

# MINUTES



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

## LOS ANGELES COUNTY TRANSPORTATION COMMISSION

June 22, 1988

The regular Commission meeting was called to order by Chairman Schabarum at 1:45 p.m. in the Board Room of the Department of Water and Power.

### Members in attendance were:

Supervisor Peter Schabarum  
Council Member Christine E. Reed  
Councilman Michael Woo  
Marcia Mednick  
Walter King, alternate to Supervisor Hahn  
Robert Geoghegan, alternate to Supervisor Edelman  
Barna Szabo, alternate to Supervisor Dana  
John La Follette, alternate to Supervisor Antonovich  
Ray Remy, alternate to Mayor Bradley  
Councilman Ray Grabinski, alternate to Councilman Tuttle  
Councilman Harold Croyts, alternate to Councilwoman Bacharach  
Jerry Baxter, Ex-Officio for State of California

### Staff members present:

Susan Brown, Director of Government and Public Affairs  
David Kelsey, Assistant County Counsel  
Kathy Torigoe, Executive Secretary  
Laura Hoover-McNamara

### APPROVAL OF MINUTES

The minutes of May 25, 1988 were moved and seconded for approval. Hearing no objection, the minutes were approved as submitted.

**REPORT OF THE EXECUTIVE DIRECTOR**

1. At the last Commission meeting, there was some discussion regarding a proposed reorganization of rail transit development responsibilities in a subsidiary corporation. There were concerns expressed by some of the Commissioners about moving forward on that proposal without first discussing it with the RTD Board members. Mr. Taylor, Acting Executive Director of LACTC, and Mr. Pegg, Interim General Manager of SCRTD, are meeting individually with members of this Commission and with the RTD Board members to review various proposals that have been developed on rail reorganization. Mr. Taylor will report back to the Commission on this issue at the July 27 meeting.
2. Regarding the meeting notice for the month of July, this Commission will meet again at the Department of Water and Power Board room on July 27.

**PROCEDURAL MATTERS**

Chairman Schabarum indicated that he would like some thought given to procedural matters. One concern is that some items that have been referred to a committee by the full Commission or come up through the ranks to the Committee may be withheld by the Committee or staff from the Commission agenda. A second concern dealt with a committee directing staff to write a letter to other parties reflecting the view of the committee on a given matter. The Chairman questioned whether committees should convey sentiments that may be directly or implied to be the view of the full Commission. He asked that these two items be placed on the agenda at the next meeting.

Mr. Szabo indicated that the Government Relations and Finance Committee has communicated to legislators if the bills going from one committee to another based on previous Commission policies and direction.

Mr. King indicated he would like to receive Commission agendas on a timely basis. He requested copies of all committee agendas and handouts.

Mrs. Reed commented that the Transit Committee has frequently had occasion to initiate direct communication with funding recipients, especially the cities. When the Commission meets only once a month, there needs to be some latitude for the committees to initiate communications when it feels it is necessary.

**STAFF REPORTS**

## 6. FY 1988-89 LACTC Budget

Ms. Brown indicated that the proposed FY 1988-89 LACTC budget was presented to the Commission for action as required by the Commission's Administrative Code. A draft of the budget was first distributed in April, a public hearing on the budget was held at the May 25 meeting, the Government Relations and Finance Committee reviewed the budget at its June 10 meeting, and the Committee recommended that the Commission adopt the budget with several minor modifications. The budget for the Transportation Occupations Program supplies, travel and student wages was broken out of Miscellaneous expenses. Also, there was minor editing to the Attachment II Summaries of Progress toward LACTC Five-Year Strategic Objectives. Those changes have been made and are reflected in the printed budget document which were distributed to the Commissioners.

Dick Dominguez, Director of Finance and Administration, highlighted the key elements of the budget for the Commissioners. A recommendation was made that the Commission adopt the proposed FY 1988-89 budget.

Public Comment: Mr. John Walsh, member of the Project Area Committee of the Hollywood Redevelopment Plan, commented on RTD's cut in bus service and asked the LACTC to take charge of the Metro Rail project and allow RTD to take care of bus service only.

Chairman Schabarum presented a proposal to develop a \$100-150 million program to undertake near-term (2-5 years) rail projects, primarily commuter in nature and using existing facilities and rights-of-way and asked staff to report back at the next meeting.

Mr. Woo asked staff to report back to the Commission with a report on ways to finance the Locally Preferred Alternative as recommended by the L.A. City Planning Commission and the Planning Committee of the City Council.

Staff was directed to report back through the Transit Committee on financial commitments to rail projects, funding projections, funding sources, restrictions on funding sources, alternatives for funding commuter rail, and alternatives on funding MOS-2.

