

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

Minutes of Regular Meeting of  
the Board of Directors of the District

February 10, 1977

Upon notice duly given, the Board of Directors of the Southern California Rapid Transit District met at a regular meeting in the District Board Room, 425 South Main Street, Los Angeles, California, at 1:05 p.m. on February 10, 1977, at which time President Byron E. Cook called the meeting to order.

Directors present:

George W. Brewster  
Byron E. Cook  
Marvin L. Holen  
Gerald B. Leonard  
Mike Lewis

Thomas G. Neusom  
Jay B. Price  
Ruth E. Richter  
Charles H. Storing  
George Takei

Directors absent:

Donald Gibbs

Staff present:

Jack R. Gilstrap, General Manager  
George W. Heinle, Manager of Operations  
Jack Stubbs, Asst. General Manager for Administration  
Richard T. Powers, General Counsel  
Joe B. Scatchard, Controller-Treasurer-Auditor  
John S. Wilkens, Manager of Employee Relations  
George L. McDonald  
Mike Olivas, Deputy Admin. -Equal Employment Opportunities  
Robert Williams, Manager of Customer Relations  
R. K. Kissick, Secretary

Also present were members of the public and the news media.

Resolution  
No. assigned

Rejection of Bids Received Covering Unit II Reconstruction at Division 5 -  
Staff to Recommend Changes in Minority Business Enterprise Participation  
Policy

On motion of Director Brewster, seconded and carried by a Roll

Call vote as noted below, the following resolution was adopted:

R-77-52

RESOLVED, that all bids received under Bid No. CA-03-0106-BB covering Unit II reconstruction at Division #5 be and the same are hereby rejected.

Ayes: Cook, Leonard, Lewis, Price, Richter, Storing  
Noes: Brewster, Holen, Neusom, Takei  
Abstain: None  
Absent: Gibbs

Director Brewster then moved that the staff be instructed to bring back to the Board for consideration revisions in the minority business enterprise policy which would be intended to alleviate the problems incurred as a result of the bids received for the Unit II reconstruction at Division 5, which motion was seconded.

Director Neusom inquired what the staff was supposed to bring back and President Cook stated they were to submit recommendations for consideration which would enable the Board to avoid a duplication of the lengthy discussion held at the morning committee meeting. Mr. Gilstrap stated that it was his understanding the staff was to bring back alternative ways in which to deal with those areas of concern such as ownership of minority businesses, size and definition of a minority enterprise. Mr. Brewster agreed with that statement.

Resolution  
No. assigned

The question was called for on Director Brewster's motion, carried as noted below, and the following resolution adopted:

R-77-53

RESOLVED, that the staff is directed to bring back to this Board of Directors for consideration suggested revisions in the District's Minority Business Enterprise Utilization policy, including, but not limited to, alternative methods in which to deal with those areas of concern such as ownership of minority enterprises, size and definition of a minority enterprise.

Ayes: Brewster, Cook, Holen, Leonard, Lewis, Price, Richter, Storing, Takei  
Noes: None  
Abstain: Neusom  
Absent: Gibbs

It was the consensus that bids covering the Unit II reconstruction of Division 5 would not be reissued until the revisions of the above policy had been adopted.

Director Brewster reported that due to a lack of time during the morning meeting of the Joint Committee, the Finance Committee had reviewed Agenda Item Nos. 2 and 3.

On motion of Director Holen, Chairman of the Finance Committee, seconded and carried as noted below, Agenda Item Nos. 2 and 3 were approved, and the following resolutions adopted:

Ayes: Brewster, Cook, Holen, Leonard, Lewis, Neusom, Price, Richter, Storing, Takei  
Noes: None  
Abstain: None  
Absent: Gibbs

Resolution  
No. assigned

R-77-54

RESOLVED, that the report dated February 4, 1977, a copy of which is filed with the Secretary, is adopted, including approval of Requisition No. 2250-71, and the General Manager is authorized to:

- a. Call for proposals from qualified firms to conduct a special audit of the systems, procedures and controls in the administration of the District's PL & PD claims for the last calendar year and analysis of the question of claims self-administration, at a cost not to exceed \$100,000; form of Request for Proposal subject to approval of the General Counsel; and
- b. Enter into an agreement with the General Adjustment Bureau, Inc. extending the current contract for a period of six months from August 1, 1977, covering the administration of the District's PL & PD claims as set forth in the aforementioned report; form of agreement subject to approval of the General Counsel.

