



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

April 23, 1998

Called to order at 9:50 A.M.

Directors Present:

Richard Riordan, Chair

Yvonne Brathwaite Burke, First Vice Chair

James Cragin, Second Vice Chair

Michael Antonovich

John Fasana

Don Knabe

Jose Legaspi

Gloria Molina

Jenny Oropeza

Zev Yaroslavsky

Larry Zarian

Tony V. Harris, Ex Officio

Interim Chief Executive Officer - Julian Burke

Board Secretary - Georgia Hamilton

Inspector General - Arthur Sinai

General Counsel - County Counsel

NOTE: Members voting are reflected in the attached "RECAP OF PROCEEDINGS" matrix.

1. **APPROVED Consent Calendar** Items 9, 12 through 15, 20, 25 through 28, 35, 36 and 38.

Item #33 pulled from Consent Calendar.

NOTED Committee Authority Items 7 and 10.

2. **APPROVED Minutes** of Regular Board Meeting held March 26, 1998 and Special Board Meeting held April 8, 1998.

3. Chief Executive Officer reported on:

- A) Restructuring Plan
- B) Consent Decree Load Factor Targets

4. Chair's Report - NO REPORT.

7. **APPROVED UNDER OPERATIONS COMMITTEE AUTHORITY:**

- A) Award of a contract to Sportworks, Incorporated, Woodinville, Washington, the single responsive, responsible bidder for IFB NO. DR2178 for the **purchase of 700 bicycle racks and 700 assist mirrors for the Metro Bus fleet**, for a total cost of \$370,880 including sales tax. The 700 assist mirrors are an option to the base contract costing \$12,275;
- B) Authorizing the CEO to exercise an additional option within six months following contract award for **an additional 700 bicycle racks and 700 assist mirrors** for a total cost of \$370,880 including sales tax. The total procurement cost if the option is exercised shall not exceed \$741,760.

9. **APPROVED ON CONSENT CALENDAR AWARD OF:**

- A) a one year contract to Cosby Oil, Santa Fe Springs, CA, **for the procurement of bulk Torque Fluid**, at a total bid price of \$139,446; and
- B) a one year contract to Southern Counties Lubricants, Orange, CA, **for the procurement of drum stock Torque Fluid**, at a total bid price of \$20,002.

10. **APPROVED UNDER OPERATIONS COMMITTEE AUTHORITY:**

- A) Award of a contract to Electric Motors Sales & Services, Alhambra, CA, the lowest responsive, responsible bidder, **to overhaul up to 58 Motor - Alternators for the Metro Blue Line Light Rail Vehicles**, for a contract price of \$107,859 and a 10% contingency fund (\$10,785), for repair or replacement of items not covered under the contract specifications.
- B) Authorizing the Chief Executive Officer to exercise the 15 unit option to **overhaul the Metro Green Line Motor/Alternators**, for a total contract price of \$27,894, subject to available funding and a 10% contingency fund (\$2,789) for repair or replacement of items not covered under the contract specifications.

12. **APPROVED ON CONSENT CALENDAR** the exercise of a one-year option and funding for the following consultants for **geotechnical and tunneling consulting services** for the period May 1, 1998 through April 30, 1999;

- A) Dr. Z.D. Eisenstein for an amount not-to-exceed \$174,000;
- B) Dr. G. R. Martin for an amount not-to-exceed \$48,000; and
- C) Shannon & Wilson, Inc. (Dr. H. W. Parker) for an amount not-to-exceed \$54,000;

13. **APPROVED ON CONSENT CALENDAR** an increase in the Authorization for Expenditure (AFE) for Contract No. B271 with Kiewit-Shea, J.V., in the amount of \$180,483, increasing the current AFE amount from \$44,694,186 to \$44,874,669, to **provide funding for executed changes that are within Board-delegated authority.**
14. **APPROVED ON CONSENT CALENDAR:**
- A) an increase in the **Project Budget for Contract 3369 Parson-Dillingham** in the amount of \$6,000,000;
 - B) a transfer to the **Professional Services (Construction Management) Line Item** in the amount of \$6,000,000;
 - C) an increase in the Authorization for Expenditure (AFE) of \$6,000,000; and
 - D) a Limited Notice-to-Proceed in an amount not-to-exceed \$6,000,000, for **continuance of Construction Management in support of Metro Red Line, Vermont/Hollywood Corridor (Segment 2B).**

