# MINUTES



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

# LOS ANGELES COUNTY TRANSPORTATION COMMISSION

#### February 10, 1988

The regular Commission meeting was called to order by Chairman Schabarum at 1:35 p.m. in the Board of Supervisors' Hearing Room at the Hall of Administration.

#### Members in attendance were:

Supervisor Peter Schabarum
Mayor Pro Tem Jacki Bacharach
Councilman Michael Woo
Councilman Ray Grabinski
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
Councilman Robert White, alternate to Councilwoman Reed
Ray Remy, alternate to Mayor Bradley
Jerry Baxter, Ex-Officio for State of California

## Staff members present:

Rick Richmond, Executive Director David Kelsey, Assistant County Counsel Kathy Torigoe, Executive Secretary Margarita Ortiz, Senior Secretary

## CHAIRMAN'S REMARKS

Chairman Schabarum began by commenting that he looked forward to working with each of the Commissioners in moving the region's transportation system forward.

Chairman Schabarum indicated that discussion of local agency reorganization is still active. He indicated that any legislation which would meet the Governor's requirements would have to address problems associated with public transportation, specifically that the local agency must be given latitude to manage its transportation system. If reorganization is pursued locally, it should not be done simply to avoid legislation nor should we simply try something that looks good on paper but is unworkable.

Chairman Schabarum observed that negotiations for new contracts between the SCRTD and its principal unions will begin soon. He stated that if the region's public transit funds are to be spent more efficiently, the Commission must support and advocate reforms that reduce the excessive cost of SCRTD operations.

The Commission should also look internally to reduce inefficiencies in its own organization. The Commission committees and subcommittees should be restructured to make the review system more workable and expeditious.

Chairman Schabarum also advocated expansion of the Commission's rules on the Local Return Program so that congestion relief efforts such as street and road spending, could be pursued, as well as development of bus, carpool, and other non-rail technologies could be pursued. He suggested a ballot issue toward this end as one way of making the changes.

Chairman Schabarum encouraged efforts such as the SAFE Program and the SMART Street Corridor project, as well as the light rail program where it is cost-effective, supported by the public, and its financing assisted by local jurisdictions.

Chairman Schabarum concluded by calling on the Commission to provide the leadership necessary to deal with the challenging problems ahead and expressed his interest in working with the Commissioners toward making meaningful progress.

# APPROVAL OF MINUTES

The minutes of January 13 and January 27, 1988 were moved and seconded for approval. Hearing no objections, the minutes were approved as submitted.

## COMMITTEE REPORTS

#### FINANCE REVIEW COMMITTEE

Mr. Remy reported on the FRC meeting of February 8, as follows:

FY 1988 Mid-Year Funding Adjustments and Transit TIP Amendments

The FRC approved the following recommendations:

- 1. Approve reallocation of \$12.0 million in Proposition A Discretionary Grant subsidies to fund a prior LACTC commitment of \$4.5 million, a \$3.9 million STA funding shortfall, and a \$3.6 million reduction in Federal Section 9 Operating Assistance.
- 2. Approve \$5.0 million Federal Section 3 capital funds for the SCRTD's FY 1988 Bus Replacement project, including a special TDA allocation of \$333,534 for local match.
- 3. Approve an additional \$500,000 in Federal Section 9 capital funds for the SCRTD's FY 1986 El Monte Station project to allow the County to withdraw \$500,000 local Proposition A funds previously allocated to this project.
- 4. Approve for inclusion in the FY 1988 Transit TIP the Natural Gas Demonstration project.
- 5. Approve \$311,200 in FY 1988 Federal Section 9 capital funds for Gardena to replace the use of TDA funds.
- 6. Approve a \$35,000 FY 1987 capital project funding increase for Culver City to cover the costs of their farebox replacement project. This increase would be funded from Culver City's prior year TDA capital program cash balance.
- 7. Approve a \$1,812,000 FY 1988 capital funding increase for Long Beach to cover the costs of their Maintenance Facility Modification project. This increase would be funded from Long Beach's prior year TDA capital program cash balance and FY 1985 Federal Section 9 funds available after the purchase of bus radios.
- 8. Approve for inclusion in the FY 1988 Transit TIP the Program of Projects requested for North County.
- 9. Approve a special TDA allocation of \$816,679 for the Santa Monica Rail Reserve per the existing ten-year LACTC agreement with Santa Monica.

