

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

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

May 20, 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 1:00 p.m. on May 20, 1977, at which time President Marvin L.

Holen called the meeting to order:

Directors present:

George W. Brewster
Marvin L. Holen
Gerald B. Leonard
Mike Lewis
Thomas G. Neusom

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

Directors absent:

Byron E. Cook
Donald Gibbs

Staff present:

Jack R. Gilstrap, General Manager
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 McDonald, Manager of Planning & Marketing
John Walsh, Superintendent of Transportation
Robert Williams, Manager of Customer Relations
Michael Olivas, Deputy Admin. -Equal Employment Opportunities
R. K. Kissick, Secretary

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

Resolution
No. assigned

Presentation of Certificates of Merit

Director Price presented Certificates of Merit to John C. Tyler, Operator-of-the-Month; Juanita M. Cook, Information Operator-of-the-Month, and to Vincent L. Content, Maintenance Employee-of-the-Month for April, 1977.

Adoption of Resolution Regarding Establishment of a Public Transit Trust Fund

At the request of Director Brewster, Agenda Item No. 22 (a) was considered out of order. Director Brewster read a draft resolution which he had proposed concerning the establishment of a Public Transit Trust Fund.

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

R-77-205

WHEREAS, the President of the United States has presented a comprehensive energy program to the U. S. Congress for legislative action; and

WHEREAS, public transportation is an integral and necessary facet of energy conservation programs; and

WHEREAS, it has been estimated that a five cents (5¢) gas tax would raise \$5 billion dollars in incremental revenue;

NOW, THEREFORE, BE IT RESOLVED, that the Southern California Rapid Transit District urges that legislation be considered which would direct a share of the proceeds of any new automobile-generated conservation taxes as a source of continuing funding for a permanent Public Transit Trust Fund; and

Resolution
No. assigned

R-77-205
(continued)

RESOLVED FURTHER, that distribution from such a fund should be made proportionately to States according to amounts of revenues generated within each State; and

RESOLVED FURTHER, that an appropriate agency within each State or subdivision thereof be the designee for the collection and distribution of such funds generated within the boundaries thereof; and

RESOLVED FURTHER, that other sources of continuing funding for such a permanent Public Transit Trust Fund also be investigated; and

RESOLVED FURTHER, that the Southern California Rapid Transit District endorses the efforts of U. S. Transportation Secretary Brock Adams and of Senator Alan Cranston and other elected representatives to include support for public transportation as part of the nation's energy conservation program.

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

Submission of Proposed Budget for Fiscal Year 1978

General Manager Gilstrap presented the proposed budget for Fiscal Year 1978 and read into the record his budget presentation statement. Copies of the proposed budget were distributed to members of the Board and to the public in attendance at the meeting.

Following the budget presentation, President Holen referred the proposed budget to the Finance Committee

Resolution
No. assigned

for review, and stated a public hearing on the budget would be held on June 2 and the Finance Committee would present a preliminary report on June 9.

Setting of Public Hearing on Proposed Budget for Fiscal Year 1978

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

R-77-206

NOTICE OF PUBLIC HEARING ON
PROPOSED BUDGET OF THE
SOUTHERN CALIFORNIA RAPID
TRANSIT DISTRICT FOR THE
FISCAL YEAR 1978

Notice is hereby given that the Southern California Rapid Transit District will hold a public hearing on its proposed budget for the fiscal year 1978 in the District Board Room, 425 South Main Street, Los Angeles, California, at 1:00 p.m. on the 2nd day of June, 1977. Said hearing will be held, and this notice is given, pursuant to the provisions of Section 1010 of that certain Trust Indenture dated as of January 1, 1958, as amended, entered into between Los Angeles Metropolitan Transit Authority (predecessor of Southern California Rapid Transit District) and the Bank of America National Trust and Savings Association.

Notice is also given that any bondholder or other interested person may appear in person or by agent or attorney, or present any objections to such proposed budget.

DATED: May 20, 1977

SOUTHERN CALIFORNIA RAPID
TRANSIT DISTRICT

Marvin L. Holen, President

Resolution
No. assigned

R-77-206
(continued)

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

Revision of Minority Business Enterprise (MBE) Utilization
Program Policy - Tabled to June 2

Mr. Black explained a clarification clause which had been inadvertently omitted in the final text of the MBE policy which had been adopted by the Board on May 10, which clause would provide that the actual amount for each MBE subbid up to a maximum of \$50,000 shall be used in calculating the total MBE utilization percentage for each bid.

Copies of a letter dated May 20 from the Minority Contractors Association of Los Angeles were distributed and Mr. Ron Saenz representing the Association appeared before the Board stating their suggestion was to add a clause reading "The sum of all subtrade elements to the extent of \$50,000 of their value." This clause would be in addition to the one recommended by the staff. He felt the inclusion of both clauses would raise the Division 5 goal of 7% minority to 14.2%.

