

SCRTD LIBRARY ID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

Regular Meeting
Board of Directors
Thursday, June 28, 1984
District Board Room
425 South Main Street
Los Angeles

Called to order at 1:02 p.m.

DIRECTORS PRESENT:

Nick Patsaouras, President	Nate Holden
Gordana Swanson, Vice-President	Marvin L. Holen
John F. Day	Michael W. Lewis
Norman H. Emerson	Jay B. Price
Carmen Estrada	Charles H. Storing
Jan Hall	

DIRECTORS ABSENT:

Michael W. Lewis

1. Resolutions of Appreciation were presented to former Directors George Takei and Ruth Richter.
2. Presentation of Certificates of Merit to:
 - a. Greg Pitts, Information Operator -of-the-Month;
 - b. Cornelius Lee Brad, Operator-of-the-Month;
 - c. Willie Wilson, Maintenance Employee-of-the-Monthpresentation of plaques by Director Holden.

3. Presentation of Employee Suggestion Awards by Gayel Pitchford, Director of Personnel to Steven Summer and James Ridesomo.

4. Marvin Williams, Assistant General Manager for Human Relations, introduced the Career Development Project trainees.

5. Report of the President

President Patsaouras expressed his appreciation to Director Hall for her presentation before the Los Angeles City Council regarding Ferraro's motion. Her presentation, coupled with the visual impact of all the transportation studies that have been done in Los Angeles contributed to the 13-0 vote against his motion to withdraw support for the Metro Rail Project.

President Patsaouras also suggested that it would be appropriate to consider changing the schedule of Board meetings during the Olympic games. On motion duly made, seconded and unanimously carried, the regular meetings of the Board of Directors will be held on Thursday, August 23 and 30, 1984. There will not be a Committee of the Whole meeting during the month of August.

6. Report of the General Manager

Mr. Dyer indicated that he would not make a report.

7. Director Special Items

Director Hall reported that she and Director Lewis have been requested to meet with the Los Angeles County Transportation Commission's Finance Committee concerning several issues in the Memorandum of Understanding. She reported that the meeting has been held, that they were successful in getting the changes in the MOU as requested by the Board, and that this document would be before the Board for actions at their next meeting.

Director Special Items - Cont'd

Director Emerson asked about the Olympic Ticket Buyer Guide. He suggested an insert be put into this guide with Ticketron's telephone number. He also commented that there have been some public service spots which have included the District's telephone number rather than Ticketron's. Mr. Dyer responded that staff would work at getting the Ticketron number inserted.

8. Considered results of interviews and recommendation for selection for competitive contract negotiations of proposers for services to design and implement an owner-controlled insurance program for the Metro Rail Project.

Director Holen reported that following the presentations by the respondents, the Rapid Transit Committee met in Closed session in accordance with the procedures adopted by the Board on April 12, 1984. The cost proposals and a cost summary were distributed to the Committee members following the rankings of the technical proposal. He stressed that the Committee makes a recommendation to the full Board; it is the Board that makes the decision.

The Rapid Transit Committee chose to recommend the top 2 scoring firms and he proposed the following resolution:

RESOLVED, that the Southern California Rapid Transit District enter into competitive contract negotiations for the design and implementation of the owner-controlled insurance program for the Metro Rail Project with the joint venture of Metro Rail Community Insurance Administrator (Alexander & Alexander), and with the joint venture James-Kadowaki-Ortiz-Radeau.

This motion was seconded by Director Patsaouras.

Mr. Holen then commented that he believed that everyone on the Board was aware of the unfortunate trail that the District has followed in this matter. The District has awarded through the process of Request For Proposal, staff interviews, Board Committee interviews, award of right to negotiate and staff negotiation, some 20 plus contracts. In not one of these instances has there been the slightest hint of any impropriety. The District had designed a procedure of checks and balances between the staff and the Board where it becomes highly unlikely any particular proposed

Director Special Items - Cont'd

contractor or vendor can influence the award of a contract by focusing on any one or group of staff people or Board members. Unfortunately, at the time the original Request For Proposal was circulated for this contract, there was a flaw in the RFP. Inadvertently the RFP had set up a pass/fail system, which was a contravention of the District policy checks and balances since it could possibly result in a single firm passing the test, thereby bypassing the Board involvement and a firm could have the sole right, without competition, to negotiate a price for the work. The General Manager, at that time, because the language was ambiguous, chose to interpret the language in a fashion that kept the system open and avoided the possibility of direction by any group to award the contract and maintain the competitive atmosphere in which the negotiations would be conducted. The District received a protest from the joint venture led by Alexander & Alexander by letter dated February 7, 1984 signed by Willard Z. Carr. Amongst comments made in that letter were a recitation of facts which could lead to the belief that impropriety had occurred and that there may well have been a tampering with a District employee through the obtaining of information during a competitive period when that information was possibly not available to competitors. The General Manager responded and requested more information with respect to these facts and they do not seem to be forthcoming, whereas the explanation may have been innocent in all respects, or could have been sinister, we don't know.

