

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

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

February 18, 1976

Upon notice duly given, the Directors of the Southern California Rapid Transit District met at a regular meeting in the District Board Room, 1060 South Broadway, Los Angeles, California, at 1:10 p.m. on February 18, 1976, at which time President Byron E. Cook called the meeting to order.

Directors present:

Byron E. Cook
Thomas G. Neusom
George W. Brewster
Donald Gibbs
Marvin L. Holen

Jay B. Price
Ruth E. Richter
Pete Schabarum
George Takei

Directors absent:

Adelina Gregory
Baxter Ward

Staff present:

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

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

Resolution
No. assigned

Certificates of Merit

Director Gibbs presented the District's Certificates of Merit to Jimmie Shorters, Operator-of-the-Month, and to Michelle Nixson, Information Operator-of-the-Month, for January 1976, for outstanding service in the performance of their duties.

Report of the Advance Planning & Marketing Committee -
Agenda Item Nos. 2 thru 4

On motion of Director Brewster, Chairman of the Advance Planning & Marketing Committee, seconded and carried as noted below, the following resolutions were adopted:

Ayes: Brewster, Cook, Gibbs, Holen,
Neusom, Price, Richter, Schabarum,
Takei

Noes: None

Absent: Gregory, Ward

R-76-62

Adopted report dated February 11, 1976, a copy of which is filed with the Secretary, and approval of:

- a. First phase of Park/Ride Selection Study consisting of the development of site and location criteria, including first priority projects;
- b. Authorization of the General Manager to enter into an agreement with CalTrans covering the preparation of site selection studies required for FAU (Federal Aid Urban Systems) funded Park/Ride sites at a cost of \$43,000, as provided for in the Master Agreement authorized on October 8, 1975 under Resolution No. R-75-393; form of agreement subject to approval of the General Counsel; and

Resolution
No. assigned

Report of the Advance Planning & Marketing Committee
(continued)

R-76-62
(continued)

c. Authorization of the General Manager to enter into an agreement with CalTrans covering preliminary Environmental Impact Assessments; form of agreement subject to approval of the General Counsel;

with the above projects funded in part with Federal Aid Urban secondary funds.

R-76-63

Approval of minor route modifications to the experimental San Gabriel Valley Improvement Plan by authorizing revision of Original Pages 435 and 487 of the Official Route Descriptions, effective April 11, 1976; subject to approval of the Consulting Engineer.

R-76-64

Approval of minor route modification to Line No. 19 and adoption of Third Revised Page 19 of the Official Route Descriptions; subject to approval of the Consulting Engineer and favorable comment from the County of Los Angeles.

Report of the Rapid Transit Committee

On motion of Director Neusom, Chairman of the Rapid Transit Committee, seconded and carried, the report of the Rapid Transit Committee was added to the agenda for consideration.

Director Neusom reported that the Rapid Transit Committee had reviewed the General Manager's report dated February 17, copies of which were distributed to Directors. The report outlined the actions of the staff regarding the evaluation of Supervisor Ward's

Resolution
No. assigned

Sunset Coast Line proposal, including the contracts with consultants which had been approved by the Board at its last meeting. Contracts had been executed with the firms of de Leuw Cather & Co., Mobility Systems and Equipment Company and Gruen Associates, with the firm of de Leuw Cather to provide capital and operating costs in 1976 dollars and the staff, with the advice of outside firms and the District's bond counsel, to develop the capital cost escalation rates and other financial aspects of the proposal. Mr. Neusom also reported on a memorandum by General Counsel Powers regarding the work done to date on the two legal documents necessary to place the issue before the voters - - the ordinance and the ballot proposition.

Also included in the report was the fact that the staff would handle consideration of the bus system as a separate issue in the overall evaluation.

Mr. Neusom reported two important issues were raised by the committee - - the question of whether there was a need for additional consultant review of the financial feasibility, and the specific language being proposed for the ballot proposition in Assembly Bill 2770. The staff was instructed to be prepared to discuss both issues more fully with the full Board, particularly to go over AB-2770 in detail.

Resolution
No. assigned

Report of the Rapid Transit Committee (continued)

A copy of Director Neusom's report is attached to these Minutes as EXHIBIT 1, together with a copy of Assembly Bill 2770.

Mr. Neusom then requested General Counsel Powers to review AB-2770.