Mr. Black felt the adoption of the recommendation would set the minority goal too high and unattainable.

Resolution
No. assigned

Director Lewis moved adoption of the staff recommendation, and refer the Association request to the Facilities & Construction Committee for review, which motion was seconded.

Director Neusom made a substitute motion to refer the entire matter to the Committee for review, which motion was seconded. After further discussion Mr. Neusom amended his motion to consider the entire matter today, which motion was seconded. He felt the difference in the two clauses was a goal and that a goal was not necessary at this time.

The Board recessed at 2:20 p. m. and reconvened at 2:32 p. m.

Mr. Neusom presented a further amendment to his substitute motion to include both clarification clauses in the policy, that the staff be directed to send the policy to UMTA for consideration, and that recommended goals be considered by the Board at the Special Meeting scheduled at 10:00 a. m. on June 2, which motion was seconded.

Following discussion as to the advantages of having the Associated General Contractors Association represented at the time a policy change is proposed, President Holen suggested that the entire matter be tabled for consideration at the June 2 Special Meeting.

Resolution
No. assigned

Director Neusom thereupon presented a further substitute motion to table the entire matter for consideration at the June 2 Special Meeting, which motion was seconded, carried as noted below, and the following resolution adopted:

R-77-207

RESOLVED, that proposed revisions to the Minority Business Enterprise Utilization Program policy be tabled and placed on the agenda for consideration at the Special Meeting of the Board of Directors scheduled to be held at 10:00 a. m. on Thursday, June 2, 1977.

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

Report of Equipment & Maintenance Committee

Director Storing, Chairman of the Equipment & Maintenance Committee, moved approval of the report dated May 12 regarding accessible buses, which motion was seconded.

Director Brewster inquired if the recommended continuance of the accessible bus policy for all standard size buses also included intermediate buses, and the motion was amended to include intermediate buses.

Dennis Cannon, the District's handicapped consultant, stated he felt that the high occupancy vehicles to be ordered could be equipped with lifts, but concurred in ordering high capacity buses in small quantities for test purposes.

Resolution
No. assigned

Mr. Gilstrap stated that the Board had recently requested a recommendation from the staff regarding the purchase of high capacity buses for cost effectiveness, and the District has an UMTA application pending to purchase 20 double deck buses.

(Director Leonard left the meeting at 3:10 p. m.)

It was the general consensus the motion should exclude that portion stating the accessible bus policy will be reevaluated after a six-month test period of the 200 standard buses to be received next fall.

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

R-77-208

RESOLVED, that this Board of Directors continues its accessible bus policy for all standard and intermediate size buses;

RESOLVED FURTHER, that the District proceed with the ordering of high capacity vehicles without lifts until such time as the operational feasibility and use of such facilities are proved or disproved.

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

Report of Surface Operations Committee - Agenda Item
Nos. 6 through 10

Director Price, Chairman of the Surface Operations
Committee, reported the Committee had reviewed Item

Resolution
No. assigned

Nos. 6 through 10 on the agenda, and that the Committee had carried Item 6 over to the Board meeting pending a further report.

On motion of Director Price, seconded and carried as noted below, Agenda Item Nos. 7 through 10 were approved, and the following resolutions adopted:

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

R-77-209

RESOLVED, that the General Manager is authorized to execute a contract with Zumar Industries, 2828 Stanford Avenue, Los Angeles, the lowest responsible bidder under Bid No. 6-7706, covering the purchase of 5,000 triangular bus stop signs at a cost of \$25,600; form of contract subject to approval of the General Counsel.

R-77-210

RESOLVED, that the General Manager is authorized to execute a contract with Hausman Bus Parts, 930 Selby Street, El Segundo, the lowest responsible bidder under Bid No. 5-7704, covering the District's requirements for oil and grease seals for a one year period at a cost of approximately \$45,993; form of contract subject to approval of the General Counsel.

R-77-211

RESOLVED, that the General Manager is authorized to execute contract renewals with Greyhound Lines, Inc. covering the lease of space at the District's El Monte Terminal facility for baggage express and passenger agency station, for a three-year term commencing June 1, 1977, at a monthly rental rate of \$1,925, with said leases providing termination clauses upon the giving of 120 days' written notice; form of renewals subject to approval of the General Counsel.

Resolution
No. assigned

R-77-212

RESOLVED, that the General Manager is authorized to execute contract amendments to the following six ticket seller agreements to provide that the commission for the sales of District monthly passes be decreased from five percent (5%) to three percent (3%) effective July 1, 1977:

Azusa Travel
City of Pasadena Convention Center
M. G. M. Travel Service
Riverside Greyhound
San Bernardino Greyhound
Santa Monica Greyhound

with form of amendments subject to approval of the General Counsel.