Conflict: Antonovich, Molina, Riordan

15. **APPROVED ON CONSENT CALENDAR:**
- A) Award of Contract H0122 to Cohu, Inc., San Diego, in the amount of \$514,352 for a **Closed Circuit Television System on the Metro Red Line**, North Hollywood Extension, Segment 3; and
 - B) Contract Authorization for Expenditure (AFE) of \$565,787, which includes a contingency of \$51,435 for any potential changes.
16. **APPROVED** the **sale of certain interests in the following properties** to the State of California, Department of Transportation (Caltrans), for the amount of \$304,900 plus accumulated interest;
- A) Northwest and Southwest corners of Aviation Boulevard and Imperial Highway;

- B) Southeast and Southwest corners of Exposition Boulevard and Flower Drive.
17. **CLOSED SESSION** - Conference with Real Property Negotiators concerning price and/or terms of payment - G.C. 54956.8.
- A) Los Angeles County Flood Control District
Parcel AS-071
Long Beach Blue Line Project

APPROVED just compensation of \$162,680
 - B) Mendoza Liquor & Grocery
Parcel EE-283
2530 Cesar Chavez Ave.
Los Angeles
Metro Red Line East Side Extension Project

APPROVED administrative settlement of \$200,000
18. **CLOSED SESSION** - Conference with Legal Counsel - Existing Litigation - G.C. 54956.9 (a)
- A) Green Line
Parcel AS-504
MTA v. Continental Development

APPROVED litigation settlement of \$420,000
20. **APPROVED ON CONSENT CALENDAR** the following actions on State Bills:
- ◆ **AB 1702 (Figuroa)** - Seeks to establish a tax credit for employers who purchase subsidized public transit passes for their employees in an amount equal to 40 per cent of their costs, **SUPPORT**

- ◆ **AB 2035 (Cardenas)** - Transportation: soundwalls: funding. Includes provisions for retrofitting soundwalls on the list established by Caltrans on May 3, 1989, **SUPPORT with Amendments**; and
- ◆ **AB 2044 (Goldsmith)** - Design-Build Procurement Act. Authorizes public entities to contract and procure facilities, including buildings, structures and related facilities, **SUPPORT**.
- ◆ **AB 1759 (Runner)** - Requires that at least 50 percent of available state transportation funding for Los Angeles County be allocated to the cities and county on a per capita basis –**AMENDED 4/13/98 - SUPPORT**

21. **CLOSED SESSION** - Personnel Matters - G.C. 54957 -

APPOINTED Mr. Julian Burke as permanent Chief Executive Officer for a term of 2 years.

25. **APPROVED ON CONSENT CALENDAR** a resolution designating the Chief Executive Officer, Executive Officer-Finance, and Deputy Executive Officer - Capital Development and Programming of the Los Angeles County Metropolitan Transportation Authority as **certifying agents for filing all necessary documents to obtain federal and state relief funds** pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Public Law 93-288).

26. **APPROVED ON CONSENT CALENDAR:**

- A) a Resolution declaring that additional **1998 STIP funds for the Metro Rail Red Line Hollywood Extension** are being used consistent with the 1998 STIP Guidelines; and
- B) Authorized the Chairman to sign and forward the Resolution to the California Transportation Commission (CTC) as a part of the Los Angeles County 1998 STIP submittal.

27. **APPROVED ON CONSENT CALENDAR:**

- A) the **Federal Transit Administration (FTA) Section 5310 local scores for L.A. County Projects** and AUTHORIZED staff to include the applications recommended for funding in the 1996-97 Regional Transportation Improvement Program (RTIP); and
- B) execution and transmittal of **Resolution and scoring recommendations** to Caltrans.

