling for restoration of service.

Director Burke offered another **amendment** to the motion directing use of mobility allowance program funds to contract with DOT or any other entity to replace cancelled service.

Julian Burke noted that the Bus Riders' Union has filed papers with the Special master requesting a ruling on the changes and staff will continue to look into all the issues that have been raised and report to the Board next month.

**APPROVED original motion AS AMENDED** to delete the word "weekend" and **use Mobility Allowance Program funds to contract with DOT or other entities to immediately replace cancelled service.**

Public Comment Received: The Bus Riders' Union expressed their disapproval of the schedule changes and the cancellation of weekend service, calling the changes a hardship to the public and a violation of an existing court order.

Directors voting: de la Vega, Burke, Cragin, Alatorre, Antonovich, Bernson, Fasana, Knabe, Legaspi, Molina, Oropeza, Zarian, Yaroslavsky

5. **APPROVED AS AMENDED** by Director Yaroslavsky, to direct staff to prepare and present to the Inspector General within 30 days and to the Board within 60 days a detailed report as to how funds designated as "The Valley Trust Fund" were computed, how and where they were deposited, a determination of the total funds accrued, including account numbers, remaining balance, if any, and identification of the accounts where the accrued interest may have been deposited.

Directors Voting: Bernson, Burke, Cragin, Fasana, Oropeza, Yaroslavsky, Zarian, de la Vega, Knabe, Antonovich, Molina, Alatorre, Legaspi

6. **APPROVED AS AMENDED** by Director Alatorre, to direct the CEO to prepare a study prior to the Board's final consideration of the capital budget on the feasibility and advisability of establishing a funding allocation policy to include A, B, C, D and add item E.
- A. commencing with the adoption of the FY 1999 budget, establish a policy to allocate at least 40% of Proposition C Discretionary funds to fund capital projects, including payments of principal and interest on existing bonds for capital programs;
  - B. a determination of the amount of future bonding capacity for capital programs that will be achieved by the adoption of the aforementioned funding allocation formula;
  - C. commencing with the adoption of the FY 1999 budget, the establishment of a policy to allocate all Proposition A Rail Development funds to fund rail capital projects, including payments of principal and interest on existing bonds rail construction bonds; and
  - D. an assessment of the impact on other MTA programs resulting from the adoption of all these funding allocation formulas.

**E. Assessment to be made on the alternative uses of such funds for County wide operations and services;**

Directors Voting: Bernson, Burke, Cragin, Fasana, Oropeza, Yaroslavsky, Zarian, de la Vega, Knabe, Antonovich, Molina, Alatorre, Legaspi

7. **APPROVE AS AMENDED, to add the cities of San Fernando, Calabasas, Burbank, Glendale, Agoura Hills, Santa Clarita and the County of Department of Public Works** in the discussion with LADOT and other transit agencies regarding a transit zone.

Directors voting: de la Vega, Burke, Cragin, Alatorre, Antonovich, Bernson, Fasana, Knabe, Legaspi, Molina, Oropeza, Zarian, Yaroslavsky

8. **RECEIVED AND FILED** report on **San Fernando Valley service options**. Staff was requested to make a monthly report.

Motion was presented by Director Patsaouras that no MTA director or staff travel outside of the US, at MTA expense, to inspect a busway in Brazil. Seconded by Director Molina.

Directors voting: de la Vega, Burke, Cragin, Alatorre, Antonovich, Bernson, Fasana, Knabe, Legaspi, Molina, Oropeza, Zarian  
Conflict: Yaroslavsky

9. **APPROVE AS AMENDED, to wit, design is subject to approval of MTA and council (District 13-City of LA) and authorize the CEO to:**  
(PP 4)

A. Enter into an **Exclusive Negotiation Agreement** between TrizecHahn Centers Management, Inc. and the LACMTA for a 180-day extension covering the development of **properties adjacent to Hollywood/ Highland Metro Red Line Station;**

B. Sign applications for development entitlements on the MTA-owned property at the Hollywood/Highland Station.

Directors voting: de la Vega, Burke, Cragin, Alatorre, Antonovich, Bernson, Fasana, Knabe, Legaspi, Molina, Oropeza, Zarian  
Conflict: Yaroslavsky

10. **CONSIDERED** authorizing the CEO to award contracts covering services in association with **federal legislative advocacy support** for a total cost of \$332,314 the year ending December 31, 1998;

A.	<b>MARC Asso. &amp; Cliff Madison Govt. Rels.</b>	\$100,402
B.	American Continental Group	90,152
C.	The Jefferson Group	72,650
D.	<b>Palumbo &amp; Cerrell, Inc.</b>	69,110

**APPROVED** extension of current contracts up to 60 days and evaluation of the "best people" for our legislative representation based upon the legislative plan and to work with, and submit a final recommendation to the Board through, the Executive Management Committee.