Mr. Powers reviewed AB-2770 which would have the effect of placing the proposal on the June 8 ballot, including calling the election and reported on the language of the ballot proposition. Considerable discussion took place on a provision in the ballot language requiring the District to enter into a joint powers agreement with the County of Los Angeles as the project manager and prime contractor for construction of the system.

President Cook felt that the District would lose control of the project if it issued the bonds and the County was the project manager and prime contractor, with the District being responsible for the debt service incurred by issuance of the bonds. Mr. Cook felt the District should urge amendment of AB-2770 so that it would not relinquish its powers to the County in the construction of the system; he also questioned the capability and the expertise of the County to build a rapid transit system.

Report of the Rapid Transit Committee (continued)

A lengthy discussion ensued regarding whether the District would retain its powers to plan the system, designate location of stations, with the concurrence of the cities, and to operate the system when completed. Mr. Powers felt these were matters which could be included in the joint powers agreement and that the RTD could perhaps be protected by County performance bonds and other indemnities. Mr. Cook felt the District was obligated to place some of its own language in AB-2770, especially with respect to it being mandatory for the County to be the project manager and prime contractor.

Mr. Neusom stated it might be feasible to simply change the word "shall" to "may" on page 4, line 28, of the bill, thus removing the mandatory provision that the County be the project manager and prime contractor.

Also discussed were the differences in AB-2770 as compared to the legislation under which the 1968 and 1974 ballot proposals were conducted, and the fact that the bill provided only for a rapid transit guideway, with no other alternatives as to type of system. It was brought up that the information from the District's consultants would be available at the

Resolution
No. assigned

Report of the Rapid Transit Committee (continued)

all-day study session scheduled on February 28, at which time input will also be received from the cities and other agencies in the area. Also discussed was the fact that the language in the ballot proposition contained in AB-2770 would have to be included in any ordinance adopted by the District, but the District could include additional information as long as the ballot measure did not include more than 300 words, and whether or not there would be time to amend the the bill after it was passed, and the fact that the ordinance must be adopted by the Board and sent to the County no later than March 26 in order to be placed on the June ballot.

At this point, Mr. Neusom reported that the Rapid Transit Committee had also reviewed a report which had been submitted as a result of a staff meeting in Washington with UMTA representatives regarding the Alternative Analysis and the concerns the staff had as a result of that meeting. As a result of the discussion the staff had prepared a draft response to UMTA for the Board's review. A copy of the draft response, together with the General Manager's report dated February 17, was distributed to each Director, and attached to these Minutes at EXHIBIT 2.

Resolution
No. assigned

Report of the Rapid Transit Committee (continued)

Director Neusom moved approval of the transmittal of the letter to UMTA, which motion was seconded and carried as noted below, and the following resolution adopted:

R-76-65

RESOLVED, that the General Manager is authorized to transmit the communication dated February 18, 1976 to Mr. Robert E. Patricelli, Administrator, Urban Mass Transportation Administration, a copy of which is attached to these Minutes as EXHIBIT 2.

Ayes: Brewster, Cook, Gibbs, Holen,
Neusom, Price, Richter,
Schabarum, Takei

Noes: None

Absent: Gregory, Ward

Mr. Neusom then reported that the City of Long Beach had unanimously endorsed the Sunset Coast Line proposal, including three key elements to be included in the endorsement:

1. Due to the revised proportional distribution of SB-325 sales tax revenue for public transportation Long Beach will experience a \$2-million reduction in revenue for 1976-77, or \$10-million would have been a part of the matching funds for the Long Beach people mover and starter line;
2. Because of the reduced SB-325 revenue, it was recommended that any segment of the starter line corridor be integrated into the Sunset Coast Line proposal; and

Report of the Rapid Transit Committee (continued)

3. The corresponding participation of Long Beach in the starter line shall be limited to no more than the eligible amount of gas tax revenue authorized for diversion to transmit under Proposition 5 (approximately \$3-million) and that amount only upon the successful passage of the ballot issue for the Sunset Coast Line.

Director Takei then reported that the Rapid Transit Committee had also discussed the fact that three consultants had been retained to evaluate the Sunset Coast Line proposal, of the "up to four" authorized. He felt the District should have a neutral consultant firm to do the financial report in order to strengthen that portion of the report and have a more credible analysis.