- 10. Authorize the Executive Director to enter into a Memorandum of Understanding with Baton Rouge, Louisiana to trade \$850,000 in FY 1988 Proposition A TPM unearned bonus funds in exchange for \$1.5 million in Section 9 funds.
- 11. Authorize the Executive Director to purchase two annual memberships in the Transit Bus Emissions Research Consortium on behalf of the Los Angeles County transit operators for a total cost of \$80,000 to be funded from FY 1988 Proposition A TPM unearned bonus funds.

Mr. Remy moved approval of the FRC recommendations, seconded by Mrs. Bacharach. Hearing no objections, the motion was carried.

Progress of the Coordination Requirements for the City of Los Angeles Community Development Department-Sponsored Proposition A Programs

o Approved the continuation of Proposition A Local Return funding for the transportation services of five City of Los Angeles Community Development Department-sponsored Proposition A Local Return projects.

Mr. Remy moved approval of the committee's recommendation, seconded by Mrs. Bacharach. Hearing no objection, the motion was carried.

Natural Gas-Fueled Transit Bus Demonstration Project

o Approved the resolution authorizing the Executive Director to file a California Energy Commission Energy Technologies Advancements Program grant for \$825,000, in joint venture with the Southern California Gas Company.

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

Designation of the LACTC as a Service Authority for Freeway Emergencies (SAFE)

- Approved the designation of the LACTC as a Service Authority for Freeway Emergencies, per the resolutions of 51 cities and the County Board of Supervisors.
- o Directed staff to explore liability of issues related to establishment of SAFE, and report back.

o Clarified that SAFE will be responsible for policy-setting and establishment of service levels for call box system.

Mr. Remy moved approval of the committee's recommendation, seconded by Mrs. Mednick. Hearing no objection, the motion was carried.

LACTC FY 1987-88 Mid-Year Budget Amendment

o Approved amending the FY 1987-88 Commission budget by adopting the line item adjustments as listed in the staff report; the appropriation of unanticipated revenues; and the addition of five new positions, plus three contract employees.

Mr. Remy moved approval of the FRC's recommendations, which was seconded. Hearing no objections, the motion was carried.

Authorization for Executive Director to Execute Bus Service Contract Continuation Grant Contract

o Approved the authorization of the Executive Director to execute an agreement with UMTA for the Bus Service Continuation Project.

The Committee received, as an information item, the FY 1987-88 LACTC Quarterly Financial Report.

## INTERGOVERNMENTAL RELATIONS COMMITTEE

No committee meeting was held. The next meeting is scheduled for February 24.

#### RAIL CONSTRUCTION COMMITTEE

Mrs. Bacharach reported on the RCC meeting of February 5, as follows:

Change Order for Contract H831 - Supervisory Control and Data Acquisition (SCADA)

This item was not discussed at the last RCC meeting and will be brought up at a later date.

Mrs. Bacharach noted that a letter was received from The Black Business Association of Los Angeles. The Commission has been nominated to receive The Black Business Association of Los Angeles Government Agency Award for 1988. This award is given to the agency voted to have been the most responsive to the interest of minority business enterprises.

Change Order for Contract R01-T01-C2125 - Railroad Relocation

The RCC recommended that the Commission approve Change Order #6 in the amount of \$202,221 to decrease the current contract amount from \$42,283,707 to \$42,081,486.

Mrs. Bacharach moved approval of the Committee's recommendation, seconded by Mr. King. Hearing no objection, the motion was carried.

Award Contract C4700 - Traction Power Substation Civil Site Work

The RCC recommended the Commission authorize the Executive Director to award Contract No. R01-T01-C4700 to Coleman Industrial Construction, the lowest responsive and responsible bidder. The contract award will be for a total estimated contract price of \$926,800. A 10% contract reserve fund of \$94,625 is also recommended to cover the cost of changes and extra work. Award is contingent upon resolution of any bid protest timely-filed.

Mrs. Bacharach moved approval of the RCC's recommendation, seconded by Mr. King. Hearing no objection, the motion was carried.

Award Contract C140 - LA-CBD Approach

The RCC recommended the Commission authorize the Executive Director to award Contract No. R01-T01-C140 to Homer J. Olsen, Inc., the lowest responsive and responsible bidder. The contract award will be for a total estimated contract price of \$26,472,740. A 10% contract reserve fund of \$2,647,260 is also recommended to cover the cost of changes and extra work. Award is contingent upon resolution of any bid protest timely-filed.

