

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

Regular Board Meeting  
Board of Directors  
District Board Room  
425 South Main Street  
Los Angeles

September 8, 1988

Called to order at 1:00 p.m.:

Directors Present:

Gordana Swanson, President  
Marvin L. Holen, Vice-President  
John F. Day  
Joseph S. Dunning

Carmen A. Estrada  
Nick Patsouras  
Jay B. Price  
Charles H. Storing  
Kenneth R. Thomas

Director Absent:

Jan Hall

1. Recognized retirees and certificates presented by Director Estrada.

2. Report of the President

On motion duly made, seconded and carried, President Swanson added the following item to the agenda.

2A. Consider Revision of District position on SB 2111 (Robbins).

Following lengthy discussion concerning the merits of changing the District's position of "Oppose unless amended," Director Holen made a motion that the District go on record as not opposing the Governor's signing of SB 2111. This motion was seconded and carried on the following Roll Call vote:

Ayes:	Day, Dunning, Estrada, Holen, Price, Swanson, Thomas
Noes:	Patsaouras, Storing
Abstain:	None
Absent:	Hall

The President also asked the Board to approve the addition of an item to the agenda which arose subsequent to the posting of the Agenda. On motion made, seconded and carried, an item regarding Salary Range Adjustment for the Controller-Treasurer was added to the agenda, to be considered under Agenda Item No. 25A. (Note: This item was carried forward to the September 15 Special Meeting.)

3. Report of the General Manager

No report was made

7. ADOPTED resolution regarding appointment of Metro Rail Phase II Full Funding Contract Negotiating Team.

This resolution was adopted on a Roll Call vote as noted below:

Ayes:	Day, Dunning, Estrada, Holen, Price, Thomas, Swanson
Noes:	Patsaouras, Storing
Abstain:	None
Absent:	Hall

(A copy of the resolution is on file with the District Secretary.)

President Swanson announced that Directors Holen and Swanson would be the District's representatives on the Negotiating Team, with Director Hall designated as an alternate.

4. Director Special Items

Director Holen referred to an article in the newspaper where a woman, while waiting for a bus, had been severely beaten. He requested the General Counsel monitor every phase of this case and report to the Board on a regular basis.

Director Estrada asked for a report on the participants on the Benefit Assessment Task Force for Phase II of Metro Rail.

6. ADOPTED Resolution of Necessity to institute Eminent Domain proceedings to acquire a Surface/Subsurface easement in Metro Rail Parcel A1-137-3, known as northeast corner of 4th/Hill Streets, Los Angeles; form of documents subject to approval of General Counsel.

UNANIMOUS, with 8 directors present

5. Recessed to Closed Session at 2:24 p.m. to consider personnel, labor negotiations and litigation matters returning at 3:00 p.m. with Directors Holen, Dunning, Price, Storing & Thomas present.

It was determined that a quorum of the Board was not present. Vice President Holen called for a Special Meeting to be held on Thursday, September 15, 1988 to consider the remaining items on the agenda.

Vice President Holen then moved to Item No. 26 on the agenda.

26. Public Comment

Received a presentation from the Transit Police Officers Association.

CONSENT CALENDAR

(All items carried forward to September 15, 1988 Special Meeting)

8. Approve Requisition No. 8-3520-490 and exercise an option with Superior Landscape Maintenance, Pasadena, covering landscape maintenance services at the Central Maintenance Facility.
9. Execute a contract with Bekins Business Relocations, Rancho Dominguez, covering relocation of departments to Headquarters Building.
10. Execute a contract with E. C. Construction Company, El Monte, covering driveway modifications at Terminal 40 (Pico Rimpau Loop).
11. Approve Requisition 8-7099-099 and execute a contract with Korn/Ferry International to conduct an executive search for the position of Controller-Treasurer.
12. Receive Report Calendar - August 19 through 31, 1988.
13. Approval of minutes of Board meeting held July 28, 1988.

(END OF CONSENT CALENDAR)

PERSONNEL & LEGAL COMMITTEE

(All items carried forward to September 15, 1988  
Special Meeting)

14. Establishment of positions for Fiscal Year 1989 activities on the Long Beach-Los Angeles Light Rail Project.
15. Modifications to compensation and classification of non-contract technical positions in MIS Department.

EQUIPMENT & OPERATIONS COMMITTEE

(Items 17-19 carried forward to September 15, 1988  
Special Meeting)

16. Status report of Cubic Western contract and delivery of fareboxes.
17. Issuance of notice of intent to adopt negative declaration on the increase in operations at Terminal 4 in Downey.
18. Reject non-responsive bid submitted by American Hi-Lift Corporation and execute a contract with Horizon High Reach, La Habra, covering procurement of a boom lift.
19. Enter into an amendment to the present agreement with the County of Los Angeles for the continuation of the Youth Employment/Bus Cleanliness Program.

