

# MINUTES



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

## LOS ANGELES COUNTY TRANSPORTATION COMMISSION

JULY 26, 1989

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

Mr. Peterson indicated that he is in receipt of a letter from Supervisor Edelman designating Rich Callahan as his alternate for today's meeting.

### Members in attendance were:

Councilmember Christine E. Reed  
Mayor Jacki Bacharach  
Councilman Ray Grabinski  
Councilman Nate Holden  
Carole Stevens  
Mike Lewis, alternate to Supervisor Schabarum  
Walter King, alternate to Supervisor Hahn  
Rick Callahan, alternate to Supervisor Edelman  
Barna Szabo, alternate to Supervisor Dana  
John La Follette, alternate to Supervisor Antonovich  
Ray Remy, alternate to Mayor Bradley  
Jerry Baxter, Ex-Officio for State of California

### Staff members present:

Neil Peterson, Executive Director  
David Kelsey, Assistant County Counsel  
Kathy Torigoe, Executive Secretary  
Barbara Norris, Senior Administrative Secretary

**PUBLIC HEARING**

Public hearing re. Necessity for the acquisition of the permanent fee to a portion of real property which is located at 6160 et al. Willowbrook Avenue in the City of Compton, California; Heritage Villas, Owners (Parcel No. R01-R21-AS181).

Chair Reed opened the public hearing and asked if anyone wished to testify on the acquisition of permanent fee for the following parcel:

Parcel R01-R21-AS181 located at 6160 et al Willowbrook Avenue, in the City of Compton, CA

Mr. James Wiley, Manager of Real Estate for the Commission was sworn in. County Counsel asked Mr. Wiley the following questions:

- Q. Did you prepare staff's report which appears in the Agenda?
- A. Yes
- Q. Are the matters contained in the report true and correct?
- A. To the best of my knowledge, they are.
- Q. Does the public interest and necessity require the subject property?
- A. Yes, as stated in the report.

County Counsel recommended that the Chairwoman receive the staff report into evidence. Chairwoman Reed received the staff report.

There were no other witnesses testifying.

Mr. Callahan asked if this item was approved in the budget. Mr. Wiley stated yes.

Walter King moved, seconded by Ms. Bacharach to adopt the staff recommendation and develop a resolution of necessity on Parcel R01-R21-AS181. Roll call was taken:

Yes: Lewis, King, Callahan, Szabo, La Follette, Remy, Grabinski, Bacharach, Stevens, Reed

No: (none)

Motion was carried.

A request was made to hold the Consent Calendar items to latter part of the meeting.

STAFF OR COMMITTEE REPORT

17. New Office Space Lease - Mr. Szabo reported that the GRFC recommended the Commission authorize the Executive Director to execute a lease at 818 West 7th Street, aka the Barker Brothers Building, with basic terms and conditions as stated in the staff report.

Mike Lewis asked who are the brokers and what are their fees. He also questioned whether SCAG had an option on the lease and if LACTC would be liable for a lawsuit.

Mr. Dominguez of staff indicated that Grubb & Ellis have been retained as the broker for the Commission and explained the lease option. He introduced Mr. Warren Cole, who represents the new owner of the 818 Building. Mr. Cole explained the option referenced by Mr. Lewis never existed. The option was part of the initial negotiations with the sublease with SCAG but was dropped ultimately during the course of the negotiations. The lease with SCAG will reflect no options. The lease with the LACTC is a direct lease and there is no threat of litigation. He offered to indemnify the Commission on this issue of a possible lawsuit with regard to another broker who has no representation of this Commission.

A question and answer period followed.

Mr. Peterson read the following statement:

If anyone present is involved in any non-competitively bid contract award on today's agenda and has made a contribution of \$250 or more in the past twelve months to any member of the Commission, please rise and state for the record the Commissioner whom the contribution was made and the item of your involvement.

Mrs. Reed asked Mr. Cole if his company had made any contribution to which Mr. Cole replied that his firm had not made any contribution to the Commission.

Hearing no objection to the approval of the lease, the motion was carried.

