

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

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

October 27, 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 October 27, 1977, at which time Vice-President George W. Brewster called the meeting to order.

Directors Present:

George W. Brewster
Byron E. Cook
Donald Gibbs
Gerald B. Leonard
(entered at 1:45 p.m.)
Mike Lewis

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

Directors Absent:

Marvin L. Holen

Staff Present:

Jack R. Gilstrap, General Manager
George W. Heinle, Manager of Operations

Resolution
No. Assigned

Jack Stubbs, Assistant General
Manager of Administration
Richard T. Powers, General Counsel
John S. Wilkens, Manager of
Employee Relations
Joe B. Scatchard, Controller-Treasurer-
Auditor
Richard Gallagher, Manager & Chief
Engineer-Rapid Transit
Michael Olivas, Deputy-Administrator,
Equal Employment Opportunity
Robert Williams, Manager of Customer
Relations
Anthony Fortuno, Director of
Marketing and Communications
Richard K. Kissick, Secretary

Also present were members of the public and
news media.

Presentation of Certificates of Merit

Director Takei presented Certificates
of Merit to David A. Biehn, Maintenance
Employee-of-the-Month, and to Donald M.
Allison, Information Operator-of-the-Month,
for the month of September, 1977. Operator-
of-the-Month Clarence W. Brumwell was unable
to attend the meeting, and the award of the
Certificate of Merit to Mr. Brumwell was
carried over to the next Meeting of the Board
of Directors.

Resolution
No. Assigned

Report of the Surface Operations Committee

Director Price, Chairman of the Surface Operations Committee, reported on Agenda Item Nos. 2, 3 and 4 in reverse order.

On motion of Director Price, seconded and carried as noted below, Agenda Item No. 4 was approved, and the following resolution adopted:

R-77-398

RESOLVED, that Requisition No. 7-3399-2457 is approved, and the General Manager is authorized to exercise an option with Calvet Trucks, 11233 San Fernando Road, San Fernando, under Bid No. CA-03-0121-K, covering the purchase of one additional six-yard dump truck at an estimated cost of \$27,500, which purchase is funded in part under UMTA Capital Grant Project No. CA-03-0132; form of option subject to approval of the General Counsel.

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

Director Price reported that at the request of President Holen, Agenda Item No. 3,

Resolution
No. Assigned

a report on the District's bus procurement plans, had been carried over and referred to the Equipment & Maintenance Committee for review and recommendation,

Director Price then reported that Agenda Item No. 2, a proposal to exercise an option with General Electric to purchase an additional 612 bus mobile radios and related equipment, had been carried over by the surface Operations Committee to the Board meeting pending receipt of additional information.

A copy of the abstract of Bid No. 1-7605, which indicated that General Electric was the lowest responsible bidder for the purchase of the original order of 1,608 radios as well as for the option to purchase an additional 612 units, was distributed. Mr. Gilstrap and Mr. Heinle explained the abstract and recommended approval to exercise the option.

Mr. Dick Day of Motorola appeared before the Board, as well as Mr. Gus Poulin of RCA.

Resolution
No. Assigned

Mr. Day felt that this was a separate procurement and that the exercising of the option indicated it was a sole source acquisition which is not the case, and requested rejection of the option and rebidding for the 612 radios. Mr. Poulin indicated that rebidding would certainly result in less cost and that new developments in the field would be advantageous.

Director Price felt the District should stay with General Electric, the overall low bidder, and moved approval of the staff recommendation, which motion was seconded.

Director Brewster felt there would be a time delay if the option is not exercised and the purchase rebid.

Mr. Stubbs explained the extended option expires November 30, and rebidding requires a 45-day bidding process with the possibility of prospective bidders protesting to UMTA which could result in further delay, thus extending any bid receipt beyond the extended option award date. Mr. Heinle also felt a

Resolution
No. Assigned

company would be required to go into a design schedule which would result in further delay.