Mr. Schabarum indicated that he had a problem in accepting the recommendation of the conversion of nine contract employees to regular employees in the budget.

Discussion followed.

Mrs. Reed moved that the Commission approve the budget as submitted by the Acting Executive Director, seconded by Mr. La Follette.

Public Comment: Mr. Ed Duncan suggested a cooperative use of RTD cars, especially those cars that are unmarked and that staff be directed to use book-entry bonds as a policy.

Mrs. Reed indicated that the Commission has approved the issuing of book-entry bonds at the previous suggestion of Mr. Duncan.

Discussion followed.

Hearing no other objection, the budget was adopted with a "no" vote by Schabarum.

7. Management and Use of FAU Loan Repayment Funds

Staff recommended that the Commission approve the management proposal for all FAU loan repayment funds as outlined staff report.

The Technical Advisory Committee recommended that the staff recommendation be amended to "...require that any new projects programmed for the interest earnings be eligible for early construction with FAU dollars". TAC recommended removing language that would require new projects to promote traffic system management.

The Streets and Highways Committee approved the staff and TAC recommendation with the additional requirement that any new projects promote traffic system management.

Mrs. Mednick moved for approval, seconded by Mr. Szabo. Hearing no objection, the motion was carried.

8. Allocation of FAU Loan Repayment Interest

Staff reviewed several issues relating to the allocation of \$25.5 million in FAU loan repayment interest.

The Technical Advisory Committee recommended that:

1. All cities be notified of the availability of the interest funds and be given 45 days to submit projects for consideration.

2. All cities be sent a copy of the existing Regional FAU criteria and be advised that any project consistent with these criteria will be eligible for funding. However, cities will also be advised that LACTC staff recommends that priority will be given to regionally significant, projects that promote traffic management on major arterials in congested freeway corridors, such as Smart Streets, that are ready-to-go.

The Streets and Highways Committee unanimously recommended that the Commission:

1. Approve the allocation of FAU loan interest funds to the Victory Corridor ATSAC project, with \$15.5 million allocated to the City of Los Angeles and \$0.5 million allocated to Burbank. This action would be taken on an emergency basis to provide early mitigation to Ventura Freeway reconstruction. The final allocation of funds would be subject to the City of Los Angeles submitting a detailed description of the project to the LACTC.
2. Approve the TAC's recommended method for notifying cities of the availability of the remaining \$9.5 million of FAU loan interest funds.

Staff concurred with the Streets and Highways Committee recommendation with an additional condition that the City of Los Angeles Department of Transportation agrees to conduct a study of low-cost TSM improvements that can be implemented in conjunction with the Victory Corridor project.

Mr. Woo moved for approval of the S&HC recommendation with the additional staff suggestion. Motion was seconded by Mr. Geoghegan.

Mr. Rowe, LADOT, explained the project and answered questions by Commissioners.

Discussion followed. Mr. Cecil Bugh, L.A. County Department of Public Works, expressed concern that Commission action might tie up immediately most of the available funds, leaving only \$9.5 million for the rest of the county. He added that the County is working on a program with the cities on the traffic signal synchronization of various routes.

Discussion followed with questions asked of staff by the Commissioners.

Roll call vote was taken:

Yes: King, Geoghegan, Remy, Woo, Grabinski, Croyts,  
Reed, Mednick

No: Schabarum

Abstain: La Follette

Motion was carried.

#### CONSENT CALENDAR

A motion was made and seconded to approve Items 9, 10, 11, 12, 14, 15, 18, 19, 20, and 21 except for Items 13, 16 and 17 on the consent calendar. Item 22 (information item) was received and filed. Hearing no objection, the motion was carried.

9. Commuter and Intercity Rail Legislation (AB 971, AB 980, SB 2446)

Support AB 971, AB 980, and SB 2446.

10. Renewal of Contract for Washington, D. C. Consultant

Approve the renewal of the existing contract with Smith and Howard Associates, Inc. for advocacy services in Washington, D.C., with an increase in the monthly fee for these services from \$2,000 to \$2,100.

- 11a. Closeout Contract R01-T02-C550

The Rail Construction Committee recommended the Commission:

1. Approve the transfer of funds in the amount of \$254,364.76 to the Program Reserve. This amount represents a surplus over the total obligated funds for Contract No. R01-T02-C550.
2. Accept the subject contract as complete as of November 9, 1987, and authorize the recording of the Notice of Completion.
3. Authorize final payment and the release of retention, in the amount of \$125,146,95.