18. Mr. Szabo reported on SB 1 (Robbins) - Reorganization Legislation. He stated in the last month Commission members and staff have spent considerable time in Sacramento and here to negotiate many aspects of the bill which are reflected in the recent amendments. Mr. Szabo moved, Chris Reed seconded that the Commission support SB 1, with the amendments agreed upon with the unions and the provision requested by the Bus Operations Subcommittee relating to funding for the municipal transit operators.

The July 20 version of SB 1 includes the following amendments:

- a. Increase the cap on bonding for Metro Rail to \$300 million (consistent with SB 129).
- b. Make technical correction to accurately reflect the number of board members.
- c. Change title of bill to the Robbins-Katz Los Angeles Transportation Reform Act of 1989.
- d. Amend to allow any Legislator who serves as a member of the MTA to be compensated.

Chris Reed clarified that the language of the bill makes a distinction that the labor union relationship with the RTD is preserved in place as it exists today. The LACTC would maintain its existing authority and would not be encumbered by the labor union relationship that exists with the RTD.

Mr. Peterson stated that the position of the LACTC is to support the bill and seek amendments. There are several amendments that LACTC is still seeking.

Mr. Lewis stated his objection to the amendment as it confuses the distinction of the responsibilities and liabilities of the LACTC and RTD.

Mr. Peterson stated that the language clearly states that the intent is that when the new board operates as the RTD it will honor the labor agreements, and as the LACTC, the agreements do not apply.

Much discussion followed on other segments of the bill such as the benefit assessment district; capping bonds for Metro Rail funding; the opinion on whether the Authority has the ability to create Delegate or Alternate configurations.

Mr. Callahan offered an amendment to Mr. Szabo's original motion directing staff to review the 30% capping of Metro Rail MOS-1 and report back to the Commission if were close to the 30% cap. At that time the Commission will decide if the bill needs to be amended. Seconded by Mr. Holden.

Mr. Lewis questioned the reponsibility of the RTD as the operator under the amended bill. Mr. Peterson stated that currently RTD is designated as the operator and would operate under the bill. He stated he would report back to the Commission with more information on the roles and responsibilities of the Operator under the MTC.

Mr. Remy asked for clarification on what might happen if the County Board of Supervisor increases to 7 members. Would its Authority be increased and who would appoint the City members?

Mr. Szabo's motion with amendments was carried with Mr. Lewis and Mr. La Follette objecting.

20. Selection of SB 826 Social Service Coordination Study Consultant - TC recommended the Commission select a consultant to conduct study.

A report has been done with six proposals and based on responses to the proposals to the study, staff recommended interviewing four firms. Based on the interviews that were conducted by a three-person panel, staff recommended that Bruce, Allen and Hamilton be selected as the consulting group for the study. Chris Reed moved, Jacki Bacharach seconded to approve staff's recommendation. There was no discussion, motion approved with no objection.

27. Commission Travel Request. Commissioners King, Stevens, Holden, Szabo and Callahan expressed an interest to attend the APTA Annual meeting to be held on September 24-28, 1989 in Atlanta, Georgia. A motion was moved and seconded to approve the travel request. Hearing no objection, motion was carried.

At 2:55 p.m., the meeting was recessed, and at 3:05 p.m. was reconvened.

26. Report of the Executive Director on the MOS-1 Audit. - A Special Joint Rail Construction/Transit Committee Meeting was held July 26 at 10:00 a.m. on MOS-1 Audit, Findings, and Recommendations. No action is requested today but will be brought back to the Commission at the next meeting in August.

Mr. Peterson introduced Chuck Ream of DKJV who presented the findings as a result of the review completed on the financial disposition and the schedule of MOS-1. This review was directed to be done by LACTC as a result of a motion passed by the Board of Supervisors in view of the LACTC's funding responsibility for Metro Rail. Mr. Ream introduced Mr. Dawson, Project Manager for DKJV; Mr. Herb Casner, principal consultant at Kellogg and Cully Carlson, Kellogg Corp.

A summary of findings in the report was presented by Mr. Ream; there were two findings and a series of recommendations. One finding is that the schedule will be delayed until January, 1994 in terms of the operations start up date, and a cost overrun of \$135,000,000 was estimated.

Mr. Casner gave the Commission an overview on the approach taken in reviewing the project:

- a. construction contracts already awarded;
- b. all remaining costs;
- c. findings and recommendations of the Technical Advisory Review.