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

Special Board Meeting  
Board of Directors  
District Board Room  
425 South Main Street  
Los Angeles

September 15, 1988 - 9:30 a.m.

Called to order by Vice President Holen:

Directors Present:

Marvin L. Holen  
John F. Day  
Joseph S. Dunning  
Carmen Estrada

Jan Hall  
Jay B. Price  
Charles H. Storing  
Kenneth R. Thomas

Directors Absent:

Nick Patsaouras

Gordana Swanson

1. Report of the Vice President

Vice President Holen thanked the Board members for agreeing to attend this Special meeting.

2. Report of the General Manager

No report was made.

3. Director Special Items

Director Hall reported that she and General Manager Pegg appeared before the Los Angeles County Transportation Commission (LACTC). The LACTC did agree to join with the District to secure the full funding contract for Phase 2 of the Metro Rail Project; however, the LACTC made a decision that the LACTC would be the grantee for Phase 2 funding. Director Hall stated that she assured the LACTC that the resolution adopted by the Board of Directors on September 8, regarding participation in the full funding negotiating team was a sincere attempt on the part of the District.

Director Storing asked if the LACTC had indicated who would serve as their representatives on the joint negotiating team. Director Hall said that, to her knowledge, those representatives were not yet named.

General Manager Pegg added to Director Hall's report, stating that Agenda Item No. 5 on the LACTC's agenda would set the LACTC's commitment to funding of Metro Rail, Phase 2; that item was adopted. Therefore, two of the funding partners are fully committed; i.e., the LACTC and the City of Los Angeles.

Director Estrada announced that this was probably her last Board meeting. She has been appointed to the Los Angeles City Planning Commission. Upon confirmation, Larry Gonzalez will be appointed to the Board as her replacement.

Director Day briefly commented on a letter from Pete Schabarum concerning an emission device. He was assured that accurate information regarding the test would be communicated to Supervisor Schabarum.

General Counsel Suzanne Gifford gave a brief update on the incident wherein a woman was beaten at a RTD bus stop. She said that the preliminary hearing has been set for September 21 but defense counsel has requested an extension of time.

4. APPROVED adjustment of the salary range for the position of Controller/Treasurer from Range 26 to Range 28.

UNANIMOUS, with 8 directors present

During discussion on this matter, Director Estrada asked if the salary levels of the top executives in the District had been reviewed recently. General Manager Pegg responded that he will review those salaries during the Performance Evaluation process. Director Holen asked if the proposed salary for the Controller-Treasurer position is sufficient to attract the best candidates. Mr. Pegg stated that the salary ranges at the District are not competitive.

6. Considered report regarding the impacts of implementing the Board adopted year 2010 goal; and consideration of future funding requirements and sources.

Staff presented the report, stating that the Board has adopted a strategy to enable the District to grow. That strategy would result in 19% of peak hour trips to be made by public transportation as opposed to 6.6% today. This is a staggering challenge; a 250% increase in ridership by the Year 2010.

Two key issues were set forth; 1) Can the District achieve a 7% annual growth rate, and 2) how can we achieve it. There are external decisions that would have to be made. The District can try to communicate and influence those decisions. Internally, the District must take certain steps to assure this growth rate. There was discussion concerning the number of passengers that will be carried on rail lines, the size of the annual budget, the capital program for support facilities, the need for more dependence on farebox revenues, subsidies to riders from the private sector, taxes, organizational structure, business development and brokerage opportunities.

Director Hall commented that the concept of free transit is not sufficient to move people from their automobiles to public transit. A component needs to be added on what will make people ride transit. Director Dunning mentioned that it appeared that the Board's attention was being directed to transit by bus, yet the District has responsibility for transit by Metro Rail. Staff responded that as the Board adopts and pursues a growth strategy, staff would return to the Board over a period of time with recommendations for both rail and bus.



Director Storing emphatically stated that it was unrealistic to consider a 100% farebox recovery ratio. Director Holen spoke to this issue, indicating that about a 135% increase in today's fares would result in a 100% farebox recovery ratio. He went on to say that the political and economic realities will dictate how the service is expanded. The District's business is not to wean people from their autos; we are in the business of providing transportation for people who want to move from their cars to public transit. Director Holen continued that the Board has two functions: 1) establish policy, and 2) obtain resources necessary to provide good transportation in Los Angeles. He concluded that the best possibility for an increase in funding is an increase in gas tax.

General Manager Pegg asked the Board for direction as to the size of the system in Year 2010 and the means to pursue that direction.

Director Estrada asked if the Board was prepared to adopt the 7% growth rate today. She suggested reviewing this item today and delaying a decision until the two new Board members have taken their place on the Board. She also mentioned that a report on the impacts of the fare adopted in July is due in the near future and could have impact on this decision. She went on to say that the District must control the cost of providing service.

