

MINUTES



LOS ANGELES COUNTY TRANSPORTATION COMMISSION 403 West 8th St., Suite 500, Los Angeles, CA 90014 (213) 626-0370

LOS ANGELES COUNTY TRANSPORTATION COMMISSION

April 8, 1987

The regular Commission meeting was called to order by Chairman Bradley at 1:50 p.m. in the Board Room of the Department of Water and Power.

Mr. Richmond indicated that he has received letters from Supervisor Dana designating Peter Ireland as his alternate, from Supervisor Edelman designating Rich Callahan as his alternate, and from Supervisor Antonovich designating John Dewar as his alternate for today's meeting.

Members in attendance were:

Mayor Tom Bradley
Councilwoman Jacki Bacharach
Councilwoman Christine E. Reed
Councilman Michael Woo
Marcia Mednick
Blake Sanborn, alternate for Supervisor Schabarum
Walter King, alternate for Supervisor Hahn
Rich Callahan, alternate for Supervisor Edelman
Peter Ireland, alternate for Supervisor Dana
John Dewar, alternate for Supervisor Antonovich

Staff members present:

Rick Richmond, Executive Director
David Kelsey, Assistant County Counsel
Kathy Torigoe, Executive Secretary
Annette Mendoza, Senior Secretary

APPROVAL OF MINUTES

The minutes of March 25, 1987 were moved and seconded for approval. Hearing no objection, the minutes were approved as submitted.

CHAIRMAN'S REMARKS

Chairman Bradley presented Roger Stanard with a resolution in appreciation for his dedication and leadership that he was provided as Chairman of the Ventura Freeway Improvement Coalition for nine years and, most recently, as Chairman of Caltrans' Route 101 Advisory Committee. Mr. Stanard is also a member of the Commission's Rail Construction Committee.

COMMITTEE REPORTS

Chairman Bradley suggested that the Rail Construction Committee should report first because of the interest in the light rail vehicle contract award.

RAIL CONSTRUCTION COMMITTEE

Mrs. Bacharach reported on the RCC meeting of April 3, 1987, as follows:

Contract P865 - Light Rail Vehicles

Mrs. Bacharach gave recognition to the Commission staff who had put in two years of hard work on this contract. She indicated that it was started with eleven proposers and after two years, there were nine car builders who did comply with the requirements and a bid opening was held two weeks ago.

The RCC recommended that the Commission authorize the Executive Director to award a contract to the lowest responsible and responsive bidder, Sumitomo Corporation of America, in the amount of \$69,607,934 for furnishing of 54 light rail vehicles for the Long Beach-Los Angeles rail transit project (LACTC Contract No. R01-T05-P865). An escalation allowance reserve fund of \$5,608,341 is also requested. The bid prices are in "current" dollars; the bid specifications include detailed provisions for escalation payments if justified based on a U.S. labor and materials inflation index. This recommendation is contingent upon receipt of performance bond and insurance certification from the recommended contractor which is subject to applicable protest procedures. A 5% contract reserve fund of \$3,480,397 is also recommended to cover the cost of changes and/or extra work outside the contract scope if required. A portion of the Project Reserve line item of the Program Plan budget has been allocated to this procurement. Staff recommended transferring \$8,808,275 of that reserve to Line Item No. 5 - Light Rail Vehicles in order to cover the escalated cost of this contract.

Mrs. Bacharach also reported that this award will lead to a contract which will have a minimum of 41% of U.S. content in the cars.

Mrs. Bacharach moved for approval of the Committee's recommendation, seconded by Mr. King.

Chairman Bradley indicated that there was a request to be heard.

Ms. Lucia di Meglio, representing Breda, an Italian manufacturer of transit vehicles, indicated that Breda pre-qualified to bid for the Commission's vehicle procurement contract and would like to bring to the Commission's attention the fact that the vendor financing plans submitted by Sumitomo/Nippon Sharyo of Japan are not in compliance with the requirements of the Commission's Request for Proposal, in that their plan does not meet "...at a minimum the OECD Guidelines." Therefore, Breda intends to protest any award made to Sumitomo/Nippon Sharyo on the basis that Sumitomo cannot be considered responsive to the RFP requirements. Breda's representatives are available to discuss with Commission staff their vendor financing plan.

Mrs. Bacharach suggested that this is something that Commission staff has to look into after action is taken by the Commission and then the protest procedure can be allowed to take its course. She wasn't sure that the Commission can get any information today that would really help the members in making the decision that is before them.

Chairman Bradley indicated that there is a ten-day period before this action, which the Commission proposes to take, becomes final. Breda representatives and Commission staff will be able to discuss Breda's protest during the next several days.

