

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

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

December 8, 1988

Called to order at 11:05 a.m. by President Swanson:

Directors Present:

Gordana Swanson	Jeff Jenkins
Marvin L. Holen	Nick Patsaouras (arr. 11:10 am)
John F. Day	Jay B. Price
Joseph S. Dunning (arr 11:07 am)	Charles H. Storing
Larry Gonzalez (arr 1:00 pm)	Kenneth R. Thomas
Jan Hall (arr 11:10 am)	

NOTE: Agenda items were considered by the Board in the order as they appear below.

CONSENT CALENDAR

Items 10 through 15 were approved unanimously in one motion, with 7 Directors present.

10. APPROVED Requisition 8-0990-66 and contract amendment with Hinckley & Schmitt Company, Los Angeles, covering bottled water for an 8 month period, at an estimated cost of \$65,000; form of amendment subject to approval of the General Counsel.

CONSENT CALENDAR - Cont'd.

11. APPROVED license of a portion of District right-of-way in the vicinity of 300 S. Santa Fe Avenue, Los Angeles, to First & Center Ltd., a California Limited Partnership, for the purpose of providing emergency egress from their building, at a yearly rental charge of \$100; form of documents subject to approval of the General Counsel.

12. Received and filed Report Calendar - November 11 through December 8, 1988

13. RATIFIED bus stop zone changes as filed with the Secretary.

14. RATIFIED temporary route diversions as filed with the Secretary.

15. APPROVED minutes of Special Board meeting held November 3, 1988.

7. APPROVED designation of Benefit Assessment Hearing Officers for Cases Al-767-86, Al-771-86, Al-772-86, Al-773-86, Al-776-86, Al-777-86, Al-778-86, Al-780-86 and Al-781-86.

UNANIMOUS, with 8 directors present

1. Recessed to Closed Session at 11:10 a.m. to consider personnel, labor negotiations and litigation matters.

The Board returned from Closed Session with all members present at 11:25 a.m. and on motion by Director Day, seconded and carried with Director Jenkins abstaining, approved the ratification of the collective bargaining agreement with the Transit Police Officers Association (TPOA) for the period October 30, 1988 to October 29, 1989.

24. Public Comment

H. Watts spoke to the Board on various subjects, including comments about agenda item nos. 10, 8, 9A and 9B.

S. Shedlow also appeared before the Board, urging the District to reject Proposal No. 4 in the 8-point plan.

Mrs. R. Horton spoke to the Board about her concerns for transportation for the handicapped if service is reduced.

Mr. W. Bolte, representing ADAPT, also addressed the Board about transportation issues.

2. CARRIED OVER recognition of retirees.
3. CARRIED OVER 3rd Quarter 1988 Safe Performance Award presentations.
4. Report of the President
No report was made.
5. Report of the General Manager
No report was made.

6. Director Special Items

No report was made.

President Swanson announced that the Board would recess for lunch and reconvene at 1:00 p.m.

The meeting reconvened at 1:00 p.m. with all Directors responding to Roll Call.

8. Considered actions related to the resolution of current disputes with the Los Angeles County Transportation Commission (LACTC).

President Swanson mentioned several documents that were before the Board and identified them as follows:

Exhibit A - Recommendations for Agreement as prepared by General Manager Pegg, dated November 14, 1988.

Exhibit B - 8-point plan as prepared by the RTD Board Committee

Exhibit C - 8-point plan as attached to the December 1, 1988 letter from LACTC Chairman Schabarum

Director Holen made a motion which stated that in the event that Proposition A 1989 funds were released by the LACTC to the District those funds would first be used to replace the insurance reserve trust funds taken to maintain service so far this year. This motion was seconded and discussion followed. During discussion the question was asked if this was not just an internal issue. Director Holen responded that this is a separate issue. The action taken by the District earlier this year was to continue service. The idea of using such trust funds is reprehensible. Director Patsouras inquired about the interest lost by the trust reserves and the interest earned on the Proposition A funds by the LACTC. General Manager Pegg informed the Board that interest earned by the trust funds had to be maintained in those trust funds.

Director Patsaouras made a motion to amend Director Holen's motion to include principle and interest. This motion was seconded and during subsequent discussion, Acting Controller-Treasurer Butler advised that \$28 million had been used from the insurance reserves. A Roll Call vote was taken on the amendment to the motion and failed as noted below:

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

A Roll Call vote was then taken on Director Holen's motion. The motion passed as noted below:

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

President Swanson noted for the record that the Board of Directors had received a resolution and motion by the Los Angeles Board of Education regarding transit funding.

The Board heard public comment on this item.

L. Shapiro addressed the Board, urging the Board to resist the pressures from the LACTC.

D. Palmer, representing the Los Angeles Unified School District, read the resolution adopted by the Board of Education.

L. Navaro, W. Bolte, and R. Horton of ADAPT also addressed the Board, urging them not to reduce service.

J. Walsh spoke, urging the Board to fight for the release of Proposition A funds with no strings attached.

N. Burich addressed the Board, praising the bus drivers. G. Jensen also spoke on this topic.

N. Silver, representing the Amalgamated Transit Union, spoke regarding the creation of the San Gabriel Valley Transit Zone and he urged a No vote.

Director Dunning made a statement about the purpose of the organization; i.e., to provide public transportation. He concluded his statement by making a motion to accept the document he distributed to his fellow Board members. That document is identified as Exhibit D. The motion was seconded.

Director Day made a statement that as a member of the Committee appointed by the Board to work on this issue, he and his fellow committee members did not take that charge lightly. The committee met with Chairman Schabarum and other members of the LACTC. The committee's document (Exhibit B) is not original; it is the result of input from many people. The committee feels that Exhibit B is not a perfect document, but it contains language which will be acceptable to the majority of people on the LACTC. The committee recommends that Exhibit B be approved.