Director Holen moved approval of a resolution stating that the District provide leadership and support in every way for an effort to obtain a gas tax with a significant portion dedicated to public transit. This motion was seconded and discussion continued.

Director Thomas said it was not clear what the staff is asking the Board to do today. Staff responded that direction is needed on alternative plans on how best the District can meet the demand for public transit. Director Hall commented that unless the ability to generate revenues is addressed, nothing will happen. She urged that the Board talk about the funding resources and what would have to happen in what time frame and then decide what is reality. She continued that less emphasis should be placed on how many people we will transport and the District should start thinking about how to make the system work with the money we have.

Director Dunning said that the Board would need additional information in order to determine a base line for what service can be provided and what it would cost to have a good system. From that base line the growth rate could be established. Director Estrada responded that the cost is a separate matter. She suggested that if the increase in cost of providing service continues to escalate at 10% per year, subsidies cannot be found.

Director Thomas spoke regarding the Board's attempt to determine future needs and how that can be financed. He said that the Board's job is to ascertain what our needs will be, determine what the costs will be and how those costs can be met.

Director Day questioned the dialogue, saying that it was not germane to the motion on the floor and called for the question. On a Roll Call vote as noted below, the motion by Director Holen passed:

Ayes:	Day, Dunning, Estrada, Hall, Holen, Price
Noes:	Storing, Thomas
Abstain:	None
Absent:	Patsaouras, Swanson

WHEREAS, the streets of Los Angeles are approaching gridlock, and the population is expected to continue to grow; and

WHEREAS, transportation control measures, such as Regulation XV, are required for the area to meet the Federal air quality standards; and

WHEREAS, transit can reduce the traffic impacts of growth and help the region implement the air quality control measures; and

WHEREAS, the transit component of the transportation infrastructure must therefore be expanded, which requires additional resources; and

WHEREAS, society has other critical needs for general tax funds; and

WHEREAS, user charges are an appropriate way to fund transportation; they contribute to the conservation of dwindling petroleum sources, and gas taxes are lower in the U.S. than in any petroleum importing nation; and

WHEREAS, fuel taxes are paid by all users of motorized transportation, including transit riders,

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Southern California Rapid Transit District hereby declares its intent to provide leadership and support in every way for an effort to obtain a gas tax with a significant portion dedicated to public transit;

RESOLVED FURTHER, the Board of Directors concurred that Director Holen be responsible to move the District forward with the gas tax effort.

Director Day then stated that the prospective new members soon to join the Board should have the opportunity to be brought up to speed on this subject. He presented a motion that this matter be continued until the Board of Directors is brought up to its full strength. This motion was seconded and unanimously carried, with 8 members present.

Director Holen then asked the Board to express their concurrence that he would have the responsibility for moving forward on the gas tax issue. The Board responded affirmatively.

Director Estrada mentioned that she did not believe it would be possible to get support for such a tax increase unless the District can assure that there will not be 'runaway' costs. General Manager Pegg stated that for the last two years the cost increase for the District has been less than the rate of inflation.

Vice President Holen concluded the discussion by stating that he will be looking to every member of the Board to do what they can to bring into reality a dedicated gas tax for public transit.

7. Considered report regarding the procurement of elevators and escalators under Bid No. A710/720. Director Price moved approval of the staff recommendation, which motion was seconded. During discussion on this matter, questions were asked about aspects of the procurement in the open market option and about UMTA's concurrence in this process. Staff assured the Board members about UMTA's agreement which is conditioned upon compliance with State Law.

Y. Braithwaite-Burke appeared before the Board, representing Montgomery Elevator. She spoke to the DBE element of their bid, assuring the Board that Montgomery can meet the 4% DBE goal.

Upon question, staff advised the Board that the bid specifications contained the requirements for meeting the DBE goal or proving good faith effort. These requirements were adopted by the Board and are the basis for the determination made by the Equal Employment Opportunity Department. The Board of Directors can make their own evaluation of the good faith efforts, and the ultimate decision is made by the Board.

Director Thomas asked that this matter be referred to the Equal Opportunity & Affirmative Action Committee for further consideration and a recommendation to the Board.

A Roll Call vote was called for on the motion on the floor. The Roll Call vote began but was halted for further discussion.

Director Thomas again urged that this matter be referred to the appropriate committee.

Mr. Lund, representing Armor Elevator, appeared before the Board, speaking to his firm's bid.

Director Dunning made a motion to defer this matter for one week so that the Board can review the issues. This motion was seconded and unanimously carried, with 7 Directors present.

CONSENT CALENDAR

Items 8 through 13 on the Consent Calendar were approved unanimously in one motion, with all directors present except Directors Hall, Patsouras and Swanson.

