

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

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

September 22, 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 1:10 p.m. on September 22, 1977, at which time President Marvin L. Holen called the meeting to order.

Directors present:

George W. Brewster
Byron E. Cook
Donald Gibbs
Marvin L. Holen
Gerald B. Leonard
(entered at 1:15 p.m.)
Mike Lewis

Thomas G. Neusom
(entered at 1:15 p.m.)
Jay B. Price
Ruth E. Richter
Charles H. Storing
George Takei

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
George L. McDonald, Manager of Planning & Marketing
Byron Lewis, Director of Personnel
Joe B. Scatchard, Controller-Treasurer-Auditor
Donald Gardner, Senior Electrical Engineer
Robert Williams, Manager of Customer Relations
Helen M. Bolen, Assistant Secretary

Also present were members of the public and news media.

Presentation of Certificates of Merit

Director Lewis presented Certificates of Merit to Marvin A. Michael, Operator-of-the-Month, Wilbert Beard, Information Operator-of-the-Month, and to Frank Provencher, Maintenance Employee-of-the-Month, all for the month of August, 1977.

Introduction of District's 1977 Roadeo Winner

President Holen introduced Mr. Howard Brenchley, winner of the District's 1977 Roadeo contest. Mr. Brenchley will represent the District at the National Roadeo in Atlanta.

Agenda Item No. 17(b) - Consideration of Experimental Line in Granada Hills Utilized Minibus Equipment

Staff presented a report dated September 16, 1977 reviewing costs and alternate funding for an Experimental line utilizing minibus equipment in the Granada Hills area of the City of Los Angeles. Director Leonard had requested a staff study of this proposed service.

Diana Landeen, Field Deputy for Councilman Wilkenson and Bill Stewart, San Fernando Valley Mayor's Transportation Committee appeared before the Board on this matter, opposing the reduction or curtailment of

service in another area to provide the service.

David Gatley, Granada Hills Homeowner Association, appeared before the Board to reaffirm that the area does need bus service, preferably a minibus or an extension to Line No. 156. The area has been requesting service for over three years.

Director Lewis made a motion asking staff to prepare a revised policy regarding the utilization of minibus equipment, since the current policy is to utilize this equipment only where it will meet the full cost of operation, which motion was seconded. Director Leonard stated that this service is one that Supervisor Ward would support, perhaps with a funding subsidy. Director Richter moved that staff prepare a priority list for future minibus service, which motion was not seconded.

Upon motion of Director Storing, seconded and unanimously carried, the question was divided and each motion was considered separately.

Director Lewis moved that staff prepare and forward to the Board a proposed policy for the utilization of minibus equipment, which motion was seconded and

unanimously carried.

Director Neusom moved that staff be authorized to negotiate with the County of Los Angeles and the City of Los Angeles for the provision of service where there is a demonstration of interest in the funding of such service and if the equipment is available, with the proviso that if the equipment should be needed elsewhere that the contract could be terminated upon appropriate notice, which motion was seconded.

Director Leonard offered a substitute motion to implement the service in the Granada Hills area on weekdays based on the elimination of Sunday service on Line No. 155, which motion was seconded and carried as follows on a Roll Call vote:

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

Director Neusom stated that he was prepared to join any of his fellow Directors in an attempt to get funds from the County of Los Angeles for any service of this nature.

Director Richter demanded that staff give the Board

a list of prioritization for any new service to be implemented. General Manager Gilstrap responded that such a list would start with those services which are being cut back between this time and December, 1977.

Mr. Scatchard informed the Board that the elimination of Sunday service on Line No. 155 would provide only half the funds needed to provide the minibus service in Granada Hills.

Director Cook made a motion to reconsider the substitute motion, which motion was seconded and passed with Director Leonard voting "No".

The substitute motion was reconsidered, resulting in a 1-10 vote, with Director Leonard casting the only affirmative vote.

Director Neusom's motion was then considered and passed unanimously and the following resolutions were adopted as noted below:

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

Resolution
No. Assigned

R-77-360 RESOLVED, that staff is directed to prepare and forward to the Board of Directors a proposed policy for the utilization of minibus equipment.