Mr. Day felt the bidding process would not result in a delay since current radios being delivered are not due to be finally installed until February, 1978; however, on inquiry of Director Brewster, Mr. Day stated they could probably not deliver and install the additional 612 radios by February, 1978.

(Director Leonard entered the meeting at 1:45 p.m.)

Mr. Gilstrap asked Mr. Day if he could legally guarantee a bid price at or lower than the option under consideration, to which Mr. Day replied he could not, but stated the extension of the option was not a part of the original bid specifications.

Mr. Gilstrap felt that exercising of the option would result in obtaining the radios cheaper and quicker; also, that it would have to be approved by UMTA and RCA and Motorola could protest to UMTA before any final action

Resolution
No. Assigned

would be taken on the procurement.

The question was called for on Director Price's motion, carried by a Roll Call vote as noted below, and the following resolution adopted:

R-77-399

WHEREAS, in accordance with the provisions of Section 8.3(b)(4) of the Rules and Regulations, a Special Purchasing Committee met on October 27, 1977 and approved Requisition No. 7-3099-79 and expenditure of funds in an estimated amount of \$1,665,000 to purchase 612 bus mobile radios and related equipment;

NOW, THEREFORE, BE IT RESOLVED that Requisition No. 7-3099-79 is approved, and the General Manager is authorized to exercise an option with General Electric Company under Bid No. 1-7605 covering the purchase of 612 bus mobile radios and related equipment, at an estimated cost of \$1,665,000, which purchase is funded in part under UMTA Capital Grant Project No. CA-03-0132; subject to the concurrence of UMTA; form of option subject to approval of the General Counsel.

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

Report of the Equipment & Maintenance Committee

Director Storing, Chairman of the Equipment

Resolution
No. Assigned

& Maintenance Committee, reported that the Committee had met with representatives of the AM General Corporation on October 25 to review contract amendments proposed by AM General in connection with the manufacture of 200 E&H buses for the District, and had requested AM General to submit certain proposals in writing to be considered at a Special Board meeting to be called on November 3.

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

R-77-400

RESOLVED, that AM General Corporation is requested to submit to the District a written request for an extension of the delivery dates of 200 new E&H buses they are manufacturing for the District, which request will set forth the facts which they feel constitute excusable delay so that if the reasons are felt justified by this Board of Directors and, with the concurrence of UMTA, the extension of the delivery time will be used as the basis for the execution of a proposed change order which will be redrafted;

RESOLVED FURTHER, that a Special Meeting of this Board of Directors is called at 1:00 p.m. on November 3, 1977 in the District Board Room, 425 South Main Street, Los Angeles, to consider

Resoluton
No. Assigned

R-77-400
(continued)

the aforementioned matter, providing that AM General Corporation has furnished the information requested by the Equipment & Maintenance Committee prior to the time the matter will be reviewed by said Committee at a meeting to be scheduled on the morning of November 3, 1977.

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

Director Storing announced that the report on the bus procurement plans would also be considered at the Equipment & Maintenance Committee meeting on November 3.

Report of the Facilities & Construction
Committee

Director Gibbs, Chairman of the Facilities & Construction Committee, moved approval of Agenda Item Nos. 6 and 7. Since there was a public appearance requested regarding Item No. 7, the two items were considered separately.

On motion of Director Gibbs, seconded and carried as noted below, Agenda Item No. 6 was approved, and the following resolution adopted:

Resolution
No. Assigned

R-77-401

RESOLVED, that Requisition No. 7-9500-043 is approved, and the Purchasing Agent is authorized to call for bids covering the construction of an extension to the Transportation building at Division 18; form of bid requirements and specifications subject to approval of the General Counsel.

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

Director Gibbs moved approval of Agenda Item No. 7, a bid award covering the renovation of the Purchasing Department Office, which motion was seconded.

Mr. Charles A. Bell, representing the Barclay Construction Company of Compton, appeared before the Board and opposed the award since he felt there had been confusion to the bidders regarding the MBE percentage goal; that the low bidder, a minority contractor, did not submit any subcontractors, and that had he known a contract without subcontractors would be acceptable, his bid would have been different; that his bid had

Resolution
No. Assigned

proposed 46% minority subcontractors, and it was not fair to award the contract to a contractor with 100% minority without subcontractors.