Mr. de la Cruz then reported on the results of his interviews with financial consultants which had been done at the request of the Rapid Transit Committee. The plan described was that de Leuw Cather would report on financial aspects in 1976 dollars, and other factors would then be assessed by the staff with the help of the District's bond counsel, O'Melveny & Myers. The three firms interviewed were:

Report of the Rapid Transit Committee (continued)

<u>Firm</u>	<u>Estimated Fee</u>
Stone & Youngberg	\$5,000-\$10,000 (fee contingent on obtaining additional information on work to be performed)
Stanford Research Institute	\$10,000-\$15,000
Bartle-Wells	\$15,000-\$20,000

Mr. Gilstrap reported that the consultants would furnish a summary of the key issues by February 25 for the Board's review prior to the February 28 study session meeting, and conclusions by March 10.

Mr. Takei reemphasized the need for a financial report by an outside consultant in order to make the report credible. After discussion, on motion of Director Takei, seconded and carried as noted below, the following resolution was adopted:

R-76-66

RESOLVED, that the General Manager is authorized to negotiate and execute on behalf of the District a contract with the Stanford Research Institute to assess the financial feasibility of the Sunset Coast Line proposal, including development of escalation factors, calculate the capital and operating costs, assess the cash flow requirements, evaluate the monies that would be available from the sales tax, evaluation of system revenue to the extent possible, impact of the sales tax, income required, bond feasibility of the proposal, interest rates, term and marketability of bonding issue, at a cost not to exceed \$15,000; form of contract subject to approval of the General Counsel.

Resolution
No. assigned

Report of the Rapid Transit Committee (continued)

R-76-66
(continued)

Ayes: Brewster, Cook, Gibbs, Holen,
Neusom, Price, Richter,
Schabarum, Takei

Noes: None

Absent: Gregory, Ward

On inquiry, Mr. Gilstrap stated that the Board probably had approximately no more than two weeks to suggest amendments to AB-2770, and that if changes in language are to be proposed they should ideally be made by the Board today.

After a lengthy discussion on how to proceed, Director Brewster moved that the Board take the position that AB-2770 was premature, since the public hearing will not occur until February 28 and receipt of the consultants' evaluation will not be until March 10 and that the RTD should ask the Legislature to delay on action on the bill until after February 28, which motion was seconded by Director Schabarum.

(Director Schabarum left the meeting at 2:35 p.m.)

After further discussion, Mr. Brewster offered an amendment to his original motion that AB-2770 be amended to delete page 4 and to reinstate in the bill the deleted sections on page 3, except to remove the word "guideway", which motion died for lack of a second.

Report of the Rapid Transit Committee (continued)

President Cook felt the Board should have Supervisor Ward's thoughts before taking any action due to the possible negative reaction in the press and the Legislature to an RTD position, and that no decision should be made until February 28. President Cook indicated that he was trying to get Mr. Ward on the telephone to see if he concurred in this recommendation.

Director Price offered a substitute motion that Director Brewster's motion be tabled, which motion died for lack of a second.

There was a short recess while President Cook talked to Mr. Ward on the telephone. Upon his return, Mr. Cook reported that Mr. Ward had stated he had no personal objection to deferring the matter until February 28 but he felt if the bill went to the Senate without the Board taking any action it could very well get passed, but that he also felt this would not occur before February 28.

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

Resolution
No. assigned

Report of the Rapid Transit Committee (continued)

R-76-67

RESOLVED, that the Board of Directors feels that Assembly Bill 2770 is premature due to the fact that a public hearing and receipt of the District consultants' statement of issues on the Sunset Coast Line proposal would occur on February 28, 1976, and the California Legislature be requested to delay action on Assembly Bill 2770 until after February 28, 1976.

Ayes: Brewster, Cook, Gibbs, Holen,
Neusom, Richter, Takei

Noes: Price

Absent: Gregory, Schabarum, Ward

(Director Brewster left the meeting at 3:00 p.m.)