R-77-361 RESOLVED, that staff is authorized, upon a demonstration of interest, to negotiate with the County of Los Angeles and/or the City of Los Angeles to provide service on a contractual basis with the funding to be supplied by the County or the City, with the proviso that when a policy is determined as to the use of the minibus equipment and the equipment is needed elsewhere, the District would be able, upon appropriate notice, to terminate the contract.

Agenda Item No. 3 -
Consideration of Contractual Amendments proposed by
AM General - Referred to Staff for Recommendation and
Setting of Special Meeting

Mr. John Killinger of AM General appeared before the Board to explain AM General's desire to amend the contract covering the manufacture of 200 E & H buses and to answer any questions the Board may have.

Director Price moved that the District accept the contract amendments with the concurrence of UMTA and the General Counsel, which motion was seconded.

After discussion, General Counsel Powers stated that the District could be subjected to some criticism for not utilizing the liquidated damages clause, and he would prefer to formally amend the contract rather than have

Resolution
No. Assigned

the General Manager authorized to sign the letter agreement. There are warranty considerations which must be taken into account and this can best be handled by an amendment.

(Director Lewis left the meeting at 3:20 p.m.)

Director Cook made a motion to refer the matter back to staff to rewrite the contract, which motion was seconded and unanimously carried.

Dennis Cannon appeared before the Board and stated that the bus and lift, as it is proposed to be retrofitted by AM General, is satisfactory.

Director Cook further moved that a Special Meeting of the Board of Directors be called at 1:00 p.m. on October 4, 1977 to consider the proposed amended contract, which motion was seconded and carried.

The following resolutions were adopted as noted below:

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

Resolution
No. Assigned

R-77-362 RESOLVED, that the matter of the proposed contract amendments covering the manufacture of 200 E & H buses by AM General be referred to staff for rewriting and brought back to the Board for consideration.

R-77-363 RESOLVED, that a Special Meeting of the Board of Directors is hereby called to be held at 1:00 p.m. on October 4, 1977 for the purpose of considering the proposed amended contract with AM General.

Mr. Heinle reported that there will be a final inspection of the buses in Mishawaka, Indiana on September 27 and invited Board members to participate in this final inspection.

(Director Lewis re-entered the meeting at 3:30 p.m.)

Report on Los Angeles International Airport Service -
Carried Over

Upon motion of Director Neusom, seconded and unanimously carried, the report on Los Angeles International Airport Service was carried over to the meeting of October 18, with the Directors to be furnished updated material on all applicants before the Public Utilities Commission on this matter. It was further directed that all PUC applicants be invited to attend the October 18 Board Meeting.

Resolution
No. Assigned

Report of the Community and Customer Relations
Committee

On motion of Director Richter, Chairman of the
Community and Customer Relations Committee, seconded
and carried as noted below, the Committee recommendation
on Agenda Item No. 4 was approved and the following
resolution adopted:

R-77-364 RESOLVED, that Committee of the Whole Meetings
be scheduled as needed in various communities of the
District's service area, with the agendas for these
meetings to pertain to the respective community;

RESOLVED FURTHER, that a minimum of five (5)
such meetings are to be scheduled annually.

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

Added to Agenda - Approval of Contract with Ticketron
Covering the Sale of District Passes

With the concurrence of all Directors present, the
matter of a proposed contract with Ticketron was added
to the Agenda.

Director Richter made a motion to contract with

Resolution
No. Assigned

Ticketron covering the sale of the District's passes with up to seven "no value" stamps for a one-year period, with the right to cancel upon appropriate notice, and with the contract to specify that this arrangement is experimental in nature, which motion was seconded.

General Manager Gilstrap informed the Board that staff does not believe the indemnification or identification features are adequate, does not believe the passes sold by Ticketron will be 'policeable', and further, that the District will not have the same degree of control over passes sold by Ticketron that we have over the passes sold by the other 200 pass outlets.