28. **APPROVED ON CONSENT CALENDAR** additional expenditures for the **I-405 HOV project** awarded to Ball, Ball and Brosamer, Incorporated General Engineering Contractors, (Contract #07-116874) in the amount not to exceed \$2.55 million for the following items:

- A) Contract item overruns estimated to be \$950,000
- B) Major design changes estimated to be \$800,000
- C) Settlement of potential claims not to exceed \$800,000

Conflict: Molina

30. **APPROVED ZARIAN MOTION PRESENTED BY DIRECTOR FASANA, AMENDED BY DIRECTOR BERNSON** to request the CEO to investigate the **performance, safety, and reliability of ALL contracted bus lines** and report back to the full Board in 60 days on the status of safety, performance, reliability and customer service and recommendations for improving contracted bus services as well as implementing a bus Performance Standards policy.

31. **APPROVE:**

- ~~A. deletion of the **Kaiser entrance** from B261 from B261 Vermont/sunset Station and rejection of all bids for Contract B263, Kaiser Entrance; and~~
- ~~B. Authorizing staff to negotiate and execute a change order to Contract B261 Vermont/sunset Station with Tutor Saliba Perini JV for the **construction of a ventilation exhaust shaft** subject to a legal merit determination and audit within a total budget of \$4.1 million.~~

APPROVED YAROSLAVSKY SUBSTITUTE MOTION :

- 1) Direct staff to negotiate a change order with Tutor Saliba Perini, the B261 Vermont/Sunset station contractor, within both the construction budget and the overall project budget of \$13.2 million.
- 2) Execute an agreement with Kaiser Foundation Hospitals by May 11, 1998 to fully fund the remaining shortfall in the project budget in the amount of \$4.9 million plus demolition costs of \$493,000.
- 3) MTA's contribution to this project will not exceed the \$7.9 million approved by the Board in 1994.
- 4) MTA staff will work to contain all 'soft costs', including design and engineering, for this project.
- 5) Increase the contract AFE appropriately if negotiations with Tutor Saliba Perini are successful.
- 6) Should this alternative fail to produce a successfully negotiated change order with the contractor within the approved budget or if Kaiser fails to cover the remaining shortfall, CEO would be authorized to move forward with the deletion of the Kaiser entrance and proceed with the alternative ventilation shaft in order to meet the project schedule.

Approved on a roll call vote:

Ayes: Burke, Cragin, Fasana, Knabe, Legaspi, Oropeza, Yaroslavsky, Zarian
Noes: None
Abstain: Antonovich, Molina, Riordan (Conflicts)
Absent: Alatorre, Bernson

32. **APPROVED:**

- A) Time and Material Work Order 117.01 **with Kajima/Ray Wilson, JV C0351**, for a total amount not to exceed \$350,000 for a revised total contract amount from \$66,041,944 to \$66,241,944 (\$150,000 was obligated as Work Authorization Change Notice 117.00);
- B) an increase to the Authorization for Expenditure (AFE) in the amount of \$350,000 for a total revised AFE amount from \$70,951,351 to \$71,151,351; and

- C) execution of a subsequent negotiated Change Order if it is within the amount approved above for the Change Notice.

Approved on a roll call vote:

Ayes: Antonovich, Burke, Cragin, Fasana, Knabe, Oropeza, Riordan, Zarian
Noes: None
Abstain: Legaspi, Molina, Yaroslavsky (Conflicts)
Absent: Alatorre, Bernson

33. **APPROVED AS AMENDED** an increase in the Authorization for Expenditure (AFE) to Contract No. PM021 with Fluor Daniel, Inc. for **Project Management Assistance (PMA) Services for:**

- A. Metro Red Line Segment 1 Transit Enhancements, in the amount of \$92,000, for a revised total AFE of \$342,000;
- B. Metro Red Line Segment 2, in the amount of \$150,000 for a revised total AFE of \$1,530,000;
- C. Metro Red Line Segment 3 North Hollywood, in the amount of \$310,000, for a revised total AFE of \$1,110,000;
- D. Pasadena Blue Line, in the amount of \$32,000, for a revised total AFE of \$832,000; and
- E. **Deobligation of \$1,096,917 of unexpended AFE for the Red Line Segment 3 East Side.**