Directors voting: de la Vega, Burke, Cragin, Alatorre, Antonovich, Bernson, Fasana, Knabe, Legaspi, Molina, Oropeza, Zarian, Yaroslavsky

11. **CONSIDERED** authorizing CEO to award contracts covering services in association with **state legislative advocacy support** for a total cost of \$193,500 the year ending December 31, 1998;

A.	Capital Representation Group	\$70,300
B.	Nielsen, Merksamer, Parrinello & Naylor	57,130
C.	JEA & Associates	40,850
D.	Nossaman, Guthner, Knox & Elliot	25,250

**APPROVED** extension of current contracts up to 60 days and requested

an evaluation of the "best people" for our legislative representation based upon the legislative plan and to work with, and submit a final recommendation to the Board through, the Executive Management Committee.

Directors voting: Burke, Cragin, Alatorre, Antonovich, Bernson, Fasana, Knabe, Legaspi, Molina, Oropeza, Zarian,  
Conflict: de la Vega

12. **APPROVED AS CORRECTED** by staff, an increase to the Authorization for Expenditure to Contracts EN032, International Technology Corporation, EN030, CH2MHILL and EN031, Metcalf & Eddy, Inc., the current panel of environmental waste services, covering **removal and disposal of hazardous substance contamination on the East Side Extension** in the amount of **\$300,000** for a total AFE in the amount of **\$2,145,000**

Directors voting: Burke, Cragin, Alatorre, Antonovich, Bernson, Fasana, Knabe, Legaspi, Molina, Oropeza, Zarian, Yaroslavsky  
Conflict: de la Vega

13. **APPROVED:**

A. Change Order No. 93 to Contract C0311 with Traylor Bros./Frontier-Kemper, JV, in the amount of \$619,175 which includes costs for 'future work' deferred by the Board and covers a portion of the settlement of Claim No. 6 as recommended by the Dispute Review Board; and

B. an increase to the Authorization for Expenditure in the amount of \$619,175 for a revised AFE in the amount of \$167,158,974.

Directors voting: de la Vega, Burke, Cragin, Alatorre, Antonovich, Bernson, Fasana, Knabe, Legaspi, Molina, Oropeza, Zarian, Yaroslavsky

14. **APPROVED** the sale of property located at 5557 St. Elmo Walk, Long Beach for approximately \$248,000 net proceeds as settlement in full of the mortgage loan.

Directors voting: de la Vega, Burke, Cragin, Alatorre, Antonovich, Bernson, Fasana, Knabe, Legaspi, Oropeza, Zarian;  
Director Yaroslavsky voted No.

Director Molina asked staff to determine who is actually purchasing the property.

**Public comment received.**

### **CONSENT CALENDAR ITEMS**

15. **APPROVED ON CONSENT CALENDAR:**  
(FB.1)
- A. adoption of the revised **MTA Investment Policy**; and
  - B. delegation of authority to the MTA Treasurer, to invest MTA funds, for a one year period, pursuant to California Government Code Section 53607.
16. **APPROVED ON CONSENT CALENDAR**, increase in the contract spending limit for the **Audit Pool Contract** RFP No. PS2510-0071 in force until December 1, 1998, in an amount not to exceed \$500,000 for the outsourcing of Financial, Performance and Third Party Contract audits.  
(FB 2)
17. **APPROVED ON CONSENT CALENDAR**, execution of a ten-year license agreement with **Southern California Edison Company (SCE)** and approval of rental payments in the amount of \$358,455 over the ten-year term for the continuing usage of the Marine Station parking facility for the Metro Green Line Project.  
(FB 3)
18. **APPROVED ON CONSENT CALENDAR**, amending the **Measures and Public Hearing Procedures for Major Service or Fare Changes**.  
(PP 1)



19.  
(PP 3)

**APPROVED ON CONSENT CALENDAR:**

- A. appointing the **TDA Article 8 Hearing Board** to conduct unmet transit needs hearings in those eligible areas outside the MTA service area;
- B. appointing members to a three-year term to fill vacant positions on the FY 1998-99 Social Service Transportation Advisory Council (SSTAC) extending the term by one year, through FY 1999-2000, for returning members; and
- C. authorizing the CEO, or his designee, to annually appoint the TDA Article 8 Hearing Board and to fill vacancies on the SSTAC.

20.  
(EMC 2)

**APPROVED ON CONSENT CALENDAR** the addition of **Directors' Special Items** to future Board Meeting Agendas, and encouraged use of 72-hour notice.

21.  
(CC 5)

**NO ACTION TAKEN on:**

- A. Revision No. 1 to Contract Work Order No. 47 to Contract E0070 with Engineering Management Consultant covering final design services on the **East Side Extension project adding a testing program for precast concrete tunnel liner and gaskets** in the negotiated/audited amount of \$327,507 extending the period of performance to June 30, 1998;
- B. an increase to the Authorization for Expenditure in the amount of \$328,000 increasing the AFE to \$5,408,000.