There was a review of the discussion of the MBE program at the time of the pre-bid conference and the fact that the low bidder was a minority contractor without subcontractors, which possibility was not contemplated at the time the MBE program was adopted.

On motion of Director Gibbs, seconded and carried as noted below, the staff recommendation was approved and the following resolution adopted:

R-77-402

RESOLVED, that the General Manager is authorized to execute a contract with Howell Construction Company, Inc., P.O. Box 7753, Riverside, the lowest responsible bidder under Bid No. CA-03-0106-E, covering office renovation of the Purchasing Department, Division 14, at a total bid price of \$53,900, which project is funded in part under UMTA Capital Grant Project No. CA-03-0106; form of contract subject to approval of the General Counsel.

Ayes: Cook, Gibbs, Leonard, Lewis,
Price, Storing, Takei
Noes: Brewster, Richter
Abstain: Neusom
Absent: Holen

Resolution
No. Assigned

Report of Advance Planning & Marketing Committee

On motion of Director Brewster, Chairman of the Advance Planning & Marketing Committee, seconded and carried as noted below, Agenda Item No. 8 was approved and the following resolution adopted:

R-77-403

RESOLVED, that the book published by the California State Department of Education, containing the names of approved accredited schools, be and the same is adopted as the basis for the sale of student passes to students attending those schools.

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

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

R-77-404

RESOLVED, that the report dated October 21, 1977, a copy of which is filed with the Secretary, is approved, and the General Manager is authorized

Resolution
No. Assigned

R-77-404
(continued)

to remove current passenger restrictions on Line Nos. 33, 34, 83 and 841, and to include in the Official Route Descriptions Eighth Revised Page 34, Fifth Revised Page 83 and First Revised Page 841, and to delete therefrom Original Page 33A; to become effective as soon as practicable; subject to approval of the Consulting Engineer.

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

Director Lewis requested that the staff furnish a report listing other lines on which similar restrictions still exist.

Director Special Item added to Agenda -
Recission of Resolution Rejecting Bids
Received Covering Phase II Reconstruction
at Division 3 and Award of Contract to
Zapata Diversified Builders

At the request of Director Storing, Agenda Item No. 18 "Director Special Items" was approved for consideration out of number order.

Director Storing moved that the Board action of October 18, 1977 relative to rejection of bids received for the Phase II

Resolution
No. Assigned

reconstruction at Division 3 be rescinded and the contract awarded to Zapata Diversified Builders, which motion was seconded.

Director Neusom objected, stating that this did not come under the matter of Director Special Items.

Mr. Powers felt that the first action should be a motion to add an item to the agenda, and then under the District's rules the matter could be considered.

Director Storing moved that the matter be added to the agenda for consideration, which motion was seconded and carried, with Director Neusom voting "no."

Mr. Powers then stated that the motion for reconsideration of a previous action should be made by a member who was on the prevailing side of the original vote.

Director Cook moved reconsideration, which motion was seconded. Vice-President Brewster ruled that reconsideration was a proper action.

Resolution
No. Assigned

Director Neusom felt that consideration of the matter without public notice and not on the agenda was objectionable, and that responsible persons would want to appear before the Board on the matter.

On inquiry of Mr. Cook, Mr. Powers stated the Board could legally consider the matter.

Mr. Takei asked if UMTA had commented further on the matter, and Mr. Powers stated the staff had talked to the UMTA general counsel and there was a clause which gives the federal government the right to terminate the contract under certain circumstances.

Vice-President Brewster was not opposed to reconsidering but felt it might be better to be reconsidered when on the agenda.

Mr. Cook's motion to reconsider was carried, with Directors Brewster, Neusom and Takei voting "no."