Director Hall urged adoption of Exhibit D. Director Holen expressed his concern with Exhibit D and the language in the resolution regarding approval of the San Gabriel Valley Transit Zone today, before the LACTC approves the document tomorrow.

Director Price made a substitute motion that the Board adopt Exhibit B, the Board committee's recommendation. This motion died for lack of a second.

Mr. B. Bicker, representing the Mayor's Office, appeared before the Board, assuring them that the Mayor was familiar with the content of Exhibit D. When questioned if the Mayor found fault with Exhibit B, Mr. Bicker advised that the Mayor preferred Exhibit D.

Mr. M. Lewis, representing Supervisor Schabarum, appeared before the Board advising that Exhibit D is the final product of many negotiations. He assured that it did not contain any provisions that were not included in one or more of the draft agreements that have been considered. When asked if the LACTC would approve Exhibit B, he answered "No." Director Price also asked Mr. Lewis for the definition of Phase II for Metro Rail. Mr. Lewis' answer was "the second portion of the project that gets funding." Upon more direct question, the word "funding" was emphasized.

Following further discussion, Director Thomas indicated he had spoken with Supervisor Hahn and he felt it was incumbent upon the Board to adopt the proposal contained in Exhibit D.

Director Storing inquired if it would do harm to the document if the sentence regarding immediate approval of the Zone was removed. Again, Mr. Lewis responded with a single word, "Yes."

Director Day presented a substitute motion that the Board adopt the recommendation of the Board Committee, which has been identified as Exhibit B. This motion was seconded and failed on a Roll Call vote as noted below:

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

President Swanson expressed her concerns about being asked to adopt a document that the Board has not had an opportunity to review completely. She spoke about the stability of funding for a three-year period, about her concerns about the dismemberment of the District by the consent to the Zone, about the Metro Rail issues, and about the zone approval being taken out of context.

On a Call for the question on Director Dunning's motion to approve Exhibit D, a roll call vote was taken and the motion passed as noted below:

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

This motion approved the following resolution:

RESOLVED, that the document entitled "Agreement Between Southern California Rapid Transit District" (the "SCRTD") and Los Angeles County Transportation Commission" (the "LACTC"), a copy of which is attached hereto as Exhibit A and incorporated herein by reference, be and it hereby is approved, the terms of which shall be effective upon the approval of said document intact in its entirety with the LACTC no later than 6:00 p.m. on Friday, December 9, 1988, with the sole exception of SCRTD's consent to the Zone which shall be effective immediately upon approval by SCRTD of this Agreement. Said consent shall be revoked as of 6:00 p.m. on December 9, 1988, absent approval of this agreement by the LACTC prior to that date and time.

(Directors Gonzalez, Holen, Patsaouras, Thomas & Jenkins left the room)

9a. CERTIFIED the findings of the public hearing held November 29, 1988.

UNANIMOUS, with 6 directors present

9b. Received and filed report on proposed service reductions and adjustments effective 1-1-89 or later.

UNANIMOUS, with 6 directors present

(Director Jenkins returned to the meeting)

EXECUTIVE COMMITTEE

16. APPROVED Requisition 8-2700-25 and option for one additional year with Howe and Associates, Industry; Peat Marwick Main, Los Angeles; and Gilbert Vasquez and Co., Los Angeles; covering audit services for the Office of Inspector General, at a cost not to exceed \$200,000; form of option subject to approval of the General Counsel.

UNANIMOUS, with 7 directors present

PERSONNEL & LEGAL COMMITTEE

17. APPROVED Requisition 8-0990-63 and an option for one additional year with the Standard Insurance Company of Oregon, Sherman Oaks, to provide long-term disability insurance at a cost not to exceed \$566,000; form of documents subject to approval of the General Counsel.

CARRIED, with 7 directors present and Director Storing voting "No"

18. APPROVED Requisition 8-0990-62 and an option for one additional year to renew employee life insurance contract with the Allstate Life Insurance Company at a cost not to exceed \$677,000; form of documents subject to approval of the General Counsel.

UNANIMOUS, with 7 directors present

EQUIPMENT & OPERATIONS COMMITTEE

19. APPROVED Requisition 8-0990-67 and ratification of an option for one additional year with Sunbelt Oil Corporation, covering procurement of gasoline for non-revenue vehicles, at an estimated cost of \$684,000; form of documents subject to approval of the General Counsel.

UNANIMOUS, with 7 directors present

GOVERNMENT RELATIONS COMMITTEE

20. APPROVED common SCRTD and LACTC 1989 State and Federal Legislative goals as outlined in the General Manager's report dated December 1, 1988.

UNANIMOUS, with 7 directors present

21. ADOPTED 1989 Federal, State and Local Legislative Program as outlined in the General Manager's report dated December 1, 1988.

UNANIMOUS, with 7 directors present

ADVANCE PLANNING COMMITTEE

22. APPROVED proposed route modifications on Line 94, 163, 165, 169 and 212 in the Hollywood-Burbank Airport to become effective December 25, 1988.

UNANIMOUS, with 7 directors present

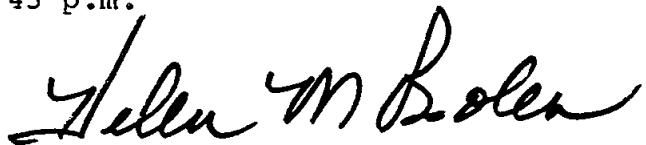
GENERAL ITEMS

23. There were no items arising subsequent to the posting of the agenda.

24. Public comment

Appearance of H. Watts and G. Roberts regarding transit matters.

The meeting adjourned at 3:43 p.m.



Helen M. Bolen
District Secretary