Ms. di Maglio requested that Breda representatives have an opportunity to meet with Commission staff as soon as possible.

Mr. Richmond summarized that the procedure requires the filing of a written protest and the Commission does not execute any documents for ten working days after action taken by the Commission. If the protest is received within the ten-day period, the Commission will be reviewing it and responding within a five-day requirement.

Mr. Ed McSpedon of staff was asked to follow up.

Hearing no further comments, the motion was put before the Commission for a vote. By voice vote, the motion to award the contract to Sumitomo Corporation was unanimously carried.

Mrs. Bacharach introduced the President and Chief Executive Officer of Sumitomo Corporation of America, Mr. Sadao Taura, and the Senior Vice President of Nippon Sharyo, Mr. Eichi Okamura.

The meeting was recessed for five minutes for picture taking and the signing of resolutions commemorating this action taken by the Commission today.

Mr. Taura appeared before the Commission and stated that Sumitomo Corporation of America, along with Nippon Sharyo, is proud to have a part in realizing a master plan for rail mass transit in Los Angeles County and looks forward to a productive partnership with the County of L.A.

FINANCE REVIEW COMMITTEE

Mr. Sanborn reported on the FRC meeting of April 6, 1987 as follows:

Proposed Work Plan to Monitor SCRTD's Performance Action Plan

The FRC approved the staff recommendation, with a change to the work plan specifying that a technical memorandum submitted by Price Waterhouse on April 14 would include an evaluation of the extent to which planned management actions are likely to impact performance results. The technical memorandum would be made available to the SCRTD.

Mr. Sanborn moved for approval, seconded by Mrs. Reed. Hearing no objection, motion was carried.

Proposed Refunding of the \$260 Million Series B Sales Tax Revenue Bonds

The FRC approved the staff recommendation that the Commission authorize a refunding bond issue by approving the revised bond documentation:

Authorizing Resolution - Ms. Diane Stoddard of Kutak, Rock & Campbell, briefly explained the changes in the resolution from the copy which the members had received.

Mr. Sanborn moved for approval of the amended authorizing resolution, seconded by Mrs. Reed. Hearing no objection, motion was carried.

Mr. Sanborn also moved for approval of the Second Supplemental Trust Agreement, Notice of Sale, Preliminary Official Statement, Escrow Agreement, and Tax Regulatory Agreement, which was seconded by Mrs. Reed. Hearing no objection, motion was carried.

The FRC recommended that the Commission retain the services of the same team that structured and marketed the original issue to employ their familiarity with the details of the issue, and to expedite the refunding within a relatively tight timeframe, including the following parties:

Financial Advisor - Public Financial Management, Inc.

Co-Bond Counsel - Kutak, Rock & Campbell, Johnnie L. Cochran, Jr., and Wilson, Beck & Pyfrom

Independent Certified Public Accountants - Deloitte Haskins & Sells

Trustee - First Interstate Bank of California

Underwriter - Senior Manager Salomon Brothers, Inc. with original Co-Managers:

Bateman Eichler, Hill Richards Inc.
Daniel & Bell, Inc.
Drexel Burnham Lambert
The First Boston Corporation
Grigsby, Brandford & Co., Inc.
Smith Barney, Harris Upham & Co.
(if issue is negotiated)

Mr. Sanborn moved for approval, seconded by Mrs. Reed. All present voted in favor of the motion with one abstention (Bradley).

The FRC also recommended that the Commission authorize a competitive bid for a two-week period. Within that timeframe, staff would be authorized to publish the notice of sale and establish a sales date. On that sales date, the staff would be authorized to either accept the bid with the lowest true interest cost or to reject all bids.

Mr. Sanborn moved for approval, seconded by Mrs. Reed. Hearing no objection, motion was carried.

INTERGOVERNMENTAL RELATIONS COMMITTEE

Mrs. Reed reported on the IRC meeting of April 8 as follows:

Reorganization Legislation

The IRC reviewed additional recommended amendments to SB 2 (Robbins) and AB 18 (Katz), state legislation to reorganize the transportation agencies in Los Angeles County. The committee recommended directing staff to work toward the incorporation of the following amendments into SB 2 and AB 18, where necessary, as follows:

1. Clarify the responsibilities of SCAG and the county transportation commissions.

Mrs. Reed moved for approval of this amendment, seconded by Mrs. Bacharach. Without objection, motion was carried.

2. Clarify the new commission's/authority's power to administratively organize and to delegate those decisions, not reserved to itself, to subsidiaries and to staff.