Mr. Dan Miller, Vice-President of Ticketron, appeared before the Board and stated that in previous discussions he did not understand that the stamps had a monetary value. He indicated that Ticketron is willing to affix the stamp, but they are against the stamp having value.

On a call for the question, Director Richter's motion was passed as noted below and the following

Resolution
No. Assigned

resolution was adopted:

R-77-365 RESOLVED, that the General Manager is authorized to enter into a contract with Ticketron covering the sale of District passes with up to seven 'no value' stamps, to be silver in color, at the standard commission rate of 3%, with the contract to be for a one-year experimental period and to contain a cancellation clause; form of contract subject to approval of the General Counsel.

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

Added to Agenda - Transfer of Pass Sales Function from
Operations Department to Marketing Department

With the concurrence of all Directors present, the matter of transferring of the pass sales function was added to the agenda.

Director Richter made a motion to transfer immediately the pass sales function from the Operations Department to the Marketing Department to further facilitate the marketing, promotion and distribution of passes, which motion was seconded.

General Manager Gilstrap advised the Board that this matter has come up before and since the District is

Resolution
No. Assigned

Construction Committee, reported that Agenda Items No. 5, 6 and 7 were forwarded from his committee with a 'do pass' recommendation.

After discussion, each item was considered separately.

On motion of Director Gibbs, seconded and carried as noted below, Agenda Item No. 5 was approved and the following resolution was adopted:

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

R-77-567 RESOLVED, that the General Manager is authorized to execute a contract with Zapata Diversified Builders, 14409 South Paramount Blvd, Paramount, the lowest responsible bidder under Bid No. CA-03-0106-D covering Phase II reconstruction at Division 5 at a total bid price of \$1,774,900, which project is funded in part under UMTA Capital Grant Project No. CA-03-0106; with contract award subject to the concurrence of UMTA with form of contract subject to approval of the General Counsel.

Director Gibbs moved that Agenda Item No. 6 be approved, which motion was seconded and failed to carry on a 5-5-1 vote as indicated below:

Resolution
No. Assigned

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

Director Neusom and Director Takei indicated that they were displeased with the minority contractor participation. After discussion, President Holen directed the Facilities and Construction Committee to undertake the task of exploring ways to increase the minority contractor participation in the District's Capital Improvement contracts, with Director Neusom to be invited to participate in Committee meetings on this subject.

Following the above action on Agenda Item No. 6, President Holen directed that this contract award be held in abeyance until the Facilities and Construction Committee can meet to further discuss the matter.

Director Gibbs moved that Agenda Item No. 7 be approved, which motion was seconded and carried as noted below and the following resolution was adopted:

R-77-368 RESOLVED, that the General Manager is authorized to award a contract to United Riggers and Erectors,

Resolution
No. Assigned

R-77-368 12222 East Florence Santa Fe Springs, the lowest re-
(Contd) sponsible bidder under Bid No. CA-3-0049-K covering
procurement of bus washer for Division 3 at a total bid
price of \$178,012, which purchase is funded in part
under UMTA Capital Grant Project No. CA-03-0049
and is subject to the prior concurrence of UMTA;
with form of contract subject to approval of the General
Counsel.

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

Report of the Advance Planning and Marketing Committee-
Agenda Items No. 8 and 9

Director Brewster, Chairman of the Advance Planning
and Marketing Committee reported that the Committee
recommended Agenda Item No. 8, the proposed Supple-
mental Marketing Plan for Pass Sales, be referred back
to the staff for refinement and to be brought to the Board
in the near future. With the concurrence of all Directors
present, this matter was referred to staff.

Upon motion of Director Brewster, seconded and
carried as noted below, Agenda Item No. 9 was approved,
and the following resolution was adopted:

Resolution
No. Assigned

R-77-369 RESOLVED, that the report dated September 16, 1977, a copy of which is filed with the Secretary, is approved, and the General Manager is authorized to delete from the Official Route Descriptions Twelfth Revised Page 127 effective at the conclusion of the 1977 Summer Season; subject to the approval of the Consulting Engineer.