Mr. Casner stated that at the time of the review the dollar value of all construction contracts awarded was approximately \$557 million or 87% of the total construction effort. The construction was approximately 30% complete. The results of the review, both the cost and the schedule, are in order of magnitude, and the study was performed in sufficient detail. The dates and cost forecast are within a reasonable range for the MOS-1 project. The approach to Phase I involved reviewing documentation, costs records, interviews with relevant personnel to identify problems and progress. From this information, DKJV made an independent assessment of the schedule and forecast costs.

At this time RTD was reporting a Revenue Operating Date of January, 1993. DKJV analysis indicates this date to be delayed until at least January, 1994.

Mr. Holden asked for information on how the slippage was arrived at and how did they arrive at the \$135 million cost difference. Staff will meet with Mr. Holden to brief him in more detail on the review process.

Mr. La Follette asked if the figure could exceed \$135 million. Mr. Ream stated that they only looked at the project at this point in time assuming action is taken on the contract delays, but stated he couldn't give a figure on any more delay.

Mr. Dawson summarized the recommendations made at the RCC/TC meeting as follows:

- establish a single rail construction agency for design & construction responsibilities
- eliminate duplication of construction management effort and delegate the authority to the construction management consultant and reduce the size of the RTD construction organization
- delegate as much authority as possible to the field
- critical review of project schedule
- improve bidding climate
- improve responsiveness to contractor claims & changes and deal firmly with improper request

Chuck Ream summarized the findings and recommendations and expressed the need to move ahead with the findings.

Mr. Peterson introduced Vladimir Khazak, Chairmam of the Technical Advisory Group (TAG) consisting of representatives from RTD, LACTC, PBQ&D, Kellogg Corp. and a general contractor who did not have a contract with LACTC or RTD, to review the findings and recommendations by DKJV, and develop a recommendation for improvement on MOS-1 including other parts of the rail program. He stated the principles of TAG was even representation, objectivity, knowledge of project, and expertise.

Mr. Khazak stated that TAG achieved general concurrence with MOS-1 schedule, cost findings and recommendations concluded by DKJV.

Mr. Peterson summarized the recommendations and concluded after considering the DKJV and TAG reports as follows:

1. Implement Rail Construction Corp. - consisting of a six-member board of private citizens, three members appointed by the Commission and three members appointed by the RTD Board.
2. Contract with RTD for design & construction services.
3. Assign MOS-1 & MOS-2 contracts to LACTC.
4. Activate Cost Reduction Panel (CRP).
5. Establish a quick response team, which would be staff to the CRP.

Chris Reed stated that she appointed Mike Lewis as the representative on the CRP, Jacki Bacharach is the alternate.

Staff will be meeting with RTD on these findings on July 27. The Commission directed staff to bring specific recommendations from the Committees and report back to the Commission in August. A motion was made by Mr. La Follette, seconded by Mr. King, to notify RTD that action will be taken on this issue in August and request respectfully that RTD respond to staff prior to the August meeting. A special meeting was scheduled for August 16 at 8:00 a.m. at the Hall of Administration.

19. Norwalk/El Segundo Scope and Budget - Jacki Bacharach reported that the Rail Construction Committee has met three times to discuss scope and budget of the Norwalk/El Segundo Project. Ms. Bacharach gave a progress report of the options presented to the Committee. Conceptual agreement was made to go with Option II which is an automated line with overhead catenary system, deferring the Hawthorne Yard, but including the Douglas Street Station. No action is requested at this time. This item will will be continued at the August 7 RCC meeting.

**CONSENT CALENDAR (Discussion at Commissioner or Public Request)**

Mr. Grabinski moved approval of Consent Calendar Items 2, 4, 6, 8, 9, 10, 12, 13, 14, 15 and 16. Items 3, 5, 7, and 11 were held over for further discussion. Hearing no objection, motion was carried.