Mrs. Reed moved for approval, seconded by Mrs. Bacharach. Hearing no objection, motion was carried.

3. Clarify that current labor protection measures applicable to SCRTD will apply to the bus subsidiary, and not to the entire commission/authority.

Mrs. Reed moved approval of this amendment, seconded by Mrs. Bacharach. The motion was approved with Chairman Bradley, Mr. King and Mr. Callahan voting no.

4. Give the new commission/authority adequate bonding authority, similar to that currently held by either agency.

Mrs. Reed moved approval of this amendment, seconded by Mr. Sanborn, Hearing no objection, motion was carried.

5. Repeal existing SCRTD provisions relating to terms of officers, meeting times, appointment of board members and certain officers, etc.

Mrs. Reed moved approval of this amendment, seconded by Mrs. Bacharach. Without objection, motion was carried.

6. Provide for the continuation of the retirement system for the new commission/authority.

Mrs. Reed moved approval of this amendment, seconded by Mr. Sanborn. Without objection, motion was carried.

7. Direct that, upon the signing of the bill into law (regardless of the effective date), the Commission will initiate the transition process.

Mrs. Reed moved approval of this amendment, seconded by Mrs. Bacharach. Without objection, motion was carried.

8. Resolve inconsistencies in current LACTC and SCRTD law relating to contracts and purchases and eminent domain procedures.

Mrs. Reed moved approval of these amendments, seconded by Mrs. Bacharach. Without objection, motion was carried.

9. Transfer SCRTD's immunity to various laws, codes and regulations, (e.g., local permits), to the new commission/authority.

Mrs. Reed moved approval of this amendment, seconded by Mrs. Bacharach. Without objection, motion was carried.

The IRC further recommended that Commission staff draft letters to Assemblyman Katz and Senator Robbins and Senator Wadie Deddeh, Chairman of the Senate Transportation Committee, indicating that Commission support for AB 18 and SB 2 is contingent upon the adoption of the Commission-recommended amendments.

Chairman Bradley also recommended that a letter be drafted to Governor Deukmejian sharing LACTC's concerns about the effective date of the proposed reorganization and the need to assure that the legislation provides sufficient time to enable a smooth transition.

Mrs. Reed moved approval of this section of the report, seconded by Mrs. Bacharach. Without objection, motion was carried.

State Legislation

SB 699, a measure introduced by Senator John Seymour (R-Anaheim), would establish geometric criteria and other standards for freeways with high-vehicle-occupancy lanes (HOV). The IRC recommended a monitor position on the bill, and directed staff to work with the author and seek amendments to the measure which would require Caltrans to develop HOV lane geometric standards in conjunction with the transportation commissions and other transportation authorities.

Mrs. Reed moved approval, seconded by Mr. King. Hearing no objection, motion was carried.

SB 151 is a proposal by Senator Robert Presley (D-Riverside) to reorganize the South Coast Air Quality Management District (AQMD) and its board and to make other revisions to current law regarding the activities of that board. The IRC recommended a monitor position on the measure, and directed staff to work with the AQMD staff and the author to address Commission concerns regarding the transportation provisions of SB 151. It was further recommended that staff report back to the IRC with a detailed report on the measure.

Mrs. Reed moved for approval, seconded by Mr. King. Hearing no objection, motion was carried.

Federal Legislation

It was noted that the presidential veto on H.R. 2, legislation to reauthorize the federal highway and transit programs, was overridden by Congress and that the measure is now law. Thank you letters will be sent to Senators Cranston and Wilson, and to the Los Angeles County House of Representatives members who supported H.R. 2.

Legislative Update

The Legislative Update was included in the IRC agenda as an information item.

Legislative Matrix

The Legislative Matrix, listing Commission action on state and federal legislation, was distributed at the Commission meeting as an information item.

RAIL CONSTRUCTION COMMITTEE (continued)

Mrs. Bacharach continued her report of the RCC meeting of April 3.

Acquisition of Parcels AS047 and AS119

The Committee asked for a closed session to consider acquisition of parcels AS047 - Agajanian and AS119 - Watson Land Company and City of Carson.

Mrs. Bacharach reported on the following information items:

Change Order on Contract C455

The RCC has consented to staff's limited authorization of the contractor for Contract C455 (Compton Creek Bridge) to change its work scope pending negotiation of a change order likely to exceed staff's authority to execute (established at 10% of contract value).

Open House

The field office for the Long Beach-Los Angeles rail transit project will be holding an open house on Monday, April 13, from 12:00 noon to 6:00 p.m., located at 2601 Long Beach Boulevard, Long Beach. This office will help insure that the community receives up-to-date information and timely responses to their concerns and questions concerning the rail project.