## 11b. Closeout Contract R01-T01-P815

The Rail Construction Committee recommended the Commission:

1. Approve the transfer of funds in the amount of \$91,740.87 to the Century Project Program Reserve and \$5,897.34 to the Long Beach Project Program Reserve. These amounts represent a surplus over the total obligated funds for Contract No. R01-T01-P815.
2. Accept the subject contract as complete as of February 12, 1988, and authorize the recording of the Notice of Completion.
3. Authorize final payment and the release of retention, in the amount of \$235,000.

## 11c. Change Order - Contract R01-S12-MC04

The Rail Construction Committee recommended the Commission approve an increase in the Authorization for Expenditure (AFE) for Contract R01-S12-MC04R in the amount of \$20,000, bringing the total authorization to \$325,000.

## 12. Graffiti Prevention Program - Long Beach-Los Angeles Rail Transit Project

The Rail Construction Committee recommended the Commission approve a one-year contract in the amount of \$27,040 with Community Youth Gang Services Project to remove or cover graffiti on the Long Beach-Los Angeles rail right-of-way.

## 14. Approval of FY 1988-89 Funding Agreement with Commuter Transportation Services, Inc. (Commuter Computer)

The Technical Advisory Committee and the Streets & Highways Committee recommended that the Commission approve the proposed agreement with Commuter Transportation Services.

## 15. Revision to Preliminary AB 84 State Highway Project Development List

The Technical Advisory Committee and the Streets and Highways Committee recommended that the Commission amend the preliminary AB 84 list, approved by the Commission at its May 25, 1988 meeting, to include widening of Route 405 between Routes 90 and 101, at an estimated cost of \$400 million.

18. Interoperator Pass Transfer Study - Short-Term Arrangement

The Transit Committee recommended the Commission approve the interoperator pass transfer agreement as outlined in the staff report as a short-term arrangement for inter-county travel.

19. Approval of Proposition A Discretionary Memorandums of Understanding (MOUs) for Operators Exceeding Consumer Price Index

In lieu of the staff recommendation, the Transit Committee voted to withhold "operating expenses over the CPI" for the affected operators (Arcadia, Culver City, Redondo Beach, and Torrance). If requested by an affected city, the staff will do a detailed review of an operator's budget to determine if the cost increase over the CPI is justified and return to the Committee with a revised recommendation.

The Transit Committee also asked staff to advise transit operators that this same procedure would be followed in the future.

20. Approval of FY 1988-89 UMTA Section 16(b)(2) Projects

The Transit Committee recommended approval of the 17 applications from private non-profit agencies for vehicles and related equipment under the UMTA Section 16(b)(2) Program.

21. FY 1988-89 Proposition A Discretionary Incentive Fund Program

The Transit Committee recommended the Commission approve the allocation of Proposition A Discretionary Incentive Funds for the following projects for FY 1988-89 in the amount of \$9,340,270.

A.	Paratransit Substitution/Service	
	Contracting	\$ 3,990,737
B.	Non-Service Demonstration Projects	129,060
C.	Subregional Grants	4,406,391
	Recommended FY 1988-89 Disbursements	8,526,188
	FY 1988-89 Recommended Set-Asides	814,082
	Total FY 1988-89 Allocation	\$9,340,270

While the following project merits consideration in the future, staff recommends deferring a decision until actual SCRTD service cuts are proposed.

- o City of Los Angeles - SCRTD Service Replacement (\$1,275,806 estimated).

#### CONSENT CALENDAR ITEMS WITH DISCUSSION

#### 13. Call Box Agreement with County of Los Angeles

The Streets & Highways Committee recommended the Commission, acting as the SAFE, approve the proposed agreement with the County of Los Angeles, effective July 1 and also approve the purchase price for the telephone hardware at \$69,900.

Mr. King asked about the \$2 million that the County had paid for installation services to connect the telephones. Ms. Brown explained the background of the issue.

Much discussion followed.

Mr. Bugh of the L.A. County Department of Public Works, indicated that the County agrees that \$69,000 is the amount that the County paid for the hardware system. The \$2 million is the cost to the County for installing the system over a period of years and the County feels they should be reimbursed for that.

Mrs. Reed asked whether an independent appraisal should be made of the value of the system. Mrs. Mednick explained that the committee action was to approve the basic MOU with the County because there was an understanding that as of July 1, the County did not have funds to operate the callbox system, and direct staff to continue to discuss with the County the issue of the \$2 million. At a previous meeting, the SAFE approved hiring a consultant to work on upgrading the system.

Mr. Churchill of Techplan, consultant working with SAFE, indicated that one of the first tasks will be to conduct an inventory of the existing system and to assess the current value of the system. An appraisal report will be made in three months.