The question of integrity was raised with respect to the firm's involvement in that particular matter, and since the Board chose, and he stated he thought correctly so, to clear up the protest made at that time because of the ambiguity he described in that Request For Proposal. A Request For Proposal was recirculated with new procedures and interviews were held yesterday. Again, yesterday, a question was asked of the joint venture led by Alexander & Alexander which gave them the opportunity, and had they so chose, to explain the circumstances of the facts set forth in Mr. Carr's letter. They did not do so. The ranking and the recommendation of the Committee was done strictly in accordance with the procedures adopted by the Board on April 12, 1984. The Committee did not take into account any of the matters just described. However, he

Director Special Items - Cont'd

stated that he was tempted early on to ask the General Counsel for his view whether or not the District should seek from the State Attorney General an investigation of the circumstances surrounding the facts set forth in Mr. Carr's letter of February 7, 1984. He stated that the District walks a very perilous path between the federal regulations relating to approval of contract awards and the need to maintain a schedule with respect to the construction of the Metro Rail Project and the very detrimental costs incurred if that schedule is upset. So, that leads to a sense of ambiguity with respect to seeking an Attorney General investigation as to whether or not it would impact that particular schedule. He stated he is somewhat tortured by this because he thinks as a public official his highest duty is to address himself to the integrity of the spending of public funds. He stated that he would, if the process can be kept going forward with respect to the negotiations for this contract, at the same time seek from the Attorney General an investigation of the facts alleged in the letter of February 7, 1984 from Mr. Carr. Perhaps that is the course the District ought to follow. He stated he did not intend to make this an additional motion today, but he raised it as part of the description of the circumstances surrounding the Committee's recommendation of these two firms. Be that as it may, he recommended a yes vote on the motion.

Director Holden responded to Director Holen's comments that the reference to the February 7, 1984 letter does not pertain to the negotiations at this time with the two firms proposed by the Rapid Transit Committee. When the question was raised at the Committee meeting, he suggested that there was nothing in the RFP that would require an answer to that question. If the District continues to raise that issue, coupled with the issue of trying to select a provider of insurance, then the District could be charged with a lack of integrity.

At the request of President Patsaouras, a roll call vote was taken and the motion passed as noted below:

Ayes: Day, Emerson, Estrada, Hall, Holden,
Holen, Swanson, Patsaouras
Noes: Storing
Abstain:
Absent: Lewis, Price

FACILITIES & CONSTRUCTION COMMITTEE REPORT (Items 9 - 10)

9. Approved Requisition No. 4-8300-195 and authorized the General Manager to amend an existing contract with Leroy Crandall & Associates, covering continued material testing and geotechnical services, during Phase III construction at Division 18, increasing the total cost by an additional \$20,000 to a total cost of \$44,600; form of contract amendment subject to approval of the General Counsel.

UNANIMOUS

10. Authorized the acceptance of deed from the State Department of Transportation conveying road at the El Monte Station/Division 9 yard; form of documents subject to approval of the General Counsel.

UNANIMOUS

EQUIPMENT & MAINTENANCE COMMITTEE REPORT (Items 11 - 13)

11. Authorized the General Manager to execute a contract with Sefac Trading Corporation, Portland, Maine, the lowest responsible bidder under Bid No. CA-09-0022-K, covering 10 sets of Mobile Bus Lifts, for a total bid price of \$175,619; form of contract subject to approval of the General Counsel.

This procurement is funded under UMTA Grant No. CA-09-0022.

UNANIMOUS

12. Withdrew from Agenda the report on expiration of option for additional fare collection equipment with Cubic Western Data Corporation due to lack of funding.

13. Authorized the General Manager to:

a. submit a request to UMTA to amend grant CA-06-0164 to include a New Fare Collection System Test Program (total grant budget does not change); and

b. accept and execute the grant contract;

form of documents subject to approval of the General Counsel.