2. Approval to Consolidate Contract for Work - Government Relations and Finance Committee (GRFC) recommended the Commission authorize the Executive Director to sign one contract with the firm of Eckert, Seamans, Cherin, and Mellott which will consolidate two existing contracts. The total value of the new contract will be \$169,950 and will be apportioned as follows:
  - o Assistance in matters relating to Federal Grant Program \$ 69,950.00
  - o Assistance in negotiations of Section 13(C) Agreements \$100,000.00
4. Transportation/Land Use Planning Legislation - GRFC recommended that the Commission support AB 35 and AB 40 (Eastin) if amended, and oppose SB 1332 (Presley) unless amended.
6. Federal Interstate Sales Tax -- HR 2230 (Brooks), S 480 (Cochran) and S RES 80 (Kasten), GRFC recommended the Commission support efforts to enact the sales tax program as well as state implementing legislation. The program should include collection of local sales tax along with the state sales tax.
8. Contract No. H812 - Overhead Contact Systems (Change Order No. 012) - Rail Construction Committee (RCC) recommended the Commission approve Change Order No. 012 in the amount of \$241,824. Sufficient contingency remains within the current Authorization for Expenditure amount to cover the cost of this change order.
9. Contract No. C4700 - TPSS/C&S Civil Site Work - RCC recommended the Commission:
  - a. Approve the acceptance of the subject contract complete as of September 27, 1988, and authorize the recording of the Notice of Completion.
  - b. Authorize the release of retention in the amount of \$20,763.88 thirty calendar days after the filing of the Notice of Completion.
  - c. Approve the transfer of funds in the amount of \$7,401.11 to the Project Reserve. This amount represents a surplus over the total obligated funds for Contract No. R01-T01-C4700.

10. Contract No. P825 - Wood Ties - RCC recommended the Commission:
  - a. Approve the acceptance of the subject contract substantially complete as of July 8, 1988, and authorize the recording of the Notice of Completion.
  - b. Authorize the release of final payment including retention in the amount of \$50,123.41 thirty calendar days after the filing of the Notice of Completion.
  - c. Approve the transfer of funds in the amount of \$314,572.32 to the Project Reserve. This amount represents a surplus over the total obligated funds for Contract No. R01-T08-P825.
12. Claims of Southern California Edison Company (3) and Matthew King - RCC recommended the Commission formally reject these claims.
13. Article 8 Hearing Board - Transit Committee (TC) recommended the Commission:
  - a. Adopt hearing board's definitions for "unmet transit needs" and "reasonable to meet transit needs."
  - b. Adopt the hearing board's findings for the FY 1989-90 TDA Article 8 unmet needs hearings.
  - c. Approve the hearing board's conditions for the allocation of FY 1989-90 TDA Article 8 funds.
14. FY 1989 Transit TIP Amendment - TC recommended the Commission approve the Culver City TIP amendment request increasing the total project cost by \$125,000 to be funded with \$100,000 in Proposition A Discretionary Unearned Transit Performance Measures (TPM) Bonus funds, \$25,000 by Culver City using local funds.
15. FY 1989 LOSSAN Capital Improvements - Matching Funds Requirements - TC recommended the Commission:
  - a. Authorize \$800,000 in Proposition A rail funds for these following project:
    - Union Station Access Study: \$200,000

- Grade-Crossing Improvements in La Mirada, Pico Rivera and Santa Fe Springs: \$800,000
  - \$800,000 STA interest monies authorized by the Commission in February for these projects be returned to the Commission's STA reserve.
16. Amendment to Contract with SCAG - TC recommended the Commission approve:
- a. That \$125,000 be allocated to Contract No. R04-S11-D4002 with SCAG for additional patronage analysis support for the San Fernando Valley and Pasadena EIR studies for the first-half of FY 1990, including overrun costs incurred by SCAG of \$32,445 under the last contract amendment.
  - b. That Commission staff report on alternative ways to improve both cost control and report turn-around for future EIR efforts through discussions with SCAG and the possible use of private consultants in lieu of SCAG.

**FURTHER DISCUSSION ON CONSENT CALENDAR ITEMS**

1. Approval of June 28 Minutes - Corrections to the minutes: Page 8, Item 18c ..... Mrs. Bacharach indicated that SAFE is to pay for the cable to be installed with the Green Line and also pay for the call boxes.
- Page 19, paragraph 7, add after last sentence.....The results of this report showed an increase of at least \$400,000 resulting from repackaging the landscaping contract.
- Mrs. Bacharach moved approval of the minutes as amended which was seconded by Mr. Callahan. Hearing no other corrections, the minutes were approved as amended.
3. State Transportation Funding Legislation (AB 471, SB 300, AB 973, AB 680, AB 2218, and SCA 1) - GRFC received a report on the comprehensive transportation funding package that was recently passed by the Legislature and signed by the Governor. The Committee adopted a support position for SCA 1 and instructed staff to send the Commission's position to the appropriate agencies.