Mrs. Reed moved that the Commission approve the staff recommendation to approve the MOU and pay the County \$69,900 for the telephone hardware and that this action be without prejudice as to the remaining issue of the installation costs. Motion was seconded by Mr. King. Mr. Croys offered an amendment to the motion to delete the reference to the \$69,900; there was no second.

Roll call vote was taken:

Yes: King, Geoghegan, La Follette, Remy, Woo, Croyts,  
Reed, Mednick

No: Schabarum

16. Revised Proposition A Discretionary Guidelines

The Transit Committee approved the revised Proposition A Discretionary Guidelines incorporating previous LACTC actions with the exception of the following:

1. Provide clarification at the next meeting of how compliance with Section 1.1.B (Special User Groups Fare Policy for Operators Not Meeting Farebox Recovery Standards) will be implemented.
2. Provide clarification at the next meeting of how Section 8.4 (Uncommitted Prop. A Local Return Balances) will be implemented.

Mr. Schabarum presented a proposed addition concerning item 8.6 of the Proposition A Discretionary Fund Guidelines. He asked staff to prepare an analysis and explanation of the automatic COLA formulas used in the operators labor contracts and bring back to the Commission a recommendation on how to deal with these provisions. He also asked that staff make a distinction between discretionary wage increases (sometimes referred to as cost of living adjustments) which are set by policy boards, and formulas which are triggered by the changes in inflation beyond the control of the policy board.

Sharon Neely of LACTC staff answered questions by Commissioners. Discussion followed.

Mrs. Reed moved that the Commission approve the revised guidelines, seconded by Mr. La Follette. Mr. Geoghegan expressed his opposition to the motion and Mr. King abstained. Due to insufficient votes to pass the guidelines or proposed amendment, this item was continued to the next meeting.

Mrs. Reed requested Legal Counsel's opinion as to whether carryover of the Guidelines affected the policies adopted by the LACTC in April. Mr. Kelsey, LACTC Legal Counsel, responded that those adopted policies are in effect and LACTC action was not required regarding incorporating those policies into the Guidelines.

17. TIP Approvals: Rail and San Gabriel Valley Transportation Zone TIPS

The Transit Committee recommended that the Commission:

1. Commit to funding the first two years (FY 1991 and 1992) of the Long Beach-Los Angeles rail line net operating costs from the Proposition A 35% Rail account under a contract arrangement with the service provider(s). This commitment does not constitute approval of projected rail operating expenses nor a methodology for calculating rail subsidy requirements or allocation. These specifics, along with a contract for service provision, will be developed and presented for LACTC approval in FY 1989.
2. Approve the list of rail operating and capital projects for inclusion in the FY 1989-91 Los Angeles County TIP.
3. Approve the SGVTZ SRTP/TIP for FY 1989-91.

Mrs. Reed moved the approval of the recommendations from the Transit Committee.

Mr. Larry Drasin, Attorney for United Transportation Union, commented that any action by LACTC to implement the zone would be in violation of the court order.

LACTC Legal Counsel clarified that no action was recommended on the San Gabriel Valley Zone and that staff had deleted Recommendation #3 after the court order.

Mrs. Reed clarified her motion that the motion is to approve the San Gabriel Valley Transportation Zone Short-Range Transit Plan and Transit Improvement Program but to recognize the existence of the lawsuit and also recognize that staff will not be sending any funds to the San Gabriel Valley transportation zone while we are enjoined from so doing.

Discussion followed. Staff will return back with the San Gabriel Valley Transportation Zone SRTP/TIP at a later date.

Mr. King requested that LACTC allocate additional funds to SCRTD for operation of the service the Zone was to start July 1. Chairman Schabarum asked Sharon Neely to explain the SCRTD funding commitments that is related with this. Ms. Neely explained the Commission had approved over \$314 million in subsidies to SCRTD and that no additional funds are available.

Mrs. Reed moved that the Commission approve the Rail TIP actions #1 and #2 as noted above, seconded by Mrs. Mednick. Hearing no objection, the motion was carried.

PUBLIC COMMENT

No comments were received.

CLOSED SESSION

The Commission recessed into closed session to reconsider the acquisition of Parcel AS73A (Kurtzman).

The Commission reconvened at 5:30 p.m. Mr. King made a motion that the Commission reconsider its April 27, 1988 decision to acquire and demolish the apartment building at 1116 South Flower Street and that the Commission not acquire and demolish that building, which was seconded by Mrs. Reed. Motion was carried by unanimous vote.

ADJOURNMENT

Meeting was adjourned at 5:30 p.m.



SUSAN BROWN  
Director, Government  
and Public Affairs

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