RAPID TRANSIT COMMITTEE

Mrs. Bacharach reported on the RTC meeting of April 3, 1987 as follows:

Selection of Consultant for Pasadena-Los Angeles Expanded Route Refinement Study

On February 11, 1987, the Commission approved the soliciting of consultant work for further route refinement study on the western portion of the Pasadena-Los Angeles corridor. The RTC recommended that Bechtel Civil, Inc. be selected to perform engineering and environmental assessment for the study.

Mrs. Bacharach moved approval of the selection of Bechtel Civil, Inc., which was seconded by Mrs. Reed. Hearing no objection, motion was carried.

Mrs. Bacharach also reported on the following information item:

Special Meeting in Lincoln Heights

The RCC will hold a special meeting tonight, Wednesday, April 8, at 7:00 p.m. in Lincoln Heights at the Senior Citizens Center. The committee will take testimony before selecting alternatives for the Pasadena-Los Angeles corridor expanded route refinement study.

STREETS AND HIGHWAYS COMMITTEE

There was no report from the S&HC. The next meeting is tentatively scheduled for April 22, 1987.

CONSIDERATION OF SALARY ADJUSTMENT FOR EXECUTIVE DIRECTOR

Mr. Sanborn reported that for the last several weeks the Commissioners have met and reviewed the performance of Mr. Richmond and have found it to be of a highly satisfactory nature. He indicated that Mr. Richmond has not had his performance reviewed or his salary increased since July of 1985. In recognition of his dedicated performance of the very successful work effort last year in securing the bond issue, Mr. Sanborn made a recommendation that Mr. Richmond receive a 4% salary increase retroactive to July 1, 1986 and a 5% increase calculated from January 1, 1987. In recommending this increase, he also noted the fact that the agency has received the highest award possible from the American Public Transit Association. It was also recommended that the Commission commit itself to reevaluation of the duties and compensation of the Executive Director after the reorganization legislation of transportation agencies in Los Angeles County has been signed and placed into effect.

Mr. Sanborn moved for approval of this recommendation, seconded by Mrs. Reed. Motion was carried with Mr. Ireland and Mr. Dewar voting no.

EXECUTIVE DIRECTOR'S REPORT

- A. APTA Rapid Transit Conference is scheduled for June 14 - 18 in Toronto, Canada. It was requested that members interested in participating in this conference notify Kathy Torigoe at their earliest convenience. Mrs. Reed recommended that those Commissioners, who have not had the opportunity to see a well integrated transportation system that incorporates buses, light rail lines and subway lines, attend the conference.

PUBLIC COMMENT

Mr. Greg Roberts asked about the LACTC/SCR TD merger. He indicated that RTD has the property tax authority and the LACTC has the Proposition A. Mrs. Reed indicated that this issue has been addressed and that the Commission is seeking legislation to delete the property tax authority completely. Mr. Kelsey indicated that both versions of the bill have already deleted the property tax of the RTD.

Mr. Sheldon Walter suggested that State legislators in Sacramento should ride the RT Metro system that recently opened in Sacramento before they vote on the reorganization legislation. He also made some suggestions on the plans for a groundbreaking ceremony for the Metro Rail in San Fernando Valley. He indicated that he had a talk with Mr. Bill Ackermann of SCAG who is planning to retire in September, 1987 after many years in the transportation planning field and suggested that the Commission ask Mr. Ackermann and SCAG to help with the plans for the groundbreaking ceremony.

NOTICE OF MEETINGS

The notice was received and filed.

EXECUTIVE SESSION

The Commission adjourned into an executive session under Government Code Section 54956.8 to consider the following parcels: AS119 owned by the Watson Land Company and the City of Carson, and AS407 owned by Mathew and Janis Agajanian.

The meeting reconvened at 3:25 p.m.

ADJOURNMENT

The meeting was adjourned at 3:25 p.m.


RICK RICHMOND
Executive Director

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MINUTES



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LOS ANGELES COUNTY TRANSPORTATION COMMISSION

April 22, 1987

The regular Commission meeting was called to order by Chairman Bradley at 1:40 p.m. in the Board Room of the Department of Water and Power.