Mr. Storing moved that the Board action of October 18 relative to rejection of the bids be rescinded and the contract awarded

Resolution
No. Assigned

to Zapata Diversified Builders, the lowest responsible bidder, which motion was seconded.

Mr. Cook felt the information furnished to Directors and staff by Mr. Harold Williams of the UMTA Civil Rights section during the recent APTA meeting in Atlanta was not correct, and after reading the report dated October 25 which Mr. Gilstrap had distributed to the Board, felt that SCRTD was being singled out for MBE participation above necessary requirements. He referred to a Los Angeles Times article on MBE programs and their problems, especially in Boston, copies of which were distributed prior to the Board meeting, and felt the District should not be governed by UMTA officials, and eventually similar matters will probably have to be settled in the courts. Mr. Cook then moved an amendment to the motion that the contract with Zapata be predicated on UMTA approval to provide 80 percent funding, which motion, after discussion, he withdrew owing to the fact that the Zapata bid extension would likely expire before UMTA approval would be forthcoming.

Resolution
No. Assigned

A letter dated October 24, 1977 from Zapata was distributed, which letter extended the bid date to October 28. On inquiry of Mr. Neusom, Mr. Storing stated he was the Director who had requested Zapata to extend the bid date in order for the Board to reconsider the matter at this time.

Mr. Gilstrap felt that award of a contract with .7% MBE would result in future problems and the staff could not recommend award of the contract.

Mr. Neusom inquired if the motion is adopted would the District have to pay the entire cost if UMTA concurrence is not received, and Mr. Powers reported we would have a binding contract with Zapata if the award is made and could be sued by Zapata if the contract is breached. Mr. Neusom felt we should not proceed with so low minority percentage and we must increase our efforts to encourage MBE participation. Mr. Cook felt the Board was supporting the MBE program but could not lend any credence to what Mr. Williams of UMTA

Resolution
No. Assigned

opinions were and felt the MBE matter would still eventually end up in the Supreme Court. Mr. Storing felt that UMTA was trying to force on the District an MBE quota and not a goal.

Mr. Price inquired if the District entered into the contract and UMTA does not fund it, could the District fund the 80 percent, and Mr. Gilstrap stated that he felt it would take either a fare increase or a further service reduction. Mrs. Richter felt the Congressional Delegation and others should be furnished with information, including Mr. Gilstrap's October 25 report.

The question was called for on Director Storing's motion, carried by a Roll Call vote as noted below, and the following resolution adopted:

R-77-405

RESOLVED, that Resolution No. R-77-396 adopted October 18, 1977, authorizing rejection of all bids received for the Phase II reconstruction at Division 3 under Bid No. CA-03-0049-J, be and the same is rescinded in its entirety;

RESOLVED FURTHER, that the General Manager is authorized to execute a contract

Resolution
No. Assigned

R-77-405
(continued)

with Zapata Diversified Builders, 14409 South Paramount Boulevard, Paramount, California, the lowest responsible bidder under Bid No. CA-03-0049-J, covering the Phase II reconstruction at Division 3 at a total cost of \$1,630,000, which project is funded in part under UMTA Capital Grant Project No. CA-03-0049, with said contract providing for Minority Business Enterprise participation of 0.7%; form of contract subject to approval of the General Counsel.

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

(Directors Gibbs and Takei left the meeting at 3:20 p.m.)

Report of the Personnel Committee

In the absence of Director Takei, Chairman of the Personnel Committee, Director Richter presented the Personnel Committee report.

Director Richter moved approval of the Personnel Committee's recommendation to reject all proposals received in connection with a training program in effective oral presentation at a cost of \$8,000, which motion was seconded.

Director Lewis spoke in favor of the

Resolution
No. Assigned

program, and Director Storing was in favor of the motion since he felt the employees who would be involved in the program should be able to handle themselves in a satisfactory manner.

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

R-77-406

RESOLVED, that all proposals received in connection with an oral presentation training program, as outlined in the report dated October 20, 1977, a copy of which is filed with the Secretary, be and the same are hereby rejected.