Award of Contracts Covering Requirements for Dextron II
Transmission Fluid and #350 Thinner

After receiving answers from the staff certifying that the recommendations for bid awards under Agenda Item No. 6 were to the lowest responsible bidders, on motion of Director Price, seconded and carried as noted below, the following resolution was adopted:

R-77-213

RESOLVED, that the General Manager is authorized to execute contracts with the following lowest responsible bidders under Bid No. 5-7702, as follows:

- a. Union Oil Company, 13707 South Broadway, Los Angeles, covering the District's requirements for Dextron II transmission fluid for a one-year period at an estimated cost of \$107,484; and

Resolution
No. assigned

- b. Chevron, USA, Inc., 1201 South Beach Boulevard, La Habra, covering the District's requirements for #350 thinner for a one-year period at an estimated cost of \$30,380;

form of contracts subject to approval of the General Counsel.

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

Report of Advance Planning & Marketing Committee -
Agenda Item Nos. 11 and 12

Director Brewster, Chairman of the Advance Planning & Marketing Committee, reported that the Committee had reviewed the report dated May 19, 1977, a copy of which is filed with the Secretary, presenting a status report on negotiations for contracted bus services in Orange, Riverside and San Bernardino Counties, and the Downtown Los Angeles and Westwood Minibus operations, all for the fiscal year 1978. Director Brewster moved that the report be received and filed with the understanding that a further report would be submitted by the staff as negotiations proceed, which motion was seconded and unanimously carried.

There was a short discussion as to whether the staff needed Board action to indicate that services would be

Resolution
No. assigned

removed if the contracts were not signed, with the general consensus being that such action was not necessary at this time.

Approval of New Designs for Placement of Commercial Advertising on Interior and Exterior of SCR TD Buses

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

R-77-214

RESOLVED, that the format for the interior display of advertising and public service message information and the initial pilot program for exterior advertising using pressure sensitive vinyl materials on SCR TD buses, as described in the report dated May 13, 1977, a copy of which is filed with the Secretary, be and the same are hereby approved.

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

Director Brewster announced that with respect to the pilot program on the exterior of buses, the staff was moving toward a goal of 10% of District buses on this program.

Approval of Vacation Carry-Over for Five Staff Members

On motion of Director Takei, Chairman of the Personnel, Committee, seconded and carried as noted below, the following resolution was adopted:

Resolution
No. assigned

R-77-215

RESOLVED, that the report dated May 13, 1977, a copy of which is filed with the Secretary, recommending additional vacation carry-over for five staff members who were unable to take vacations, be and the same is hereby approved, with said vacation carry-overs being for one year only.

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

Report of the Finance Committee

On motion of Director Lewis, Chairman of the Finance Committee, seconded and unanimously carried, the Operating Report for the month of April, 1977 was ordered "Received and filed."

Communication to Los Angeles County Transportation Commission Regarding Distribution of Balance of Fiscal Year 1977 SB-325 Funds

With the consent of all Directors present, a communication to the Los Angeles County Transportation Commission was added to the agenda for consideration.

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

R-77-216

RESOLVED, that a communication from the District to the Los Angeles County Transportation Commission be transmitted requesting the Commission to request the Southern California Association of Governments to request the Auditor-Controller to distribute all funds that accrue to the Local Transportation Fund (SB-325) during the fiscal year ending June 30, 1977.

Resolution
No. assigned

R-77-216 Ayes: Brewster, Holen, Lewis, Neusom,
(continued) Price, Richter, Storing, Takei
 Noes: None
 Abstain: None
 Absent: Cook, Gibbs, Leonard

Approval of Consent Calendar

At Directors' requests, Agenda Item Nos. 15 and 17 on the Consent Calendar were carried over for separate consideration.

On motion of Director Brewster, seconded and carried as noted below, Item Nos. 16, 18, 19 and 20 on the Consent Calendar were approved, and the following resolutions adopted and/or actions taken:

Ayes: Brewster, Holen, Lewis, Neusom (see
 abstention on one item listed below),
 Price, Richter, Storing, Takei
Noes: None
Abstain: Neusom on Item 19 only (Resolution
 No. R-77-219)
Absent: Cook, Gibbs, Leonard

R-77-217 RESOLVED, that the General Manager is authorized to execute a contract with Transparent Products Corporation, 1727 West Pico Boulevard, Los Angeles, the lowest responsible bidder under Bid No. 5-7703, covering the purchase of 110,000 linear feet of Mylar sign material at a cost of \$36,071; form of contract subject to approval of the General Counsel.