UNANIMOUS

CUSTOMER RELATIONS & PUBLIC INFORMATION COMMITTEE REPORT

14. Received Community Relations Information and Display Report.

ADVANCE PLANNING COMMITTEE REPORT (Items 15 - 16)

15. Adopted findings of May 24, 1984 Public Hearing on proposed revision to express service in West San Fernando Valley and established new Express Line 428 (LOS ANGELES-ENCINO-RESEDA) with a tariff of \$1.50 per trip.

UNANIMOUS

16. Considered report on Line 146 (LONG BEACH-SAN PEDRO) in the Wilmington district of the City of Los Angeles.

Mr. Dennis Macabry, representing Councilwoman Joan Milke Flores appeared before the Board, requesting the District to provide alternate service for up to 90 days until a long range plan can be implemented.

Mr. Dyer responded, indicating that it would be necessary to meet with Councilwoman Flores and the city staff. He requested Board authorization to execute a contract for up to 90 days at no cost to the District. Director Swanson made the motion as requested, with the stipulation that any cost would be borne by the City of Los Angeles, this motion was seconded and carried unanimously.

UNANIMOUS

RAPID TRANSIT COMMITTEE REPORT (Items 17 - 21)

17. Approved the following actions relative to the General Planning Consultant (GPC) contract:
- a. changed the maximum budget limit from \$880,000 to \$1,020,000;
 - b. authorized the General Manager to execute a contract amendment to the GPC for regional modeling and planning activities fully funded by the Southern California Association of Governments in an amount not to exceed \$100,000;
 - c. authorized the General Manager to execute a contract amendment to the GPC for procedures and analyses required for the Automated Data Collection System (ADCS) project fully funded by CA-06-0171 in an amount not to exceed \$40,000; and
 - d. authorized the General Manager to execute a Memorandum of Understanding (Attachment 1) with the Southern California Association of Governments accepting \$80,000 for regional modeling and planning activities;

form of all documents subject to approval of the General Counsel.

UNANIMOUS

18. Authorized the General Manager to acquire right-of-way parcels for the Metro Rail Project as listed in the report dated June 21, 1984.

UNANIMOUS

19. Authorized the General Manager to execute and file the necessary documents for the "Fund Transfer Agreement" which provides the Article XIX and TP & D Guideway Funds (CalTrans) in the amount of \$27.4 Million for Metro Rail; form of documents subject to approval of the General Counsel.

UNANIMOUS

RAPID TRANSIT COMMITTEE REPORT - Cont'd

20. Approved Requisition No. 4-8100-155 and authorized the General Manager to execute the Utility Cooperative Agreement with CommuniCom for the relocation of facilities that interfere with construction of the Metro Rail Project at a cost not to exceed \$15,000 for Fiscal Year 1985; form of agreement subject to approval of the General Counsel.

UNANIMOUS

21. Approved Requisition No. 4-8100-160 and authorized the General Manager to execute the FY 85 Annual Work Program for Booz-Allen and Hamilton, Inc., covering continuing Systems Engineering and Analysis Services for the Metro Rail Project in an amount not to exceed \$1,499,031, subject to the availability of funds from the Urban Mass Transportation Administration; form of documents subject to approval of the General Counsel.

UNANIMOUS

GOVERNMENT RELATIONS COMMITTEE REPORT

22. Received State Legislative Update report and took action opposing AB 666 (Costa) regarding schoolbuses.

UNANIMOUS

PERSONNEL COMMITTEE REPORT (Items 23 - 26)

23. Approved reclassification of Division Dispatcher (Salary Range 11) to Transit Operations Supervisor (Salary Range 12), a new umbrella classification created as a part of Transportation Department's Management Development Program.

UNANIMOUS

PERSONNEL COMMITTEE REPORT - Cont'd

24. Approved Requisition No. 4-9500-314 and authorized the General Manager to execute the option for the additional year with Holman Consulting Corp., Reseda, for professional services in the District's Employee Assistance Program, extending the contract term from July 1, 1984 to June 30, 1985, at an increase of \$72,000, from \$60,000 to \$132,000; form of option subject to approval of the General Counsel.

UNANIMOUS

25. Approved Side Letter of Agreement between the District and the United Transportation Union on Time Claim Form(s) and Procedures.

UNANIMOUS

26. Approved the following requisitions and authorized the General Manager to execute contracts covering outside legal services for the one-year period commencing July 1, 1984:
- a. Requisition No. 4-2200-042 in the amount of \$200,000 for Musick, Peeler & Garrett;
 - b. Requisition No. 4-2200-043 in the amount of \$100,000 for Nutter, Bird, Marella, Boxer, Wolpert and Matz;
 - c. Requisition No. 4-2200-044 in the amount of \$25,000 for Katherine Quadros, Esq.;
 - d. Requisition No. 4-2200-045 in the amount of \$50,000 for Cornell Price, Esq.;
 - e. Requisition No. 4-2200-046 in the amount of \$50,000 for Baird, Munger & Myers; and

form of contracts subject to approval of the General Counsel.