Report of Surface Operations Committee - Agenda Item
Nos. 5 through 8

On motion of Director Price, Chairman of the Surface Operations Committee, seconded and carried as noted below, Agenda Item Nos. 5 through 8 were approved as follows:

Ayes: Cook, Gibbs, Holen, Neusom,
Price, Richter, Takei

Noes: None

Absent: Brewster, Gregory, Schabarum, Ward

R-76-68

Adopted the Employee Parking Policy attached to these Minutes as EXHIBIT 3, with said policy to include an amendment recommended by the Surface Operations-Advance Planning & Marketing Joint Committee regarding an affirmative program to encourage employees to reduce the use of private automobiles.

Resolution
No. assigned

Report of Surface Operations Committee (continued)

R-76-69

Approved Requisition No. 3399-1436 covering payment of annual membership dues, operator enrollment fees, safety awards, pins and plaques, to National Safety Council for the calendar year 1976, at an estimated cost of \$8,500; together with approval of staff recommendation to not renew membership in the Los Angeles Local Chapter of the National Safety Council.

R-76-70

Approved Requisition No. 3399-1436 covering the purchase of 70,000 linear feet of mylar destination sign material, and authorized the Purchasing Agent to call for bids thereon in accordance with the Rules and Regulations; form of bid requirements and specifications subject to approval of the General Counsel.

R-76-71

Approved Requisition No. 3399-1436 covering the purchase of 65 automobiles, which purchase is funded in part under UMTA Capital Grant Project No. CA-03-0106, and authorized the Purchasing Agent to call for bids thereon in accordance with the Rules and Regulations, with specifications subject to concurrence of UMTA; form of bid requirements and specifications subject to approval of the General Counsel.

Item Added to Agenda - Authorized Meetings with Local Transit Operators and Possible Future Transit Operators

With the concurrence of all Directors present, Director Price added the following item to the agenda.

On motion of Director Price, Chairman of the Surface Operations Committee, seconded and carried as noted below, a resolution concerning on-going meetings with local transit operators was approved as follows:

Resolution
No. assigned

Item Added to Agenda (continued)

Ayes: Cook, Gibbs, Holen, Neusom,
Price, Richter, Takei

Noes: None

Absent: Brewster, Gregory, Schabarum, Ward

R-76-72

Authorized the General Manager and staff to continue holding on-going meetings with local transit operators receiving SB-325 monies and future possible recipients of SB-325 monies for the purpose of review of potential legislation and other matters of transit concern.

Report of Finance Committee - Agenda Item Nos. 9 through 11

On motion of Director Holen, Chairman of the Finance Committee, seconded and carried as noted below, Agenda Item Nos. 9 through 11 were approved as follows:

Ayes: Cook, Gibbs, Holen, Neusom,
Price, Richter, Takei

Noes: None

Absent: Brewster, Gregory, Schabarum, Ward

R-76-73

Approval of Requisition No. 9511-112 in the amount of \$300,000 covering the purchase of twelve parcels of property in connection with the expansion of the Division 5 maintenance facility, which project is funded in part under UMTA Capital Grant Project No. CA-03-0106, and authorization of the General Manager to:

Report of Finance Committee (continued)

R-76-73
(continued)

- a. Execute on behalf of the District Purchase Agreements for twelve parcels of property and deposit in escrow the appraised amount for each parcel; form of agreements subject to approval of the General Counsel; and
- b. Make required relocation assistance payments to displaced occupants in accordance with State and Federal Relocation Assistance programs.

R-76-74

CERTIFICATION

Findings of Public Hearing held January 21, 1976, at 1:00 p.m. in connection with the Southern California Rapid Transit District's Urban Mass Transportation Capital Grant Application for 1976 Fiscal Year Funding, adopted by the District on December 17, 1975, to aid in the financing of the purchase of 75 new automobiles, miscellaneous shop equipment, facilities maintenance equipment, one automatic mail inserter, one camera plate maker system, operators room furniture and computer equipment.

Byron E. Cook, President of the
Southern California Rapid Transit District

HEREBY CERTIFIES THAT, in the development of this application for a Mass Transportation Capital Improvement Grant under the Urban Mass Transportation Act of 1964, as amended, it:

1. Has afforded adequate opportunity for public hearings pursuant to adequate prior notice, and has held such hearings, in accordance with the requirements set forth by the Urban Mass Transportation Administration.
2. Has considered the economic and social effects of this proposed project and its impact on the environment.
3. Has found that this proposed project is consistent with official plans for the comprehensive development of the urban area.

Resolution
No. assigned

Agenda Item No. 11, the Operating Report for the month of January, 1976 was ordered "Received and Filed".