Approved on a roll call vote:

Ayes: Burke, Fasana, Knabe, Legaspi, Oropeza, Yaroslavsky, Zarian
Noes: None
Abstain: Antonovich, Molina, Riordan (Conflicts)
Absent: Alatorre, Bernson, Cragin

34. **AUTHORIZED:**

- A. Adoption of a resolution, for the competitive **sale of up to \$25 million in bonds secured by the City of Los Angeles'** (City) share of the Local Return portion of the Prop C through a new lien (Master Trust Agreement) separate from the MTA's existing Prop C lien structure;

- B. the Chief Executive Officer or designees to:
 - 1) Execute all required documents
 - 2) Select the providers of any required services
 - 3) Negotiate associated fees

- C. the Chief Executive Officer or designees to enter into a memorandum of understanding with the City in accordance with the following guidelines:
 - 1) MTA will lend the City up to \$25 million to be used for the purchase of DASH buses and shuttles.
 - 2) The City will repay the MTA by pledging the City's share of Prop C Local Return.
 - 3) The City will reimburse MTA for any and all costs incurred in the issuance and administration of these bonds.
 - 4) The City will indemnify the MTA against all other possible expenses, liabilities or required actions resulting from the outstanding bonds that would not otherwise have been incurred by the MTA.

35. **APPROVED ON CONSENT CALENDAR BURKE MOTION** - that the MTA hereby re-designate and name the Imperial/Wilmington Station, and that henceforth that station shall be called the **Rosa Parks Station**.

36. **CLOSED SESSION** - Conference with Legal Counsel - Existing Litigation - G.C. 54956.9 (a)

A) Ates v. MTA, LA Superior Court, Case No. NC018489

APPROVED settlement of \$200,000

B) Moreno v. MTA , LA Superior Court No. BC164533

APPROVED settlement of \$400,000

C) Bienvendia Suarez, WCAB Case No. MON01977699

APPROVED settlement of \$140,000

38. **APPROVED ON CONSENT CALENDAR** SUPPORT OF State Bill SB 2036.

39. **APPROVED:**

A) Change Order No. 54 for change Notice 125.00 to Contract C0351, Kajima/Ray Wilson, JV, for **bilateral/settlement for additional reinforcing steel**, in the amount of \$1,013,093, for a revised total contract of \$67,077,537;

B) an increase to the Authorization for Expenditure in the amount of \$1,013,093 for a revised total AFE in the amount of \$71,964,444; and

C) execution of subsequent negotiated Change Order, if it is within the amount approved under the above Change Notice.

Approved on a roll call vote:

Ayes: Burke, Cragin, Fasana, Knabe, Oropeza, Riordan, and Zarian

Noes: None

Abstain: Legaspi, Molina, Yaroslavksy (Conflicts)

Absent: Alatorre, Antonovich, Bernson

40. **APPROVED** Change Order No. 78 to Contract No. B281T with Kajima/Ray Wilson, JV, for **backfilling of the Barnsdall shaft** which is part of the Hollywood tunnel completion work on the Metro Red Line, Vermont/Hollywood Corridor in the amount of \$670,000 increasing the total contract value to \$48,306,082.

Conflict: Legaspi, Yaroslavsky

41. **APPROVED** Change Order No. 19 to Contract Work Order No. 4 to Contract No. E0070 with Engineering Management Consultant to incorporate Consultant Change Notice No. 618.01 for **additional design services for the Metro Red Line, North Hollywood Corridor**, in an amount not to exceed \$250,000, increasing the total CWO value to \$75,922,686.

Approved on a roll call vote:

Ayes: Cragin, Fasana, Knabe*, Legaspi, Oropeza, Riordan*, Zarian
Noes: None
Abstain: Burke, Molina, Yaroslavsky (Conflicts)
Absent: Alatorre, Antonovich, Bernson

*Selected in accordance with Rule of Necessity provision that allows for establishment of a quorum by drawing names of conflicted Directors.