R-77-55

RESOLVED, that the General Manager is authorized to execute a contract with Hawaiian Pacific Battery Warehouse, 250 North Clark Avenue, Pomona, the lowest responsible bidder under Bid No. 1-7728, covering the District's requirements for batteries for a one-year period, with option of one additional year at the election of the District, at an estimated bid price of \$175,800 annually; form of contract subject to approval of the General Counsel.

Requests to be Submitted to the County of Los Angeles for Consideration in Providing Financial Assistance to the District During Fiscal Year 1978

On motion of Director Holen, seconded and carried as noted below, the following resolution was adopted:

R-77-56

RESOLVED, that the District actively seek the support of the County of Los Angeles to provide financial support to the District during the 1978 fiscal year to provide the local share of the total cost of the following capital items:

Resolution  
)No. assigned

R-77-56  
(continued)

- a. 200 standard and 30 articulated buses \$ 4,400,000  
b. Bus radios 800,000

RESOLVED FURTHER, that the District submit to the County of Los Angeles as a matter of information the District's needs for additional funds during the 1978 fiscal year which could cover funding for the following items:

- a. Assistance to prevent cancellation of existing services \$ 5,000,000 to 10,000,000  
b. Subsidy of senior citizen fares 6,000,000  
c. Accelerated bus acquisition: 200 standard buses equipped for the elderly and handicapped and 19 articulated buses 4,000,000

Ayes: Brewster, Cook, Holen, Leonard, Lewis, Neusom, Price, Richter, Storing, Takei  
Noes: None  
Abstain: None  
Absent: Gibbs

Approval for President, Secretary and Treasurer to Sign a Resolution Providing for the Issuance of Tax Anticipation Notes in Amount of \$4-Million

On motion of Director Holen, seconded and carried as noted below, the following resolution was adopted:

R-77-57

RESOLVED, that the report dated February 4, 1977, a copy of which is filed with the Secretary, is adopted, and the President of the Board, the Secretary and the Treasurer are authorized to sign a resolution providing for the issuance of Tax Anticipation Notes in the amount of Four Million (\$4,000,000) and to sign said notes, with proceeds to be used for operating costs of the District; form of resolution and notes subject to approval of the General Counsel.

Resolution  
)No. assigned

R-77-57  
(continued)

Ayes: Brewster, Cook, Holen, Leonard, Lewis, Neusom,  
Price, Richter, Storing, Takei  
Noes: None  
Abstain: None  
Absent: Gibbs

Authorization to File Grant Amendments with UMTA on Capital Grant  
Nos. CA-03-0049 and CA-03-0090

Director Holen reported that the Finance Committee had reviewed and recommended adoption of the draft resolution attached to the report dated February 10, 1977 to file grant amendments on certain UMTA capital grant applications, with the resolution to include an additional amount of \$68,000 to purchase eight spare lifts for the buses under Grant No. CA-03-0090, and an additional amount to cover force accounts and make-ready costs for bus radios under certain UMTA grants.

On motion of Director Holen, seconded and carried as noted below, the following resolution was adopted:

Ayes: Brewster, Cook, Holen, Leonard, Lewis, Neusom,  
Price, Richter, Storing, Takei  
Noes: None  
Abstain: None  
Absent: Gibbs

R-77-58

Resolution authorizing the filing of grant amendments with the Department of Transportation, United States of America, in connection with capital grants under the Urban Mass Transportation Act of 1964, as Amended.