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

The following persons offered comments to the Commission:

George David Keiffer of Manatt, Phelps, Rothenberg, & Phillips, representing Herzog Corporation: Lowest bidder Olsen met the WBE/DBE guidelines by using a minority broker who is not a regular supplier of readymixed concrete. Requested that further investigation be made of this bid.

Alexander B. Cvitan of Reich Adell & Cross, representing International Union of Operating Engineers, Local 12: Requested awarding the contract to Homer J. Olsen.

Edward K. Allison, Esq., of Graham and James in San Francisco, representing Homer J. Olsen, Inc.: Olsen met the goals in accordance with the Commission's specifications and should be awarded the contract as the lowest responsive bidder.

Mrs. Bacharach indicated that all of these arguments were addressed at the Committee's meeting.

Discussion followed.

Mr. Grabinski suggested that staff hold a seminar with all contractors so that bid process problems can be solved.

Chairman Schabarum recognized Mr. Keiffer for a brief comment.

Mr. Keiffer commented that the Commission's current specifications still require commercially useful function and it is not the case here. They will be happy to cooperate with the Commission and asked that staff take a look at that for future matters.

Mr. La Follette offered a substitute motion to continue this matter and refer this subject matter to an outside counsel and receive their opinion.

Further discussion followed.

Mrs. Bacharach indicated that the Commission follows the same guidelines as the federal and state in their percentages. She also stated that a workshop for contractors will be held in March.

No second was heard for Mr. La Follette's substitute motion. A roll call vote was taken on Mrs. Bacharach's motion:

Yes: King, Geoghegan, Szabo, Woo, Bacharach, White, Grabinski, Mednick, Remy, Schabarum

No: La Follette

Motion was passed.

Report on Investigation of Charges Against Herzog Contracting Corporation

The RCC heard a report by staff, special counsel and auditors on their investigations of Herzog. The Committee did not conclude there was action warranted by LACTC; the results of the investigations will be provided to the state and federal agencies empowered to investigate and adjudicate all complaints of employment discrimination. The Committee asked

staff to discuss with all contractors and make recommendations about ways to increase hiring of local workers, which the Committee feels is the principal matter on which LACTC has an option to act.

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Discussion followed.

Special counsel will provide the Committee with a response to a letter that was received at their next meeting and report back to the Commission.

Closed Session: Parcel R01-R21-AS73 - Kurtzman

The RCC requested a closed session to consider the acquisition of Parcel R01-R21-AS73 - Kurtzman. Mrs Bacharach abstained from voting on this matter.

#### RAPID TRANSIT COMMITTEE

Mrs. Bacharach reported on the RTC meeting of February 5, as follows:

Southeast Los Angeles Amtrak Station Selection

The Committee recommended to the Commission that the proposal by the City of Commerce for the new Amtrak Station be selected for implementation with the understanding that Commerce will also pay for any needed signal improvements to Santa Fe facilities and for station real estate.

Mrs. Bacharach moved for approval of the RTC's recommendation, seconded by Mr. Geoghegan.

The following persons offered comments in support of the RCC's recommendation:

Arturo Marquez, Councilman, City of Commerce Ray Ramirez, City of Commerce Bill McHaney, representing the Industrial Council and Chamber of Commerce A delegation from the City of Commerce was introduced.

Robert White, Councilman, City of Norwalk, asked for a continuation on the Amtrak Station selection and asked the Commission to visit the proposed Commerce and Norwalk station sites. He offered a substitute motion to continue this matter on the station site selection for 30 days, which was seconded by Mr. King.

Discussion followed.

A roll vote was taken on the substitute motion by Mr. White:

Yes: King, Szabo, La Follette, Woo, White, Grabinski,

Schabarum

No: Geoghegan, Bacharach, Mednick, Remy

Substitute motion passed.

Coastal Corridor North Segment: Professional Services for an Environmental Impact Report

The RTC recommended that the Commission authorize the preparation of a Request for Proposal for professional services for an Environmental Impact Report on the north segment of the Coastal Corridor and route refinement study on the south segment to the vicinity of Torrance. The contract for this work shall not exceed \$500,000. The Committee also recommended a 10% contingency of \$50,000 to cover changes and extra work.

Mrs. Bacharach moved approval of the RTC's recommendation, seconded by Mr. Grabinski.