8. APPROVED Requisition No. 8-3520-490 and an option for one additional year with Superior Landscape Maintenance, Pasadena, covering landscape maintenance services at the Central Maintenance Facility at an additional estimated cost of \$22,800, for a total estimated cost of \$44,600; form of option subject to approval of the General Counsel.
  
9. APPROVED a contract with Bekins Business Relocations, Rancho Dominguez, the lowest responsible bidder under Bid No. 08-8822 covering relocation of departments to Headquarters Building for a total bid price of \$45,992; form of contract subject to approval of the General Counsel.
  
10. APPROVED a contract with E. C. Construction Company, El Monte, the lowest responsible bidder under Bid No. 08-8823-C covering driveway modifications at Terminal 40 (Pico Rimpau Loop) for a total bid price of \$27,980; form of contract subject to approval of the General Counsel.
  
11. APPROVED Requisition 8-7099-099 and a contract with Korn/Ferry International to conduct an executive search for the position of Controller-Treasurer at a cost not to exceed \$21,000; form of contract subject to approval of the General Counsel.

CONSENT CALENDAR - Cont'd.

12. Received and filed Report Calendar - August 19 through 31, 1988.
  
13. APPROVED minutes of Board meeting held July 28, 1988.

PERSONNEL & LEGAL COMMITTEE

14. APPROVED establishment of 78 new positions for Fiscal Year 1989 activities on the Long Beach-Los Angeles Light Rail Project; these positions to be funded by the Los Angeles County Transportation Commission.

UNANIMOUS, with 7 directors present

15. APPROVED modifications to compensation and classification of non-contract technical positions in MIS Department; positions and modifications described in report dated August 30, 1988.

UNANIMOUS, with 7 directors present

EQUIPMENT & OPERATIONS COMMITTEE

16. APPROVED issuance of notice of intent to adopt negative declaration on the increase in operations at Terminal 4 in Downey.

UNANIMOUS, with 7 directors present

17. REJECTED non-responsive bid submitted by American Hi-Lift Corporation and APPROVED a contract with Horizon High Reach, La Habra, the lowest responsible bidder, under Bid No. CA-90-X120-FF covering procurement of a boom lift for a total bid price of \$29,167, subject to UMTA concurrence; form of contract subject to approval of the General Counsel.

This procurement is funded in part under UMTA Grant No. CA-90-X120.

UNANIMOUS, with 7 directors present

18. APPROVED an amendment to the present agreement with the County of Los Angeles for the continuation of the Youth Employment/Bus Cleanliness Program through September 9, 1989; form of amendment subject to approval of the General Counsel.

UNANIMOUS, with 7 directors present

Director Thomas requested a breakdown of how the funds were used under this program. Staff responded that these funds are used to clean the buses at the layover point and are a supplement to the normal bus cleanliness program.

ADVANCE PLANNING COMMITTEE

19. APPROVED an amendment to the present agreement with the County of Los Angeles for the continued provision of enhanced service on Line 48 for a one-year period ending September 12, 1989; form of amendment subject to approval of the General Counsel.

UNANIMOUS, with 7 directors present

20. WITHDRAWN at the request of staff, recommendation for revised fares for special event premium fare services to the Pomona Fair, the Pasadena Rose Parade, and the New Year's Day Rose Bowl game.

21. APPROVED revised bus service lease rates for Fiscal Year 1988-89.

UNANIMOUS, with 7 directors present

RAPID TRANSIT COMMITTEE

22. APPROVED Requisition 8-8100-620 and an amendment to Change Order No. 1, Union Station Boiler Room Demolition, to Metro Rail Contract No. A135, Union Station Stage I, with Tutor-Saliba-Perini, Sylmar, increasing the not-to-exceed amount by \$450,000 for a total Change Order maximum cost of \$1,100,000. This action increases the maximum contract amount to \$53,777,000; form of amendment subject to approval of the General Counsel.

This project is funded in part under UMTA Grant No. CA-03-0130.

UNANIMOUS, with 7 directors present

Director Thomas expressed concern about the number and size of Change Orders on the Metro Rail Project.



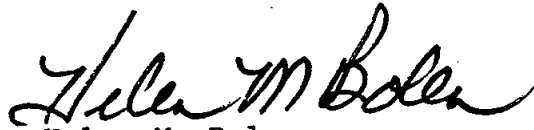
GENERAL ITEMS

5. Recessed to Closed Session at 11:44 a.m. to consider personnel, labor negotiations and litigation matters. The Board returned to open session at 12:03 p.m. with 7 members present. No report was made of matters discussed.

23. Public Comment

None

The meeting adjourned at 12:04 p.m.



Helen M. Bolen  
District Secretary