WHEREAS, the Secretary of Transportation is authorized to make grants for mass transportation projects;

R-77-58  
(continued)

WHEREAS, the contract for financial assistance will impose certain obligations upon the District, including the provision by it of the local share of project costs;

WHEREAS, it is required by the U. S. Department of Transportation in accord with the provisions of Title VI of the Civil Rights Act of 1964, that in connection with the filing of grant amendments under the Urban Mass Transportation Act of 1964, as Amended, the District give an assurance that it will comply with Title VI of the Civil Rights Act of 1964, and the U. S. Department of Transportation requirements thereunder; and

WHEREAS, it is the goal of the District that minority business enterprise be utilized to the fullest extent possible in connection with this project, and that definitive procedures shall be established and administered to ensure that minority businesses shall have the maximum feasible opportunity to compete for contracts when procuring construction contracts, supplies, equipment contracts, or consultant and other services;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Southern California Rapid Transit District:

1. That the General Manager is authorized to execute and file amended grants on behalf of the Southern California Rapid Transit District with the U. S. Department of Transportation, to:
  - a. aid in the financing of the cost of 200 Elderly and Handicapped Accessible Buses, including factory inspection and bus make-ready costs at an estimated cost of \$16,590,000. UMTA Project No. CA-03-0090, and;
  - b. decrease the quantity of two-way bus radios purchased through UMTA Project CA-03-0049 from 1165 to 445, and increase quantity of two-way bus radios purchased through UMTA Project CA-03-0090 from 300 to 1020, and
  - c. include an additional amount for force account and factory inspection for 1608 radios (Projects CA-03-0034, 0046, 0049, 0090 and 0106).

Resolution

No. assigned

R-77-58  
(continued)

2. That the General Manager is authorized to execute and file with such grant amendments an assurance or any other document required by the U. S. Department of Transportation effectuating the purposes of Title VI of the Civil Rights Act of 1964.
3. That the General Manager is authorized to furnish such additional information as the U. S. Department of Transportation may require in connection with the grant amendments or the project.
4. That the General Manager is authorized to set forth and execute affirmative minority business policies in connection with the projects procurement needs.
5. That the General Manager is authorized to execute all other necessary documents and contracts in connection with said grant amendments filed with the U. S. Department of Transportation, Urban Mass Transportation Administration.

Approval of Lease Agreement with Ferndale Theatres Corp. Covering Customer Service Center and Termination of Existing Agreement

After response by Mr. Heinle to questions from members of the Board regarding the cost effectiveness of the Hollywood Customer Service Center, as compared to other centers maintained by the District, on motion of Director Takei, seconded and carried as noted below, the following resolution was adopted:

R-77-59

RESOLVED, that the General Manager is authorized to execute a lease agreement with Ferndale Theatres Corporation, Los Angeles, for use as a Customer Service Center the premises at 6249 Hollywood Boulevard, Los Angeles, for a two-year term and month-to-month thereafter, at a monthly rental of \$350, and terminate the existing agreement covering the premises at 6235 Hollywood Boulevard, Los Angeles, as outlined in the report dated February 4, 1977, a copy of which is filed with the Secretary; form of agreements subject to approval of the General Counsel.



Resolution  
)No. assigned

R-77-59  
(continued)

Ayes: Brewster, Cook, Holen, Leonard, Lewis, Neusom,  
Price, Richter, Storing, Takei  
Noes: None  
Abstain: None  
Absent: Gibbs

Approval of Consent Calendar - Agenda Item Nos. 9 through 17

On motion of Director Leonard, seconded and carried as noted below, Agenda Item Nos. 9 through 17 on the Consent Calendar were approved, and the following resolutions adopted and/or actions taken:

Ayes: Brewster, Cook, Holen, Leonard, Lewis,  
Neusom, Price, Richter, Storing, Takei  
Noes: None  
Abstain: None  
Absent: Gibbs

R-77-60

RESOLVED, that the General Manager is authorized to execute a contract with California Testing Laboratories, 1432 Potrero Avenue, South El Monte, under RFP No. 17707, covering the physical testing and other laboratory work at Division 5 at a total cost not to exceed \$9,000, which project is funded in part under UMTA Capital Grant Project No. CA-03-0106, with award of contract subject to the concurrence of the Urban Mass Transportation Administration; form of contract subject to approval of the General Counsel.

R-77-61

RESOLVED, that Requisition No. 9500-082 is approved, and the General Manager is authorized to enter into a contract with Robert Wada & Associates, 187 West Orangethorpe Ave., Placentia, to perform survey services in conjunction with the construction project for Division 5 Units II and III at a cost not to exceed \$9,000; which project is funded in part under UMTA Capital Grant Project No. CA-03-0106, with form of contract subject to approval of the General Counsel.