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

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

R-77-407

RESOLVED, that the report dated October 20, 1977, recommending an increase in salary for the Deputy Administrator-Equal Employment Opportunity, be and the same is carried over

Resolution
No. Assigned

R-77-407
(continued)

for further review and consideration after receipt of additional information requested by the Personnel Committee.

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

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

R-77-408

RESOLVED, that the report dated October 21, 1977, a copy of which is filed with the Secretary, be and the same is approved, and the General Manager is authorized to establish a new position of Agency Supervisor, Salary Grade 7, in the Marketing Department, Pass Sales Division, under the Non-Contract Classification and Salary Plan, effective October 27, 1977, except that the position is to be filled by an in-house employee and that one other position within the District will be vacated through furlough so that the result will be no additional position being established within the District.

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

Resolution
No. Assigned

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

R-77-409

RESOLVED, that Resolution No. R-77-326 adopted August 11, 1977, authorizing a contract with the Urban Crisis Center, Atlanta, Georgia, to conduct a seminar in Los Angeles, be and the same is rescinded in its entirety.

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

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

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 September, 1977 was ordered "Received and filed."

Approval of Consent Calendar

On motion of Director Lewis, seconded and

Resolution
No. Assigned

carried as noted below, Agenda Item Nos. 13 through 16 on the Consent Calendar were approved, and the following resolutions and/or actions approved:

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

R-77-410

RESOLVED, that Requisition No. 7-7300-696 is approved, and the Purchasing Agent is authorized to call for bids covering the District's requirements for vinyl seat covering material for a one-year period; form of bid requirements and specifications subject to approval of the General Counsel.

R-77-411

RESOLVED, that the General Manager is authorized to execute a contract with the Orange County Transit District covering the SCRTD processing of bus operating schedules for a one year period, in an amount not to exceed \$21,630.90; form of contract subject to approval of the General Counsel.

R-77-412

RESOLVED, that the report dated October 21, 1977, a copy of which is filed with the Secretary, be and the same is hereby adopted, and the General Manager is authorized to include in the

Resolution
No. Assigned

R-77-412
(continued)

Official Route Descriptions First
Revised Page 829; subject to approval
of the Consulting Engineer.

Ratified bus stop zone changes
as described in report date October 21,
1977 filed with the Secretary.

Ratified temporary route diversions
as described in report dated October 21,
1977 filed with the Secretary.

Received and Filed Purchasing
Agent's Report of Sales Orders &
Sales - Third Quarter, 1977.

Report of the Rapid Transit Committee

Director Leonard, Chairman of the Rapid
Transit Committee, distributed a report dated
October 27, 1977, regarding the progress of
contract negotiations for geotechnical services
for the regional core element of the RTDP,
including the fact that the staff had been
unable to reach agreement with the firm of ESCA
TECH and was now negotiating with the firm of
Woodward-Clyde Associates, and that the contract
would come back to the Committee and the Board

Resolution
No. Assigned

for approval.

Mr. Leonard also distributed copies of a report dated October 24, 1977 reporting on meetings held October 20 and 21 between SCRTD, City of Los Angeles, CalTrans and CRA staffs with UMTA officials with respect to the Regional Transit Development Program.

New Business

Mr. Powers presented a progress report regarding the contract negotiations with Ticketron covering the sale of the District's monthly passes.

(Director Leonard left the meeting at 3:42 p.m.)

Director Richter requested a report on the reasons for the delay in the sale of monthly passes by Vons Markets.

On motion of Director Cook, seconded and unanimously carried, the staff was directed to furnish information to our Congressional Delegation, to UMTA Administrator Page and to

Resolution
No. Assigned

Mr. Harold Williams of UMTA, regarding the action taken today on the Division 3 bid award, a copy of Mr. Gilstrap's October 25 report on the District's MBE program, together with a copy of Zapata Diversified Builders' letter to UMTA dated October 20, 1977.

The meeting adjourned at 3:45 p.m.



Secretary