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

(Director Brewster left the meeting at 4:50 p. m.)

Report of the Rapid Transit Committee - Agenda Item
No. 10

 Upon motion of Director Leonard, Chairman of
the Rapid Transit Committee, seconded and carried as
noted below, Agenda Item No. 10 was approved and the
following resolution was adopted:

R-77-370 RESOLVED, that the General Manager is authorized
to execute a contract with ESCA-TECH Corporation,
8405 Pershing Drive, Suite 402, Playa del Rey, covering
geotechnical services in connection with the Rapid
Transit Element of the Regional Transportation Develop-
ment Program, which project is funded with Proposi-
tion 5 funds; subject to approval of the Urban Mass Trans-
portation Administration, with form of contract subject
to approval of the General Counsel.

Ayes: Gibbs, Holen, Leonard, Lewis,
 Neusom, Price, Richter, Storing,
 Takei

Resolution
No. Assigned

Noes: None
Abstain: None
Absent: Brewster, Cook

Report of the Financial Committee -
Agenda Item No. 11

Upon motion of Director Lewis, Chairman of the Finance Committee, seconded and carried as noted below, the Operating Report for the month of August, 1977 was ordered "Received and Filed".

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

Report of the Personnel Committee -
Agenda Item No. 12 Carried Over

Director Takei, Chairman of the Personnel Committee made a motion recommending adoption of a new Non-Contract Salary Schedule, with grades

Resolution
No. Assigned

numbering 1 through 130 with 1% differential between grades, to be implemented July 1, 1978, which motion was seconded.

Director Neusom reported that he is opposed to adoption of this schedule, that it will be difficult to administer and will not solve the total problem.

After discussion, Chairman Takei reported that the Personnel Committee had held for further discussion the bonus portion of the report for further study, and that perhaps the total package should be withheld until the Board Meeting on October 18.

President Holen directed that this matter be referred to the Personnel Committee and be brought back to the Board Meeting on October 18. Director Storing voiced his formal objection to the carrying over of this matter.

Resolution
No. Assigned

Productivity Meeting Held in Norfolk, Virginia

Director Neusom reported that he and several staff members had attended the UMTA and APTA sponsored National Conference on Transit Performance held in Norfolk, Virginia, September 19-21. Due to time constraints, he indicated that he would report on this conference at the Committee of the Whole Meeting on October 4.

Approval of Consent Calendar

On motion of Director Price, seconded and carried as noted below, Agenda Items No. 13 through 15 on the Consent Calendar were approved, and the following resolutions were adopted and/or actions taken:

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

R-77-371 RESOLVED, that Requisition No. 7-7300-670 is approved, and the Purchasing Agent is authorized to call for bids covering the District's requirements for hydraulic clutch kits for a one-year period, with option for one 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-77-372 RESOLVED, that Requisition No. 7-3399-2429 is approved, and the Purchasing Agent is authorized to call for proposals covering elevator and escalator preventative maintenance service at El Monte, University and Hospital Busway Stations for a two-year period; form of RFP subject to approval of the General Counsel.
- Approved the Minutes of the Regular Meeting held September 8, 1977
- Ratified temporary route diversions as described in report dated September 16, 1977 filed with the Secretary.
- Ratified bus stop zone changes as described in report dated September 16, 1977 filed with the Secretary.
- Received and Filed Purchasing Agent's Report of Sales Orders - Second Quarter, 1977.

Committee Reports

Director Leonard, Chairman of the Rapid Transit Committee, reported that his Committee had met on September 13, 1977 and considered an item regarding the Portland Downtown Transit Mall. With the concurrence of all Directors present, this item was added to the agenda.

On motion of Director Leonard, seconded and carried as noted below, director travel to Portland was approved and the following resolution adopted:

- R-77-373 RESOLVED, that members of the Board of Directors are authorized to inspect the Downtown Transit Mall in Portland, Oregon, which is comparable to the Broadway

Resolution
No. Assigned

Mall contemplated in Los Angeles, and the Treasurer is authorized to reimburse expenses incurred in connection with said inspection.