UNANIMOUS

PERSONNEL COMMITTEE REPORT Cont'd

- 26A. Approved Letter of Agreement No. XXIV between the District and the Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees (BRAC) regarding Data Technicians - Accretion, Negotiated Agreement.

UNANIMOUS

FINANCE & JOINT DEVELOPMENT COMMITTEE REPORT

27. Adopted Fiscal Year 1985 Budget including establishment of positions.

UNANIMOUS

Mr. Howard Watts appeared before the Board and protested the fares set for Olympic service.

CONSENT CALENDAR (Items 28 - 37)

28. Authorized the General Manager to enter into a license agreement with the County of Los Angeles for a telecommunication site on Verdugo Peak; form of agreement subject to approval of the General Counsel.

UNANIMOUS

29. Rejected all bids under Bid No. CA-03-025-I covering procurement of two each, 100 horsepower Air Compressors.

UNANIMOUS

CONSENT CALENDAR - Cont'd

30. Approved Requisition Nos. 4-3200-100; 4-4200-60 and 4-6300-353 and authorized the General Manager to exercise an option with Xerox Corporation, Sacramento, covering three Model 3450 copier machines at a cost price of \$16,760; form of option subject to approval of the General Counsel.

This procurement is funded under UMTA Grant No. CA03-0259.

UNANIMOUS

31. Approved Requisition No. 4-3500-213 and authorized the General Manager to execute a contract with Harris Corporation, San Carlos, covering procurement, installation and testing of microwave equipment at an estimated cost of \$400,000; subject to the concurrence of UMTA, with form of contract subject to approval of the General Counsel.

This procurement funded under UMTA Grant Nos. CA-90-0022 and CA-03-0209.

UNANIMOUS

32. Approved Requisition No. 4-7200-134 and authorized the General Manager to extend an existing contract with Sperry Corporation, Los Angeles, covering maintenance of Sperry 1100/10 Processor and accessory equipment for one additional year at a cost of \$160,000; form of contract extension subject to approval of the General Counsel.

UNANIMOUS

CONSENT CALENDAR - Cont'd

33. Approved requisitions and authorized the General Manager to extend existing contracts with IBM, Los Angeles, for one additional year:
- a. Requisition No. 4-7200-120, covering maintenance of District's IBM Computer Configuration, at a cost of \$800,000;
 - b. Requisition No. 4-7200-122, covering computer software licensing fees, at a cost of \$465,000; and
 - c. Requisition No. 4-7200-123, covering system engineering services for Transmis software, at a cost of \$108,000;

form of contract extensions subject to approval of the General Counsel.

UNANIMOUS

34. Approved Requisition No. 4-7200-145 and authorized the General Manager to extend an existing contract with Municipal Finance Corporation, McLean, Virginia, for one additional year covering lease of IBM 3083 Data Processing Complex, at a cost of \$683,000; form of contract extension subject to approval of the General Counsel.

This procurement funded under UMTA Grant CA-05-0121.

UNANIMOUS

35. Approved Requisition No. 4-7200-138 and authorized the General Manager to extend an existing contract with Formula Consultants, Inc., Anaheim, covering software systems support to Univac Computer, at a cost of \$30,000 ; form of contract amendment subject to approval of the General Counsel.

UNANIMOUS

36. Received and Filed Report Calendar May 17 through May 31, 1984.

UNANIMOUS

37. Consider:

- a. Approved minutes of Board meetings held May 10 and May 24, 1984;
- b. Ratified bus stop zone changes as filed with the Secretary;
- c. Ratified temporary route diversions as filed with the Secretary;
- d. Received and Filed Purchasing Agent's reports - Statement of Purchases \$5,000 to \$25,000, May, 1984.

UNANIMOUS

GENERAL ITEMS

38. New Business

General Manager Dyer requested authorization to execute a Continuation of Work Agreement between the District and the Los Angeles County Building and Construction Trades Council AFL-CIO; form of contract subject to approval of the General Counsel.

On motion duly made, seconded and unanimously carried, the Board approved this request.

Director Hall commented that this agreement is the most significant agreement affecting the Metro Rail Project. This document will allow for the continuation of work at the Metro Rail job sites regardless of strikes or work stoppages at other locations.

The meeting adjourned at 2:40 p.m.


District Secretary