**MOTION** to carry over the item over to January **FAILED** on the following roll call vote:

Ayes: Bernson, Bohlke, Cragin, LaPisto-Kirtley, de la Vega,  
Yaroslavsky  
Noes: Oropeza, Legaspi, Heidt  
Abstain: Patsaouras, Arthur

**MOTION** to approve staff recommendation **FAILED** on the following roll call vote:

Ayes: Oropeza, Legaspi, Heidt  
Noes: Bernson, Bohlke, Cragin, LaPisto-Kirtley, Yaroslavsky  
Abstain: Patsouras, de la Vega  
Conflict: Knabe

22. **APPROVED ON CONSENT CALENDAR**, contract amendment with (OPS 6) Neoplan USA Corporation covering **various changes to the contract for 250 buses** detailed in Contract Amendment No. 1, for a net decrease of \$2,309,718.
23. **APPROVED ON CONSENT CALENDAR**, request from the Los Angeles (OPS 7) County Sheriff's Department to **transfer one surplus bus (#8698)** for the purpose of training personnel.

In accordance with State Legislation, the MTA Board as of January 1, 1998 will no longer have alternate members. Principal Board members thanked their alternates for their outstanding contributions to the MTA and the transportation industry. Alternates present were given an opportunity to speak and each expressed gratitude for the opportunity to serve and said it had been an enjoyable learning experience.

**CLOSED SESSION**

24. Conference with real property negotiators concerning price and/or terms of sale - G.C. 54956.8:

Parcel AS-348  
Rosecrans Overpass Project  
Owners - Yon Kyu Kim and Ki Sook Kim

**APPROVED litigation settlement of \$500,000**

25. Conference with Legal Counsel - Existing Litigation - G.C. 54956.9

A. Nestlerode v. MTA  
Superior Court Case No. Y4C018577

**APPROVED settlement of \$25,000**

B. Lin v. MTA  
Superior Court Case No. BC 155802

**APPROVED settlement of \$250,000**

Directors voting on all Closed Session Items: de la Vega, Burke, Cragin, Alatorre, Antonovich, Bernson, Fasana, Knabe, Legaspi, Molina, Oropeza, Zarian, Yaroslavsky


26. Conference with Legal Counsel - Existing Litigation - G.C. 54956.9 (a)

Wiltern Associates v. MTA  
LASC Case No. BC113523

**NO REPORT.**

Meeting was adjourned at 1:30 p.m.

Prepared by: Christina Lumba-Gamboa

  
Michele Jackson  
Assistant Board Secretary

**CONSENT CALENDAR ADDENDUM  
COMMITTEE APPROVALS**

**THE FOLLOWING ITEMS WERE APPROVED UNDER COMMITTEE  
AUTHORITY.**

**Construction Committee**

- A. Consider approval of Change Order No. 95 to Contract No. C0311 with Traylor Bros./Frontier-Kemper, JV, for **credit amount of \$310,000** for relocation of the track level rooms and crosspassage #49 for tunnel line section to Universal City reducing the contract amount to \$154,265,400 and the AFE to \$166,229,799.

**APPROVED UNDER COMMITTEE AUTHORITY, 4/5 VOTE**

- B. Consider approval of Change Order No. 21 to Contract No. B641 with Amelco Electronics, Inc., covering **design, procurement, installation and testing of on-frequency repeaters** at the Segment 2 stations and the Central Control Facility in the amount of \$237,383.

**APPROVED UNDER COMMITTEE AUTHORITY, 4/5 VOTE**

- C. Consider approval of **cancellation and re-solicitation of Invitation for Bid No. C0361** covering the Maintenance of Way Facility as a design/build project for the Metro Green Line.

**APPROVED UNDER COMMITTEE AUTHORITY, 4/5 VOTE**

**Operations Committee**

- D. Consider award of a three-year contract to City Terrace Services, Los Angeles, covering **Metro Freeway Service Patrol towing** for Beat 25 commencing March 31, 1998 in the amount of \$1,117,500.

**COMMITTEE AUTHORITY, 4/5 VOTE**

E. Consider the following actions covering **modifications to existing buildings at the Regional Rebuild Center**:

- A. rescind previous action by the Board to reject all bids; and
- B. award a contract to Mallcraft, Inc., Pasadena, the lowest responsive, responsible bidder, covering **modifications to existing buildings at the Regional Rebuild Center** for a fixed price of \$1,627,000.

**COMMITTEE AUTHORITY, 4/5 VOTE**

F. Consider award of contracts to the lowest responsive, responsible bidders covering a 12 month supply of **hand products** for a total bid price of \$415,211:

- |                                |           |                |
|--------------------------------|-----------|----------------|
| A. Unisource                   | \$ 20,853 | Items 1, 6 & 7 |
| B. Gale Supply Co.             | 349,802   | Items 2, 3 & 5 |
| C. Clean Source                | 31,724    | Item 4         |
| D. Easterday Janitorial Supply | 12,832    | Items 8 & 9    |

**COMMITTEE AUTHORITY, 4/5 VOTE**

G. Consider award of contract to Westinghouse Air Brake Co., the lowest responsive, responsible bidder covering **overhaul of 108 couplers for the Metro Blue Line Light Rail vehicles** for a fixed price of \$388,726, and an option to **overhaul an additional 30 couplers for the Metro Green Line Light Rail vehicles** for a fixed price of \$107,979.

**COMMITTEE AUTHORITY, 4/5 VOTE**