Report of the Personnel Committee - Agenda Item No. 13

Director Takei, Vice-Chairman of the Personnel Committee reported that the Personnel Committee had reviewed Agenda Item No. 13, the proposed Conflict of Interest Code, and recommended that this item be carried over to the first meeting in March.

On motion of Director Takei, seconded and carried as noted below, Agenda Item No. 13, reading as follows, was ordered carried over to the first meeting in March:

"Consider issuance of proposed Conflict of Interest Code as required by the Political Reform Act of 1974, to be filed with the Secretary for review."

Ayes: Cook, Gibbs, Holen, Neusom,
Price, Richter, Takei

Noes: None

Absent: Brewster, Gregory, Schabarum,
Ward

Approval of Consent Calendar - Agenda Item Nos. 14 through 20

On motion of Director Gibbs, seconded and carried as noted below, Agenda Item Nos. 14 through 20 on the Consent Calendar were approved as follows:

Resolution
No. assigned

Approval of Consent Calendar (continued)

Ayes: Cook, Gibbs, Holen, Neusom,
Price, Richter, Takei

Noes: None

Absent: Brewster, Gregory, Schabarum,
Ward

R-76-75

Approved Requisition No. 7300-324 covering the purchase of the District's wiping cloths requirements for a one-year period, with option for one additional year at the election of the District, and authorized the Purchasing Agent to call for bids thereon in accordance with the Rules and Regulations; form of bid requirements and specifications subject to approval of the General Counsel.

R-76-76

Approved Requisition No. 7300-335 covering inspection and servicing of the District's fire protection equipment for a two-year period, with option for one additional year at the election of the District, and authorized the Purchasing Agent to call for bids thereon in accordance with the Rules and Regulations; form of bid requirements and specifications subject to approval of the General Counsel.

R-76-77

Approved Requisition No. 7300-329 covering the purchase of the District's requirements for oil seal assemblies for a one-year period, with option for one additional year at the election of the District, and authorized the Purchasing Agent to call for bids thereon in accordance with the Rules and Regulations; form of bid requirements and specifications subject to approval of the General Counsel.

R-76-78

Approved Requisition No. 7300-337 and authorized the General Manager to exercise the option for one additional year with Chemco Products Co., 19402 Susana Rd., Compton, covering the purchase of the District's heavy-duty floor cleaner requirements, at an estimated amount of \$23,000, including sales tax; form of option subject to approval of the General Counsel.

Resolution
No. assigned

Approval of Consent Calendar (continued)

R-76-79

Approved Requisition No. 7300-327 covering the purchase of the District's requirements for bearings for a two-year period, with option for one additional year at the election of the District, and authorized the Purchasing Agent to call for bids thereon in accordance with the Rules and Regulations; form of bid requirements and specifications subject to approval of the General Counsel.

R-76-80

Authorized the General Manager to enter into a contract with LeRoy Crandall & Associates covering foundation and soils analyses in connection with the expansion of Division 5 maintenance and operating facilities, at a cost not to exceed \$6,770, 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.

Approved Minutes of Regular Meeting held January 7, 1976, Special Meeting held January 12, 1976, Regular Meeting held January 21, 1976 and Special Meeting held January 28, 1976.

Ratified temporary route diversions caused by construction work as described in report dated February 11, 1976, filed with the Secretary.

Ratified bus stop zone changes, as described in report dated February 10, 1976, filed with the Secretary.

Appointment of Nominating Committee for Election of Officers

President Cook announced that in accordance with the provisions of Section 2.2(a) of the Rules and Regulations, he was appointing the following

Resolution
No. assigned

Appointment of Nominating Committee for Election of
Officers (continued)

Directors as a Nominating Committee to meet and re-
port at the next meeting of the Board for the election
of offices of President and Vice-President:

Chairman:	Jay B. Price
Members:	Donald Gibbs Adelina Gregory Pete Schabarum George Takei

Calling of a Special Meeting with the Los Angeles
County Board of Supervisors on March 9, 1976

On motion of Director Neusom, seconded and
unanimously carried, the following resolution was
adopted:

R-76-81

RESOLVED, that a Special Meeting of the
Board of Directors with the Los Angeles County
Board of Supervisors is hereby called to be
convened at 12 o'clock noon on March 9, 1976
in Room 739, Hall of Administration, 500 West
Temple Street, Los Angeles, for the purpose
of presenting the District's Fiscal Year
1977 subsidy request to the County of Los
Angeles.