R-77-218 RESOLVED, that the General Manager is authorized to execute a contract with Transit Equipment Manufacturing Company, 7811 Alabama Avenue #7, Canoga Park, the lowest responsible bidder under Bid No. 5-7705, covering the District's requirements for miscellaneous bearings for a six-month period at an estimated cost of \$16,092; form of contract subject to approval of the General Counsel.

Resolution
No. assigned

R-77-219

RESOLVED, that the Purchasing Agent is authorized to hold a public auction in accordance with the provisions set forth in the Rules and Regulations for the sale of nineteen (19) used vehicles, consisting of automobiles, trucks and a motorcycle; terms and conditions of said sale being subject to approval of the General Counsel.

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Approved the Minutes of Regular Meeting held April 28, 1977 and Special Meeting held May 5, 1977.

(Director Brewster left the meeting at 3:35 p.m.)

Approval of Revisions to Article XI of the Rules and Regulations Regarding Sale of District Property

Agenda Item No. 15, a proposed change in the Rules and Regulations regarding sale of District property, was considered separately at the request of Director Neusom. Mr. Powers explained that the change was proposed as a result of a request by the Board recently that District employees be prohibited from purchasing District property by means of sealed bids. Mr. Powers further reported that under certain conditions employees could bid on the sale of District property at auction, but that it was not necessary to include this provision in the Rules and Regulations.

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

Resolution
No. assigned

RESOLVED, that Article IX, Section 9.1 of the Rules and Regulations be and the same is hereby amended by the addition of the following sentence thereto:

"District employees are excluded from participating in sales of District property when such sales are made by sealed bid."

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

Award of Contract for Purchase of Pavement Roller

At the request of Director Storing, Agenda Item No. 17, the purchase of a pavement roller, was considered separately. The staff answered several questions regarding the number of acres of asphalt pavement it was necessary for the District to maintain, both owned and leased, and the fact that an inferior roller was presently being leased from the state; also, that the purchase of the new roller was under an UMTA grant.

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

R-77-221

RESOLVED, that the General Manager is authorized to execute a contract with Essick Manufacturing Company, 1950 South Sante Fe Avenue, Los Angeles, the lowest responsible bidder under Bid No. CA-03-0121-F, covering the purchase of one (1) pavement roller at a cost of \$14,364, which purchase is funded in part under UMTA Capital Grant No. CA-03-0121; form of contract subject to approval of the General Counsel.

Resolution
No. assigned

R-77-221 Ayes: Holen, Lewis, Neusom, Price,
(continued) Richter, Storing, Takei
 Noes: None
 Abstain: None
 Abstain: Brewster, Cook, Gibbs, Leonard

Director Reports

President Holen requested that a letter from Senator Alan Robbins dated May 10, requesting District support of SB 1000, be placed on the agenda for consideration at the June 9 regular meeting.

Director Lewis requested that a meeting of the Finance Committee be scheduled immediately following the public hearing which will be held at 1:00 p. m. on Monday, June 13, to review the budget and prepare recommendations of the Committee. Mr. Lewis requested the General Manager and staff to submit several reports, including what programs have been reduced or deleted by reason of personnel reduction, a summary of the short range transportation plan, including where the gaps are due to lack of funding, etc.

(Director Leonard returned to the meeting at 3:45 p. m.)

Mr. Gilstrap reported that the non-contract salary recommendations would be brought to the Board for consideration on June 9.

Resolution
No. assigned

At the request of Director Lewis, an ARCO commercial promoting public transit was presented. Also shown was a District commercial which will be shown at Pacific Drive-In Theatres.

The staff was directed to prepare a Certificate of Merit award which could be presented to ARCO and other companies or individuals when appropriate.

(Director Neusom left the meeting at 3:55 p. m.)

Director Lewis suggested a special committee of the Board be appointed to meet with Airport Commission regarding the problems of the airport operation, and President Holen reported that such a process was already underway.

Director Lewis inquired concerning experimenting with minibus operation in the San Gabriel Valley, and particularly out of the El Monte Station during mid-day hours to replace large buses. Director Storing felt that some such type of operation might also be considered for the East San Gabriel Valley.

There was a short discussion regarding a meeting of the advisory committee which was directed be established by Board resolution with the cities of Pomona, Claremont and La Verne. The staff was directed to invite representatives from those cities to attend the June 9 meeting at which


Resolution
No. assigned

time a report is to be considered regarding service to the
Montclair Shopping Center.

Appearance of Ms. Patricia Price

Ms. Patricia Price, who had appeared before the
Board at the May 10 meeting, again appeared before the
Board and reported she had received responses from the
Department of Justice and legislators in response to her
requests for their support of transit. She also stated that
she was gaining support from the public in her efforts to
oppose the upcoming fare increases.

The meeting was adjourned at 4:18 p. m.


Secretary