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

(Director Neusom left the meeting at 4:55 p. m.)

Report of the President Regarding Student Pass Sales

President Holen reported on the events to date in the District's attempts to negotiate with the Los Angeles City School District an arrangement whereby student passes would be sold on-campus. He reported that he had appeared before the School Board on Monday, September 19, but that the meeting was unproductive.

(Director Brewster returned to the meeting at 5:10 p. m.)

Mr. Gordon Trigg, Manager of the Student Auxiliary Services Branch of the Los Angeles City School District appeared before the Board. Mr. Trigg stated that he was attending the meeting as an observer. He commented on the complexities of the pass sale procedure and emphasized

Resolution
No. Assigned

that student store operation, where the passes would be sold is not a sophisticated operation, and the mere thought of handling approximately \$7,200,000 per year is mind-boggling.

President Holen closed his report with a reiteration of his request for a minute examination of the school district's proposed procedure for the handling of passes.

Mr. Howard Watts spoke before the Board, offering his comments on the issue of the sale of school passes by the School District, and on the Public Records Act.

Report of the General Manager

General Manager Gilstrap reported that he had been in Pittsburgh lecturing at the Carnegie Mellon Institute on Productivity and had visited with the Chairman of the State Transportation Board and an engineer from CalTrans.

Mr. Gilstrap reported that on Thursday, September 15, he had attended the APTA Government Affairs Meeting and had discussed two pieces of legislation; i. e., the William Bill which has passed the Senate and is over in the House, and the Howard Bill which has recently gone

Resolution
No. Assigned

through mark-up and will be before the Public Works Committee shortly. Both of these bills are very sketchy about Section 5 funds and should be watched very carefully.

General Manager Gilstrap reported that he had suggested to the APTA Government Affairs Committee, that there is a section in the current law which provides special funding for those cities which operate long haul commuter rail service, and that there really is no difference in basic concept in steel on steel or rubber on concrete and if eastern cities are going to receive special funds for long haul high-cost steel on steel service, there should be funds to provide for long haul high-cost rubber on concrete service. This suggestion was not well received by APTA, but we are approaching several people in Congress and it may be possible to utilize these funds for our freeway commuter services.

Attendance at the Transportation Research Council meeting revealed that the highway people are very anxious about transit and are trying to join more closely with transit and there should be strong support for a gas tax proposal

Resolution
No. Assigned

by the highway interests in Congress.

Mr. Gilstrap commented that the Conference on Transit Performance in Norfolk, Virginia was a success. The principal conclusion was if public transit is to be evaluated and its performance judged, it first comes down on the policymakers at all levels to decide what our job is; whether it is to get people out of cars, to carry the transit dependent, or to increase revenues, or hold down subsidies, etc. This will be the primary challenge to all of us in the transit industry in the years ahead, with limited resources available.

Appearance of Mr. John Furlong

Mr. Furlong appeared before the Board regarding the recent series of articles written by Ms. Ellen Stern Harris of the Los Angeles Times.

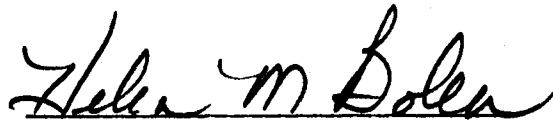
New Business

Director Leonard commented that some time ago, several directors had requested the appointment of various Board Members to various APTA committees and asked for a report. Mr. Stubbs responded that a letter

was written to APTA concerning this request. We did not receive a response, however, they are in the process of restructuring the committees. They have sent out a questionnaire about committee membership and we have responded.

Director Takei reported that while he was vacationing in Europe, he met with Mr. Andre Jacobs of UITP regarding Los Angeles being the host city for the UITP General Congress in 1981. Switzerland and Ireland have also expressed interest in hosting the meeting. Mr. Jacobs indicated that the management meeting will be held in October at which time some indicators should be visible as to which location will be most favorable.

The meeting adjourned at 5:52 p.m.


Assistant Secretary