Resolution  
No. assigned

R-77-62

RESOLVED, that Requisition No. 9500-083 is approved, and the General Manager is authorized to enter into a contract with LeRoy Crandall & Associates, 711 North Alvarado St., Los Angeles, to perform inspection of the soils and foundation in conjunction with the construction project for Division 5 Units II and III at a cost not to exceed \$9,000; which project is funded in part under UMTA Capital Grant Project No. CA-03-0106, with form of contract subject to approval of the General Counsel.

R-77-63

RESOLVED, that the General Manager is authorized to execute a contract with Lube Lift Equipment, 333 West 131st Street, Los Angeles, the lowest responsible bidder under Bid No. CA-03-0090-F covering the purchase and delivery of automotive service equipment for Division 7, at a total bid price of approximately \$13,500; which purchase is funded in part under UMTA Capital Grant Project No. CA-03-0090, with form of contract subject to approval of the General Counsel.

R-77-64

RESOLVED, that the General Manager is authorized to execute a contract with Flxible Distribution Center, 3215 N. Alameda, Compton, the lowest responsible bidder under Bid No. 1-7720, covering the District's requirements for pre-fab rear brake shoes for a one-year period at a total bid price of approximately \$14,800; form of contract subject to approval of the General Counsel.

R-77-65

RESOLVED, that all bids received in response to Bid No. CA-03-0049-D are rejected, and the Purchasing Agent is authorized to reissue a call for bids covering the furnishing, delivering and installation of furniture, furnishings and equipment at Division 3 Maintenance, which purchase is funded in part under UMTA Capital Grant Project No. CA-03-0049; form of bid requirements and revised specifications subject to approval of the General Counsel.

R-77-66

RESOLVED, that Requisition No. 7300-563 is approved, and the Purchasing Agent is authorized to call for bids covering the District's requirements for granulated heavy-duty floor cleaner for a one-year period, with option for an additional year at the election of the District; form of bid requirements and specifications subject to approval of the General Counsel.

Resolution

) No. assigned

R-77-67

RESOLVED, that Requisition No. 7300-560 is approved, and the Purchasing Agent is authorized to call for bids covering the District's requirements for radiator hoses for a one-year period; form of bid requirements and specifications subject to approval of the General Counsel.

-- Approved Minutes of Special Meeting held January 24, 1977, Regular Meeting held January 31, 1977 and Special Meeting held February 3, 1977.

-- Ratified temporary route diversions as described in report dated February 4, 1977 filed with the Secretary.

-- Ratified bus stop zone changes as described in report dated January 31, 1977 filed with the Secretary.

Auditor General's Report on Financing and Evaluating Public Transit Systems

Director Lewis stated that an Auditor General's report on financing and evaluating public transit systems in California had been submitted which contains recommendations and requested the staff to furnish a report to the Board. Mr. Stubbs stated that the report is being evaluated and that a report would be furnished to the Board.

Report of the General Manager

The General Manager's report of out-of-state travel during the month of January was received and filed.

Update Report on Premiums for Employee Courtesy Incentive Program

A report dated February 10, 1977 entitled "Premiums for Employee Courtesy Incentive Program" was distributed. Mr. McDonald explained

Resolution  
) No. assigned

that the report had been prepared in response to previous discussions by the Board at the time the marketing plan was adopted and included certain changes in the incentive program as a result of the previous discussion.

There was a discussion pro and con of the need for rewarding operators for being courteous and doing a job expected of them. On inquiry, Mr. Heinle explained the methods of handling both complaints against operators and commendations received by them.

The report was received and filed.

Requests and Announcements by Directors

Director Leonard inquired concerning correspondence to the City of Pasadena regarding minibus service, and Mr. McDonald replied that the matter had been under discussion with the City for some time and was ongoing. Mr. Leonard also inquired concerning a letter from a District employee regarding the exclusion of staff from the Board and committee meetings. President Cook suggested it was a matter for discussion by the Personnel Committee.

Director Neusom, Chairman of the Rapid Transit Committee, reported that the committee has scheduled a meeting at 2:00 p. m. on February 18.


(Director Neusom left the meeting at 1:45 p. m. )

Resolution  
No. assigned

Appearance of Sheldon Walter

Mr. Sheldon Walter appeared before the Board and reported on his recent appearance before the State Transportation Board.

The meeting was adjourned at 1:55 p. m.

  
Secretary