42. **NO ACTION TAKEN - INCREASE** the Authorization for Expenditure in the amount of \$70,000 for Contract Work Order No. 54 of Contract No. E0070 with Engineering Management Consultant, to provide **design services during construction for the Red Line Maintenance of Way (MOW) Facility**.

FAILED on the following roll call vote:

Ayes: Burke*, Cragin, Fasana, Legaspi, Oropeza, Zarian
Noes: None
Abstain: Knabe, Riordan, Yaroslavsky (Conflicts); Molina*(Abstain)
Absent: Alatorre, Antonovich, Bernson

*Selected in accordance with Rule of Necessity provision that allows for establishment of a quorum by drawing names of conflicted Directors.

43. **APPROVED:**

- A. Amendment No. 1 to Contract Work Order No. 60 to Contract E0070 with Engineering Management Consultant for **project management, project administration and project control services for the North Hollywood Corridor** in the amount of \$1,995,137, which increases the total CWO value from \$25,000 to \$2,020,137;
- B. award of Contract Work Order No. 61 for **design support during construction** services in the amount of \$9,063,093; and
- C. an increase to the Authorization for Expenditure in the amount of \$12,258,230 for a revised total AFE from \$79,614,760 to \$91,872,990.

Approved on a roll call vote:

Ayes: Burke*, Cragin, Fasana, Legaspi, Oropeza, Yaroslavsky*, Zarian
Noes: None
Abstain: Knabe, Molina, Riordan (Conflicts)
Absent: Alatorre, Antonovich, Bernson

*Selected in accordance with Rule of Necessity provision that allows for establishment of a quorum by drawing names of conflicted Directors.

44. **NO ACTION TAKEN** - Status Report on implementing steps to address recommendations and action items in the **Inspector General's Management Report on Status of Internal Controls at the MTA.**

45. **APPROVED MOLINA MOTION** - that the MTA suspend any further demolition of buildings related to the Metro Red Line Eastside Extension for the next 60 days. During this time, staff is directed to provide ongoing maintenance and security of these buildings, evaluate the condition of the buildings, and determine the feasibility of rehabilitating these buildings. Staff will report their findings to the Board of Directors in 60 days, and the Board will determine whether or not demolition of these buildings should proceed.

46. **NO ACTION TAKEN** to Receive draft of the **Restructuring Plan** and authorize the CEO to finalize and submit the Plan to the Federal Transit Administration.
47. **NO ACTION TAKEN** - oral presentation from **Citizens Advisory Council (CAC)**.
48. **CLOSED SESSION** - Conference with Legal Counsel - anticipated Litigation - G.C. 54956.9(b)
- One Case - Amelia Earnest - **NO REPORT**.

ADDED ITEM SUBSEQUENT TO POSTING:

Motion by Director Yaroslavsky, seconded by Director Zarian to add Item #49,
APPROVED on a 2/3 vote.

49. **CONSIDER** recent amendments to SB 1886 (Hayden) and SB 1847 (Schiff)

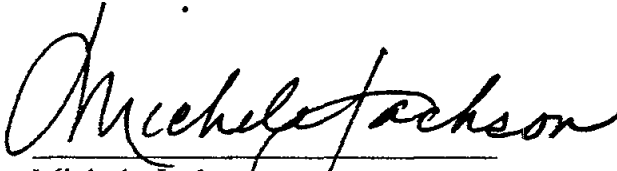
ADOPTED position of "OPPOSE" on SB 1886.

ADOPTED position of "WORK WITH AUTHOR" on SB 1847

APPROVED MOLINA MOTION - that the MTA Board of Directors adopt the position that any state legislation that facilitates a sub-entity for transportation in Los Angeles County should include language that makes this structure available to all parts of the County, including the San Fernando Valley, the San Gabriel Valley, the East Side, and any other area that prefers more local oversight.

RECEIVED PUBLIC COMMENT.

PREPARED BY : Christina Lumba-Gamboa


Michele Jackson
Assistant Board Secretary