A copy of County Chief Administrative Officer
Harry L. Hufford's letter dated February 11, 1976,
recommending that the District not implement new
services, was distributed to the Directors.

(Director Takei left the meeting at 3:05 p.m.)

Recess in Executive Session at 3:06 p.m.

On motion duly made, seconded and unanimously carried, the Board of Directors recessed in Executive Session at 3:06 p.m. to consider labor matters.

The Board reconvened at 3:32 p.m. with Directors Cook, Holen, Neusom, Price and Richter responding to Roll Call.

There being no quorum, the meeting was adjourned at 3:33 p.m.



Secretary

Report of Chairman
Rapid Transit Committee
At Board Meeting February 18, 1976

(Motion to add Rapid Transit Committee report to Agenda)

At its meeting yesterday, the Rapid Transit Committee reviewed the General Manager's report dated February 17, copies of which have been furnished to all Directors today.

The report outlines the actions and progress of the staff regarding the evaluation of Supervisor Ward's Sunset Coast Line proposal, including the contracts with consultants approved by the Board at its last meeting and the areas of responsibilities, as follows:

De Leuw Cather and Co. - System characteristics, capital cost development, including transit construction costs, systems operations, including patronage and operating costs.

Mobility Systems and Equipment Company - Participate in the technical evaluation in the general areas of right-of-way adaptability and guideway construction, hardware availability, energy requirements, and maintenance shops and yards evaluations.

Gruen Associates - Socio-economic and environmental considerations, to include community impact factors.

With respect to the financing aspects of the proposal, De Leuw Cather will provide both capital and operating costs in 1976 dollars. The District staff, with the advice of outside firms, will develop the capital cost escalation rates. The District will apply its currently used escalation rate to operating costs; this rate is being applied already in the District's five-year planning. O'Melveny & Meyers, District bond counsel, as well as John Curtis, District consultant, will evaluate the bonding aspects of the proposal. Major bond houses will be asked to comment on the bonds' marketability and their terms.

Another portion of the report is a memorandum by General Counsel Powers bringing the Board up-to-date on the work done to date on the two legal documents which are crucial to placing the issue before the voters - - the ordinance and the ballot proposition language.

The Rapid Transit Committee was satisfied with the method the staff is proceeding with the evaluation program. The staff will handle consideration of the bus system in this overall evaluation. The Sunset Coast Line proposal itself does not deal with the bus system. Operating urban rapid transit systems do require effective feeder bus support systems. It is planned that RTD will operate both the rapid transit and bus systems in the future. Accordingly,

staff will follow Supervisor Ward's approach by not integrating in the evaluation of the rapid transit proposal the bus operations requirements; the bus system will be addressed in a separate section of the report as a secondary operating and financial matter at this point in time. This approach keeps the focus where it belongs - on the Sunset Coast Line proposal - without overlooking the bus system requirements the community and RTD must meet now and in the future.

As a result of the Rapid Transit Committee discussion, two important issues came up:

1. The question of whether or not there is a need for additional consultant review of the financial feasibility was discussed. The staff has indicated they feel the combined efforts of De Leuw Cather and the staff working with an outside bond house opinion on the marketability of the issue contemplated in the proposal will provide the District an adequate review of this matter, but Director Takei requested further discussion by the Board at today's meeting, with the thought of authorizing the staff to obtain the services of an outside financial firm experienced in these matters to give the Board a second opinion on the matter of financial feasibility.

In regard to this area, it is my understanding that the staff is prepared today to expand on this issue if it is the Board's judgment that we do so.

2. The other matter raised in our committee meeting has to do with the specific language being proposed for the ballot proposition. The staff reported to us that the legislation which sets out this language, Assembly Bill 2770, has passed the Assembly Transportation Committee and is scheduled for consideration by the full Assembly in a matter of days. It is anticipated that this bill, which would set minimum ballot language, could become law. Therefore, within 10 days to two weeks, should the District wish to have input to the legislation, it must do so now. Copies of this legislation were transmitted to the Board a few days ago, but General Counsel Powers has furnished additional copies today which have been distributed to you.