Mr. Szabo moved, seconded by Mr. Remy, that Commission highlight AB 471 and give staff direction to pay attention to the need for congestion levels. Hearing no objection, the motion was carried.

5. Proposed Amendments to SB 1273 (Robbins) - GRFC recommended the Commission oppose the recent amendments of this bill.

Mr. Szabo moved, seconded by Mrs. Reed to oppose the bill for two reasons 1) this bill would require only subway rail be constructed in the San Fernando Valley, which conflicts with the Commission's authority on Proposition A to set priorities for transportation improvements funded by local revenue; 2) LACTC has a environmental review study underway which will look at various options and this would preclude LACTC from looking at any other options but subway options in this area.

Mrs. Stevens asked the Commission to consider not opposing this bill and reconsider Commission position.

Mrs. Stevens offered a substitute motion, seconded by Mr. Callahan to support this bill.

Comments from the public:

Jerome Blaz - in favor of more funding for buses, oppose Robbin's bill.

Florence Swait - opposition to the Burbank Branch Line.

Susan Odenchantz - inaudible

Julie Fine - opposition to the Burbank Branch Line.

Della Spector - opposition to the Robbins Bill.

Mrs. Bacharach spoke in opposition of SB 1273 stating that the state legislature has no authority over local money.

A vote was taken on Mrs. Steven's substitute motion--motion was defeated with Stevens and Callahan voting yes.

A vote was taken on original motion to oppose SB 1273--motion carried with Stevens and Callahan voting no.

7. Department of Water and Power Petition to the South Coast Air Quality Management District on Rule 1135 - GRFC voted to support, in concept only, the idea of transportation offsets and other flexible options to meet emission standards, and directed staff to work with SCAQMD, SCAG, and the public utilities to explore these options. In addition, staff was directed to indicate to SCAQMD that county transportation commissions in the air basin should be the entities responsible for allocation of any transportation funds resulting from these options.

Mr. Lewis indicated that he had a problem with the concept and asked to defer action on this item.

Mrs. Bacharach offered a substitute motion, seconded by Mr. Grabinski. Mr. Szabo accepted Mrs. Bacharach's substitute motion which is to support in concept, and give direction to staff to incorporate Mr. Lewis' opposition on expenditures of these funds and to direct staff to continue to negotiate with Department of Water and Power where their costs are different from LACTC. Hearing no objection, substitute motion was carried.

11. Contract No. C435 - Aerial Structure - RCC recommended the Commission approve Change Order No. 24 in the amount of \$2,272,205. Sufficient contingency remains with the current Authorization for Expenditure for this contract. The Committee also recommended that the interim milestone date be extended.

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

#### INFORMATION ITEMS

21. FY 1989 APTA Membership

Mrs. Reed indicated that the APTA membership will not be upgraded this year but it will be considered next year.

22. Update on 1/2-Cent Sales Tax Increase Effort

23. Update on Appropriations
24. Legislative Matrix
25. Metro Blue Line Tunnel Event - August 5, from 9:00 a.m. to 2:00 p.m., small group tours will be conducted into the tunnel in downtown Los Angeles.

**NEW BUSINESS**

(None)

**NOTICE OF MEETING**

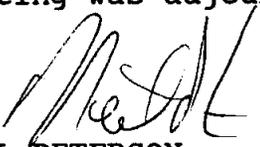
Chair Reed announced that a special meeting will be held on August 16 at 8:00 a.m. at the Hall of Administration. She will discuss with the Executive Director if a second meeting will be necessary in August.

**EXECUTIVE SESSION**

The Commission recessed at 5:30 p.m. to discuss litigation.

At 5:50 p.m., the Commission reconvened. Mrs. Reed indicated that no action was taken in Executive Session.

Meeting was adjourned.

  
NEIL PETERSON  
Executive Director

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