Public comments were heard from the following persons in support of the Coastal Corridor EIR:

Councilwoman Kay Horrell, City of Redondo Beach Mayor Katy Geisert, City of Torrance Dan McClain, Torrance Area Chamber of Commerce Lola Ungar, City of Lawndale Lynn Harris, Planning Director, City of El Segundo

Bryan Allen, private citizen, commented on the north segment of the Coastal Corridor and EIR for north and south alternatives.

Mr. Richmond explained the staff recommendation of conducting a route refinement study instead of an EIR.

Mr. Woo indicated that he had offered a motion before the Los Angeles City Council that the City Council request the City Attorney to prepare an advisory referendum for the June 7, 1988 ballot that will permit San Fernando Valley voters to advise City, County and State agencies about whether light rail public transit should be constructed in the Valley.

Much discussion followed.

Mr. Woo offered a substitute motion to approve the staff recommendation with the north segment of the Coastal Corridor and a route refinement study on the south segment to the vicinity of Torrance. The contract for this work shall not exceed \$200,000 for the EIR with a 10% contingency of \$20,000 to cover changes and extra work. Budget for route refinement will be brought to the Commission after proposals are received.

Roll vote on the substitute motion by Mr. Woo:

Yes: King, Geoghegan, Szabo, La Follette, Remy, Woo, Bacharach, White, Grabinski, Mednick, Schabarum

No: None

Motion was carried.

As an information item, Mrs. Bacharach indicated that RTC has received the preliminary staff evaluation of alternatives for the Northeast Los Angeles-Pasadena to L.A. study. The EIR alternatives will be brought to the Commission in March. Community meetings are scheduled for these coming two weeks.

The film, The Reach of Rail, was shown to the Commissioners.

## STREETS AND HIGHWAYS

Mrs. Mednick reported on the S&HC meeting of February 8, as follows:

Service Authority for Freeway Emergencies

The S&HC discussed the items contained in the SAFE agenda.

#### Information Items

- 1. Mrs. Mednick will be presenting testimony, on behalf of the Commission, at the American Association of State Highway and Transportation Officials 2020 Hearings. The purpose of these hearings is to gather information to develop consensus on the scope and content of the next Federal Surface Transportation Assistance Act.
- 2. The Committee was informed that the Governor's budget included \$4.5 million of Petroleum Violation Escrow Account funds for the SMART Corridor project. The design process is underway: the Commission has hired a consultant, Dudek and Associates, to recommend improvements to motorist communication; and the City of Los Angeles has issued an RFP for conceptual design of the project.

# EXECUTIVE DIRECTOR'S REPORT

A. Commission Travel Requests:

Commissioners Bacharach, Reed, Remy and Szabo have indicated an interest in attending the American Public Transit Association's Legislative Conference on March 13-15 in Washington, D.C. Also, Commissioner Bacharach has been asked by UMTA to be a participant in a program they are sponsoring on private sector involvement in public transportation on March 7-9 in New Orleans.

Commission approval was requested for the above travel requests.

It was moved and seconded to approve the Commission travel requests. Hearing no objection, the motion was carried.

## PUBLIC COMMENT

- 1. Sheldon Walter commented on Metro Rail for the San Fernando Valley and EIR for rapid transit for SFV.
- 2. Gary Fields, Labor Research Group, commented on alleged racial discrimination by Herzog Contracting Corp. The Labor Research Group sent a letter to the Commission requesting that the Commission should initiate an official hearing into this matter because it is their opinion that the analysis performed by DeLoitte Haskins & Sells is not adequate at this time to determine the validity of the allegations made. He referred to Exhibit No. 12 of the report.

Mrs. Bacharach indicated that the RCC has reviewed the report.

3. Marion Carroll, former employee of Herzog, commented on employment discrimination by Herzog Contracting Corp.

Meeting was recessed at 4:28 p.m. to begin the SAFE meeting.

The Commission reconvened to continue the LACTC meeting.

Before the Commission adjourned into an Executive Session, there was a request to speak on Parcel No. R01-R21-AS73 - Kurtzman.

Jerrold Faden, Attorney representing the Kurtzman Family, addressed the Commission.

## EXECUTIVE SESSION

At 4:40 p.m., the Commission recessed into a closed session pursuant to Government Code Section 54956.8 regarding real property transaction on Parcel No. R01-R21-AS73 located at 1116 South Flower Street and also on personnel matters.

The meeting was reconvened.

Meeting was adjourned at 5:25 p.m.

RICK RICHMOND

Executive Director

RR: kyt Attachments