Members in attendance were:

Mayor Tom Bradley
Councilwoman Jacki Bacharach
Councilman Michael Woo
Marcia Mednick
Blake Sanborn, alternate for Supervisor Schabarum
Walter King, alternate for Supervisor Hahn
Robert Geoghegan, alternate for Supervisor Edelman
Barna Szabo, alternate for Supervisor Dana
John La Follette, alternate for Supervisor Antonovich
Councilman Ray Grabinski, alternate for Councilman Tuttle
Donald Watson, Ex-Officio for State of California

Staff members present:

Rick Richmond, Executive Director
David Kelsey, Assistant County Counsel
Kathy Torigoe, Executive Secretary
Barbara Norris, Senior Secretary

APPROVAL OF MINUTES

The minutes of April 8, 1987 were moved and seconded for approval. Hearing no objection, the minutes were approved as submitted.

CHAIRMAN'S REMARKS

Chairman Bradley introduced John T. La Follette to the Commissioners. Mr. La Follette has been named by Supervisor Antonovich as his new alternate on the LACTC to replace Roy Donley who recently resigned. Chairman Bradley extended his welcome to Mr. La Follette and expressed his appreciation to Mr. Donley for his service on the Commission over the last 19 months.

Helen Parker of the County Counsel's office was also introduced by Chairman Bradley. Ms. Parker will be the back-up for our County Counsel David Kelsey at the Commission meetings.

Chairman Bradley commented on a news article concerning the position of this Commission and, in particular, his position on pending transportation agency reorganization. In everything that he has said or done since he has been the Chairman of LACTC, he had tried to make it clear that he is speaking for and on behalf of the Commission and in only one case has he differed and explained why he voted differently than the rest of the Commission. The LACTC has tried to make it clear to everyone that this agency has not opposed reorganization itself. The Commission is simply trying to get a reorganization plan which is realistic and meaningful and that would help improve the delivery of transportation services in this county. On the 8th of April, this Commission adopted unanimously a series of recommendations which were to be conveyed in writing to Chairman Wadie Deddeh of the Senate Transportation Committee, Senator Alan Robbins, and Assemblyman Richard Katz. The Commission also asked that a letter be sent to Governor Deukmejian indicating the Commission's concerns about the legislation and inquiring whether the Governor intended to call a special legislative session for consideration of these bills, as Senator Robbins has suggested. He wrote those letters with the clear indication that he was doing so on behalf of the Commission. He wanted to make it very clear to the Commission members that he tried to be diligent in his representation of the positions that the agency had taken. He plans to appoint a committee of members of this Commission who will meet with the authors of the bills and with Senator Deddeh so that they will clearly understand the Commission's sense of urgency about these matters being included in any legislation that is adopted. This is needed to avoid almost a nightmarish situation because all of the experts concur that the timeframe which is being laid out in that bill simply would not give this Commission the ability to take the transition movements that are going to be necessary.

COMMITTEE REPORTSFINANCE REVIEW COMMITTEE

Mr. Sanborn reported on the FRC meeting of April 20, 1987. The committee's recommendations were as follows:

Policy Regarding the Use of Gasoline Tax Rebates

The FRC approved the staff recommendation with the following change:

That the Commission support the reinvestment the appropriation or use of gas tax rebates by social service transportation providers in risk

management programs including vehicle and equipment capitalization. Furthermore, that the Commission's support of this policy be communicated to the City and County of Los Angeles and the State Departments of Aging, Rehabilitation and Developmental Services.

Mr. Sanborn moved for approval, seconded by Mrs. Bacharach. Hearing no objection, motion was carried.

Selection of Tire Vendors for the Provision of Tires and Services to Social Transportation Providers

The FRC approved the staff recommendation with the understanding that LACTC is not awarding a contract nor committing funds for the purchase of tires by social services transportation providers.

Mr. Sanborn moved for approval, seconded by Mrs. Bacharach. Hearing no objection, motion was carried.

City of Los Angeles Community Development Department (CDD) Membership to the Social Service Transportation Funding Coordination Council

The FRC approved the staff recommendation that the membership to the City of Los Angeles Community Development Department (CDD) be extended.

Mr. Sanborn moved approval, seconded by Mrs. Bacharach. Hearing no objection, motion was carried.

Adjustments to Salary Range for Clerical Positions

The FRC approved the staff recommendation that the three clerical pay scales be increased as follows:

<u>Band I</u>	<u>From</u>	<u>To</u>
Receptionist Mail/Supply Clerk	\$13,944 - \$18,425	\$18,420 - \$22,488
 <u>Band II</u>		
Secretary	\$16,630 - \$21,664	\$19,990 - \$25,417
 <u>Band III</u>		
Executive Secretary Senior Secretary Administrative Assistant	\$21,706 - \$28,495	\$21,955 - \$30,720

Mr. Sanborn moved for approval, seconded by Mrs. Bacharach. Hearing no objection, motion was carried.